AGENDA
FERNANDINA BEACH CITY COMMISSION
REGULAR MEETING
MARCH 17, 2026
6:00 PM
CITY HALL COMMISSION CHAMBERS
204 ASH STREET
FERNANDINA BEACH, FL 32034

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE / INVOCATION
Invocation by Reverend Bernard Thompson, New Zion Missionary Baptist Church.

4. PROCLAMATIONS / PRESENTATIONS

4.1 **PROCLAMATION — RETIREMENT OF CODE ENFORCEMENT DIRECTOR MICHELLE FORSTROM —** *In recognition of Code Enforcement Director Michelle Forstrom's retirement following twenty-one years of dedicated service. Director Forstrom retires March 31, 2026, and will be in attendance to accept.*

4.2 **PROCLAMATION — RETIREMENT OF CONSERVATION AND ENVIRONMENTAL MANAGER KATHY RUSSELL —** *In recognition of Conservation and Environmental Manager Kathy Russell's retirement following thirty-two years of dedicated service. Ms. Russell retires March 31, 2026, and will be in attendance to accept.*

4.3 **PROCLAMATION — FLORIDA PUBLIC UTILITIES COMPANY AND LIGHT UP AMELIA, INC. —** *In recognition of Florida Public Utilities Company and Light Up Amelia, Inc.'s partnership to host the annual New Year's Eve Shrimp Drop and Fireworks special event. Florida Public Utilities Company ("FPUC") State Affairs & Regional Engagement Director Steve Baccino, FPUC Governmental Affairs Manager/Light Up Amelia, Inc. President R.J. Sicre, Light Up Amelia, Inc. Vice President Charlie Corbett, and Light Up Amelia, Inc. Treasurer Sarah Pelican will be in attendance to accept.*

4.4 **POLICE DEPARTMENT ANNUAL REPORT** — *Police Chief Jeff Tambasco will present the 2025 Annual Report.*

4.5 **ANNUAL AUDIT REPORT** - *Mauldin & Jenkins CPA & Advisors representatives will present the Annual Audit Report for the Fiscal Year ending September 30, 2025.*

4.6 **BUDGET SUMMARY** - *Comptroller Susan Carless will review the February 2026 budget summary and be available to answer any questions.*

4.7 **PROJECT/OPERATION UPDATES** — *Deputy City Manager Jeremiah Glisson will provide an update on pending projects and operations.*

5. PUBLIC COMMENT REGARDING ITEMS NOT ON THE AGENDA OR CONSENT AGENDA

6. CONSENT AGENDA

6.1 **MENTORING PROGRAM AGREEMENT EXTENSION — BIG BROTHERS BIG SISTERS OF NORTHEAST FLORIDA —** RESOLUTION 2026-36 APPROVING A MENTORING AGREEMENT PROGRAM EXTENSION WITH BIG BROTHERS BIG SISTERS OF NORTHEAST FLORIDA FOR THE FIRE DEPARTMENT AND POLICE DEPARTMENT; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: Approves the extension of the Big Brothers Big Sisters of Northeast Florida mentoring program agreement for two one-year terms, established for the Fire Department and Police Department to provide mentoring to Nassau County students.*

6.2 **AWARD OF INVITATION TO BID 26-01 - PRESCO SOUTH CONSTRUCTION INC. -** RESOLUTION 2026-37 AWARDING INVITATION TO BID 26-01 TO PRESCO SOUTH CONSTRUCTION INC. FOR THE ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: Awards Invitation to Bid ("ITB") 26-01 to Presco South Construction Inc. for the replacement of windows at the Atlantic Recreation Center in an amount not to exceed $99,700.*

6.3 **AWARD OF INVITATION TO BID 26-07 - PRESCO SOUTH CONSTRUCTION INC. -** RESOLUTION 2026-38 AWARDING INVITATION TO BID 26-07 TO PRESCO SOUTH CONSTRUCTION INC. FOR THE MLK JR. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT IN THE AMOUNT OF $74,400; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: Awards Invitation to Bid ("ITB") 26-07 to Presco South Construction Inc. for the MLK Jr. Recreation Complex windows and storefront glass replacement, in an amount not to exceed $74,000.*

6.4 **OUTSIDE LEGAL COUNSEL ENGAGEMENT AMENDMENT — GRAY ROBINSON PA -** RESOLUTION 2026-39 AMENDING RESOLUTION 2025-169 TO APPROVE AN AMENDED ENGAGEMENT LETTER WITH GRAY ROBINSON PA INCLUDING AVIATION LEGAL SERVICES ON THE LIST OF QUALIFIED OUTSIDE LEGAL COUNSEL IN FISCAL YEAR 2025/2026; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: Amending Resolution 2025-169 by approving an amended engagement letter with Gray Robinson PA's now including aviation legal services to the list of qualified outside legal counsel in Fiscal Year 2025/2026.*

6.5 **LEASE AGREEMENT — TAKE STOCK IN CHILDREN —** RESOLUTION 2026-40 APPROVING THE TAKE STOCK IN CHILDREN LEASE AGREEMENT FOR PECK CENTER RENTAL SPACE; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: Approves the Take Stock in Children lease agreement for Peck Center office space in the Peck Center.*

6.6 **EASEMENT AGREEMENT — NASSAU COUNTY SCHOOL BOARD** - RESOLUTION 2026-41 APPROVING AN EASEMENT AGREEMENT WITH THE NASSAU COUNTY SCHOOL BOARD FOR THE DATE STREET RIGHT OF WAY; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis*: *approves an easement agreement with the Nassau County School Board for use of City right-of-way on Date Street.*

6.7 **TEMPORARY WORK EASEMENTS — UNITED STATES ARMY CORPS OF ENGINEERS**

— RESOLUTION 2026-42 APPROVING UNITED STATES ARMY CORPS OF ENGINEERS TEMPORARY WORK EASEMENTS FOR BEACH RENOURISHMENT STAGING AND MOBILIZATION THROUGH JUNE 2027; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: approves United States Army Corps of Engineers temporary work easements in support of beach renourishment staging and mobilization through June 2027.*

7. RESOLUTIONS

7.1 **AWARD OF REQUEST FOR PROPOSAL 26-04 - MANAGEMENT BANKING SERVICES** - RESOLUTION 2026-43 AWARDING RFP 26-04 FOR MANAGEMENT BANKING SERVICES TO FIRST FEDERAL BANK FOR A PERIOD OF FIVE (5) YEARS WITH TWO (2) ONE-YEAR RENEWAL OPTIONS; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: Awards RFP 26-04 for Management Banking Services to First Federal Bank, for a period of five (5) years with two (2) one-year renewal options.*

7.2 **LEASE AMENDMENTS - AIRPORT FIXED BASE OPERATOR AND RELATED LEASES —** RESOLUTION 2026-44 APPROVING ADDENDUM 3 TO FERNANDINA BEACH MUNICIPAL AIRPORT FIXED BASE OPERATOR LEASE AND AMENDMENT 2 TO FHB AIRCRAFT HANGARS LLC LEASE AND AMENDMENT 1 TO FHB AIRCRAFT HANGARS 3, LLC LEASE EACH FOR CITY PROPERTY LOCATED ON THE FERNANDINA BEACH MUNICIPAL AIRPORT TO AUTHORIZE ACQUISITION AND RECONSTRUCTION OF AIRPORT-OWNED "HANGAR D"; TO EXTEND AND ALIGN EACH LEASE TERM TO JUNE 30, 2054, WITH ONE TEN (10) YEAR EXTENSION OPTION; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE *Synopsis: Approves Fixed Base Operator lease agreement and related leases previously to authorize acquisition and reconstruction of Airport-owned Hangar "D" in support of a permanent facility for Air Methods aeromedical operations, and aligning multiple fixed base operator ground lease terms for capital development purposes.*

7.3 **AUTHORIZING CONSTRUCTION, AWARD OF INVITATION TO BID 26-08, BUDGET TRANSFER - CLINCH DRIVE WATER MAIN EXTENSION** - RESOLUTION 2026-45 AUTHORIZING CONSTRUCTION OF THE CLINCH DRIVE WATER MAIN EXTENSION; AWARDING INVITATION TO BID 26-08 TO AMERICAN CIVIL CONSTRUCTION, INC; AUTHORIZING ASSOCIATED BUDGET TRANSFERS: AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE. S*ynopsis: Authorizing Clinch Drive water main extension construction, awarding ITB 26-08 to American Civil Construction, Inc. in the amount of $399,771.00 and authorizing the associated budget transfer.*

7.4 **CITY COMMISSION GOALS FISCAL YEAR 2025/2026** - RESOLUTION 2026-46 ADOPTING THE CITY COMMISSION GOALS FOR FISCAL YEAR 2025/2026; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: Adopts the City Commission Fiscal year 2025/2026 goals as identified at their February 12, 2026, goals/vision workshop.*

7.5 **PROPERTY ACQUISITION — BUDGET AMENDMENT - 115 SOUTH 2ND STREET AND 0 SOUTH 2ND STREET** — RESOLUTION 2026-47 APPROVING THE PURCHASE OF REAL PROPERTY LOCATED AT 115 SOUTH 2ND STREET AND 0 SOUTH 2ND STREET EACH OWNED BY NEW ENGLAND FLAG BANNER, INC. N/K/A ONPOINT VISUALS, INC. TOTALING APPROXIMATELY 0.45 ACRES; APPROVING THE ASSOCIATED BUDGET AMENDMENT(S); AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S

ERRORS; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: Approves the acquisition of 115 South 2nd Street and 0 South 2nd Street, demolition of the warehouse, and the associated budget amendment(s), in the amount of $2,225,000.*

8. ORDINANCE - FIRST READING

8.1 **MASTER FEE SCHEDULE AMENDMENT** - ORDINANCE 2026-06 AMENDING THE MASTER FEE SCHEDULE ESTABLISHED BY ORDINANCE 2025-14 BY AMENDING THE CITY MANAGER'S OFFICE, GOLF CLUB, PLANNING AND CONSERVATION, STREETS, PUBLIC WORKS, UTILITIES, WATER, WASTEWATER, AND PARKS AND RECREATION FEE SCHEDULES; EXCLUDING WATER AND WASTEWATER CAPACITY FEES AND IMPACT FEES; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: Amends the Master Fee Schedule established by Ordinance 2025-14 to provide for amendments to the City Manager's Office, Planning and Conservation, Streets, Public Works, Utilities, Water, Wastewater, and Parks and Recreation fee schedules, in Fiscal year 2025/2026.*

9. ORDINANCE - SECOND READING

9.1 ***(Legislative)* LAND DEVELOPMENT CODE TEXT AMENDMENT - CONSERVATION LANDS SIGNAGE -** ORDINANCE 2026-04 AMENDING LAND DEVELOPMENT CODE SECTION 5.03.00 SIGNS TO PERMIT LIMITED SIGNAGE ON CONVERSATION LANDS FOR THE RECOGNITION OF DONORS, SPONSORS, OR PARTNERS WHO HAVE CONTRIBUTED TO THE ACQUISITION, RESTORATION, OR STEWARDSHIP OF SUCH PROPERTIES, WHILE PRESERVING THE NATURAL CHARACTER AND ECOLOGICAL INTEGRITY OF THESE LANDS; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: Amends the Land Development Code (LDC) to establish regulations and design criteria for conservation signage. Currently, the ordinance prohibits signs on properties designated as Conservation (CON) zones. The suggested ordinance aims to allow certain signage on conservation lands which acknowledges donors, sponsors, or partners who have played a role in the acquisition, restoration, or management of these areas, all while maintaining the natural character and ecological integrity of the land. The language in red in Exhibit A reflects a change recommended by the Planning Advisory Board in 5.05.02(1) to clarify the reference to five (5) acres and changes recommended by City Attorney in 5.05.02(6) to address the requirements of the permit.*

9.2 ***(Legislative)* LAND DEVELOPMENT CODE TEXT AMENDMENT - VIOLATION OF TREE PERMIT REQUIREMENTS -** ORDINANCE 2026-05 AMENDING LAND DEVELOPMENT CODE SECTION 11.08.04 SPECIFIC PENALTIES FOR VIOLATION OF TREE PERMIT REQUIREMENTS WITH TABLE 11.08.04 FINES FOR UNAUTHORIZED TREE REMOVAL (2 OR MORE) TO CLARIFY THE CALCULATION OF THE FINES AND TO RETAIN MINIMUM FINE ASSOCIATED WITH MULTI-FAMILY, SUBDIVISIONS, MIXED USE, AND NON-RESIDENTIAL VIOLATIONS AND AN APPEAL OF SUCH FINES SHALL BE TO THE SPECIAL MAGISTRATE IN ACCORDANCE WITH CITY CODE OF ORDINANCES SECTION 2-399; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE. *Synopsis: Amends the Land Development Code (LDC) to clarify the calculation of the fines and to retain a minimum fine associated with multi-family, subdivisions, mixed use, and non-residential violations.*

10. CITY MANAGER REPORTS

11. CITY CLERK REPORTS

12. CITY ATTORNEY REPORTS

13. MAYOR/COMMISSIONER COMMENTS

14. ADJOURNMENT

- A THREE (3) MINUTE TIME LIMIT MAY BE IMPOSED FOR ALL SPEAKERS (EXCEPT IN A QUASI-JUDICIAL HEARING). A "REQUEST TO SPEAK" FORM IS AVAILABLE ON THE COUNTER AT THE ENTRANCE TO THE COMMISSION CHAMBERS. THE FORM SHOULD BE GIVEN TO THE CITY CLERK UPON COMPLETION.
- THE MAYOR WILL DETERMINE THE ORDER OF THE SPEAKERS AND MAY IMPOSE MORE RESTRICTIVE TIME LIMITS.
- ONE PERSON WILL SPEAK AT A TIME AND ADDRESS COMMENTS TO THE MAYOR, NOT INDIVIDUAL CITY COMMISSION MEMBERS.
- THE CITY COMMISSION MAY ASK QUESTIONS OF SPEAKERS WHO WILL HAVE ONE MINUTE TO RESPOND. ADDITIONAL TIME MAY BE GRANTED AT THE DISCRETION OF THE MAYOR OR BY A MOTION BY THE CITY COMMISSION.
- SPEAKERS MAY FILE COPIES OF THEIR REMARKS WITH THE CITY CLERK WHO WILL MAKE THEM AVAILABLE TO THE COMMISSION.
- MULTI-MEDIA PRESENTATIONS MUST BE SUBMITTED TO THE CITY CLERK NO LATER THAN THE FRIDAY BEFORE THE MEETING.
- FERNANDINA BEACH CITIZENS WILL SPEAK BEFORE NONRESIDENTS AND SPEAKERS WILL LIMIT REMARKS TO THE SPECIFIC SUBJECT MATTER.
- DISCUSSION – DIRECTION - ACTIONS ITEMS MAY BE ACTED UPON BY THE CITY COMMISSION BY EITHER A MOTION AND VOTE IN ACCORDANCE WITH ROBERTS RULES OF ORDER, OR BY A CONSENSUS OF THE CITY COMMISSION.
- PURSUANT TO RESOLUTION 95-32, IF AN ITEM IS NOT ON THE AGENDA IT REQUIRES A FOUR-FIFTHS VOTE OF THE CITY COMMISSION DECLARING THE ITEM AN EMERGENCY BEFORE ACTION CAN BE TAKEN.
- *QUASI-JUDICIAL* - DENOTES THAT THE ITEM MUST BE CONDUCTED AS A QUASI-JUDICIAL HEARING IN ACCORDANCE WITH CITY COMMISSION ESTABLISHED PROCEDURE AND FLORIDA STATUTES. ANY PERSON WISHING TO APPEAL ANY QUASI-JUDICIAL DECISION MADE BY THE COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING OR HEARING WILL NEED A RECORD OF THE PROCEEDINGS, AND, FOR SUCH PURPOSES, MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS MADE.
- AT THE DISCRETION OF THE MAYOR, A RECESS MAY BE SCHEDULED EVERY NINETY MINUTES.

Persons with disabilities requiring accommodations in order to participate should contact the City Clerk at (904) 310-3115 or TTY/TDD 711 (for the hearing or speech impaired).

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Proclamation
Retirement of Code Enforcement Director Michelle Forstrom

ITEM TYPE: Proclamations

REQUESTED ACTION: N/A

SYNOPSIS: The attached Proclamation recognizes Code Enforcement Director Michell Forstrom upon her retirement following twenty-one years and three months of dedicated service to the City of Fernandina Beach. Director Forstrom retires on March 31, 2026, and will be in attendance to accept.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: N/A

CITY MANAGER RECOMMENDATION(S): N/A

Glenn Akramoff, Deputy City Manager	03/03/2026
Denise Matson, Human Resources Director	03/03/2026
Jeremiah Glisson, Deputy City Manager	03/04/2026
Sarah Campbell, City Manager	03/04/2026

Caroline Best

Date: January 07, 2026

Submitted By: Caroline Best, City Clerk

COMMISSION ACTION:

Proclamation

WHEREAS, it is with honor that the City of Fernandina Beach ("City") hereby recognizes Code Enforcement Director Michelle Forstrom upon her retirement; and

WHEREAS, Director Forstrom began her employment on January 18, 2005. Throughout the course of her twenty-one-year three-month tenure, Director Forstrom steadily advanced based on ability, aptitude, and can-do spirit; from Office Assistant I, Staff Assistant II, Permit Clerk, Code Compliance Officer, Code Enforcement Manager, to now Director of Code Enforcement; and

WHEREAS, in furtherance of delivering the highest standards of code enforcement expertise and best practices, Director Forstrom holds a variety of professional certifications, some of which include: Florida Association of Code Enforcement ("FACE") Administrative Aspects of Code Enforcement, FACE Fundamentals of Code Enforcement, FACE Legal Issues in Code Enforcement, FACE Officer Safety and Field Applications, and Florida Association of Business Tax Officials Senior Official. Director Forstrom also served on the FACE Board of Directors representing the Northeast Area Chapter as well as FACE Treasurer; and

WHEREAS, Director Forstrom championed efforts to achieve Florida Fish and Wildlife Conservation Commission Wildlife Lighting Program compliance on City beaches which is critical to sea turtle hatchling survival; and

WHEREAS, Director Forstrom steadfastly demonstrated professionalism, integrity, and compassion, earning the respect of colleagues and the gratitude of citizens; and

WHEREAS, the City Commission hereby acknowledges the sacrifices made not only by Director Forstrom, but also her family, who shared in the challenges of a loved one committed to a code enforcement career; and

WHEREAS, following more than two decades of dedicated service, Director Forstrom retires March 31, 2026. As she embarks on a well-deserved retirement, she leaves a legacy of service and commitment to the safety and well-being of her community which unequivocally benefited the City of Fernandina Beach and community at large.

NOW, THEREFORE, BE IT RESOLVED, by the City Commission of the City of Fernandina Beach, Florida, that genuine and sincere gratitude is hereby expressed for the professional efforts of:

"CODE ENFORCEMENT DIRECTOR MICHELLE FORSTROM"

IN WITNESS WHEREOF, I, James Antun, as Mayor, have hereunto set my hand and caused the Official Seal of the City of Fernandina Beach to be affixed this 17th day of March 2026.

CITY OF FERNANDINA BEACH

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JAMES ANTUN
Mayor-Commissioner

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Proclamation
Retirement of Conservation and Environmental Manager Kathy Russell

ITEM TYPE: Proclamations

REQUESTED ACTION: N/A

SYNOPSIS: The attached Proclamation recognizes Conservation and Environmental Manager Kathy Russell's retirement following thirty-two years of dedicated service. Ms. Russell retires March 31, 2026, and will be in attendance to accept.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: N/A

CITY MANAGER RECOMMENDATION(S): N/A

Denise Matson, Human Resources Director	03/04/2026
Glenn Akramoff, Deputy City Manager	03/05/2026
Jeremiah Glisson, Deputy City Manager	03/09/2026
Sarah Campbell, City Manager	03/09/2026

Caroline Best

Date: March 02, 2026

Submitted By: Caroline Best, City Clerk

COMMISSION ACTION:

Proclamation

WHEREAS, it is with distinction that the City of Fernandina Beach ("City") hereby recognizes Conservation and Environmental Manager Katherine Russell upon her retirement; and

WHEREAS, Manager Russell began City employment on June 10, 1991, as a temporary seasonal Water Safety Instructor. Throughout the course of her thirty-two-year three-month tenure, Manager Russell served in a variety of essential recreation and environmental roles; from Aquatics Coordinator, Aquatics Director, Aquatics Supervisor, Greenway Supervisor, Parks and Recreation Manager, to now Conservation and Environmental Manager; and

WHEREAS, following acquisition of the Ron Sapp Egans Creek Greenway, Manager Russell enthusiastically undertook the challenge of establishing sustainable conservation land protocols and standards in furtherance of protecting the 300+ acre parcel of wetlands, salt marsh, hardwood/mixed forest, wildlife, and over five miles of walking/biking trails; and

WHEREAS, due to her preservation expertise and high-level productivity, Manager Russell's conservation responsibilities have since dramatically expanded to include oversight of all City-owned conservation lands, beach parks, and projects, continuing her long-standing commitment to environmental stewardship and public access to natural spaces; and

WHEREAS, through ethical and proactive care, Manager Russell steadfastly guarded and protected the City's rich natural ecosystems and the resources contained therein, earning the respect of colleagues and gratitude of the community; and

WHEREAS, following more than three decades of dedicated service, Manager Russell retires March 27, 2026. As she sets out into retirement, her staunch devotion to conservation and preservation will endure as an indelible mark for future generations to explore, study, and enjoy.

NOW, THEREFORE, BE IT RESOLVED, by the City Commission of the City of Fernandina Beach, Florida, that genuine and sincere gratitude is hereby expressed for the conscientious and professional efforts of:

"CONSERVATION AND ENVIRONMENTAL MANAGER KATHY RUSSELL"

IN WITNESS WHEREOF, I, James Antun, as Mayor, have hereunto set my hand and caused the Official Seal of the City of Fernandina Beach to be affixed this 17th day of March 2026.

CITY OF FERNANDINA BEACH

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JAMES ANTUN
Mayor-Commissioner

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Proclamation
Florida Public Utilities Company and Light Up Amelia, Inc.

ITEM TYPE: Proclamations

REQUESTED ACTION: N/A

SYNOPSIS: The attached proclamation recognizes Florida Public Utilities Company ("FPUC") and Light Up Amelia, Inc.'s partnership to host the annual New Year's Eve Shrimp Drop and Fireworks special event. FPUC State Affairs & Regional Engagement Director Steve Baccino, FPUC Governmental Affairs Manager/Light Up Amelia, Inc. President R.J. Sicre, Light Up Amelia, Inc. Vice President Charlie Corbett, and Light Up Amelia, Inc. Treasurer Sarah Pelican will be in attendance to accept.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: N/A

CITY MANAGER RECOMMENDATION(S): N/A

Jeremiah Glisson, Deputy City Manager	02/27/2026
Sarah Campbell, City Manager	02/27/2026

Caroline Best

Date: February 16, 2026

Submitted By: Caroline Best, City Clerk

COMMISSION ACTION:

Proclamation

WHEREAS, Light Up Amelia, Inc. is a non-profit organization founded in 2014 with the mission of celebrating the 4th of July and lighting Centre Street trees, made possible solely through private donations and corporate sponsorship; and

WHEREAS, in 2015, Light Up Amelia, Inc. boldly expanded its programming to include New Year's Eve fireworks which is when Florida Public Utilities Company ("FPUC") proudly united in partnership to co-sponsor the annual New Year's Eve Shrimp Drop and Fireworks special event, held at the City's historic downtown waterfront; and

WHEREAS, each year's family-friendly festivities kick off with the Shrimp Drop countdown at 7:00 p.m., aligning with Greenwich Mean Time, ensuring inclusiveness for younger revelers and families who wish to participate at an earlier hour; and

WHEREAS, in 2025, the Shrimp Drop earned national recognition when it was named on USA Today's "Ten Best" list of New Year's Eve drop events across the United States, highlighting Fernandina Beach as a premier holiday destination; and

WHEREAS, in the weeks leading up to ringing in 2026, FPUC engaged the community through an interactive "Name the Shrimp" campaign, inviting public participation in selecting the name of the event's new shrimp mascot; and

WHEREAS, more than 1,500 community members cast their votes, resulting in the winning name, "Wattson," which was announced just ahead of the 7:00 p.m. Shrimp Drop, adding excitement and community spirit to the countdown; and

WHEREAS, the 2026 New Year's Eve Shrimp Drop welcomed more than 10,000 attendees to the downtown waterfront for a safe, festive, and family-friendly celebration, made possible through the dedicated partnership of FPUC and Light Up Amelia, Inc.; and

WHEREAS, FPUC team members enhanced the celebration by staffing interactive booths offering celebratory party supplies including hats, crowns, shrimp necklaces, and noisemakers, as well as a photo opportunity area featuring Wattson, further fostering community engagement and holiday cheer; and

WHEREAS, the continued partnership between FPUC and Light Up Amelia, Inc. exemplifies meaningful collaboration between local government, nonprofit organizations, and private industry in creating memorable community traditions.

NOW, THEREFORE, BE IT PROCLAIMED, by the City Commission of the City of Fernandina Beach, Florida, that special recognition is hereby expressed to:

"Florida Public Utilities Company and Light Up Amelia, Inc."

for their committed partnership, community engagement, and contributions to the success of the annual New Year's Eve Shrimp Drop and Fireworks special event.

IN WITNESS WHEREOF, I, James Antun, hereunto set my hand and cause the Official Seal of the City of Fernandina Beach, Florida, to be affixed this 17th day of March 2026.

CITY OF FERNANDINA BEACH

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JAMES ANTUN
Commissioner – Mayor

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Presentation
Police Department Annual Report

ITEM TYPE: Presentation

REQUESTED ACTION: N/A

SYNOPSIS: Police Chief Jeff Tambasco will present the 2025 Annual Report.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: N/A

CITY MANAGER RECOMMENDATION(S): N/A

Jeremy Holmes, Fire Chief	02/24/2026
Jeffrey Tambasco, Police Chief	02/24/2026
Sarah Campbell, City Manager	02/24/2026

Date: February 24, 2026

Submitted By: Jeremiah Glisson, Deputy City Manager

COMMISSION ACTION:

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Presentation
Annual Audit Report

ITEM TYPE: Presentation

REQUESTED ACTION: N/A

SYNOPSIS: Mauldin & Jenkins CPA & Advisors representatives will present the Annual Audit Report for the Fiscal Year ending September 30, 2025.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: N/A

CITY MANAGER RECOMMENDATION(S): N/A

Susan Carless, Comptroller	03/03/2026
Jeremiah Glisson, Deputy City Manager	03/04/2026
Sarah Campbell, City Manager	03/04/2026

Susan Carless

Date: December 26, 2025

Submitted By: Susan Carless, Comptroller

COMMISSION ACTION:

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Presentation
Budget Summary

ITEM TYPE: Presentation

REQUESTED ACTION: N/A

SYNOPSIS: Comptroller Susan Carless will review the February 2026 budget summary and be available to answer any questions.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: N/A

CITY MANAGER RECOMMENDATION(S): N/A

Susan Carless, Comptroller	03/08/2026
Jeremiah Glisson, Deputy City Manager	03/09/2026
Sarah Campbell, City Manager	03/09/2026

Kimberly Elliott-Briley

Date: July 25, 2025

Submitted By: Kimberly Elliott-Briley, Deputy City Clerk

COMMISSION ACTION:

CITY OF FERNANDINA BEACH
MONTHLY BUDGET REPORT
FISCAL YEAR TO DATE THROUGH FEBRUARY 2026

41.7% % of Year Completed

GENERAL FUND (001)	FY2026 Revised Budget	FY2026 Current Month	FY2026 YTD	VARIANCE Fav/(UnFav)	%		FY2025 Revised Budget	FY2025 Current Month	FY2025 YTD	%
REVENUES:										
Property Taxes	$ 21,219,017	520,238	$ 19,531,208	$ (1,687,809)	92.0%		19,288,395	426,031	$ 17,757,540	92.1%
Sales /Use/Fuel Taxes	3,287,738	360,981	1,395,870	(1,891,868)	42.5%		3,185,849	379,085	1,370,835	43.0%
Franchise Fees	1,787,000	151,700	789,689	(997,311)	44.2%		1,587,000	149,883	727,747	45.9%
Licenses/Permits	524,100	25,590	298,344	(225,756)	56.9%		499,800	53,789	368,342	73.7%
Intergovernmental	1,800,623	222,193	835,120	(965,503)	46.4%		1,959,659	148,908	908,368	46.4%
Charges for Services	1,727,714	127,627	811,838	(915,876)	47.0%	1	1,889,103	160,798	968,517	1 51.3%
Fines and Forfeitures	36,000	906	6,837	(29,163)	19.0%		29,500	10,503	21,749	73.7%
Other	698,754	49,575	205,864	(492,890)	29.5%		367,428	47,354	278,631	75.8%
Subtotal	31,080,946	1,458,811	23,874,771	(7,206,175)	76.8%		28,806,734	1,376,350	22,401,729	77.8%
Transfers/Reimbursements										
Bond Debt Service	-	-	-	-	0.0%		-	-	-	0.0%
Utility Tax	2,500,000	208,333	1,041,667	(1,458,333)	41.7%		2,500,000	208,333	1,041,667	41.7%
Sanitation	40,000	3,333	16,667	(23,333)	41.7%		40,000	3,333	16,667	41.7%
Wastewater	360,000	30,000	150,000	(210,000)	41.7%		360,000	30,000	150,000	41.7%
Water	120,000	10,000	50,000	(70,000)	41.7%		120,000	10,000	50,000	41.7%
Fleet	-	-	-	-			-	-	-	
Total Revenues (excluding cash balance)	34,100,946	1,710,478	25,133,104	(8,944,509)	73.7%		31,826,734	1,628,017	23,660,062	74.3%

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41.7% % of Year Completed

GENERAL FUND (001)	FY2026 Revised Budget	FY2026 Current Month	FY2026 YTD	VARIANCE Fav/(UnFav)	%	FY2025 Revised Budget	FY2025 Current Month	FY2025 YTD	%
EXPENDITURES:									
City Commission	268,894	14,898	114,000	154,894	42.4%	282,968	25,217	110,237	39.0%
City Clerk	975,473	55,891	441,028	534,445	45.2%	912,680	52,535	426,560	46.7%
City Manager	752,047	59,657	294,368	457,679	39.1%	621,413	36,118	185,526	29.9%
Finance	1,138,427	86,848	502,682	635,745	44.2%	1,002,858	67,429	417,039	41.6%
Information and Technology	1,091,151	125,924	464,672	626,479	42.6%	1,223,897	121,009	469,078	38.3%
Human Resources	516,348	35,581	191,067	325,281	37.0%	475,097	33,636	190,664	40.1%
City Attorney	662,427	42,668	249,335	413,092	37.6%	746,340	71,222	237,018	31.8%
Planning	931,755	50,535	311,755	620,000	33.5%	1,216,192	48,242	258,199	21.2%
Planning - Greenway	348,426	30,593	85,229	263,197	24.5%	283,056	16,784	61,725	21.8%
Non-Departmental	347,306	23,551	138,874	208,432	40.0%	346,822	14,351	148,602	42.8%
Facility Maintenance	1,004,616	130,700	432,603	572,013	43.1%	1,069,192	62,394	352,940	33.0%
Police	7,953,079	542,914	2,767,716	5,185,363	34.8%	7,461,037	527,307	2,670,133	35.8%
Fire	7,935,141	528,582	2,709,173	5,225,968	34.1%	6,616,833	467,877	2,422,403	36.6%
Fire - Ocean Rescue	1,165,327	47,928	231,381	933,946	19.9%	916,121	33,154	160,766	17.5%
Fire - Beach Rangers	0	-	0	- (1)	0.0%	123,481	938	10,865	8.8%
Building - Flood Plain	52,028	3,061	24,964	27,064	48.0%	11,878	-	0	0.0%
Code Enforcement	536,466	26,098	195,542	340,924	36.5%	427,497	25,662	167,480	39.2%
Streets	2,047,357	143,868	673,918	1,373,439	32.9%	2,026,618	127,862	684,451	33.8%
Downtown	437,350	19,996	130,651	306,699	29.9%	387,516	17,426	57,512	14.8%
Public Assistance	142,500	-	25,625	116,875	18.0%	134,100	-	23,736	17.7%
Library	63,191	1,028	8,925	54,266	14.1%	33,711	2,284	6,239	18.5%
Recreation	1,536,147	96,020	533,713	1,002,434	34.7%	1,520,610 (2)	91,165	494,856	32.5%
Parks	1,965,416	136,414	759,836	1,205,580	38.7%	1,781,438	116,049	543,651	N/A
Peck	460,283	45,776	151,372	308,911	32.9%	590,779	33,919	144,354	N/A
MLK Center	158,263	8,442	35,610	122,653	22.5%	131,213	6,930	30,924	N/A
Youth	394,718	19,580	105,293	289,425	26.7%	515,816	16,759	87,959	N/A
Aquatics	568,116	30,780	140,953	427,163	24.8%	601,060	24,228	121,249	N/A
Contingency	**869,358**	**-**	**0**	**869,358**	**0.0%**	**334,570**	**-**	**0**	**0.0%**
Transfers									
Land Conservation	0	-	0	-	0.0%	75,000	4,167	45,833	61.1%
Capital Improvements	2,540,207	211,684	1,058,420	1,481,787	41.7%	1,990,772	165,898	829,488	41.7%
Golf	429,384	35,782	178,910	250,474	41.7%	890,000	74,167	370,833	41.7%
Airport	296,438	24,703	123,516	172,922	41.7%	296,475	24,706	123,531	41.7%
Marina	654,589	54,549	272,745	381,844	41.7%	770,062	64,172	320,859	41.7%
Fleet	306,753	25,563	127,814	178,939	41.7%	-	-	0	0.0%
Subtotal	38,548,981	2,659,614	13,481,689	25,067,292	35.0%	35,817,102	2,373,608	12,174,710	34.0%
Encumbrances - All Departments		871,741	871,741	(871,741)			620,875	620,875	
Reserves	6,747,862	0	0	6,747,862		6,249,353			
Reserves - Restricted	-	-	-	0					
Total Expenditures (including Encumbrances)	45,296,843	3,531,355	14,353,430	30,943,413	31.7%	42,066,455	2,994,483	12,795,585	30.4%
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(11,195,897)	(1,820,877)	10,779,674	21,975,571		(10,239,721)	(1,366,466)	10,864,477	
Fund Balance, October 1, 2025 (Cash Balance)									
Unrestricted	11,195,879	11,195,879	11,195,879	-		10,239,721	10,239,721	10,239,721	
Fund Balance	$ (18)	9,375,002	$ 21,975,553	$ 21,975,571		-	8,873,255	$ 21,104,198	

ngers is combined with Fire Ocean Rescue for FY 2026.

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SPECIAL REVENUE FUNDS

FUND #	NAME OF FUND	FY2026 Revised Budget	FY2026 Current Month	FY2026 YTD	VARIANCE Fav/(UnFav)	%	FY2025 Revised Budget	FY2025 Current Month	FY2025 YTD	%
REVENUES										
100	Law Enforcement Trust (LETF)	$ 4,245	16	$ 9,670	$ 5,425	227.8%	$ 4,077	$ 5	$ 31	0.8%
110	Federal Forfeiture	91,850	123	1,842	(90,008)	2.0%	61,619	133	3,718	6.0%
125	Tree Trust	530,266	5,736	25,826	(504,440)	4.9%	508,427	14,376	42,868	8.4%
126	Historic District (HDC)	77,140	563	3,069	(74,071)	4.0%	102,888	1,505	3,829	3.7%
127	Parking Special Revenue Fund	840,000	114,944	114,944	(725,056)	13.7%	-	-	0	#DIV/0!
135	Land Conservation Trust	259,943	291	1,639	(258,304)	0.6%	238,577	4,464	138,226	57.9%
140	Building Fees Fund	2,023,007	78,901	391,242	(1,631,765)	19.3%	2,798,071	100,301	515,744	18.4%
145	Wastewater Capacity Fees	1,451,727	5,101	68,914	(1,382,813)	4.7%	1,341,749	22,083	308,009	23.0%
146	Water Capacity Fees	189,562	4,654	17,932	(171,630)	9.5%	164,638	4,478	63,382	38.5%
150	Utility Tax	3,292,168	216,661	1,114,603	(2,177,565)	33.9%	2,890,253	216,496	1,013,834	35.1%
170	Cemetery	1,926,581	11,502	103,947	(1,822,634)	5.4%	1,772,720	23,582	69,022	3.9%
180	Community Redevelopment Area	992,266	539	3,219	(989,047)	0.3%	1,391,728	1,411	8,085	0.6%
190	Law Enforcement Recovery	1,026,117	23,498	118,095	(908,022)	11.5%	529,318	36,285	150,661	28.5%
	Total Revenues	$ 12,704,872	462,529	$ 1,974,941	$ (10,729,931)	15.5%	11,804,065	425,120	$ 2,317,408	19.6%
EXPENDITURES:										
100	Law Enforcement Trust (LETF)	$ 4,245	-	$ -	$ 4,245	0.0%	$ 4,077	-	$ -	0.0%
110	Federal Forfeiture	91,850.00	-	-	91,850.00	0.0%	61,619	-	0	0.0%
125	Tree Trust	530,266.00	2,378.70	29,179.02	501,086.98	5.5%	508,427	6,006	26,389	5.2%
126	Historic District (HDC)	77,140.00	-	-	77,140.00	0.0%	102,888	-	1,666	1.6%
127	Parking Special Revenue Fund	220,000.00	96,038.00	96,875.90	123,124.10	44.0%	N/A	N/A	N/A	
135	Land Conservation Trust	259,943.00	-	-	259,943.00	0.0%	238,577	-	1,294	0.5%
140	Building Fees Fund	2,023,007.00	154,375.59	690,937.58	1,332,069.42	34.2%	2,798,071	106,270	607,963	21.7%
145	Wastewater Capacity Fees	1,451,727.00	41,666.67	208,333.31	1,243,393.69	14.4%	1,341,749	41,667	208,333	15.5%
146	Water Capacity Fees	189,562.00	2,083.33	10,416.69	179,145.31	5.5%	164,638	2,083	10,417	6.3%
150	Utility Tax	3,292,168.00	208,333.33	1,041,666.69	2,250,501.31	31.6%	2,890,253	208,333	1,041,667	36.0%
170	Cemetery	1,926,581.00	9,823.10	39,521.45	1,887,059.55	2.1%	1,772,720	377	48,838	2.8%
180	Community Redevelopment Area	992,266.00	1,270.00	114,718.80	877,547.20	11.6%	1,391,728	3,202	17,247	1.2%
190	Law Enforcement Recovery	1,026,117.00	3,260.02	145,564.19	880,552.81	14.2%	529,318	795	$ 6,750	1.3%
	Total Expenditures	$ 12,084,872	519,229	$ 2,377,214	$ 9,707,658	19.7%	11,804,065	368,733	$ 1,970,564	16.7%

SPECIAL RESERVE FUND BALANCES		BEGINNING	CURRENT MONTH ACTIVITY	YTD ACTIVITY	ENDING BALANCE
100	Law Enforcement Trust (LETF)	4,190	16	9,670	13,860
110	Federal Forfeiture	108,287	123	1,842	110,130
125	Tree Trust	568,631	3,358	(3,353)	565,278
126	Historic District (HDC)	119,861	563	3,069	122,930
127	Parking Special Revenue Fund	-	18,906	18,068	18,068
135	Land Conservation Trust	258,413	291	1,639	260,051
140	Building Fees Fund	1,661,848	(75,474)	(299,696)	1,362,152
145	Wastewater Capacity Fees	351,028	(36,565)	(139,419)	211,609
146	Water Capacity Fees	109,260	2,570	7,515	116,776
150	Utility Tax	1,128,738	8,328	72,937	1,201,675
170	Cemetery	1,743,805	1,679	64,425	1,808,230
180	Community Redevelopment Area	591,307	(731)	(111,500)	479,807
190	Law Enforcement Recovery	423,599	20,238	(27,469)	396,130

Special Revenue Funds - amounts shown include budgeted cash balance forward and reserves.

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CAPITAL PROJECTS FUNDS

FUND #	NAME OF FUND	FY2026 Revised Budget	FY2026 Current Month	FY2026 YTD	VARIANCE Fav/(UnFav)	%	FY2025 Revised Budget	FY2025 Current Month	FY2025 YTD	%
300	Capital Improvement									
	Revenues	$ 11,637,530	321,600	$ 2,092,917	$ (9,544,613)	18.0%	8,805,899	174,589	$ 2,003,098	22.7%
	Expenses									
	General Government	$ 1,967,139	$ 48,461	$ 580,742	$ 1,386,397	29.5%	3,889,595	166,646	314,703	8.1%
	Information Technology	170,000	-	-	170,000	0.0%	150,000	-	-	0.0%
	Police	417,237	-	417,236	1		488,115	-	-	
	Fire	636,545	-	116,300	520,245	18.3%	447,173	-	-	0.0%
	Streets	1,393,391	34,316	616,674	776,717	44.3%	1,625,400	39,112	590,943	36.4%
	Library	20,000	19,980	19,980	20	99.9%	-	-	-	#DIV/0!
	Recreation	6,723,218	28,580	158,077	6,565,141	2.4%	1,073,089	149,407	228,137	21.3%
	Parks	110,000	-	-	110,000	0.0%	929,527	-	-	0.0%
	Peck	-	-	-	-	#DIV/0!	30,000	14,918	29,836	99.5%
	MLK	200,000	-	-	200,000	0.0%	85,000	-	-	0.0%
	Aquatics	-	-	-	-	#DIV/0!	88,000	-	77,035	87.5%
	Subtotal	11,637,530	131,336	1,909,010	9,728,520	16.4%	8,805,899	370,083	1,240,654	14.1%
	Net Revenues(Expenses)	$ -	190,263	$ 183,907	$ (183,907)		-	(195,494)	$ 762,444	8.7%
310	Capital Expansion									
	Revenues									
	Grants/Interest/Loan	$ 197,000	8,503	$ 98,730	$ (98,270)	50.1%	$ 1,750,000	11,391	$ 63,243	3.6%
	Admin	1,911,109	7,520	26,317	(1,884,792)	1.4%	1,758,029	6,746 #	81,915	4.7%
	Police	598,336	4,444	15,551	(582,785)	2.6%	658,343	3,711 #	48,129	7.3%
	Fire	645,566	6,153	21,532	(624,034)	3.3%	473,217	5,378 #	66,880	14.1%
	Sanitation	-	-	-	-	0.0%	-	- #	-	
	Recreation	3,158,157	40,550	164,010	(2,994,147)	5.2%	4,990,980	40,570 #	258,253	5.2%
	Subtotal	6,510,168	67,169	326,140	(6,184,028)	5.0%	9,630,569	67,795	518,420	5.4%
	Expenses									
	Admin	$ 1,966,886	$ -	$ -	$ 1,966,886	0.0%	1,769,888	-	-	0.0%
	Police	614,915	-	-	$ 614,915	0.0%	662,623	19,997	27,557	4.2%
	Fire	662,984	-	-	$ 662,984	0.0%	476,029	(4,651)	-	0.0%
	Recreation	3,265,383	103,181	382,231	$ 2,883,152	11.7%	6,722,029	15,333	89,446	1.3%
	Subtotal	6,510,168	103,181	382,231	6,127,937	5.9%	9,630,569	30,679	117,003	1.2%
	Net Revenues(Expenses)	$ -	(36,012)	$ (56,090)	$ (56,090)	-0.9%	-	37,116	$ 401,417	4.2%
315	American Rescue Plan Act Capital Fund (ARPA)									
	Revenues									
	State Grant	$ -	-	$ -	$ -	0.0%	$ -	-	$ -	0.0%
	Other Grant	-	-	-	-	0.0%	-	-	-	0.0%
	Interest	10,000	2,388	13,927	3,927	139.3%	15,000	4,547	26,387	175.9%
	From General Fund	-	-	-	-	0.0%	-	-	-	0.0%
	Cash Balance Forward	2,406,855	-	-	(2,406,855)	0.0%	3,456,903	-	-	0.0%
	Subtotal	2,416,855	2,388	13,927	(2,402,928)	0.6%	3,471,903	4,547	26,387	0.8%
	Expenses									
	Operating	$ -	$ -	-	$ -	0.0%	$ -	$ -	$ -	0.0%
	Admin	$ 2,416,855	$ 40,542	151,878	2,264,977	6.3%	3,471,903	71,169	164,359	4.7%
	Airport	$ -	$ -	-	-	0.0%	-	-	-	0.0%
	Stormwater	$ -	$ -	-	-	0.0%	-	-	-	0.0%
	Marina	$ -	$ -	-	-	0.0%	-	-	-	0.0%
	Recreation	$ -	$ -	-	-	0.0%	-	-	-	0.0%
	Subtotal	2,416,855	40,542	151,878	2,264,977	6.3%	3,471,903	71,169	164,359	4.7%
	Net Revenues(Expenses)	$ -	(38,155)	$ (137,951)	$ (137,951)	0.0%	-	(66,622)	$ (137,972)	-4.0%
330	Wastewater Improvement									
	Revenues	$ 12,517,362	24,127	$ 116,806	$ (12,400,556)	0.9%	11,092,105	61,994	$ 312,272	2.8%
	Expenses	12,517,362	-	65,195	12,452,167	0.5%	11,092,105	264,332	267,057	2.4%
	Net Revenues(Expenses)	$ -	24,127	$ 51,611	$ 51,611	0.0%	-	(202,338)	$ 45,215	

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ENTERPRISE FUNDS	FY2026 Revised Budget	FY2026 Current Month	FY2026 YTD	VARIANCE Fav/(UnFav)	%	FY2025 Revised Budget	FY2025 Current Month	FY2025 YTD	%
Golf Course Fund 410									
Operating Revenues	$ 2,397,800	$ 193,877	$ 1,264,583	$ (1,133,217)	52.7%	$ 2,310,063	$ 174,591	$ 910,326	39.4%
Operating Expense*	2,597,163	175,014	839,087	1,758,076	32.3%	2,448,000	172,620	751,354	30.7%
Operating Income (Loss)	(199,363)	18,863	425,496	624,859	-213.4%	(137,937)	1,971	158,972	-115.2%
Non Operating Income (Expense) & Transfers	330,976	(2,125)	121,664	(209,312)	36.8%	725,794	44,228	299,905	41.3%
Change in Net Position	$ 131,613	$ 16,738	$ 547,160	$ 415,547	415.7%	$ 587,857	$ 46,199	$ 458,877	78.1%
Airport Fund 420									
Operating Revenues	$ 1,039,392	$ 92,514	$ 469,095	$ (570,297)	45.1%	$ 1,055,312	$ 93,105	$ 457,607	43.4%
Operating Expense*	1,589,999	68,710	320,427	1,269,572	20.2%	1,302,215	30,040	175,894	13.5%
Operating Income (Loss)	(550,607)	23,804	148,668	699,275	-27.0%	(246,903)	63,065	281,714	-114.1%
Non Operating Income (Expense) & Transfers	5,686,102	22,143	276,596	(5,409,507)	4.9%	6,352,276	630,921	743,259	11.7%
Change in Net Position	$ 5,135,495	$ 45,947	$ 425,263	$ (4,710,232)	8.3%	$ 6,105,373	$ 693,986	$ 1,024,972	16.8%
Sanitation Fund 440									
Operating Revenues	$ 2,948,190	$ 248,934	$ 1,260,298	$ (1,687,892)	42.7%	$ 2,676,000	$ 235,080	$ 1,151,814	43.0%
Operating Expense*	2,872,207	230,137	981,832	1,890,375	34.2%	2,888,931	228,362	993,440	34.4%
Operating Income (Loss)	75,983	18,798	278,466	202,483	366.5%	(212,931)	6,719	158,375	-74.4%
Non Operating Income (Expense) & Transfers	164,500	4,688	35,337	(129,163)	21.5%	61,600	52,770	46,806	76.0%
Change in Net Position	$ 240,483	$ 23,485	$ 313,802	$ 73,319	130.5%	$ (151,331)	$ 59,488	$ 205,181	-135.6%
Wastewater Fund 450									
Operating Revenues	$ 7,039,355	$ 613,365	$ 3,109,024	$ (3,930,331)	44.2%	$ 6,721,048	$ 590,101	$ 2,907,864	43.3%
Operating Expense*	4,776,705	359,345	1,637,728	3,138,977	34.3%	4,235,263	345,399	1,475,577	34.8%
Operating Income (Loss)	2,262,650	254,020	1,471,296	(791,354)	65.0%	2,485,785	244,703	1,432,287	57.6%
Non Operating Income (Expense) & Transfers	(793,991)	(5,466)	(256,055)	537,936	32.2%	(1,218,588)	(103,137)	(503,120)	41.3%
Change in Net Position	$ 1,468,659	$ 248,554	$ 1,215,242	$ (253,417)	82.7%	$ 1,267,197	$ 141,566	$ 929,167	73.3%
Water Fund 460									
Operating Revenues	$ 5,471,150	$ 408,602	$ 2,293,122	$ (3,178,028)	41.9%	$ 5,205,326	$ 406,524	$ 2,143,012	41.2%
Operating Expense*	3,668,715	227,894	1,335,828	2,332,887	36.4%	3,709,722	259,306	1,244,453	33.5%
Operating Income (Loss)	1,802,435	180,707	957,294	(845,141)	53.1%	1,495,604	147,218	898,559	60.1%
Non Operating Income (Expense) & Transfers	(1,532,580)	(122,454)	(631,285)	901,295	41.2%	(1,511,447)	(122,424)	(592,639)	39.2%
Change in Net Position	$ 269,855	$ 58,253	$ 326,009	$ 56,154	120.8%	$ (15,843)	$ 24,794	$ 305,920	-1930.9%
Stormwater Fund 470									
Operating Revenues	$ 1,065,355	$ 94,724	$ 473,279	$ (592,076)	44.4%	$ 1,016,560	$ 88,901	$ 443,880	43.7%
Operating Expense*	948,639	60,813	284,990	663,649	30.0%	1,375,768	79,905	456,171	33.2%
Operating Income (Loss)	116,716	33,911	188,289	71,573	161.3%	(359,208)	8,996	(12,291)	3.4%
Non Operating Income (Expense) & Transfers	379,503	(310,678)	313,358	(66,145)	82.6%	666,265	(109,359)	(109,328)	-16.4%
Change in Net Position	$ 496,219	$ (276,767)	$ 501,647	$ 5,428	101.1%	$ 307,057	$ (100,364)	$ (121,619)	-39.6%
Marina Fund 480									
Operating Revenues	$ 3,355,453	$ 167,798	$ 1,457,402	$ (1,898,051)	43.4%	$ 3,304,873	$ 157,739	$ 1,329,284	40.2%
Operating Expense*	3,068,815	215,312	1,230,785	1,838,030	40.1%	2,992,727	205,432	1,129,934	37.8%
Operating Income (Loss)	286,638	(47,513)	226,618	(60,020)	79.1%	312,146	(47,693)	199,350	63.9%
Non Operating Income (Expense) & Transfers	495,041	22,989	435,081	(59,960)	87.9%	531,818	26,151	244,440	46.0%
Change in Net Position	$ 781,679	$ (24,524)	$ 661,698	$ (119,981)	84.7%	$ 843,964	$ (21,542)	$ 443,790	52.6%
*Does not include Depreciation Expense and Encumbrances.									
Capital Outlay by Fund									
Golf Course Fund 410	$ 327,000	$ 1,876	$ 44,784	$ 282,216	13.7%	$ 437,706	$ 328	$ 226,772	51.8%
Airport Fund 420	5,084,836	3,765	131,188	$ 4,953,648	2.6%	7,672,754	655,836	891,641	11.6%
Sanitation Fund 440	270,000	-	218,236	51,764	80.8%	20,000	-	-	0.0%
Wastewater Fund 450	2,425,842	619,560	955,380	1,470,462	39.4%	1,878,109	237,115	783,322	41.7%
Water Fund 460	1,870,383	118,102	888,186	982,197	47.5%	1,924,300	426,448	475,249	24.7%
Stormwater Fund 470	323,940	-	1,954	321,986	0.6%	1,355,486	-	750	0.1%
Marina Fund 480	776,963	-	227,897	549,066	29.3%	1,889,009	66,616	66,616	3.5%
Total Enterprise Funds	$ 11,078,964	$ 743,304	$ 2,467,626	$ 8,611,338	22.3%	$ 15,177,364	$ 1,386,344	$ 2,444,349	16.1%

City of Fernandina Beach
Total Golf Course Fund 410
Year to Date to February 2026

ORG	TYPE	OBJ	ACCOUNT DESCRIPTION	TOTAL REVISED BUDGET	TOTAL YTD ACTUAL	TOTAL MTD ACTUAL	REMAINING BUDGET
410	R	34710	GREEN FEES	(775,000)	(364,605)	(72,401)	(410,395)
		34713	GOLF CARTS	(460,000)	(243,851)	(48,764)	(216,149)
		34714	RANGE FEES	(160,000)	(67,566)	(14,391)	(92,434)
		34733	MEMBERSHIPS	(300,000)	(287,449)	(3,200)	(12,551)
		36990	OTHER REVENUE	0	128	1,448	(128)
		38101	FROM GENERAL FUND	(429,384)	(178,910)	(35,782)	(250,474)
		36992	GAIN ON SALE OF ASSET	(20,000)	(150)	(150)	(19,850)
		36110	INTEREST	0	(2,478)	(557)	2,478
		36980	CREDIT CARD CONVENIENCE FEES	(45,000)	(21,826)	(3,907)	(23,174)
	R Total			**(2,189,384)**	**(1,166,706)**	**(177,704)**	**(1,022,678)**
	E	51200	SALARIES	467,559	172,663	36,541	294,896
		51350	PART-TIME	434,791	137,470	25,958	297,321
		51400	OVERTIME	15,000	4,444	766	10,557
		52100	FICA	70,666	25,305	4,827	45,361
		52200	RETIREMENT	100,743	36,821	7,744	63,922
		52300	HEALTH INSUR	75,449	24,550	5,959	50,899
		52301	LIFE INSUR	1,407	573	120	834
		52350	OPEB COSTS	794	331	66	463
		52400	WORKERS' COMP	10,036	2,611	522	7,425
		53100	PROFESSIONAL SERVICES	2,500	877	877	1,623
		53200	AUDITING	3,221	1,342	268	1,879
		53400	CONTRACTUAL	23,224	6,859	1,641	16,365
		54000	TRAINING/TRAVEL	1,850	1,060	365	790
		54100	COMM - PHONE/FAX/ALARM	2,388	1,455	0	933
		54101	COMMUNICATIONS-CELLULAR	480	425	153	55
		54103	COMMUNICATIONS-INTERNET	3,520	831	368	2,689
		54200	POSTAGE	100	0	0	100
		54300	UTILITIES ELECTRIC	72,000	20,089	9,047	51,911
		54310	UTILITIES-WATER & WASTEWATER	8,100	2,571	598	5,529
		54400	RENTALS/LEASES	9,400	0	0	9,400
		54500	INSURANCE	46,280	14,380	2,876	31,900
		54610	R/M BLDG & GROUNDS	37,800	1,946	1,946	15,646
		54611	R/M FACILITIES	20,050	10,124	2,549	9,926

City of Fernandina Beach
Total Golf Course Fund 410
Year to Date to February 2026

ORG	TYPE	OBJ	ACCOUNT DESCRIPTION	TOTAL REVISED BUDGET	TOTAL YTD ACTUAL	TOTAL MTD ACTUAL	REMAINING BUDGET
410	E	54620	R/M EQUIPMENT	42,000	15,714	2,446	26,286
		54630	R/M VEHICLES-LABOR	1,000	913	638	88
		54640	R/M VEHICLES-PARTS	750	128	24	622
		54800	PROMOTIONAL	18,549	9,566	1,657	8,983
		55100	OFFICE SUPPLIES	1,000	479	110	521
		55200	OPERATING SUPPLIES	140,315	30,292	6,166	110,023
		55210	UNIFORMS	2,500	2,395	0	105
		55220	JANITORIAL SUPPLIES	4,400	1,395	832	3,005
		55230	GAS/OIL	21,000	5,842	749	15,158
		55240	CHEMICALS	180,000	30,801	699	149,199
		55400	BOOKS/SUBS/DUES	2,545	445	200	2,100
		55550	F&B COST OF SALES	0	(84)	(84)	84
		56400	MACH/EQUIP	5,000	4,188	0	812
			TRI DECK MOWER RE#823	18,139	0	0	0
			DAKOTA SPREADER RE#809	24,000	0	0	1,190
			CUSHMAN HAULER UTLTY CART-872	12,000	11,495	0	505
			BUFFALO BLOWER RE826	12,000	0	0	1,120
			GRASSHOPPER MOWER RE#829	28,000	0	0	1,458
			JOHN DEER GATOR RE#805	38,000	0	0	1,315
			CLUBCAR CUSHMAN	11,861	11,495	0	366
			IRRIGATION SYSTEM UPGRADE	105,000	0	0	105,000
			RANGE BALL DISPENSER	16,000	195	195	5,370
		57100	PRINCIPAL	144,000	71,000	36,000	73,000

City of Fernandina Beach
Total Golf Course Fund 410
Year to Date to February 2026

ORG	TYPE	OBJ	ACCOUNT DESCRIPTION	TOTAL REVISED BUDGET	TOTAL YTD ACTUAL	TOTAL MTD ACTUAL	REMAINING BUDGET
410	E	57200	INTEREST	19,408	10,572	5,073	8,836
		55201	CREDIT CARD FEES	54,000	24,984	4,519	29,016
		56300	GOLF CLUBHOUSE BAR RENOVATION	50,000	17,411	1,681	1
	E Total			**2,358,825**	**715,952**	**164,096**	**1,464,587**
410 Total				**169,441**	**(450,755)**	**(13,608)**	**441,909**
4107260	R	34790	TOPTRACER BAY SPONSORSHIP	(1,250)	(625)	(125)	(625)
	R Total			**(1,250)**	**(625)**	**(125)**	**(625)**
	E	54400	RENTALS/LEASES	10,000	8,000	0	2,000
	E Total			**10,000**	**8,000**	**0**	**2,000**
4107260 Total				**8,750**	**7,375**	**(125)**	**1,375**
4107261	R	34715	PRO SHOP SALES	(147,000)	(63,804)	(9,941)	(83,196)
		34719	GOLF INSTRUCTION	(33,000)	(12,695)	(3,680)	(20,305)
	R Total			**(180,000)**	**(76,499)**	**(13,621)**	**(103,501)**
	E	51350	PART TIME SALARIES	93,181	32,260	6,046	60,921
		51400	OVERTIME	3,500	1,643	307	1,857
		52100	FICA	7,397	2,594	486	4,803
		52400	WORKERS' COMP	1,842	260	52	1,582
		54970	PROGRAM COSTS	26,400	7,212	1,408	19,188
		55210	UNIFORMS	350	300	0	50
		55545	PRO SHOP COST OF SALES	75,000	32,749	10,865	42,251
	E Total			**207,670**	**77,019**	**19,164**	**130,651**
4107261 Total				**27,670**	**520**	**5,544**	**27,150**
4107262	R	34716	FOOD AND BEVERAGE	(499,550)	(213,594)	(40,001)	(285,956)
		34718	FACILITY RENTAL	(22,000)	(10,394)	(1,375)	(11,606)
	R Total			**(521,550)**	**(223,988)**	**(41,376)**	**(297,562)**
	E	51200	SALARIES	144,889	30,280	5,384	114,609
		51350	PART TIME SALARIES	91,290	41,585	7,593	49,705
		51400	OVERTIME	3,500	1,564	166	1,936

City of Fernandina Beach
Total Golf Course Fund 410
Year to Date to February 2026

ORG	TYPE	OBJ	ACCOUNT DESCRIPTION	TOTAL REVISED BUDGET	TOTAL YTD ACTUAL	TOTAL MTD ACTUAL	REMAINING BUDGET
4107262	E	52100	FICA	17,788	8,233	1,430	9,555
		52200	RETIREMENT	29,283	7,550	1,541	21,733
		52300	HEALTH INSUR	30,679	6,478	1,474	24,201
		52301	LIFE INSUR	407	87	18	320
		52400	WORKERS' COMP	3,314	857	171	2,457
		54400	RENTALS/LEASES	3,576	1,505	301	2,071
		55200	OPERATING SUPPLIES	19,000	7,289	2,028	11,711
		55210	UNIFORMS	350	300	0	50
		55550	F&B COST OF SALES	160,000	58,745	14,597	101,255
		56400	EQUIPMENT	7,000	0	0	7,000
	E Total			**511,076**	**164,473**	**34,703**	**346,603**
4107262 Total				**(10,474)**	**(59,515)**	**(6,673)**	**49,041**
Grand Total				**195,387**	**(502,376)**	**(14,862)**	**519,476**

Year-to-date Revenues exceed Expenditures by $ 502,376

Budgeted Capital Purchases to be completed $ 178,287

City of Fernandina Beach
Golf Course - Operations Income from Operations
Year to Date to February 2026

** EXCLUDES transfer from the General Fund, Cash Balance Forward, Capital Expenditures, Debt, and Reserves*

ORG	TYPE	OBJ	ACCOUNT DESCRIPTION	TOTAL REVISED BUDGET	TOTAL YTD ACTUAL	TOTAL MTD ACTUAL	REMAINING BUDGET
410	R	34710	GREEN FEES	(775,000)	(364,605)	(72,401)	(410,395)
		34713	GOLF CARTS	(460,000)	(243,851)	(48,764)	(216,149)
		34714	RANGE FEES	(160,000)	(67,566)	(14,391)	(92,434)
		34733	MEMBERSHIPS	(300,000)	(287,449)	(3,200)	(12,551)
		36990	OTHER REVENUE	0	128	1,448	(128)
		36992	GAIN ON SALE OF ASSET	(20,000)	(150)	(150)	(19,850)
		36110	INTEREST	0	(2,478)	(557)	2,478
		36980	CREDIT CARD CONVENIENCE FEES	(45,000)	(21,826)	(3,907)	(23,174)
	R Total			**(1,760,000)**	**(987,796)**	**(141,922)**	**(772,204)**
	E	51200	SALARIES	467,559	172,663	36,541	294,896
		51350	PART-TIME	434,791	137,470	25,958	297,321
		51400	OVERTIME	15,000	4,444	766	10,557
		52100	FICA	70,666	25,305	4,827	45,361
		52200	RETIREMENT	100,743	36,821	7,744	63,922
		52300	HEALTH INSUR	75,449	24,550	5,959	50,899
		52301	LIFE INSUR	1,407	573	120	834
		52350	OPEB COSTS	794	331	66	463
		52400	WORKERS' COMP	10,036	2,611	522	7,425
		53100	PROFESSIONAL SERVICES	2,500	877	877	1,623
		53200	AUDITING	3,221	1,342	268	1,879
		53400	CONTRACTUAL	23,224	6,859	1,641	16,365
		54000	TRAINING/TRAVEL	1,850	1,060	365	790
		54100	COMM - PHONE/FAX/ALARM	2,388	1,455	0	933
		54101	COMMUNICATIONS-CELLULAR	480	425	153	55
		54103	COMMUNICATIONS-INTERNET	3,520	831	368	2,689
		54200	POSTAGE	100	0	0	100
		54300	UTILITIES ELECTRIC	72,000	20,089	9,047	51,911
		54310	UTILITIES-WATER & WASTEWATER	8,100	2,571	598	5,529
		54400	RENTALS/LEASES	9,400	0	0	9,400
		54500	INSURANCE	46,280	14,380	2,876	31,900
		54610	R/M BLDG & GROUNDS (1)	37,800	1,946	1,946	15,646
		54611	R/M FACILITIES	20,050	10,124	2,549	9,926

City of Fernandina Beach
Golf Course - Operations Income from Operations
Year to Date to February 2026

** EXCLUDES transfer from the General Fund, Cash Balance Forward, Capital Expenditures, Debt, and Reserves*

ORG	TYPE	OBJ	ACCOUNT DESCRIPTION	TOTAL REVISED BUDGET	TOTAL YTD ACTUAL	TOTAL MTD ACTUAL	REMAINING BUDGET
410	E	54620	R/M EQUIPMENT	42,000	15,714	2,446	26,286
		54630	R/M VEHICLES-LABOR	1,000	913	638	88
		54640	R/M VEHICLES-PARTS	750	128	24	622
		54800	PROMOTIONAL	18,549	9,566	1,657	8,983
		55100	OFFICE SUPPLIES	1,000	479	110	521
		55200	OPERATING SUPPLIES	140,315	30,292	6,166	110,023
		55210	UNIFORMS	2,500	2,395	0	105
		55220	JANITORIAL SUPPLIES	4,400	1,395	832	3,005
		55230	GAS/OIL	21,000	5,842	749	15,158
		55240	CHEMICALS	180,000	30,801	699	149,199
		55400	BOOKS/SUBS/DUES	2,545	445	200	2,100
		55550	F&B COST OF SALES	0	(84)	(84)	84
		55201	CREDIT CARD FEES	54,000	24,984	4,519	29,016
	E Total			**1,875,417**	**589,596**	**121,146**	**1,265,613**
Grand Total				**115,417**	**(398,201)**	**(20,776)**	**493,410**

Year-to-date Operating Revenues exceed Expenditures by $ 398,201

City of Fernandina Beach
Golf Course - Toptracer
Year to Date to February 2026

ORG	TYPE	OBJ	ACCOUNT DESCRIPTION	TOTAL REVISED BUDGET	TOTAL YTD ACTUAL	TOTAL MTD ACTUAL	REMAINING BUDGET
4107260	R	34790	TOPTRACER BAY SPONSORSHIP	(1,250)	(625)	(125)	(625)
	R Total			**(1,250)**	**(625)**	**(125)**	**(625)**
	E	54400	RENTALS/LEASES	10,000	8,000	0	2,000
	E Total			**10,000**	**8,000**	**0**	**2,000**
Grand Total				**8,750**	**7,375**	**(125)**	**1,375**

		BUDGETED	YTD ACTUAL	MTD ACTUAL
Bay Rentals		1,250.00	625.00	125.00
Operating Cost		10,000.00	8,000.00	0.00
Gross Profit/(Loss)		(8,750.00)	(7,375.00)	125.00
	Gross Profit %	-87.50%	-92.19%	#DIV/0!

City of Fernandina Beach
Golf Course - Proshop
Year to Date to February 2026

ORG	TYPE	OBJ	ACCOUNT DESCRIPTION	TOTAL REVISED BUDGET	TOTAL YTD ACTUAL	TOTAL MTD ACTUAL	REMAINING BUDGET
4107261	R	34715	PRO SHOP SALES	(147,000)	(63,804)	(9,941)	(83,196)
		34719	GOLF INSTRUCTION	(33,000)	(12,695)	(3,680)	(20,305)
	R Total			**(180,000)**	**(76,499)**	**(13,621)**	**(103,501)**
	E	51350	PART TIME SALARIES	93,181	32,260	6,046	60,921
		51400	OVERTIME	3,500	1,643	307	1,857
		52100	FICA	7,397	2,594	486	4,803
		52400	WORKERS' COMP	1,842	260	52	1,582
		54970	PROGRAM COSTS	26,400	7,212	1,408	19,188
		55210	UNIFORMS	350	300	0	50
		55545	PRO SHOP COST OF SALES	75,000	32,749	10,865	42,251
	E Total			**207,670**	**77,019**	**19,164**	**130,651**
Grand Total				**27,670**	**520**	**5,544**	**27,150**

	BUDGETED	YTD ACTUAL	MTD ACTUAL
Pro Shop Sales	180,000	76,499	13,621
Pro Shop Cost of Sales	207,320	76,719	19,164
Gross Profit/(Loss)	(27,320)	(220)	(5,544)
Gross Profit %	-15%	0%	-41%

City of Fernandina Beach
Golf Course - Food and Beverage
Year to Date to February 2026

TYPE	ORG	OBJ	ACCOUNT DESCRIPTION	TOTAL REVISED BUDGET	TOTAL YTD ACTUAL	TOTAL MTD ACTUAL	REMAINING BUDGET
R	4107262	34716	FOOD AND BEVERAGE	(499,550)	(213,594)	(40,001)	(285,956)
		34718	FACILITY RENTAL	(22,000)	(10,394)	(1,375)	(11,606)
	4107262 Total			**(521,550)**	**(223,988)**	**(41,376)**	**(297,562)**
R Total				**(521,550)**	**(223,988)**	**(41,376)**	**(297,562)**
E	4107262	51200	SALARIES	144,889	30,280	5,384	114,609
		51350	PART TIME SALARIES	91,290	41,585	7,593	49,705
		51400	OVERTIME	3,500	1,564	166	1,936
		52100	FICA	17,788	8,233	1,430	9,555
		52200	RETIREMENT	29,283	7,550	1,541	21,733
		52300	HEALTH INSUR	30,679	6,478	1,474	24,201
		52301	LIFE INSUR	407	87	18	320
		52400	WORKERS' COMP	3,314	857	171	2,457
		54400	RENTALS/LEASES	3,576	1,505	301	2,071
		55200	OPERATING SUPPLIES	19,000	7,289	2,028	11,711
		55210	UNIFORMS	350	300	0	50
		55550	F&B COST OF SALES	160,000	58,745	14,597	101,255
		56400	EQUIPMENT	7,000	0	0	7,000
	4107262 Total			**511,076**	**164,473**	**34,703**	**346,603**
E Total				**511,076**	**164,473**	**34,703**	**346,603**
Grand Total				**(10,474)**	**(59,515)**	**(6,673)**	**49,041**

	BUDGETED	YTD ACTUAL	MTD ACTUAL
Food and Beverage	521,550	223,988	41,376
Cost of Food and Beverage	511,076	164,473	34,703
Gross Profit/(Loss)	10,474	59,515	6,673
Gross Profit %	2.01%	26.57%	16.13%

CAPITAL EXPANSION FUND
February 2026

	FY24-25 BALANCE FORWARD	FY25-26 REVENUE	FY25-26 INTEREST	FY25-26 EXPENSES	FY25-26 BALANCE
POLICE	530,061.59	15,550.86	3,908.35	-	549,520.80
FIRE	542,277.64	21,531.96	3,998.42	-	567,808.02
SANITATION	-	-	-	-	-
RECREATION/PARKS	3,663,120.98	214,310.39	27,009.61	382,230.51	3,522,210.47
ADMINISTRATION	1,832,769.58	26,316.84	13,513.72	-	1,872,600.14
	6,568,229.79	277,710.05	48,430.10	382,230.51	6,512,139.43

YTD Interest Earnings 48,430.10

Budgeted Expenditures Remaining to be Completed FY26

ADMINISTRATION		**75,000**
New Sidewalks	75,000.00	
POLICE		**45,000**
DRONE	20,000.00	
Police Equipment	10,000.00	
Equipment for additional officer: uniforms, body armorer, weapons, duty gear and radio.	15,000.00	
RECREATION/PARKS		**2,513,487**
Engineering, design, and construction plans for Ybor Regional Sports Complex	85,983.00	
Cemetery Columbarium	63,494.00	
MLK Softball Field Expansion	1,999,160.00	
Completion of Waterfront Park	364,850.49	

City of Fernandina Beach
Accounts Receivable Analysis

2/28/2026

Utility Billing - Current Accounts

Number of Customers		Delinquency Days	$		Avg Monthly Billing
9,879	**Active Customers**				**$ 1,313,566.74**
395		30	42,434.62		
28		60	1,249.89	*	*payment terms
8		90	297.58	*	
6		120+	681.27	*	
395		**Total**	**$ 44,663.36**		

Utility Billings - Closed accounts (including accts not yet turned over to Collection Agency)

64 accts. w/delinquent balances	**$**	**15,289.10**

Utility Billings in Collections

Year based on final billing date	# of Accounts Transferred	Amt of $ Transferred	Amt of $ Recovered by CCI	Amt of $ Recovered by UB	**Total $ Recovered**	**% recovered**
			-			
2020 Charged Off	Effective 8/5/2024	-	-	-		**0.00%**
2021 Charged Off	Effective 8/29/2025	-	-	-		**0.00%**
2022 (thru Dec)	160	36,547.73	2,602.23	8,569.68		**30.57%**
2023 (thru Dec)	164	38,993.44	1,302.40	10,413.51		**30.05%**
2024 (thru Dec)	211	34,120.61		3,901.00		**11.43%**
2025 (thru Sept)	119	27,602.39	196.32	657.12		**3.09%**
		$ 137,264.17	$ 4,100.95	$ 23,541.31	**$ 27,642.26**	**20.14%**
Recovered to date		$ (27,642.26)				
Balance currently at CCI		**$ 109,621.91**				

Airport

Number of Customers		Delinquency Days	$		Avg Mo'ly Billing	
77	**ALL Customers**				**$74,588.46**	
13		30	29,762.08			
0		60	-			
0		90	-			
0		120+	-			
13		**Sub Total**	**$ 29,762.08**			**$ 29,762.08**

Marina

					Avg Monthly Billing
440	**# of Customers**				**$190,000**
# of Customers with balanced in each aging category		**Delinquency Days**	**Amount**		
43		30	59197.86		
1		60	$ 214		
0		90	$ -		
0		>90	$ -		
			-		
			$ 59,412		
	Customer paid in Advance		$ (25,754)	Deposit	
	Total A/R Balance		**$ 33,658**		

Peck Center & Other City Leases

Number of Customers		Delinquency Days	$	Avg Mo'ly Billing
5	**ALL Customers**			**2,195.33**
1		30	677.04	
0		60	-	
0		90	-	
0		120+	-	
1		**Sub Total**	**$ 677.04**	

LESSEE	MONTHLY AMOUNT
Crown Castle AT&T-Cell Tower-Garage)	2,281.31
Alachua Club	366.51
Amelia Island Convention & Visitors	10.00 (pay yearly)
Amelia Island Pirate Voyages LLC	329.78
Nassau Humane Society	20.00 (pay yearly)
Putt Putt	4,029.42
Amelia Island Book Festival	159.06
Crown Castle South LLC	2,062.98
Episcopal Children's Services	902.58
Habitat for Humanity of Jacksonville	196.14
Ocean Highway & Port Authority of Nassau County	296.58
Take Stock in Children	677.04

LAST PAYMENT REC'D	CURRENT BALANCE	RESPONSIBLE DEPT FOR BILLING
2/4/2026	-	N/A (payment send to Finance)
2/26/2026	-	Finance
10/21/2025	-	Finance
2/4/2026		Finance
1/14/2026		Finance
9/30/2025	-	Finance
2/27/2026	-	UB
3/2/2026		UB
2/3/2026	-	UB
3/2/2026	-	UB
2/26/2026	-	UB
2/3/2026	-	UB

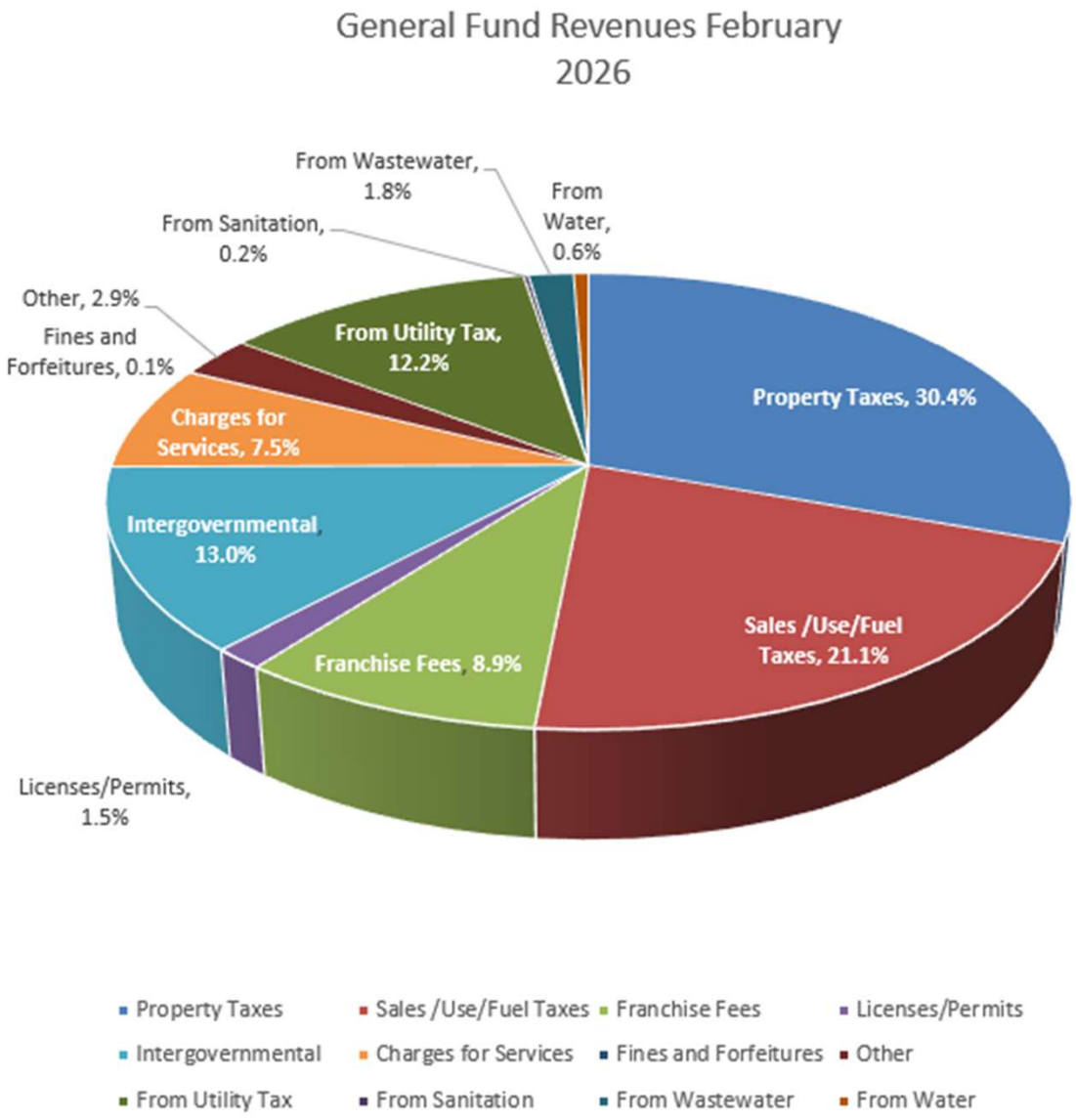
RESPONSIBLE DEPT FOR LEASE RENEWAL
City Manager
City Manager
City Manager
?
City Manager
City Manager
Parks and Recreation
Airport
Parks and Recreation
Parks and Recreation
Parks and Recreation

Budget Summary

February 2026

FERNANDINA BEACH
FLORIDA

General Fund Revenues



General Fund Revenues
This Year Vs Last Year

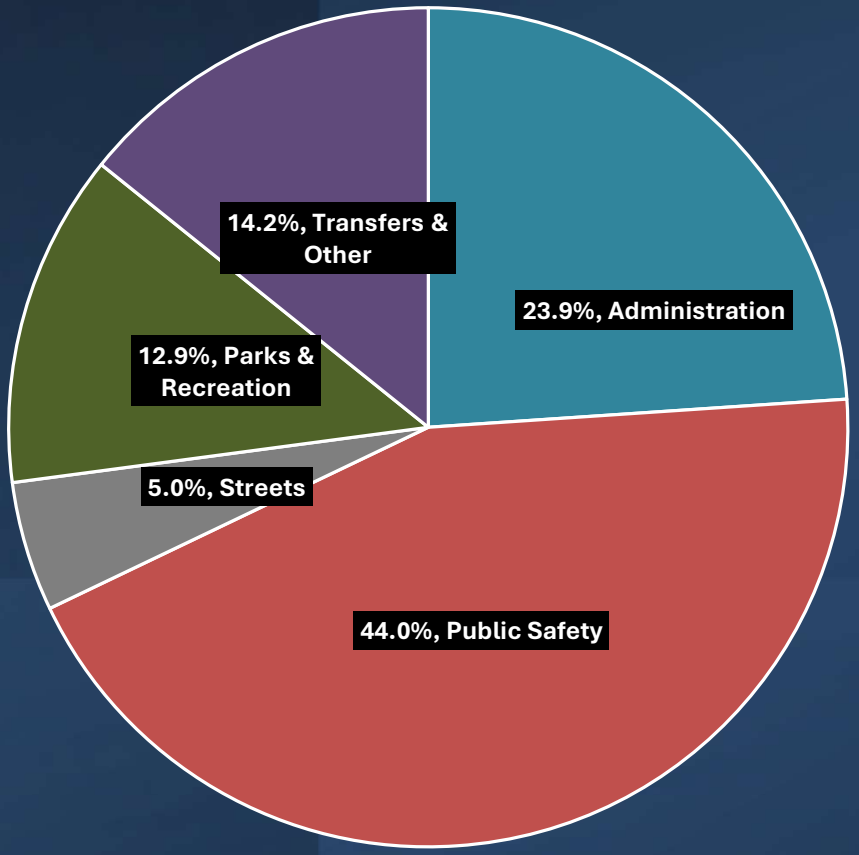
41.7% % of Year Completed

GENERAL FUND (001)	FY2026 Revised Budget	FY2026 Current Month	FY2026 YTD	VARIANCE Fav/(UnFav)	%	FY2025 Revised Budget	FY2025 Current Month	FY2025 YTD	%
REVENUES:									
Property Taxes	$ 21,219,017	520,238	$ 19,531,208	$ (1,687,809)	92.0%	19,288,395	426,031	$ 17,757,540	92.1%
Sales /Use/Fuel Taxes	3,287,738	360,981	1,395,870	(1,891,868)	42.5%	3,185,849	379,085	1,370,835	43.0%
Franchise Fees	1,787,000	151,700	789,689	(997,311)	44.2%	1,587,000	149,883	727,747	45.9%
Licenses/Permits	524,100	25,590	298,344	(225,756)	56.9%	499,800	53,789	368,342	73.7%
Intergovernmental	1,800,623	222,193	835,120	(965,503)	46.4%	1,959,659	148,908	908,368	46.4%
Charges for Services	1,727,714	127,627	811,838	(915,876)	47.0% [1]	1,889,103	160,798 [1]	968,517 [1]	51.3%
Fines and Forfeitures	36,000	906	6,837	(29,163)	19.0%	29,500	10,503	21,749	73.7%
Other	698,754	49,575	205,864	(492,890)	29.5%	367,428	47,354	278,631	75.8%
Subtotal	31,080,946	1,458,811	23,874,771	(7,206,175)	76.8%	28,806,734	1,376,350	22,401,729	77.8%

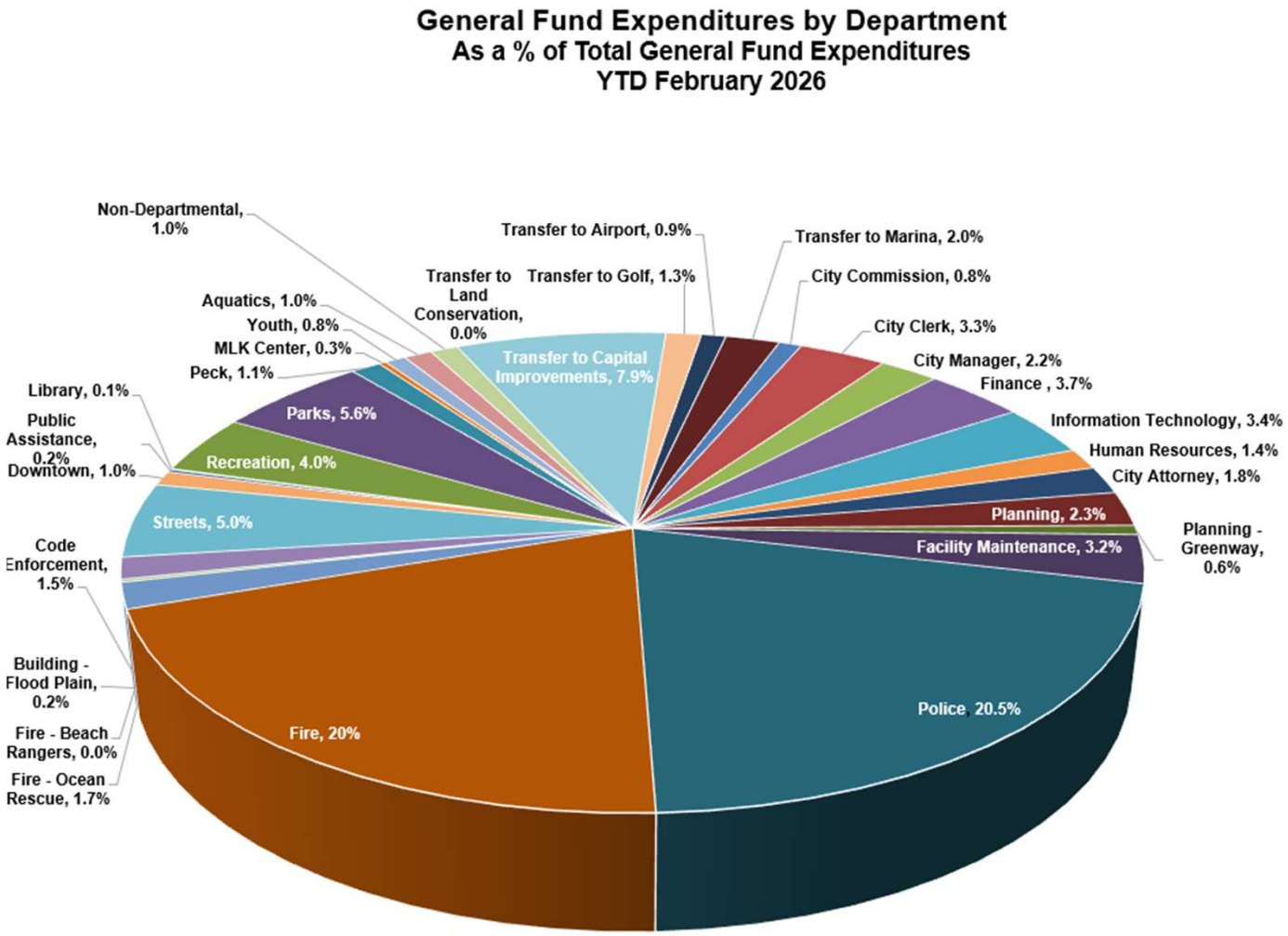
Year to date revenues not including interfund transfers: $23,874,771

FY25 Revenues for the same period: $22,401,729

General Fund
Expenditures by Function



General Fund Departments



General Fund – Fund Balance

Feb 2026

Fund Balance
$21,975,553

Feb 2025

Fund Balance
$21,104,198

Special Revenue Funds Balances

SPECIAL RESERVE FUND BALANCES	BEGINNING	CURRENT MONTH ACTIVITY	YTD ACTIVITY	ENDING BALANCE
100 Law Enforcement Trust (LETF)	4,190	16	9,670	13,860
110 Federal Forfeiture	108,287	123	1,842	110,130
125 Tree Trust	568,631	3,358	(3,353)	565,278
126 Historic District (HDC)	119,861	563	3,069	122,930
127 Parking Special Revenue Fund	-	18,906	18,068	18,068
135 Land Conservation Trust	258,413	291	1,639	260,051
140 Building Fees Fund	1,661,848	(75,474)	(299,696)	1,362,152
145 Wastewater Capacity Fees	351,028	(36,565)	(139,419)	211,609
146 Water Capacity Fees	109,260	2,570	7,515	116,776
150 Utility Tax	1,128,738	8,328	72,937	1,201,675
170 Cemetery	1,743,805	1,679	64,425	1,808,230
180 Community Redevelopment Area	591,307	(731)	(111,500)	479,807
190 Law Enforcement Recovery	423,599	20,238	(27,469)	396,130

Special Revenue Funds - amounts shown include budgeted cash balance forward and reserves.

Capital Improvement Funds

- 300 Capital Improvement
  - Cash Balance Forward $2,021,023
  - 2026 Revenue $2,092,917
  - Less: Expenditures (1,909,010)
  - Calculated Fund Balance $2,204,930
- 315 Other Capital Improvement
  - Cash Balance Forward $2,248,027
  - 2026 Revenue 13,927
  - Less: Expenditures (151,878)
  - Calculated Fund Balance $2,110,076
- 330 Wastewater Improvement Fund
  - Cash Balance Forward $10,808,352
  - 2026 Revenue 116,806
  - Less: Expenditures (65,195)
  - Calculated Fund Balance $10,859,963



Capital Expansion Fund 310

February 2026

Function	Beginning	Revenue	Interest	Expense	Ending
Police	$530,062	$15,551	$3,908	$0	$549,521
Fire	542,278	21,532	3,998	0	567,808
Recreation	3,663,121	214,310	27,010	382,231	3,522,210
Administrative	1,832,770	26,317	13,514	0	1,872,600



Enterprise Funds

- Enterprise funds are expected to fund operations through charges for services.
- Ideally, the funds will generate an excess of revenues over expenditures in their operations, which is then available for debt payments, contingencies and capital purchases.
- The City has 7 Business Class Funds
  - Fund 410 – Golf
  - Fund 420 – Airport
  - Fund 440 – Sanitation
  - Fund 450 – Wastewater
  - Fund 460 – Water
  - Fund 470 – Stormwater
  - Fund 480 - Marina

Questions?

FERNANDINA BEACH
FLORIDA

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0011100 CITY COMMISSION

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011100 51100	COMMISSION SALARIES						
	90,000.00	90,000.00	33,873.70	6,923.10	0.00	56,126.30	37.6%
0011100 52100	FICA						
	6,885.00	6,885.00	2,591.30	529.55	0.00	4,293.70	37.6%
0011100 52200	RETIREMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011100 52300	HEALTH INSUR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011100 52301	LIFE INSUR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011100 52400	WORKERS' COMP						
	470.00	470.00	24.19	4.83	0.00	445.81	5.1%
0011100 52500	UNEMPLOYMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011100 53100	PROFESSIONAL SERVICES						
	127,000.00	127,000.00	47,500.00	6,250.00	0.00	79,500.00	37.4%
0011100 53400	CONTRACTUAL						
	2,580.00	2,580.00	450.00	90.00	0.00	2,130.00	17.4%
0011100 54000	TRAINING/TRAVEL						
	6,500.00	6,500.00	3,490.04	774.30	0.00	3,009.96	53.7%
0011100 54101	COMMUNICATIONS-CELLULAR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011100 54500	INSURANCE						
	5,122.00	5,122.00	1,632.50	326.50	0.00	3,489.50	31.9%
0011100 54620	R/M EQUIPMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011100 54700	PRINTING						
	5,750.00	5,750.00	1,300.00	0.00	0.00	4,450.00	22.6%
0011100 54800	PROMOTIONAL						
	17,500.00	17,500.00	17,500.00	0.00	0.00	0.00	100.0%
0011100 55100	OFFICE SUPPLIES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011100 55200	OPERATING SUPPLIES						
	3,080.00	3,080.00	2,591.03	0.00	0.00	488.97	84.1%
0011100 55210	UNIFORMS						
	500.00	500.00	0.00	0.00	0.00	500.00	.0%
0011100 55400	BOOKS/SUBS/DUES						
	3,507.00	3,507.00	3,047.00	0.00	0.00	460.00	86.9%
0011100 55611	COMMUNITY SERVICES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL CITY COMMISSION							
	268,894.00	268,894.00	113,999.76	14,898.28	0.00	154,894.24	42.4%
TOTAL EXPENSES							
	268,894.00	268,894.00	113,999.76	14,898.28	0.00	154,894.24	

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0011200 CITY CLERK

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011200 51200	SALARIES						
	444,647.00	444,647.00	180,374.06	32,956.80	0.00	264,272.94	40.6%
0011200 51300	SEASONAL/TEMPORARY						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011200 51350	PART-TIME						
	43,253.00	43,253.00	15,313.54	3,348.63	0.00	27,939.46	35.4%
0011200 51400	OVERTIME						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011200 52100	FICA						
	36,066.00	36,066.00	13,806.28	2,684.45	0.00	22,259.72	38.3%
0011200 52200	RETIREMENT						
	87,317.00	87,317.00	34,050.24	6,983.55	0.00	53,266.76	39.0%
0011200 52300	HEALTH INSUR						
	60,478.00	60,478.00	22,208.71	4,952.24	0.00	38,269.29	36.7%
0011200 52301	LIFE INSUR						
	1,237.00	1,237.00	532.75	107.50	0.00	704.25	43.1%
0011200 52400	WORKERS' COMP						
	470.00	470.00	122.94	24.58	0.00	347.06	26.2%
0011200 52500	UNEMPLOYMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011200 53100	PROFESSIONAL SERVICES						
	3,200.00	3,200.00	1,093.35	93.35	0.00	2,106.65	34.2%
0011200 53400	CONTRACTUAL						
	210,188.00	210,188.00	161,485.70	2,368.35	0.00	48,702.30	76.8%
0011200 54000	TRAINING/TRAVEL						
	9,625.00	9,625.00	567.38	567.38	0.00	9,057.62	5.9%
0011200 54100	COMM - PHONE/FAX/ALARM						
	2,562.00	2,562.00	974.89	0.00	0.00	1,587.11	38.1%
0011200 54101	COMMUNICATIONS-CELLULAR						
	1,126.00	1,126.00	366.44	87.45	0.00	759.56	32.5%
0011200 54300	UTILITIES ELECTRIC						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011200 54500	INSURANCE						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011200 54620	R/M EQUIPMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011200 54630	R/M VEHICLES-LABOR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011200 54640	R/M VEHICLES-PARTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011200 54700	PRINTING						
	25,000.00	25,000.00	7,267.50	1,512.50	0.00	17,732.50	29.1%
0011200 54800	PROMOTIONAL						
	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0011200 CITY CLERK

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011200 54912	ELECTIONS						
	37,200.00	37,200.00	100.38	100.38	0.00	37,099.62	.3%
0011200 54970	YOUTH ADVISORY COMM DONATIONS						
	3,000.00	3,000.00	236.25	0.00	0.00	2,763.75	7.9%
0011200 55100	OFFICE SUPPLIES						
	1,500.00	1,500.00	39.44	39.44	0.00	1,460.56	2.6%
0011200 55200	OPERATING SUPPLIES						
	2,615.00	2,615.00	908.52	0.00	0.00	1,706.48	34.7%
0011200 55210	UNIFORMS						
	250.00	250.00	0.00	0.00	0.00	250.00	.0%
0011200 55230	GAS/OIL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011200 55400	BOOKS/SUBS/DUES						
	2,739.00	2,739.00	1,579.76	63.99	0.00	1,159.24	57.7%
0011200 56300	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011200 56400	MACH/EQUIP						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011200 56401	EQUIP-NON CAPITAL						
	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00	.0%
TOTAL CITY CLERK							
	975,473.00	975,473.00	441,028.13	55,890.59	0.00	534,444.87	45.2%
TOTAL EXPENSES							
	975,473.00	975,473.00	441,028.13	55,890.59	0.00	534,444.87	

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0011210 CITY MANAGER

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011210 51200	SALARIES	529,331.00	529,331.00	216,310.19	43,612.05	0.00	313,020.81	40.9%
0011210 51300	SEASONAL/TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011210 51350	PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011210 51400	OVERTIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011210 52100	FICA	37,491.00	37,491.00	13,938.31	3,506.49	0.00	23,552.69	37.2%
0011210 52200	RETIREMENT	83,337.00	83,337.00	34,082.64	7,304.67	0.00	49,254.36	40.9%
0011210 52300	HEALTH INSUR	44,511.00	44,511.00	15,873.81	3,472.57	0.00	28,637.19	35.7%
0011210 52301	LIFE INSUR	1,300.00	1,300.00	679.00	142.00	0.00	621.00	52.2%
0011210 52400	WORKERS' COMP	1,858.00	1,858.00	207.50	41.50	0.00	1,650.50	11.2%
0011210 52500	UNEMPLOYMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011210 53100	PROFESSIONAL SERVICES	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	.0%
0011210 53100 23061	PROFESSIONAL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011210 53400	CONTRACTUAL	3,767.00	3,767.00	1,199.95	486.25	0.00	2,567.05	31.9%
0011210 53900	AUTO ALLOWANCE	6,500.00	6,500.00	2,196.42	500.00	0.00	4,303.58	33.8%
0011210 53910	HOUSING ALLOWANCE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011210 54000	TRAINING/TRAVEL	9,375.00	8,675.00	2,456.12	168.16	0.00	6,218.88	28.3%
0011210 54100	COMM - PHONE/FAX/ALARM	812.00	812.00	654.89	0.00	0.00	157.11	80.7%
0011210 54101	COMMUNICATIONS-CELLULAR	1,800.00	1,800.00	889.28	150.00	0.00	910.72	49.4%
0011210 54620	R/M EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011210 54630	R/M VEHICLES-LABOR	750.00	750.00	312.50	62.50	0.00	437.50	41.7%
0011210 54640	R/M VEHICLES-PARTS	1,000.00	1,700.00	1,536.23	100.08	0.00	163.77	90.4%
0011210 54700	PRINTING	1,250.00	1,250.00	81.06	0.00	0.00	1,168.94	6.5%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0011210 CITY MANAGER

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011210 54800	PROMOTIONAL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011210 54901	SPECIAL EVENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011210 54970	YOUTH ADVISORY PROGRAM COST						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011210 55100	OFFICE SUPPLIES						
	500.00	500.00	93.87	0.00	0.00	406.13	18.8%
0011210 55200	OPERATING SUPPLIES						
	1,065.00	1,065.00	206.63	0.00	0.00	858.37	19.4%
0011210 55210	UNIFORMS						
	400.00	400.00	117.85	0.00	0.00	282.15	29.5%
0011210 55230	GAS/OIL						
	1,500.00	1,500.00	485.73	110.45	0.00	1,014.27	32.4%
0011210 55400	BOOKS/SUBS/DUES						
	5,500.00	5,500.00	3,045.95	0.00	0.00	2,454.05	55.4%
0011210 56400	MACH/EQUIP						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011210 56401	EQUIP-NON CAPITAL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL CITY MANAGER							
	752,047.00	752,047.00	294,367.93	59,656.72	0.00	457,679.07	39.1%
TOTAL EXPENSES							
	752,047.00	752,047.00	294,367.93	59,656.72	0.00	457,679.07	

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0011300 FINANCE

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011300 51200	SALARIES						
	571,499.00	571,499.00	219,101.51	44,294.40	0.00	352,397.49	38.3%
0011300 51300	SEASONAL/TEMPORARY						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011300 51350	PART-TIME						
	52,145.00	52,145.00	20,004.01	4,097.52	0.00	32,140.99	38.4%
0011300 51400	OVERTIME						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011300 52100	FICA						
	44,668.00	44,668.00	17,104.19	3,431.24	0.00	27,563.81	38.3%
0011300 52200	RETIREMENT						
	104,370.00	104,370.00	40,389.81	8,312.48	0.00	63,980.19	38.7%
0011300 52300	HEALTH INSUR						
	111,744.00	111,744.00	41,401.79	9,414.89	0.00	70,342.21	37.1%
0011300 52301	LIFE INSUR						
	1,638.00	1,638.00	713.75	145.00	0.00	924.25	43.6%
0011300 52400	WORKERS' COMP						
	752.00	752.00	160.00	32.00	0.00	592.00	21.3%
0011300 52500	UNEMPLOYMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011300 53100	PROFESSIONAL SERVICES						
	5,200.00	5,200.00	0.00	0.00	0.00	5,200.00	.0%
0011300 53200	AUDITING						
	21,705.00	21,705.00	9,043.75	1,808.75	0.00	12,661.25	41.7%
0011300 53400	CONTRACTUAL						
	188,320.00	188,320.00	141,323.39	15,081.01	2,087.50	44,909.11	76.2%
0011300 54000	TRAINING/TRAVEL						
	12,399.00	12,399.00	2,898.50	0.00	0.00	9,500.50	23.4%
0011300 54100	COMM - PHONE/FAX/ALARM						
	1,612.00	1,612.00	1,454.89	0.00	0.00	157.11	90.3%
0011300 54101	COMMUNICATIONS-CELLULAR						
	600.00	600.00	219.64	50.00	0.00	380.36	36.6%
0011300 54300	UTILITIES ELECTRIC						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011300 54610	R/M BLDG & GROUNDS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011300 54620	R/M EQUIPMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011300 54700	PRINTING						
	4,150.00	4,150.00	3,037.26	0.00	0.00	1,112.74	73.2%
0011300 55100	OFFICE SUPPLIES						
	3,550.00	3,550.00	1,088.28	174.23	0.00	2,461.72	30.7%
0011300 55200	OPERATING SUPPLIES						
	7,255.00	7,255.00	3,292.58	6.43	0.00	3,962.42	45.4%

City of Fernandina Beach
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ACCOUNTS FOR: 0011300 FINANCE

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011300 55210	UNIFORMS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011300 55400	BOOKS/SUBS/DUES						
	2,820.00	2,820.00	1,449.00	0.00	0.00	1,371.00	51.4%
0011300 56400	MACH/EQUIP						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011300 56401	EQUIP-NON CAPITAL						
	4,000.00	4,000.00	0.00	0.00	0.00	4,000.00	.0%
0011300 57300	FINANCING COSTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL FINANCE							
	1,138,427.00	1,138,427.00	502,682.35	86,847.95	2,087.50	633,657.15	44.3%
TOTAL EXPENSES							
	1,138,427.00	1,138,427.00	502,682.35	86,847.95	2,087.50	633,657.15	

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ACCOUNTS FOR: 0011310 INFORMATION TECHNOLOGY

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011310 51200	SALARIES						
	439,656.00	439,656.00	168,099.56	33,418.45	0.00	271,556.44	38.2%
0011310 51300	SEASONAL/TEMPORARY						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011310 51350	PART-TIME						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011310 51400	OVERTIME						
	0.00	1,000.00	71.67	0.00	0.00	928.33	7.2%
0011310 52100	FICA						
	32,635.00	32,635.00	12,369.91	2,438.43	0.00	20,265.09	37.9%
0011310 52200	RETIREMENT						
	90,344.00	90,344.00	34,530.75	7,081.36	0.00	55,813.25	38.2%
0011310 52300	HEALTH INSUR						
	73,604.00	73,604.00	25,321.74	6,031.55	0.00	48,282.26	34.4%
0011310 52301	LIFE INSUR						
	1,256.00	1,256.00	541.94	109.41	0.00	714.06	43.1%
0011310 52400	WORKERS' COMP						
	564.00	564.00	103.75	20.75	0.00	460.25	18.4%
0011310 52500	UNEMPLOYMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011310 53100	PROFESSIONAL SERVICES						
	7,500.00	7,500.00	3,263.00	0.00	0.00	4,237.00	43.5%
0011310 53400	CONTRACTUAL						
	217,474.00	217,474.00	132,012.75	56,967.91	1,092.00	84,369.25	61.2%
0011310 54000	TRAINING/TRAVEL						
	16,500.00	15,500.00	7,553.00	2,228.00	0.00	7,947.00	48.7%
0011310 54100	COMM - PHONE/FAX/ALARM						
	6,292.00	6,292.00	2,246.52	1,110.56	0.00	4,045.48	35.7%
0011310 54101	COMMUNICATIONS-CELLULAR						
	4,000.00	4,000.00	2,276.27	650.67	0.00	1,723.73	56.9%
0011310 54103	COMMUNICATIONS-INTERNET						
	134,023.00	134,023.00	51,088.80	10,162.57	0.00	82,934.20	38.1%
0011310 54500	INSURANCE						
	22,653.00	22,653.00	7,221.69	1,444.33	0.00	15,431.31	31.9%
0011310 54620	R/M EQUIPMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011310 54630	R/M VEHICLES-LABOR						
	250.00	250.00	104.19	20.83	0.00	145.81	41.7%
0011310 54640	R/M VEHICLES-PARTS						
	600.00	600.00	0.00	0.00	0.00	600.00	.0%
0011310 54970	YOUTH ADVISORY PROGRAM COSTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011310 55100	OFFICE SUPPLIES						
	500.00	500.00	208.07	0.00	0.00	291.93	41.6%

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ACCOUNTS FOR: 0011310 INFORMATION TECHNOLOGY	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011310 55200 OPERATING SUPPLIES	10,500.00	10,500.00	2,415.15	368.13	0.00	8,084.85	23.0%
0011310 55210 UNIFORMS	250.00	250.00	0.00	0.00	0.00	250.00	.0%
0011310 55230 GAS/OIL	350.00	350.00	27.67	0.00	0.00	322.33	7.9%
0011310 55400 BOOKS/SUBS/DUES	450.00	450.00	300.00	0.00	0.00	150.00	66.7%
0011310 56300 IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011310 56300 23033 IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011310 56300 24002 FY24 CABLING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011310 56300 25019 CHAMBER AUDIO SYSTEM	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011310 56300 25020 IT STRUCTURED CABLING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011310 56300 26002 FY26 STRUCTURE CABLE UPGRADES	15,000.00	15,000.00	10,228.00	3,871.00	0.00	4,772.00	68.2%
0011310 56400 MACH/EQUIP	12,000.00	12,000.00	0.00	0.00	0.00	12,000.00	.0%
0011310 56401 EQUIP-NON CAPITAL	4,750.00	4,750.00	4,687.61	0.00	0.00	62.39	98.7%
TOTAL INFORMATION TECHNOLOGY	1,091,151.00	1,091,151.00	464,672.04	125,923.95	1,092.00	625,386.96	42.7%
TOTAL EXPENSES	1,091,151.00	1,091,151.00	464,672.04	125,923.95	1,092.00	625,386.96	

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ACCOUNTS FOR: 0011350 HUMAN RESOURCES

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011350 51200	SALARIES	292,576.00	292,576.00	109,696.29	22,505.76	0.00	182,879.71	37.5%
0011350 51350	PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011350 51400	OVERTIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011350 52100	FICA	21,765.00	21,765.00	8,183.39	1,673.93	0.00	13,581.61	37.6%
0011350 52200	RETIREMENT	60,828.00	60,828.00	23,244.60	4,768.96	0.00	37,583.40	38.2%
0011350 52300	HEALTH INSUR	35,340.00	35,340.00	13,056.70	2,902.12	0.00	22,283.30	36.9%
0011350 52301	LIFE INSUR	843.00	843.00	364.00	73.50	0.00	479.00	43.2%
0011350 52400	WORKERS' COMP	282.00	282.00	74.56	14.92	0.00	207.44	26.4%
0011350 52500	UNEMPLOYMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011350 53100	PROFESSIONAL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011350 53400	CONTRACTUAL	54,094.00	54,094.00	23,512.13	1,639.14	0.00	30,581.87	43.5%
0011350 53910	HOUSING ALLOWANCE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011350 54000	TRAINING/TRAVEL	5,550.00	5,550.00	2,258.50	1,285.60	0.00	3,291.50	40.7%
0011350 54010	SAFETY COMMITTEE	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00	.0%
0011350 54100	COMM - PHONE/FAX/ALARM	480.00	480.00	480.00	0.00	0.00	0.00	100.0%
0011350 54101	COMMUNICATIONS-CELLULAR	600.00	600.00	219.64	50.00	0.00	380.36	36.6%
0011350 54620	R/M EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011350 54700	PRINTING	100.00	100.00	0.00	0.00	0.00	100.00	.0%
0011350 54800	PROMOTIONAL	36,500.00	36,500.00	7,657.90	618.76	0.00	28,842.10	21.0%
0011350 55100	OFFICE SUPPLIES	2,000.00	2,000.00	468.90	48.80	0.00	1,531.10	23.4%
0011350 55200	OPERATING SUPPLIES	1,265.00	1,265.00	1,054.92	0.00	0.00	210.08	83.4%
0011350 55400	BOOKS/SUBS/DUES	2,125.00	2,125.00	794.99	0.00	0.00	1,330.01	37.4%

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ACCOUNTS FOR: 0011350 HUMAN RESOURCES

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011350 56300	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011350 56400	MACH/EQUIP						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011350 56401	EQUIP-NON CAPITAL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL HUMAN RESOURCES							
	516,348.00	516,348.00	191,066.52	35,581.49	0.00	325,281.48	37.0%
TOTAL EXPENSES							
	516,348.00	516,348.00	191,066.52	35,581.49	0.00	325,281.48	

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ACCOUNTS FOR: 0011400 CITY ATTORNEY

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011400 51200	SALARIES	365,766.00	365,766.00	138,344.35	25,178.37	0.00	227,421.65	37.8%
0011400 51300	SEASONAL/TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011400 51350	PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011400 52100	FICA	27,019.00	27,019.00	10,704.50	1,976.19	0.00	16,314.50	39.6%
0011400 52200	RETIREMENT	56,601.00	56,601.00	20,761.58	3,708.43	0.00	35,839.42	36.7%
0011400 52300	HEALTH INSUR	69,873.00	69,873.00	16,727.72	3,042.54	0.00	53,145.28	23.9%
0011400 52301	LIFE INSUR	849.00	849.00	459.50	92.75	0.00	389.50	54.1%
0011400 52400	WORKERS' COMP	188.00	188.00	92.06	18.42	0.00	95.94	49.0%
0011400 52500	UNEMPLOYMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011400 53100	PROFESSIONAL SERVICES	3,850.00	3,850.00	52.50	52.50	0.00	3,797.50	1.4%
0011400 53400	CONTRACTUAL	38,285.00	38,285.00	20,776.76	685.46	-18,516.09	36,024.33	5.9%
0011400 54000	TRAINING/TRAVEL	8,300.00	8,300.00	2,275.25	741.05	0.00	6,024.75	27.4%
0011400 54100	COMM - PHONE/FAX/ALARM	480.00	480.00	480.00	0.00	0.00	0.00	100.0%
0011400 54101	COMMUNICATIONS-CELLULAR	600.00	600.00	119.58	29.46	0.00	480.42	19.9%
0011400 54200	POSTAGE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011400 54620	R/M EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011400 54700	PRINTING	100.00	100.00	0.00	0.00	0.00	100.00	.0%
0011400 54930	COLLECTIONS/LITIGATION COSTS	3,000.00	15,000.00	12,000.00	0.00	0.00	3,000.00	80.0%
0011400 54934	LEGAL/CONTRACTUAL	85,000.00	73,000.00	26,076.48	6,882.60	0.00	46,923.52	35.7%
0011400 55100	OFFICE SUPPLIES	400.00	400.00	133.32	0.00	0.00	266.68	33.3%
0011400 55200	OPERATING SUPPLIES	565.00	565.00	71.00	0.00	0.00	494.00	12.6%
0011400 55210	UNIFORMS	100.00	100.00	0.00	0.00	0.00	100.00	.0%

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ACCOUNTS FOR: 0011400 CITY ATTORNEY

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011400 55220	JANITORIAL SUPPLIES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011400 55400	BOOKS/SUBS/DUES						
	1,451.00	1,451.00	260.00	260.00	0.00	1,191.00	17.9%
0011400 56400	MACH/EQUIP						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011400 56401	EQUIP-NON CAPITAL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL CITY ATTORNEY							
	662,427.00	662,427.00	249,334.60	42,667.77	-18,516.09	431,608.49	34.8%
TOTAL EXPENSES							
	662,427.00	662,427.00	249,334.60	42,667.77	-18,516.09	431,608.49	

City of Fernandina Beach
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ACCOUNTS FOR: 0011500 PLANNING

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011500 51200	SALARIES	444,320.00	444,320.00	138,703.21	25,927.30	0.00	305,616.79	31.2%
0011500 51300	SEASONAL/TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011500 51350	PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011500 51400	OVERTIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011500 52100	FICA	33,667.00	33,667.00	10,648.70	1,994.18	0.00	23,018.30	31.6%
0011500 52200	RETIREMENT	92,377.00	92,377.00	29,428.74	5,494.01	0.00	62,948.26	31.9%
0011500 52300	HEALTH INSUR	63,147.00	63,147.00	21,251.24	5,731.80	0.00	41,895.76	33.7%
0011500 52301	LIFE INSUR	1,282.00	1,282.00	458.23	85.00	0.00	823.77	35.7%
0011500 52400	WORKERS' COMP	4,768.00	4,768.00	1,047.94	209.58	0.00	3,720.06	22.0%
0011500 52500	UNEMPLOYMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011500 53100	PROFESSIONAL SERVICES	133,125.00	133,125.00	26,587.50	7,462.50	54,407.50	52,130.00	60.8%
0011500 53100 23061	PROFESSIONAL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011500 53100 23062	PROJECT 23062 PROF SVC	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011500 53100 25050	PLANNING ADAPTATION PLAN	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011500 53100 25075	DOWNTOWN CIRCULATION STUDY	0.00	0.00	24,943.41	0.00	-24,943.41	0.00	.0%
0011500 53400	CONTRACTUAL	83,595.00	83,595.00	39,950.36	1,570.30	-1,234.75	44,879.39	46.3%
0011500 54000	TRAINING/TRAVEL	14,410.00	14,410.00	94.11	0.00	0.00	14,315.89	.7%
0011500 54100	COMM - PHONE/FAX/ALARM	1,120.00	1,120.00	1,120.00	0.00	0.00	0.00	100.0%
0011500 54101	COMMUNICATIONS-CELLULAR	1,250.00	1,250.00	257.73	51.54	0.00	992.27	20.6%
0011500 54500	INSURANCE	17,039.00	17,039.00	5,431.69	1,086.33	0.00	11,607.31	31.9%
0011500 54610	R/M BLDG & GROUNDS	10,000.00	10,000.00	254.71	0.00	0.00	9,745.29	2.5%
0011500 54630	R/M VEHICLES-LABOR	500.00	500.00	208.31	41.67	0.00	291.69	41.7%

City of Fernandina Beach
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ACCOUNTS FOR: 0011500 PLANNING

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011500 54640	R/M VEHICLES-PARTS						
	1,000.00	1,000.00	361.55	0.00	0.00	638.45	36.2%
0011500 54700	PRINTING						
	9,000.00	9,000.00	5,001.85	543.00	0.00	3,998.15	55.6%
0011500 55100	OFFICE SUPPLIES						
	2,500.00	2,500.00	124.48	73.09	0.00	2,375.52	5.0%
0011500 55200	OPERATING SUPPLIES						
	2,110.00	2,110.00	248.73	0.00	0.00	1,861.27	11.8%
0011500 55210	UNIFORMS						
	1,375.00	1,375.00	235.71	0.00	0.00	1,139.29	17.1%
0011500 55230	GAS/OIL						
	1,000.00	1,000.00	230.56	0.00	0.00	769.44	23.1%
0011500 55400	BOOKS/SUBS/DUES						
	3,670.00	3,670.00	719.99	265.00	0.00	2,950.01	19.6%
0011500 56300	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011500 56400	MACH/EQUIP						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011500 56401	EQUIP-NON CAPITAL						
	10,500.00	10,500.00	0.00	0.00	0.00	10,500.00	.0%
0011500 56410 23041	CITYVIEW SOFTWARE PROJ 23041						
	0.00	0.00	4,446.51	0.00	-4,446.51	0.00	.0%
TOTAL PLANNING							
	931,755.00	931,755.00	311,755.26	50,535.30	23,782.83	596,216.91	36.0%
TOTAL EXPENSES							
	931,755.00	931,755.00	311,755.26	50,535.30	23,782.83	596,216.91	

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ACCOUNTS FOR: 0011501 PLANNING GREENWAY

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011501 51200	SALARIES	86,743.00	86,743.00	30,748.46	6,308.49	0.00	55,994.54	35.4%
0011501 51300	SEASONAL/TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 51350	PART TIME SALARIES	41,006.00	41,006.00	0.00	0.00	0.00	41,006.00	.0%
0011501 52100	FICA	5,703.00	5,703.00	2,366.21	482.12	0.00	3,336.79	41.5%
0011501 52200	RETIREMENT	17,051.00	17,051.00	6,565.54	1,336.77	0.00	10,485.46	38.5%
0011501 52300	HEALTH INSUR	12,457.00	12,457.00	4,917.40	983.48	0.00	7,539.60	39.5%
0011501 52301	LIFE INSUR	238.00	238.00	102.75	20.75	0.00	135.25	43.2%
0011501 52400	WORKERS' COMP	188.00	188.00	22.94	4.58	0.00	165.06	12.2%
0011501 53100	PROFESSIONAL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 53400	CONTRACTUAL	111,880.00	111,380.00	35,254.45	20,561.95	34,530.00	41,595.55	62.7%
0011501 54000	TRAINING/TRAVEL	2,400.00	2,900.00	2,779.00	0.00	0.00	121.00	95.8%
0011501 54100	COMM - PHONE/FAX/ALARM	160.00	160.00	160.00	0.00	0.00	0.00	100.0%
0011501 54103	COMMUNICATIONS-INTERNET	0.00	500.00	180.35	36.07	0.00	319.65	36.1%
0011501 54610	R/M BLDG & GROUNDS	5,400.00	5,400.00	283.78	0.00	0.00	5,116.22	5.3%
0011501 54611	R/M FACILITIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 54630	R/M VEHICLES-LABOR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 54640	R/M VEHICLES-PARTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 54941	SIGNAGE COSTS	6,000.00	5,500.00	806.10	617.20	0.00	4,693.90	14.7%
0011501 54970	PROGRAM COSTS	2,400.00	2,400.00	0.00	0.00	0.00	2,400.00	.0%
0011501 54970 34701	PROGRAM COSTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 54970 34702	PROGRAM COSTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 54970 34703	PROGRAM COSTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0011501 PLANNING GREENWAY

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011501 55200 OPERATING SUPPLIES	1,500.00	1,500.00	564.69	0.00	0.00	935.31	37.6%
0011501 55210 UNIFORMS	600.00	600.00	235.71	0.00	0.00	364.29	39.3%
0011501 55230 GAS/OIL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 55240 CHEMICALS	1,200.00	1,200.00	241.55	241.55	0.00	958.45	20.1%
0011501 55400 BOOKS/SUBS/DUES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 56300 IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 56300 25061 EGANS CREEK BRIDGE REPAIR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 56400 EQUIPMENT	45,000.00	45,000.00	0.00	0.00	0.00	45,000.00	.0%
0011501 56400 25425 PLANNING ADA VAN	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011501 56401 NON CAP EQUIP	8,500.00	8,500.00	0.00	0.00	0.00	8,500.00	.0%
TOTAL PLANNING GREENWAY	348,426.00	348,426.00	85,228.93	30,592.96	34,530.00	228,667.07	34.4%
TOTAL EXPENSES	348,426.00	348,426.00	85,228.93	30,592.96	34,530.00	228,667.07	

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0011910 NON DEPARTMENTAL

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011910 53100	PROFESSIONAL SERVICES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011910 53200	AUDITING						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011910 53400	CONTRACTUAL						
	189,711.00	189,711.00	90,110.74	15,184.00	0.00	99,600.26	47.5%
0011910 54100	COMM - PHONE/FAX/ALARM						
	1,302.00	1,302.00	584.47	0.00	0.00	717.53	44.9%
0011910 54103	COMMUNICATIONS-INTERNET						
	3,480.00	3,480.00	3,480.00	1,177.43	0.00	0.00	100.0%
0011910 54200	POSTAGE						
	13,500.00	13,500.00	3,850.84	0.00	0.00	9,649.16	28.5%
0011910 54300	UTILITIES ELECTRIC						
	20,000.00	20,000.00	4,682.39	1,514.49	0.00	15,317.61	23.4%
0011910 54310	UTILITIES-WATER & WASTEWATER						
	3,000.00	3,000.00	861.36	210.43	0.00	2,138.64	28.7%
0011910 54500	INSURANCE						
	83,608.00	83,608.00	24,678.75	4,935.75	0.00	58,929.25	29.5%
0011910 54610	R/M BLDG & GROUNDS						
	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	.0%
0011910 54611	R/M FACILITIES						
	22,000.00	22,000.00	5,040.78	320.00	0.00	16,959.22	22.9%
0011910 54620	R/M EQUIPMENT						
	5,000.00	5,000.00	4,185.00	0.00	0.00	815.00	83.7%
0011910 54630	R/M VEHICLES-LABOR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011910 54640	R/M VEHICLES-PARTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011910 54700	PRINTING						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011910 54910	BILLING COSTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011910 55100	OFFICE SUPPLIES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011910 55200	OPERATING SUPPLIES						
	3,025.00	3,025.00	507.26	0.00	0.00	2,517.74	16.8%
0011910 55220	JANITORIAL SUPPLIES						
	1,500.00	1,500.00	892.67	208.56	0.00	607.33	59.5%
0011910 55230	GAS/OIL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011910 55400	BOOKS/SUBS/DUES						
	180.00	180.00	0.00	0.00	0.00	180.00	.0%
0011910 56300	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0011910 NON DEPARTMENTAL	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011910 56400 MACH/EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011910 56400 24004 CITY HALL ELEVATOR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011910 56401 EQUIP-NON CAPITAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL NON DEPARTMENTAL	347,306.00	347,306.00	138,874.26	23,550.66	0.00	208,431.74	40.0%
TOTAL EXPENSES	347,306.00	347,306.00	138,874.26	23,550.66	0.00	208,431.74	

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0011930 FACILITIES MAINTENANCE

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011930 51200	SALARIES						
	564,026.00	564,026.00	214,877.59	42,950.05	0.00	349,148.41	38.1%
0011930 51210	WC REIMB						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 51300	SEASONAL/TEMPORARY						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 51350	PART-TIME						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 51400	OVERTIME						
	8,000.00	8,000.00	4,218.77	2,036.14	0.00	3,781.23	52.7%
0011930 52100	FICA						
	42,273.00	42,273.00	16,132.52	3,274.78	0.00	26,140.48	38.2%
0011930 52200	RETIREMENT						
	98,615.00	98,615.00	38,420.43	8,069.37	0.00	60,194.57	39.0%
0011930 52300	HEALTH INSUR						
	99,988.00	99,988.00	43,841.51	9,842.32	0.00	56,146.49	43.8%
0011930 52301	LIFE INSUR						
	1,597.00	1,597.00	694.85	140.62	0.00	902.15	43.5%
0011930 52400	WORKERS' COMP						
	5,241.00	5,241.00	2,347.50	469.50	0.00	2,893.50	44.8%
0011930 52500	UNEMPLOYMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 53100	PROFESSIONAL SERVICES						
	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	.0%
0011930 53400	CONTRACTUAL						
	5,131.00	5,131.00	2,238.47	805.34	0.00	2,892.53	43.6%
0011930 54000	TRAINING/TRAVEL						
	5,438.00	5,438.00	449.00	200.00	0.00	4,989.00	8.3%
0011930 54100	COMM - PHONE/FAX/ALARM						
	480.00	480.00	480.00	0.00	0.00	0.00	100.0%
0011930 54101	COMMUNICATIONS-CELLULAR						
	4,663.00	4,663.00	1,613.43	343.35	0.00	3,049.57	34.6%
0011930 54103	COMMUNICATIONS-INTERNET						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 54200	POSTAGE						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 54300	UTILITIES ELECTRIC						
	2,350.00	2,350.00	835.18	359.25	0.00	1,514.82	35.5%
0011930 54310	UTILITIES-WATER & WASTEWATER						
	900.00	900.00	333.26	114.02	0.00	566.74	37.0%
0011930 54400	RENTALS/LEASES						
	1,000.00	1,000.00	114.20	0.00	0.00	885.80	11.4%
0011930 54500	INSURANCE						
	10,145.00	10,145.00	3,234.19	646.83	0.00	6,910.81	31.9%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0011930 FACILITIES MAINTENANCE

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011930 54610	R/M BLDG & GROUNDS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 54611	R/M FACILITIES	19,000.00	19,000.00	7,655.63	1,734.22	0.00	11,344.37	40.3%
0011930 54620	R/M EQUIPMENT	11,500.00	11,500.00	934.00	0.00	0.00	10,566.00	8.1%
0011930 54630	R/M VEHICLES-LABOR	8,000.00	8,000.00	3,333.31	666.67	0.00	4,666.69	41.7%
0011930 54640	R/M VEHICLES-PARTS	7,500.00	7,500.00	4,040.71	0.00	0.00	3,459.29	53.9%
0011930 55100	OFFICE SUPPLIES	250.00	250.00	107.22	0.00	0.00	142.78	42.9%
0011930 55200	OPERATING SUPPLIES	14,530.00	13,405.00	5,595.25	1,203.85	0.00	7,809.75	41.7%
0011930 55210	UNIFORMS	3,300.00	3,300.00	1,349.97	0.00	0.00	1,950.03	40.9%
0011930 55220	JANITORIAL SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 55230	GAS/OIL	14,000.00	14,000.00	4,722.65	923.80	0.00	9,277.35	33.7%
0011930 55240	CHEMICALS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 55400	BOOKS/SUBS/DUES	200.00	200.00	0.00	0.00	0.00	200.00	.0%
0011930 56300	IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 56400	MACH/EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 56400 25419	FACITLITIES MAINT F-250 TRUCK	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 56400 26400	FACILITY MAINT VEHICLE RE #900	57,000.00	57,000.00	56,920.00	56,920.00	0.00	80.00	99.9%
0011930 56401	EQUIP-NON CAPITAL	0.00	1,125.00	1,124.15	0.00	0.00	0.85	99.9%
0011930 56415	SUBSCRIPTION BASED IT AGREEMNT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 57100	PRINCIPAL	15,351.00	15,351.00	15,350.99	0.00	0.00	0.01	100.0%
0011930 57199	CONTRA PRINCIPAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0011930 57200	INTEREST	1,638.00	1,638.00	1,637.86	0.00	0.00	0.14	100.0%
TOTAL FACILITIES MAINTENANCE		1,004,616.00	1,004,616.00	432,602.64	130,700.11	0.00	572,013.36	43.1%
TOTAL EXPENSES		1,004,616.00	1,004,616.00	432,602.64	130,700.11	0.00	572,013.36	

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0012100 POLICE

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012100 51200	SALARIES	3,811,669.00	3,811,669.00	1,485,256.96	265,106.21	0.00	2,326,412.04	39.0%
0012100 51210	WC REIMB	0.00	0.00	-1,295.00	0.00	0.00	1,295.00	100.0%
0012100 51300	SEASONAL/TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 51350	PART-TIME	60,911.00	60,911.00	5,533.36	1,052.13	0.00	55,377.64	9.1%
0012100 51400	OVERTIME	220,325.00	220,325.00	84,148.40	17,610.05	0.00	136,176.60	38.2%
0012100 51500	INCENTIVE	25,000.00	25,000.00	8,398.32	1,716.86	0.00	16,601.68	33.6%
0012100 52100	FICA	298,665.00	298,665.00	115,863.22	20,817.71	0.00	182,801.78	38.8%
0012100 52200	RETIREMENT	1,115,378.00	1,115,378.00	402,381.48	79,672.01	0.00	712,996.52	36.1%
0012100 52300	HEALTH INSUR	663,485.00	663,485.00	215,865.21	47,163.26	0.00	447,619.79	32.5%
0012100 52301	LIFE INSUR	11,583.00	11,583.00	4,134.00	834.75	0.00	7,449.00	35.7%
0012100 52400	WORKERS' COMP	111,254.00	111,254.00	20,591.69	4,118.33	0.00	90,662.31	18.5%
0012100 52500	UNEMPLOYMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 53100	PROFESSIONAL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 53400	CONTRACTUAL	235,349.00	235,349.00	103,303.67	35,373.50	0.00	132,045.33	43.9%
0012100 53500	INVESTIGATIONS	4,000.00	4,227.00	1,327.94	0.00	0.00	2,899.06	31.4%
0012100 54000	TRAINING/TRAVEL	30,000.00	30,000.00	11,413.33	4,734.98	0.00	18,586.67	38.0%
0012100 54100	COMM - PHONE/FAX/ALARM	9,298.00	9,298.00	5,707.08	0.00	0.00	3,590.92	61.4%
0012100 54101	COMMUNICATIONS-CELLULAR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 54103	COMMUNICATIONS-INTERNET	13,600.00	13,600.00	3,498.14	771.69	0.00	10,101.86	25.7%
0012100 54104	COMMUNICATIONS-MOBILE	51,620.00	51,620.00	17,311.43	4,211.59	0.00	34,308.57	33.5%
0012100 54105	COMMUNICATIONS-911 SYSTEM	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 54200	POSTAGE	400.00	400.00	128.77	27.87	0.00	271.23	32.2%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0012100 POLICE

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012100 54300	UTILITIES ELECTRIC	48,000.00	48,000.00	16,257.41	4,088.62	0.00	31,742.59	33.9%
0012100 54310	UTILITIES-WATER & WASTEWATER	10,000.00	10,000.00	2,452.48	486.55	0.00	7,547.52	24.5%
0012100 54320	UTILITIES-PROPANE/OTHER	2,500.00	2,500.00	794.18	164.60	0.00	1,705.82	31.8%
0012100 54400	RENTALS/LEASES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 54500	INSURANCE	173,859.00	173,841.00	43,046.69	8,609.33	0.00	130,794.31	24.8%
0012100 54610	R/M BLDG & GROUNDS	36,000.00	36,000.00	11,695.75	0.00	11,484.36	12,819.89	64.4%
0012100 54611	R/M FACILITIES	19,500.00	19,500.00	11,302.16	346.41	0.00	8,197.84	58.0%
0012100 54620	R/M EQUIPMENT	13,400.00	13,400.00	1,392.48	368.00	0.00	12,007.52	10.4%
0012100 54630	R/M VEHICLES-LABOR	47,000.00	47,000.00	19,583.31	3,916.67	0.00	27,416.69	41.7%
0012100 54640	R/M VEHICLES-PARTS	60,000.00	60,000.00	43,381.88	4,609.61	0.00	16,618.12	72.3%
0012100 54700	PRINTING	3,000.00	3,000.00	140.00	0.00	0.00	2,860.00	4.7%
0012100 54800	PROMOTIONAL	6,000.00	6,000.00	512.41	0.00	0.00	5,487.59	8.5%
0012100 54900	MISC EXPENSE	750.00	750.00	0.00	0.00	0.00	750.00	.0%
0012100 55100	OFFICE SUPPLIES	7,500.00	7,500.00	337.32	38.79	0.00	7,162.68	4.5%
0012100 55200	OPERATING SUPPLIES	55,700.00	55,473.00	16,388.46	3,071.51	0.00	39,084.54	29.5%
0012100 55210	UNIFORMS	53,300.00	53,300.00	7,948.49	4,359.21	9,393.60	35,957.91	32.5%
0012100 55220	JANITORIAL SUPPLIES	6,000.00	6,000.00	545.66	262.52	0.00	5,454.34	9.1%
0012100 55230	GAS/OIL	155,000.00	155,000.00	56,191.81	10,714.50	0.00	98,808.19	36.3%
0012100 55400	BOOKS/SUBS/DUES	3,150.00	3,150.00	415.00	120.00	0.00	2,735.00	13.2%
0012100 56200	BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 56300	IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 56300 23026	IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0012100 POLICE

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012100 56300 24006	PD CARPORT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 56400	MACH/EQUIP						
	173,000.00	173,000.00	0.00	-438.19	65,461.17	107,538.83	37.8%
0012100 56400 25413	POLICE SERVICE VEHICLE (RE#95)						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 56400 25414	POLICE SERV VEHICLE (RE#1802)						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 56400 26401	POLICE VEHICLE RE #98						
	90,000.00	90,000.00	5,622.55	4,636.63	81,537.37	2,840.08	96.8%
0012100 56400 26402	POLICE VEHICLE RE #1991						
	90,000.00	90,000.00	5,622.55	4,636.63	81,537.37	2,840.08	96.8%
0012100 56400 26403	POLICE VEHICLE RE #1856						
	90,000.00	90,000.00	5,480.69	4,636.63	81,537.37	2,981.94	96.7%
0012100 56400 26404	POLICE VEHICLE RE #2077						
	90,000.00	90,000.00	5,480.69	4,636.63	81,537.37	2,981.94	96.7%
0012100 56400 26405	MESSAGE BOARD TRAILER RE #3						
	22,000.00	22,000.00	19,118.20	0.00	0.00	2,881.80	86.9%
0012100 56401	EQUIP-NON CAPITAL						
	24,900.00	24,900.00	438.19	438.19	0.00	24,461.81	1.8%
0012100 56415	SUBSCRIPTION BASED IT AGREEMNT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 57100	PRINCIPAL						
	9,127.00	9,127.00	9,127.00	0.00	0.00	0.00	100.0%
0012100 57199	CONTRA PRINCIPAL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012100 57200	INTEREST						
	874.00	874.00	873.00	0.00	0.00	1.00	99.9%
TOTAL POLICE							
	7,953,097.00	7,953,079.00	2,767,716.36	542,913.78	412,488.61	4,772,874.03	40.0%
TOTAL EXPENSES							
	7,953,097.00	7,953,079.00	2,767,716.36	542,913.78	412,488.61	4,772,874.03	

City of Fernandina Beach
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ACCOUNTS FOR: 0012101 POLICE RANGERS

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012101 51350 PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 51400 OVERTIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 52100 FICA	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 52400 WORKERS' COMP	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 54000 TRAINING/TRAVEL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 54500 INSURANCE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 54620 R/M EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 54630 R/M VEHICLES-LABOR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 54640 R/M VEHICLES-PARTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 54700 PRINTING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 55200 OPERATING SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 55210 UNIFORMS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 55230 GAS/OIL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 56400 EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012101 56401 NON CAP EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL POLICE RANGERS	0.00	0.00	0.00	0.00	0.00	0.00	.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

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ACCOUNTS FOR: 0012200 FIRE

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012200 51200	SALARIES						
	3,716,575.00	3,716,575.00	1,322,315.01	259,863.74	0.00	2,394,259.99	35.6%
0012200 51210	WC REIMB						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012200 51300	SEASONAL/TEMPORARY						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012200 51350	PART-TIME						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012200 51400	OVERTIME						
	423,500.00	423,500.00	121,211.25	35,924.61	0.00	302,288.75	28.6%
0012200 51500	INCENTIVE						
	13,300.00	13,300.00	4,697.23	960.02	0.00	8,602.77	35.3%
0012200 52100	FICA						
	305,882.00	305,882.00	106,646.42	21,789.00	0.00	199,235.58	34.9%
0012200 52200	RETIREMENT						
	1,248,481.00	1,248,481.00	442,962.46	85,714.14	0.00	805,518.54	35.5%
0012200 52300	HEALTH INSUR						
	618,447.00	618,447.00	215,433.01	47,281.53	0.00	403,013.99	34.8%
0012200 52301	LIFE INSUR						
	9,867.00	9,867.00	4,079.50	810.50	0.00	5,787.50	41.3%
0012200 52400	WORKERS' COMP						
	146,500.00	146,500.00	28,454.56	5,690.92	0.00	118,045.44	19.4%
0012200 52500	UNEMPLOYMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012200 53100	PROFESSIONAL SERVICES						
	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	.0%
0012200 53400	CONTRACTUAL						
	403,900.00	403,900.00	96,418.23	3,478.39	9,440.00	298,041.77	26.2%
0012200 53500	INVESTIGATIONS						
	800.00	800.00	0.00	0.00	0.00	800.00	.0%
0012200 53910	HOUSING ALLOWANCE						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012200 54000	TRAINING/TRAVEL						
	63,292.00	63,292.00	38,559.57	24,651.67	0.00	24,732.43	60.9%
0012200 54100	COMM - PHONE/FAX/ALARM						
	1,280.00	1,280.00	1,280.00	0.00	0.00	0.00	100.0%
0012200 54101	COMMUNICATIONS-CELLULAR						
	10,800.00	10,800.00	3,902.93	780.45	0.00	6,897.07	36.1%
0012200 54103	COMMUNICATIONS-INTERNET						
	32,715.00	32,715.00	5,073.31	1,527.63	0.00	27,641.69	15.5%
0012200 54200	POSTAGE						
	800.00	800.00	68.54	0.00	0.00	731.46	8.6%
0012200 54300	UTILITIES ELECTRIC						
	35,000.00	35,000.00	8,292.53	1,832.56	0.00	26,707.47	23.7%

City of Fernandina Beach
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FOR 2026 05

ACCOUNTS FOR: 0012200 FIRE

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012200	54310	UTILITIES-WATER & WASTEWATER						
		6,500.00	6,500.00	2,875.38	683.55	0.00	3,624.62	44.2%
0012200	54320	UTILITIES-PROPANE/OTHER						
		4,500.00	4,500.00	2,092.51	602.13	0.00	2,407.49	46.5%
0012200	54440	LAND RENT						
		10,000.00	10,000.00	4,166.69	833.33	0.00	5,833.31	41.7%
0012200	54500	INSURANCE						
		126,156.00	126,156.00	38,556.69	7,711.33	0.00	87,599.31	30.6%
0012200	54610	R/M BLDG & GROUNDS						
		66,875.00	66,875.00	29,391.42	7,885.10	0.00	37,483.58	43.9%
0012200	54611	R/M FACILITIES						
		20,750.00	20,750.00	8,277.85	398.69	0.00	12,472.15	39.9%
0012200	54620	R/M EQUIPMENT						
		28,751.00	28,751.00	14,255.84	1,313.12	0.00	14,495.16	49.6%
0012200	54630	R/M VEHICLES-LABOR						
		40,000.00	40,000.00	16,666.76	3,333.32	0.00	23,333.24	41.7%
0012200	54640	R/M VEHICLES-PARTS						
		80,000.00	80,000.00	29,073.84	3,125.22	0.00	50,926.16	36.3%
0012200	54650	OUTSIDE R/M VEHICLES						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012200	54700	PRINTING						
		1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	.0%
0012200	54800	PROMOTIONAL						
		6,800.00	6,800.00	4,613.51	0.00	0.00	2,186.49	67.8%
0012200	54922	AMBULANCE BILLING/COLLEC FEE						
		80,000.00	80,000.00	17,567.30	1,702.18	0.00	62,432.70	22.0%
0012200	54970	PROGRAM COSTS						
		4,050.00	4,050.00	1,861.00	0.00	0.00	2,189.00	46.0%
0012200	55100	OFFICE SUPPLIES						
		2,500.00	2,500.00	624.74	119.01	0.00	1,875.26	25.0%
0012200	55200	OPERATING SUPPLIES						
		61,350.00	61,350.00	21,385.07	806.02	0.00	39,964.93	34.9%
0012200	55210	UNIFORMS						
		82,300.00	82,300.00	37,371.32	1,085.31	0.00	44,928.68	45.4%
0012200	55220	JANITORIAL SUPPLIES						
		7,000.00	7,000.00	2,866.07	1,066.89	0.00	4,133.93	40.9%
0012200	55230	GAS/OIL						
		52,000.00	52,000.00	16,804.69	3,239.69	0.00	35,195.31	32.3%
0012200	55245	MEDICAL SUPPLIES						
		130,900.00	130,900.00	32,995.66	4,121.50	0.00	97,904.34	25.2%
0012200	55400	BOOKS/SUBS/DUES						
		6,750.00	6,750.00	1,357.04	250.00	0.00	5,392.96	20.1%
0012200	56200	BUILDING						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%

City of Fernandina Beach
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FOR 2026 05

ACCOUNTS FOR: 0012200 FIRE

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012200 56300	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012200 56400	MACH/EQUIP						
	116,301.00	0.00	0.00	0.00	0.00	0.00	.0%
0012200 56400 26449	HAMILTON VENTILATORS						
	0.00	35,102.00	0.00	0.00	35,026.14	75.86	99.8%
0012200 56401	EQUIP-NON CAPITAL						
	20,000.00	20,000.00	542.87	0.00	0.00	19,457.13	2.7%
0012200 56410 23041	CITYVIEW SOFTWARE PROJ 23041						
	0.00	0.00	714.81	0.00	-714.81	0.00	.0%
0012200 56415	SUBSCRIPTION BASED IT AGREEMNT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012200 57100	PRINCIPAL						
	25,718.00	25,718.00	25,717.63	0.00	0.00	0.37	100.0%
0012200 57200	INTEREST						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL FIRE							
	8,016,340.00	7,935,141.00	2,709,173.24	528,581.55	43,751.33	5,182,216.43	34.7%
TOTAL EXPENSES							
	8,016,340.00	7,935,141.00	2,709,173.24	528,581.55	43,751.33	5,182,216.43	

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0012201 FIRE OCEAN RESCUE

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012201 51200	SALARIES						
	184,243.00	184,243.00	69,785.38	14,172.39	0.00	114,457.62	37.9%
0012201 51210	WC REIMB						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012201 51300	SEASONAL/TEMPORARY						
	270,605.00	270,605.00	1,367.79	0.00	0.00	269,237.21	.5%
0012201 51350	PART TIME SALARIES						
	179,495.00	179,495.00	32,272.23	3,652.11	0.00	147,222.77	18.0%
0012201 51400	OVERTIME						
	45,000.00	45,000.00	68.07	0.00	0.00	44,931.93	.2%
0012201 52100	FICA						
	51,794.00	51,794.00	7,872.68	1,353.42	0.00	43,921.32	15.2%
0012201 52200	RETIREMENT						
	38,304.00	38,304.00	14,637.63	3,003.12	0.00	23,666.37	38.2%
0012201 52300	HEALTH INSUR						
	36,777.00	36,777.00	9,410.83	2,076.16	0.00	27,366.17	25.6%
0012201 52301	LIFE INSUR						
	534.00	534.00	229.25	46.25	0.00	304.75	42.9%
0012201 52400	WORKERS' COMP						
	31,204.00	31,204.00	3,545.81	709.17	0.00	27,658.19	11.4%
0012201 53400	CONTRACTUAL						
	46,018.00	44,418.00	6,566.65	1,061.05	0.00	37,851.35	14.8%
0012201 54000	TRAINING/TRAVEL						
	5,700.00	5,700.00	861.99	861.99	0.00	4,838.01	15.1%
0012201 54100	COMM - PHONE/FAX/ALARM						
	320.00	320.00	320.00	0.00	0.00	0.00	100.0%
0012201 54101	COMMUNICATIONS-CELLULAR						
	5,638.00	5,638.00	1,914.39	383.03	0.00	3,723.61	34.0%
0012201 54103	COMMUNICATIONS-INTERNET						
	1,200.00	1,200.00	1,157.48	241.97	0.00	42.52	96.5%
0012201 54300	UTILITIES ELECTRIC						
	5,500.00	5,500.00	1,426.73	576.15	0.00	4,073.27	25.9%
0012201 54310	UTILITIES-WATER & WASTEWATER						
	3,000.00	3,000.00	734.22	136.56	0.00	2,265.78	24.5%
0012201 54320	UTILITIES-PROPANE/OTHER						
	600.00	600.00	161.27	40.37	0.00	438.73	26.9%
0012201 54500	INSURANCE						
	18,615.00	18,615.00	5,934.19	1,186.83	0.00	12,680.81	31.9%
0012201 54610	R/M BLDG & GROUNDS						
	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	.0%
0012201 54611	R/M FACILITIES						
	38,500.00	38,500.00	16,775.86	11,868.28	4,907.57	16,816.57	56.3%
0012201 54620	R/M EQUIPMENT						
	11,500.00	11,500.00	1,408.75	727.22	0.00	10,091.25	12.3%

City of Fernandina Beach
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ACCOUNTS FOR: 0012201 FIRE OCEAN RESCUE

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012201 54630 R/M VEHICLES-LABOR	19,000.00	19,000.00	7,916.69	1,583.33	0.00	11,083.31	41.7%
0012201 54640 R/M VEHICLES-PARTS	19,000.00	19,000.00	5,098.69	1,428.96	0.00	13,901.31	26.8%
0012201 54700 PRINTING	500.00	500.00	0.00	0.00	0.00	500.00	.0%
0012201 54800 PROMOTIONAL	4,200.00	4,200.00	970.00	0.00	0.00	3,230.00	23.1%
0012201 55100 OFFICE SUPPLIES	750.00	750.00	222.49	153.54	0.00	527.51	29.7%
0012201 55200 OPERATING SUPPLIES	18,330.00	18,330.00	3,224.56	1,604.85	0.00	15,105.44	17.6%
0012201 55210 UNIFORMS	16,400.00	16,400.00	1,251.50	0.00	0.00	15,148.50	7.6%
0012201 55230 GAS/OIL	17,000.00	17,000.00	3,585.66	355.02	0.00	13,414.34	21.1%
0012201 55245 MEDICAL SUPPLIES	2,600.00	2,600.00	672.57	672.57	0.00	1,927.43	25.9%
0012201 55400 BOOKS/SUBS/DUES	2,600.00	2,600.00	48.80	33.80	0.00	2,551.20	1.9%
0012201 56400 EQUIPMENT	40,000.00	0.00	0.00	0.00	0.00	0.00	.0%
0012201 56400 25400 OCEAN RESCUE F-150 (RE#145)	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012201 56400 26406 OCEAN RESCUE VEHICLE RE #144	15,000.00	15,000.00	14,759.42	0.00	0.00	240.58	98.4%
0012201 56400 26407 KAWASAKI PWC & TRAILER	30,000.00	30,000.00	17,179.50	0.00	7,245.44	5,575.06	81.4%
0012201 56400 26447 MOTOROLLA RADIOS-OR	0.00	40,000.00	0.00	0.00	40,000.00	0.00	100.0%
0012201 56401 NON CAP EQUIP	3,900.00	5,500.00	0.00	0.00	5,488.98	11.02	99.8%
TOTAL FIRE OCEAN RESCUE	1,165,327.00	1,165,327.00	231,381.08	47,928.14	57,641.99	876,303.93	24.8%
TOTAL EXPENSES	1,165,327.00	1,165,327.00	231,381.08	47,928.14	57,641.99	876,303.93	

City of Fernandina Beach
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FOR 2026 05

ACCOUNTS FOR: 0012202 FIRE BEACH RANGERS

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012202 51350 PART TIME SALARIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 51400 OVERTIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 52100 FICA	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 52400 WORKERS' COMP	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 53400 CONTRACTUAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 54000 TRAINING/TRAVEL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 54101 COMMUNICATIONS-CELLULAR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 54500 INSURANCE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 54620 R/M EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 54630 R/M VEHICLES-LABOR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 54640 R/M VEHICLES-PARTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 54700 PRINTING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 54800 PROMOTIONAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 55200 OPERATING SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 55210 UNIFORMS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 55230 GAS/OIL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 56400 EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012202 56401 NON CAP EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL FIRE BEACH RANGERS	0.00	0.00	0.00	0.00	0.00	0.00	.0%

City of Fernandina Beach
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ACCOUNTS FOR: 0012400 BUILDING / PERMITTING

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012400 51200	SALARIES	30,795.00	30,795.00	11,797.83	2,368.80	0.00	18,997.17	38.3%
0012400 51210	WC REIMB	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 51300	SEASONAL/TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 51350	PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 51400	OVERTIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 52100	FICA	2,353.00	2,353.00	901.81	181.20	0.00	1,451.19	38.3%
0012400 52200	RETIREMENT	6,403.00	6,403.00	2,497.79	501.94	0.00	3,905.21	39.0%
0012400 52300	HEALTH INSUR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 52301	LIFE INSUR	89.00	89.00	31.00	7.75	0.00	58.00	34.8%
0012400 52400	WORKERS' COMP	0.00	36.00	-10.50	1.50	0.00	46.50	-29.2%
0012400 52500	UNEMPLOYMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 53100	PROFESSIONAL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 53400	CONTRACTUAL	12,352.00	12,352.00	4,978.99	0.00	0.00	7,373.01	40.3%
0012400 54000	TRAINING/TRAVEL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 54100	COMM - PHONE/FAX/ALARM	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 54101	COMMUNICATIONS-CELLULAR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 54300	UTILITIES ELECTRIC	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 54500	INSURANCE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 54610	R/M BLDG & GROUNDS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 54620	R/M EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 54630	R/M VEHICLES-LABOR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 54640	R/M VEHICLES-PARTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%

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ACCOUNTS FOR: 0012400 BUILDING / PERMITTING	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012400 54700 PRINTING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 55100 OFFICE SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 55200 OPERATING SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 55210 UNIFORMS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 55230 GAS/OIL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 55400 BOOKS/SUBS/DUES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 56300 IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 56400 MACH/EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 56401 EQUIP-NON CAPITAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012400 56410 23041 CITYVIEW SOFTWARE PROJ 23041	0.00	0.00	4,767.33	0.00	-17,468.34	12,701.01	100.0%
0012400 59140 TRANSFER TO BUILDING FUND	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL BUILDING / PERMITTING	51,992.00	52,028.00	24,964.25	3,061.19	-17,468.34	44,532.09	14.4%
TOTAL EXPENSES	51,992.00	52,028.00	24,964.25	3,061.19	-17,468.34	44,532.09	

City of Fernandina Beach
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ACCOUNTS FOR: 0012420 CODE ENFORCEMENT

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012420 51200	SALARIES	272,029.00	272,029.00	109,997.51	16,498.26	0.00	162,031.49	40.4%
0012420 51350	PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012420 51400	OVERTIME	250.00	250.00	128.25	128.25	0.00	121.75	51.3%
0012420 52100	FICA	22,715.00	22,715.00	8,408.63	1,256.21	0.00	14,306.37	37.0%
0012420 52200	RETIREMENT	62,783.00	62,783.00	21,171.11	3,523.15	0.00	41,611.89	33.7%
0012420 52300	HEALTH INSUR	62,237.00	62,237.00	15,202.36	3,009.04	0.00	47,034.64	24.4%
0012420 52301	LIFE INSUR	1,725.00	1,725.00	319.25	54.00	0.00	1,405.75	18.5%
0012420 52400	WORKERS' COMP	3,058.00	3,058.00	701.25	140.25	0.00	2,356.75	22.9%
0012420 52500	UNEMPLOYMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012420 53400	CONTRACTUAL	74,226.00	74,226.00	30,081.58	428.84	0.00	44,144.42	40.5%
0012420 54000	TRAINING/TRAVEL	8,000.00	8,000.00	700.00	0.00	0.00	7,300.00	8.8%
0012420 54100	COMM - PHONE/FAX/ALARM	480.00	480.00	480.00	0.00	0.00	0.00	100.0%
0012420 54101	COMMUNICATIONS-CELLULAR	3,000.00	3,000.00	818.95	257.54	0.00	2,181.05	27.3%
0012420 54500	INSURANCE	7,978.00	7,978.00	2,543.31	508.67	0.00	5,434.69	31.9%
0012420 54620	R/M EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012420 54630	R/M VEHICLES-LABOR	2,000.00	2,000.00	833.31	166.67	0.00	1,166.69	41.7%
0012420 54640	R/M VEHICLES-PARTS	2,000.00	2,000.00	531.80	0.00	0.00	1,468.20	26.6%
0012420 54700	PRINTING	1,500.00	1,500.00	259.82	0.00	0.00	1,240.18	17.3%
0012420 54930	COLLECTIONS/LITIGATION COSTS	600.00	600.00	300.00	0.00	0.00	300.00	50.0%
0012420 55100	OFFICE SUPPLIES	1,500.00	1,500.00	264.01	0.00	0.00	1,235.99	17.6%
0012420 55200	OPERATING SUPPLIES	2,960.00	2,960.00	488.61	0.00	0.00	2,471.39	16.5%
0012420 55210	UNIFORMS	1,500.00	1,500.00	707.13	0.00	0.00	792.87	47.1%

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ACCOUNTS FOR: 0012420 CODE ENFORCEMENT

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0012420 55230	GAS/OIL						
	2,000.00	2,000.00	788.69	126.94	0.00	1,211.31	39.4%
0012420 55400	BOOKS/SUBS/DUES						
	1,125.00	1,125.00	648.00	0.00	0.00	477.00	57.6%
0012420 56400	EQUIPMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0012420 56401	NON CAP EQUIP						
	2,800.00	2,800.00	0.00	0.00	0.00	2,800.00	.0%
0012420 56410 23041	CITYVIEW SOFTWARE PROJ 23041						
	0.00	0.00	168.84	0.00	-168.84	0.00	.0%
TOTAL CODE ENFORCEMENT							
	536,466.00	536,466.00	195,542.41	26,097.82	-168.84	341,092.43	36.4%
TOTAL EXPENSES							
	536,466.00	536,466.00	195,542.41	26,097.82	-168.84	341,092.43	

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

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ACCOUNTS FOR: 0014100 STREETS

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0014100 51200	SALARIES	605,544.00	605,544.00	217,622.57	43,532.97	0.00	387,921.43	35.9%
0014100 51210	WC REIMB	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 51300	SEASONAL/TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 51350	PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 51400	OVERTIME	42,000.00	42,000.00	14,297.90	3,247.02	0.00	27,702.10	34.0%
0014100 52100	FICA	46,975.00	46,975.00	17,583.90	3,491.31	0.00	29,391.10	37.4%
0014100 52200	RETIREMENT	131,319.00	131,319.00	48,131.41	9,912.66	0.00	83,187.59	36.7%
0014100 52300	HEALTH INSUR	132,828.00	132,828.00	38,497.09	8,702.65	0.00	94,330.91	29.0%
0014100 52301	LIFE INSUR	1,696.00	1,696.00	672.30	133.21	0.00	1,023.70	39.6%
0014100 52400	WORKERS' COMP	47,877.00	47,877.00	9,130.00	1,826.00	0.00	38,747.00	19.1%
0014100 52500	UNEMPLOYMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 53100	PROFESSIONAL SERVICES	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	.0%
0014100 53400	CONTRACTUAL	67,288.00	67,288.00	10,036.65	2,321.09	0.00	57,251.35	14.9%
0014100 54000	TRAINING/TRAVEL	14,015.00	14,015.00	1,426.45	627.45	0.00	12,588.55	10.2%
0014100 54100	COMM - PHONE/FAX/ALARM	160.00	160.00	160.00	0.00	0.00	0.00	100.0%
0014100 54101	COMMUNICATIONS-CELLULAR	3,400.00	3,400.00	625.33	125.06	0.00	2,774.67	18.4%
0014100 54103	COMMUNICATIONS-INTERNET	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 54200	POSTAGE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 54300	UTILITIES ELECTRIC	422,000.00	422,000.00	151,098.72	44,810.19	0.00	270,901.28	35.8%
0014100 54310	UTILITIES-WATER & WASTEWATER	3,200.00	3,200.00	1,245.94	269.52	0.00	1,954.06	38.9%
0014100 54400	RENTALS/LEASES	7,500.00	7,500.00	0.00	0.00	0.00	7,500.00	.0%
0014100 54500	INSURANCE	36,540.00	36,540.00	11,648.75	2,329.75	0.00	24,891.25	31.9%

City of Fernandina Beach
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ACCOUNTS FOR: 0014100 STREETS

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0014100 54610	R/M BLDG & GROUNDS	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	.0%
0014100 54611	R/M FACILITIES	6,500.00	6,500.00	370.64	0.00	0.00	6,129.36	5.7%
0014100 54612	R/M STREETS	103,000.00	103,000.00	3,839.85	656.05	0.00	99,160.15	3.7%
0014100 54620	R/M EQUIPMENT	3,000.00	3,000.00	644.59	0.00	0.00	2,355.41	21.5%
0014100 54630	R/M VEHICLES-LABOR	63,000.00	63,000.00	26,250.00	5,250.00	0.00	36,750.00	41.7%
0014100 54640	R/M VEHICLES-PARTS	80,000.00	80,000.00	18,978.55	3,021.93	0.00	61,021.45	23.7%
0014100 54941	SIGNAGE COSTS	40,000.00	40,000.00	11,613.68	5,226.87	0.00	28,386.32	29.0%
0014100 55100	OFFICE SUPPLIES	250.00	250.00	125.50	12.04	0.00	124.50	50.2%
0014100 55200	OPERATING SUPPLIES	24,065.00	24,065.00	7,180.38	1,624.24	0.00	16,884.62	29.8%
0014100 55210	UNIFORMS	5,250.00	5,250.00	2,121.39	0.00	0.00	3,128.61	40.4%
0014100 55220	JANITORIAL SUPPLIES	500.00	500.00	0.00	0.00	0.00	500.00	.0%
0014100 55230	GAS/OIL	64,000.00	64,000.00	22,016.37	5,007.87	0.00	41,983.63	34.4%
0014100 55240	CHEMICALS	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	.0%
0014100 55300	ROAD MATERIALS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 55400	BOOKS/SUBS/DUES	450.00	450.00	226.80	50.00	0.00	223.20	50.4%
0014100 56200	BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 56300	IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 56300 22016	IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 56300 24007	STREETS OFFICE EXPANSION	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 56400	MACH/EQUIP	11,000.00	11,000.00	0.00	0.00	0.00	11,000.00	.0%
0014100 56400 25417	STREET ROLLER MACHINE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 56400 25418	STREETS BUMP MILL ATTACHMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%

City of Fernandina Beach
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ACCOUNTS FOR: 0014100 STREETS

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0014100 56400 26435	GRASSHOPPER MOWER #19452						
	13,000.00	13,000.00	12,477.15	0.00	0.00	522.85	96.0%
0014100 56400 26436	GRASSHOPPER MOWER-NEW						
	13,000.00	13,000.00	12,477.15	0.00	0.00	522.85	96.0%
0014100 56400 26437	STREETS AUTO FLAGGER DEV						
	40,000.00	40,000.00	29,315.84	0.00	0.00	10,684.16	73.3%
0014100 56401	EQUIP-NON CAPITAL						
	7,500.00	7,500.00	3,472.35	1,689.98	0.00	4,027.65	46.3%
0014100 56410 23041	CITYVIEW SOFTWARE PROJ 23041						
	0.00	0.00	630.39	0.00	-630.39	0.00	.0%
0014100 57100	PRINCIPAL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0014100 57200	INTEREST						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL STREETS							
	2,047,357.00	2,047,357.00	673,917.64	143,867.86	-630.39	1,374,069.75	32.9%
TOTAL EXPENSES							
	2,047,357.00	2,047,357.00	673,917.64	143,867.86	-630.39	1,374,069.75	

City of Fernandina Beach
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ACCOUNTS FOR: 0015200 DOWNTOWN

			ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0015200 51200		SALARIES	95,025.00	95,025.00	26,394.35	3,272.08	0.00	68,630.65	27.8%
0015200 52100		FICA	7,107.00	7,107.00	1,941.96	207.89	0.00	5,165.04	27.3%
0015200 52200		RETIREMENT	19,756.00	19,756.00	4,912.79	693.35	0.00	14,843.21	24.9%
0015200 52300		HEALTH INSUR	11,427.00	11,427.00	3,301.54	1,012.98	0.00	8,125.46	28.9%
0015200 52301		LIFE INSUR	274.00	274.00	70.75	0.00	0.00	203.25	25.8%
0015200 52400		WORKERS' COMP	94.00	94.00	15.44	3.08	0.00	78.56	16.4%
0015200 53100		PROFESSIONAL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015200 53100	26027	HARBOR MASTER PLAN	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015200 53400		CONTRACTUAL	119,436.00	116,020.00	27,540.80	1,219.20	7,778.75	80,700.45	30.4%
0015200 53405		CONTRACTUAL - PAID PARKING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015200 54100		COMM - PHONE/FAX/ALARM	160.00	160.00	160.00	0.00	0.00	0.00	100.0%
0015200 54101		COMMUNICATIONS-CELLULAR	650.00	650.00	234.64	25.00	0.00	415.36	36.1%
0015200 54300		UTILITIES ELECTRIC	33,000.00	33,000.00	11,857.33	3,322.68	0.00	21,142.67	35.9%
0015200 54310		UTILITIES-WATER & WASTEWATER	25,000.00	25,000.00	7,879.32	2,249.55	0.00	17,120.68	31.5%
0015200 54400		RENTALS/LEASES	15,000.00	18,416.00	18,415.02	0.00	0.00	0.98	100.0%
0015200 54500		INSURANCE	10,971.00	10,971.00	2,197.94	439.58	0.00	8,773.06	20.0%
0015200 54610		R/M BLDG & GROUNDS	63,000.00	63,000.00	19,268.03	4,943.76	0.00	43,731.97	30.6%
0015200 54611		R/M FACILITIES	20,750.00	20,750.00	1,850.15	0.00	0.00	18,899.85	8.9%
0015200 54620		R/M EQUIPMENT	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	.0%
0015200 54800		PROMOTIONAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015200 55200		OPERATING SUPPLIES	6,700.00	6,700.00	4,017.64	2,606.58	27.26	2,655.10	60.4%
0015200 55220		JANITORIAL SUPPLIES	7,000.00	7,000.00	593.10	0.00	0.00	6,406.90	8.5%

City of Fernandina Beach
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ACCOUNTS FOR: 0015200 DOWNTOWN

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0015200 56300	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015200 56400	MACH/EQUIP						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015200 56401	EQUIP-NON CAPITAL						
	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	.0%
TOTAL DOWNTOWN							
	437,350.00	437,350.00	130,650.80	19,995.73	7,806.01	298,893.19	31.7%
TOTAL EXPENSES							
	437,350.00	437,350.00	130,650.80	19,995.73	7,806.01	298,893.19	

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ACCOUNTS FOR: 0015640 PUBLIC ASSISTANCE

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0015640 55600	UTILITY EXEMPTION (AGED/POOR)						
	40,000.00	40,000.00	0.00	0.00	0.00	40,000.00	.0%
0015640 55601	COUNCIL ON AGING						
	50,000.00	50,000.00	12,500.00	0.00	0.00	37,500.00	25.0%
0015640 55602	NON PROFIT EPISCOPAL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015640 55603	BOYS AND GIRLS CLUB						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015640 55604	NON PROFIT BARNABAS						
	30,000.00	30,000.00	7,500.00	0.00	0.00	22,500.00	25.0%
0015640 55605	NON PROFIT MICAH'S PLACE						
	5,000.00	5,000.00	1,250.00	0.00	0.00	3,750.00	25.0%
0015640 55606	NON PROFIT NASSU MENTAL HEALTH						
	15,000.00	15,000.00	3,750.00	0.00	0.00	11,250.00	25.0%
0015640 55607	NON PROFIT FAMILY SUPPORT SVCS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015640 55608	NON PROFIT AMERICA'S YOUTH						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015640 55609	NON PROFIT CW VISION						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015640 55610	NON PROFIT SALVATION ARMY						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015640 55612	NON PROFIT THE ARC NASSAU						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015640 55613	AME CHURCH						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015640 55614	NON PROFIT TRINITY UMC						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015640 55615	NON PROFIT RISE AGAINST HUNGER						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015640 55616	NONPROFIT ECONOMIC DEVELOPMENT						
	2,500.00	2,500.00	625.00	0.00	0.00	1,875.00	25.0%
0015640 55620	NON PROFIT GRANT FUNDING						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0015640 55674	JULY 4TH FIREWORKS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL PUBLIC ASSISTANCE							
	142,500.00	142,500.00	25,625.00	0.00	0.00	116,875.00	18.0%
TOTAL EXPENSES							
	142,500.00	142,500.00	25,625.00	0.00	0.00	116,875.00	

City of Fernandina Beach
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ACCOUNTS FOR: 0017100 LIBRARY

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017100 53400 CONTRACTUAL	4,455.00	4,455.00	428.00	0.00	0.00	4,027.00	9.6%
0017100 54500 INSURANCE	10,736.00	10,736.00	3,422.50	684.50	0.00	7,313.50	31.9%
0017100 54610 R/M BLDG & GROUNDS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017100 54611 R/M FACILITIES	12,000.00	12,000.00	5,074.84	343.25	0.00	6,925.16	42.3%
0017100 54620 R/M EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017100 55200 OPERATING SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017100 56200 BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017100 56300 IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017100 56400 MACH/EQUIP	36,000.00	36,000.00	0.00	0.00	0.00	36,000.00	.0%
TOTAL LIBRARY	63,191.00	63,191.00	8,925.34	1,027.75	0.00	54,265.66	14.1%
TOTAL EXPENSES	63,191.00	63,191.00	8,925.34	1,027.75	0.00	54,265.66	

City of Fernandina Beach
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FOR 2026 05

ACCOUNTS FOR: 0017200 RECREATION

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017200 51200	SALARIES						
	581,779.00	581,779.00	223,406.99	45,258.70	0.00	358,372.01	38.4%
0017200 51210	WC REIMB						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017200 51300	SEASONAL/TEMPORARY						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017200 51350	PART-TIME						
	48,308.00	48,308.00	15,838.22	3,758.62	0.00	32,469.78	32.8%
0017200 51400	OVERTIME						
	1,000.00	1,000.00	1,108.44	386.24	0.00	-108.44	110.8%
0017200 52100	FICA						
	47,746.00	47,746.00	17,925.82	3,676.37	0.00	29,820.18	37.5%
0017200 52200	RETIREMENT						
	119,435.00	119,435.00	45,726.41	9,672.17	0.00	73,708.59	38.3%
0017200 52300	HEALTH INSUR						
	110,220.00	110,220.00	41,202.44	9,302.33	0.00	69,017.56	37.4%
0017200 52301	LIFE INSUR						
	1,691.00	1,691.00	741.27	151.02	0.00	949.73	43.8%
0017200 52400	WORKERS' COMP						
	4,650.00	4,650.00	1,227.94	245.58	0.00	3,422.06	26.4%
0017200 52500	UNEMPLOYMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017200 53100	PROFESSIONAL SERVICES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017200 53400	CONTRACTUAL						
	31,651.00	31,651.00	11,496.00	3,166.81	0.00	20,155.00	36.3%
0017200 53910	HOUSING ALLOWANCE						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017200 54000	TRAINING/TRAVEL						
	7,500.00	7,500.00	0.00	0.00	0.00	7,500.00	.0%
0017200 54100	COMM - PHONE/FAX/ALARM						
	2,556.00	2,556.00	1,499.99	0.00	0.00	1,056.01	58.7%
0017200 54101	COMMUNICATIONS-CELLULAR						
	2,100.00	2,100.00	735.13	79.46	0.00	1,364.87	35.0%
0017200 54103	COMMUNICATIONS-INTERNET						
	3,400.00	3,400.00	2,623.55	554.27	0.00	776.45	77.2%
0017200 54200	POSTAGE						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017200 54300	UTILITIES ELECTRIC						
	66,000.00	66,000.00	21,949.32	6,980.97	0.00	44,050.68	33.3%
0017200 54310	UTILITIES-WATER & WASTEWATER						
	12,000.00	12,000.00	5,352.07	1,124.03	0.00	6,647.93	44.6%
0017200 54320	UTILITIES-PROPANE/OTHER						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%

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YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0017200 RECREATION

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017200 54400	RENTALS/LEASES	1,500.00	1,500.00	600.00	120.00	0.00	900.00	40.0%
0017200 54500	INSURANCE	35,820.00	35,820.00	8,697.06	1,739.42	0.00	27,122.94	24.3%
0017200 54610	R/M BLDG & GROUNDS	9,000.00	9,000.00	1,747.49	0.00	0.00	7,252.51	19.4%
0017200 54611	R/M FACILITIES	68,300.00	68,300.00	30,539.40	2,520.30	2,861.00	34,899.60	48.9%
0017200 54620	R/M EQUIPMENT	7,500.00	7,500.00	1,448.06	1,125.56	0.00	6,051.94	19.3%
0017200 54630	R/M VEHICLES-LABOR	12,500.00	12,500.00	5,208.31	1,041.67	0.00	7,291.69	41.7%
0017200 54640	R/M VEHICLES-PARTS	12,000.00	12,000.00	2,927.87	8.00	0.00	9,072.13	24.4%
0017200 54700	PRINTING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017200 54800	PROMOTIONAL	2,500.00	2,500.00	100.88	100.88	0.00	2,399.12	4.0%
0017200 54901	SPECIAL EVENTS	6,000.00	6,000.00	762.96	0.00	0.00	5,237.04	12.7%
0017200 54970	PROGRAM COSTS	235,000.00	235,000.00	37,541.92	1,023.70	0.00	197,458.08	16.0%
0017200 55100	OFFICE SUPPLIES	5,000.00	5,000.00	1,594.53	167.52	0.00	3,405.47	31.9%
0017200 55200	OPERATING SUPPLIES	11,645.00	11,645.00	10,974.49	773.55	0.00	670.51	94.2%
0017200 55210	UNIFORMS	700.00	700.00	-128.58	0.00	0.00	828.58	-18.4%
0017200 55220	JANITORIAL SUPPLIES	5,500.00	5,500.00	818.61	0.00	0.00	4,681.39	14.9%
0017200 55230	GAS/OIL	12,000.00	12,000.00	3,617.16	452.08	0.00	8,382.84	30.1%
0017200 55240	CHEMICALS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017200 55400	BOOKS/SUBS/DUES	4,250.00	4,250.00	2,710.07	0.00	0.00	1,539.93	63.8%
0017200 56200	BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017200 56300	IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017200 56300 23009	IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017200 56300 24008	BABE RUTH ROOF COATING	0.00	0.00	0.00	0.00	0.00	0.00	.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

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ACCOUNTS FOR: 0017200 RECREATION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017200 56400 MACH/EQUIP	76,500.00	59,896.00	31,127.98	0.00	0.00	28,768.02	52.0%
0017200 56401 EQUIP-NON CAPITAL	7,000.00	7,000.00	2,591.00	2,591.00	0.00	4,409.00	37.0%
TOTAL RECREATION	1,552,751.00	1,536,147.00	533,712.80	96,020.25	2,861.00	999,573.20	34.9%
TOTAL EXPENSES	1,552,751.00	1,536,147.00	533,712.80	96,020.25	2,861.00	999,573.20	

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0017210 PARKS

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017210 51200	SALARIES	545,517.00	545,517.00	217,866.52	45,374.43	0.00	327,650.48	39.9%
0017210 51300	SEASONAL/TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 51350	PART-TIME	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 51400	OVERTIME	15,000.00	15,000.00	5,193.54	575.62	0.00	9,806.46	34.6%
0017210 52100	FICA	41,767.00	41,767.00	16,768.27	3,398.11	0.00	24,998.73	40.1%
0017210 52200	RETIREMENT	116,817.00	116,817.00	47,680.02	9,736.82	0.00	69,136.98	40.8%
0017210 52300	HEALTH INSUR	182,087.00	182,087.00	50,831.45	11,582.39	0.00	131,255.55	27.9%
0017210 52301	LIFE INSUR	1,794.00	1,794.00	687.48	145.48	0.00	1,106.52	38.3%
0017210 52400	WORKERS' COMP	8,796.00	8,796.00	3,345.00	669.00	0.00	5,451.00	38.0%
0017210 53100	PROFESSIONAL SERVICES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 53100 26014	PARKS & REC MASTER PLAN	100,000.00	100,000.00	0.00	0.00	0.00	100,000.00	.0%
0017210 53400	CONTRACTUAL	207,377.00	207,377.00	60,205.25	13,008.05	108,867.93	38,303.82	81.5%
0017210 54000	TRAINING/TRAVEL	14,030.00	14,030.00	8,396.50	0.00	0.00	5,633.50	59.8%
0017210 54100	COMM - PHONE/FAX/ALARM	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 54101	COMMUNICATIONS-CELLULAR	2,500.00	2,500.00	299.60	0.00	0.00	2,200.40	12.0%
0017210 54300	UTILITIES ELECTRIC	84,000.00	84,000.00	30,843.55	7,343.41	0.00	53,156.45	36.7%
0017210 54310	UTILITIES-WATER & WASTEWATER	35,000.00	35,000.00	10,584.79	2,411.83	0.00	24,415.21	30.2%
0017210 54400	RENTALS/LEASES	7,500.00	7,500.00	0.00	0.00	0.00	7,500.00	.0%
0017210 54500	INSURANCE	31,616.00	31,616.00	10,078.75	2,015.75	0.00	21,537.25	31.9%
0017210 54610	R/M BLDG & GROUNDS	197,900.00	197,900.00	117,666.20	24,520.25	0.00	80,233.80	59.5%
0017210 54611	R/M FACILITIES	55,000.00	55,000.00	19,781.94	4,248.76	0.00	35,218.06	36.0%
0017210 54620	R/M EQUIPMENT	13,000.00	13,000.00	1,767.66	0.00	0.00	11,232.34	13.6%

City of Fernandina Beach
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ACCOUNTS FOR: 0017210 PARKS

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017210 54630		R/M VEHICLES-LABOR						
		23,000.00	23,000.00	9,583.31	1,916.67	0.00	13,416.69	41.7%
0017210 54640		R/M VEHICLES-PARTS						
		25,000.00	25,000.00	4,974.37	330.95	0.00	20,025.63	19.9%
0017210 54800		PROMOTIONAL						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 54900		MISC EXPENSE						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 55100		OFFICE SUPPLIES						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 55200		OPERATING SUPPLIES						
		59,815.00	59,815.00	34,352.69	5,494.95	0.00	25,462.31	57.4%
0017210 55210		UNIFORMS						
		6,400.00	6,400.00	4,766.44	2,045.05	0.00	1,633.56	74.5%
0017210 55220		JANITORIAL SUPPLIES						
		12,000.00	12,000.00	1,804.01	0.00	0.00	10,195.99	15.0%
0017210 55230		GAS/OIL						
		23,000.00	23,000.00	6,215.44	1,223.31	0.00	16,784.56	27.0%
0017210 55240		CHEMICALS						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 55400		BOOKS/SUBS/DUES						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 56200		BUILDING						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 56300		IMPROVEMENTS						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 56300	25053	MLK POOL FENCE REPLACEMENT						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 56300	25063	HICKORY ST PARK FENCE REPLACEM						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 56300	26015	LIGHTHOUSE FENCING						
		38,375.00	38,375.00	0.00	0.00	0.00	38,375.00	.0%
0017210 56300	26016	JOE VELARDI FIELD FENCING						
		26,625.00	26,625.00	26,624.76	0.00	0.00	0.24	100.0%
0017210 56400		MACH/EQUIP						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 56400	25407	PARKS UTILITY TRUCK (RE#260)						
		0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017210 56400	26438	PARKS DUMP TRAILER RE #13545						
		20,000.00	20,000.00	11,000.00	0.00	100.00	8,900.00	55.5%
0017210 56400	26439	GREENFIELD EQUIPMENT						
		11,000.00	11,000.00	11,000.00	0.00	0.00	0.00	100.0%
0017210 56400	26440	GRASSHOPPER ZERO TURN #20554						
		15,000.00	15,000.00	12,477.15	0.00	0.00	2,522.85	83.2%

City of Fernandina Beach
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ACCOUNTS FOR: 0017210 PARKS

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017210 56400 26441	PARKS GRASSHOPPER ZERO TURN						
	15,000.00	15,000.00	12,477.15	0.00	0.00	2,522.85	83.2%
0017210 56400 26442	PARKS TOP DRESSER RE #20557						
	12,000.00	12,000.00	10,087.05	373.50	0.00	1,912.95	84.1%
0017210 56400 26443	PARKS GRASSHOPPER MOWER						
	13,000.00	13,000.00	12,477.15	0.00	0.00	522.85	96.0%
0017210 56401	EQUIP-NON CAPITAL						
	5,500.00	5,500.00	0.00	0.00	0.00	5,500.00	.0%
TOTAL PARKS							
	1,965,416.00	1,965,416.00	759,836.04	136,414.33	108,967.93	1,096,612.03	44.2%
TOTAL EXPENSES							
	1,965,416.00	1,965,416.00	759,836.04	136,414.33	108,967.93	1,096,612.03	

City of Fernandina Beach
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ACCOUNTS FOR: 0017220 PECK

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017220 51200	SALARIES						
	102,797.00	102,797.00	38,541.98	7,907.44	0.00	64,255.02	37.5%
0017220 51300	SEASONAL/TEMPORARY						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 51350	PART-TIME						
	44,483.00	44,483.00	15,790.85	3,987.83	0.00	28,692.15	35.5%
0017220 51400	OVERTIME						
	750.00	750.00	310.08	198.45	0.00	439.92	41.3%
0017220 52100	FICA						
	13,538.00	13,538.00	4,023.45	889.53	0.00	9,514.55	29.7%
0017220 52200	RETIREMENT						
	8,589.00	8,589.00	3,273.87	671.68	0.00	5,315.13	38.1%
0017220 52300	HEALTH INSUR						
	30,546.00	30,546.00	10,658.27	2,421.34	0.00	19,887.73	34.9%
0017220 52301	LIFE INSUR						
	299.00	299.00	128.75	26.00	0.00	170.25	43.1%
0017220 52400	WORKERS' COMP						
	3,898.00	3,898.00	890.44	178.08	0.00	3,007.56	22.8%
0017220 52500	UNEMPLOYMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 53100	PROFESSIONAL SERVICES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 53400	CONTRACTUAL						
	53,864.00	53,864.00	20,317.81	3,577.02	0.00	33,546.19	37.7%
0017220 54000	TRAINING/TRAVEL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 54100	COMM - PHONE/FAX/ALARM						
	1,302.00	1,302.00	584.97	0.00	0.00	717.03	44.9%
0017220 54101	COMMUNICATIONS-CELLULAR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 54103	COMMUNICATIONS-INTERNET						
	3,700.00	3,700.00	3,410.15	773.62	0.00	289.85	92.2%
0017220 54300	UTILITIES ELECTRIC						
	46,000.00	46,000.00	17,686.16	7,408.84	0.00	28,313.84	38.4%
0017220 54310	UTILITIES-WATER & WASTEWATER						
	16,000.00	16,000.00	4,826.96	1,148.58	0.00	11,173.04	30.2%
0017220 54320	UTILITIES-PROPANE/OTHER						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 54400	RENTALS/LEASES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 54500	INSURANCE						
	11,523.00	11,523.00	3,673.75	734.75	0.00	7,849.25	31.9%
0017220 54610	R/M BLDG & GROUNDS						
	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	.0%

City of Fernandina Beach
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FOR 2026 05

ACCOUNTS FOR: 0017220 PECK

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017220 54611	R/M FACILITIES						
	53,000.00	53,000.00	8,112.75	3,130.94	0.00	44,887.25	15.3%
0017220 54620	R/M EQUIPMENT						
	8,500.00	8,500.00	1,029.00	0.00	0.00	7,471.00	12.1%
0017220 54630	R/M VEHICLES-LABOR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 54640	R/M VEHICLES-PARTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 54800	PROMOTIONAL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 54970	PROGRAM COSTS						
	19,000.00	19,000.00	337.74	155.30	0.00	18,662.26	1.8%
0017220 55100	OFFICE SUPPLIES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 55200	OPERATING SUPPLIES						
	6,065.00	6,065.00	4,215.45	-93.15	0.00	1,849.55	69.5%
0017220 55210	UNIFORMS						
	450.00	450.00	0.00	0.00	0.00	450.00	.0%
0017220 55220	JANITORIAL SUPPLIES						
	4,100.00	4,100.00	899.18	0.00	0.00	3,200.82	21.9%
0017220 55230	GAS/OIL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 55400	BOOKS/SUBS/DUES						
	275.00	275.00	0.00	0.00	0.00	275.00	.0%
0017220 56200	BUILDING						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 56300	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017220 56400	MACH/EQUIP						
	0.00	16,604.00	12,660.00	12,660.00	3,944.00	0.00	100.0%
0017220 56401	EQUIP-NON CAPITAL						
	5,000.00	5,000.00	0.00	0.00	0.00	5,000.00	.0%
TOTAL PECK							
	443,679.00	460,283.00	151,371.61	45,776.25	3,944.00	304,967.39	33.7%
TOTAL EXPENSES							
	443,679.00	460,283.00	151,371.61	45,776.25	3,944.00	304,967.39	

City of Fernandina Beach
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ACCOUNTS FOR: 0017225 MLK CENTER

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017225 51200	SALARIES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 51210	WC REIMB						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 51300	SEASONAL/TEMPORARY						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 51350	PART-TIME						
	29,669.00	29,669.00	10,334.79	2,178.17	0.00	19,334.21	34.8%
0017225 51400	OVERTIME						
	500.00	500.00	0.00	0.00	0.00	500.00	.0%
0017225 52100	FICA						
	2,201.00	2,201.00	790.62	166.63	0.00	1,410.38	35.9%
0017225 52200	RETIREMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 52300	HEALTH INSUR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 52301	LIFE INSUR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 52400	WORKERS' COMP						
	780.00	780.00	159.56	31.92	0.00	620.44	20.5%
0017225 52500	UNEMPLOYMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 53100	PROFESSIONAL SERVICES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 53400	CONTRACTUAL						
	5,774.00	5,774.00	908.02	302.97	0.00	4,865.98	15.7%
0017225 54000	TRAINING/TRAVEL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 54100	COMM - PHONE/FAX/ALARM						
	160.00	160.00	160.00	0.00	0.00	0.00	100.0%
0017225 54101	COMMUNICATIONS-CELLULAR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 54103	COMMUNICATIONS-INTERNET						
	3,400.00	3,400.00	1,945.01	549.41	0.00	1,454.99	57.2%
0017225 54200	POSTAGE						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 54300	UTILITIES ELECTRIC						
	29,000.00	29,000.00	13,021.30	3,507.85	0.00	15,978.70	44.9%
0017225 54310	UTILITIES-WATER & WASTEWATER						
	8,000.00	8,000.00	3,196.68	674.48	0.00	4,803.32	40.0%
0017225 54400	RENTALS/LEASES						
	1,400.00	1,400.00	875.00	175.00	0.00	525.00	62.5%
0017225 54500	INSURANCE						
	2,364.00	2,364.00	753.75	150.75	0.00	1,610.25	31.9%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0017225 MLK CENTER

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017225 54610	R/M BLDG & GROUNDS	9,350.00	9,350.00	0.00	0.00	0.00	9,350.00	.0%
0017225 54611	R/M FACILITIES	7,800.00	7,800.00	1,162.83	0.00	0.00	6,637.17	14.9%
0017225 54620	R/M EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 54630	R/M VEHICLES-LABOR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 54640	R/M VEHICLES-PARTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 54700	PRINTING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 54800	PROMOTIONAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 54970	PROGRAM COSTS	6,500.00	6,500.00	1,346.02	231.77	0.00	5,153.98	20.7%
0017225 55100	OFFICE SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 55200	OPERATING SUPPLIES	4,565.00	4,565.00	748.26	473.14	0.00	3,816.74	16.4%
0017225 55210	UNIFORMS	50.00	50.00	0.00	0.00	0.00	50.00	.0%
0017225 55220	JANITORIAL SUPPLIES	1,750.00	1,750.00	208.17	0.00	0.00	1,541.83	11.9%
0017225 55230	GAS/OIL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 55400	BOOKS/SUBS/DUES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 56200	BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 56300	IMPROVEMENTS	45,000.00	45,000.00	0.00	0.00	0.00	45,000.00	.0%
0017225 56400	MACH/EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017225 56401	EQUIP-NON CAPITAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL MLK CENTER		158,263.00	158,263.00	35,610.01	8,442.09	0.00	122,652.99	22.5%
TOTAL EXPENSES		158,263.00	158,263.00	35,610.01	8,442.09	0.00	122,652.99	

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

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ACCOUNTS FOR: 0017230 YOUTH

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017230 51200	SALARIES						
	102,797.00	102,797.00	38,645.31	7,907.44	0.00	64,151.69	37.6%
0017230 51210	WC REIMB						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 51300	SEASONAL/TEMPORARY						
	54,000.00	54,000.00	2,679.11	0.00	0.00	51,320.89	5.0%
0017230 51350	PART-TIME						
	96,774.00	96,774.00	25,459.19	3,105.37	0.00	71,314.81	26.3%
0017230 51400	OVERTIME						
	1,000.00	1,000.00	307.19	22.29	0.00	692.81	30.7%
0017230 52100	FICA						
	24,748.00	24,748.00	4,891.77	789.37	0.00	19,856.23	19.8%
0017230 52200	RETIREMENT						
	21,394.00	21,394.00	8,208.75	1,680.31	0.00	13,185.25	38.4%
0017230 52300	HEALTH INSUR						
	12,990.00	12,990.00	11,503.96	2,645.56	0.00	1,486.04	88.6%
0017230 52301	LIFE INSUR						
	299.00	299.00	128.75	26.00	0.00	170.25	43.1%
0017230 52400	WORKERS' COMP						
	8,576.00	8,576.00	1,082.06	216.42	0.00	7,493.94	12.6%
0017230 52500	UNEMPLOYMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 53100	PROFESSIONAL SERVICES						
	950.00	950.00	0.00	0.00	0.00	950.00	.0%
0017230 53400	CONTRACTUAL						
	552.00	552.00	301.20	30.00	0.00	250.80	54.6%
0017230 54000	TRAINING/TRAVEL						
	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	.0%
0017230 54100	COMM - PHONE/FAX/ALARM						
	320.00	320.00	320.00	0.00	0.00	0.00	100.0%
0017230 54101	COMMUNICATIONS-CELLULAR						
	750.00	750.00	206.19	0.00	0.00	543.81	27.5%
0017230 54300	UTILITIES ELECTRIC						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 54440	LAND RENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 54500	INSURANCE						
	18,703.00	18,703.00	2,951.25	590.25	0.00	15,751.75	15.8%
0017230 54610	R/M BLDG & GROUNDS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 54630	R/M VEHICLES-LABOR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 54640	R/M VEHICLES-PARTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0017230 YOUTH

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017230 54800	PROMOTIONAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 54970	PROGRAM COSTS	14,500.00	14,500.00	1,095.13	1,095.13	0.00	13,404.87	7.6%
0017230 55100	OFFICE SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 55200	OPERATING SUPPLIES	33,165.00	33,165.00	7,210.21	1,371.30	0.00	25,954.79	21.7%
0017230 55210	UNIFORMS	1,200.00	1,200.00	0.00	0.00	0.00	1,200.00	.0%
0017230 55220	JANITORIAL SUPPLIES	600.00	600.00	201.49	0.00	0.00	398.51	33.6%
0017230 55230	GAS/OIL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 55400	BOOKS/SUBS/DUES	400.00	400.00	101.00	101.00	0.00	299.00	25.3%
0017230 56200	BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 56300	IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 56400	MACH/EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017230 56401	EQUIP-NON CAPITAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL YOUTH		394,718.00	394,718.00	105,292.56	19,580.44	0.00	289,425.44	26.7%
TOTAL EXPENSES		394,718.00	394,718.00	105,292.56	19,580.44	0.00	289,425.44	

City of Fernandina Beach
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FOR 2026 05

ACCOUNTS FOR: 0017240 AQUATICS

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017240 51200	SALARIES						
	39,815.00	39,815.00	15,369.15	3,200.32	0.00	24,445.85	38.6%
0017240 51210	WC REIMB						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 51300	SEASONAL/TEMPORARY						
	80,000.00	80,000.00	11,367.69	0.00	0.00	68,632.31	14.2%
0017240 51350	PART-TIME						
	171,750.00	171,750.00	43,661.30	10,568.14	0.00	128,088.70	25.4%
0017240 51400	OVERTIME						
	5,000.00	5,000.00	2,664.47	929.91	0.00	2,335.53	53.3%
0017240 52100	FICA						
	28,506.00	28,506.00	5,573.78	1,120.93	0.00	22,932.22	19.6%
0017240 52200	RETIREMENT						
	8,299.00	8,299.00	3,346.15	717.43	0.00	4,952.85	40.3%
0017240 52300	HEALTH INSUR						
	12,723.00	12,723.00	4,791.22	1,038.08	0.00	7,931.78	37.7%
0017240 52301	LIFE INSUR						
	115.00	115.00	49.50	10.00	0.00	65.50	43.0%
0017240 52400	WORKERS' COMP						
	13,253.00	13,253.00	1,215.81	243.17	0.00	12,037.19	9.2%
0017240 52500	UNEMPLOYMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 53100	PROFESSIONAL SERVICES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 53400	CONTRACTUAL						
	744.00	744.00	302.40	0.00	0.00	441.60	40.6%
0017240 54000	TRAINING/TRAVEL						
	2,600.00	2,600.00	484.00	390.00	0.00	2,116.00	18.6%
0017240 54100	COMM - PHONE/FAX/ALARM						
	160.00	160.00	160.00	0.00	0.00	0.00	100.0%
0017240 54101	COMMUNICATIONS-CELLULAR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 54300	UTILITIES ELECTRIC						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 54320	UTILITIES-PROPANE/OTHER						
	20,000.00	20,000.00	11,868.38	4,558.13	0.00	8,131.62	59.3%
0017240 54500	INSURANCE						
	10,736.00	10,736.00	3,422.50	684.50	0.00	7,313.50	31.9%
0017240 54610	R/M BLDG & GROUNDS						
	16,500.00	16,500.00	715.00	0.00	0.00	15,785.00	4.3%
0017240 54611	R/M FACILITIES						
	2,600.00	2,600.00	275.00	0.00	0.00	2,325.00	10.6%
0017240 54620	R/M EQUIPMENT						
	11,500.00	11,500.00	2,717.75	0.00	0.00	8,782.25	23.6%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 0017240 AQUATICS

		ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017240 54630	R/M VEHICLES-LABOR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 54640	R/M VEHICLES-PARTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 54800	PROMOTIONAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 54970	PROGRAM COSTS	47,500.00	47,500.00	13,620.97	5,515.00	0.00	33,879.03	28.7%
0017240 55100	OFFICE SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 55200	OPERATING SUPPLIES	27,565.00	27,565.00	3,209.17	446.68	0.00	24,355.83	11.6%
0017240 55210	UNIFORMS	1,250.00	1,250.00	0.00	0.00	0.00	1,250.00	.0%
0017240 55230	GAS/OIL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 55240	CHEMICALS	25,000.00	25,000.00	10,047.16	1,358.12	0.00	14,952.84	40.2%
0017240 55400	BOOKS/SUBS/DUES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 56200	BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 56300	IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0017240 56400	MACH/EQUIP	40,000.00	40,000.00	5,500.68	0.00	0.00	34,499.32	13.8%
0017240 56401	EQUIP-NON CAPITAL	2,500.00	2,500.00	591.00	0.00	0.00	1,909.00	23.6%
TOTAL AQUATICS		568,116.00	568,116.00	140,953.08	30,780.41	0.00	427,162.92	24.8%
TOTAL EXPENSES		568,116.00	568,116.00	140,953.08	30,780.41	0.00	427,162.92	

City of Fernandina Beach
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ACCOUNTS FOR: 0018100 INTERFUND TRANSFERS OUT

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0018100 59126	TRANSFER TO SPECIAL REV						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0018100 59135	TRANSFER TO LAND CONSERVATION						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0018100 59140	TRANSFER TO BUILDING FUND						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0018100 59170	TRANSFER TO CEMETERY						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0018100 59220	TRANSFER TO GO DS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0018100 59300	TRANSFER TO CAP IMP						
	2,540,207.00	2,540,207.00	1,058,419.56	211,683.92	0.00	1,481,787.44	41.7%
0018100 59310	TRANSFER TO CAPITAL EXPANSION						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0018100 59315	TRANSFER TO ARPA CAPITAL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0018100 59410	TRANSFER TO GOLF						
	429,384.00	429,384.00	178,910.00	35,782.00	0.00	250,474.00	41.7%
0018100 59411	TRANSF TO GOLF LOAN FORGIVNESS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0018100 59420	TRANSFER TO AIRPORT						
	296,438.00	296,438.00	123,515.81	24,703.17	0.00	172,922.19	41.7%
0018100 59440	TRANSFER TO SANITATION						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0018100 59470	TRANSFER TO STORMWATER						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0018100 59480	TRANSFER TO MARINA						
	654,589.00	654,589.00	272,745.44	54,549.08	0.00	381,843.56	41.7%
0018100 59500	TRANSFER TO ECONOMIC DEV						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
0018100 59510	TRANSFER TO FLEET						
	306,753.00	306,753.00	127,813.75	25,562.75	0.00	178,939.25	41.7%
TOTAL INTERFUND TRANSFERS OUT							
	4,227,371.00	4,227,371.00	1,761,404.56	352,280.92	0.00	2,465,966.44	41.7%
TOTAL EXPENSES							
	4,227,371.00	4,227,371.00	1,761,404.56	352,280.92	0.00	2,465,966.44	

City of Fernandina Beach
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ACCOUNTS FOR: 0018200 CONTINGENCIES

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0018200 59900 CONTINGENCY	753,057.00	869,358.00	0.00	0.00	0.00	869,358.00	.0%
TOTAL CONTINGENCIES	753,057.00	869,358.00	0.00	0.00	0.00	869,358.00	.0%
TOTAL EXPENSES	753,057.00	869,358.00	0.00	0.00	0.00	869,358.00	

City of Fernandina Beach
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ACCOUNTS FOR: 0018300 RESERVES

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0018300 59990 RESERVE	6,747,862.00	6,747,862.00	0.00	0.00	0.00	6,747,862.00	.0%
TOTAL RESERVES	6,747,862.00	6,747,862.00	0.00	0.00	0.00	6,747,862.00	.0%
TOTAL EXPENSES	6,747,862.00	6,747,862.00	0.00	0.00	0.00	6,747,862.00	

City of Fernandina Beach
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ACCOUNTS FOR: 0018301 REST'D RESERVES

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0018301 59992 RESERVE RESTRICTED FOR BUILDIN	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL REST'D RESERVES	0.00	0.00	0.00	0.00	0.00	0.00	.0%

City of Fernandina Beach
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ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
GRAND TOTAL						
45,261,723.00	45,296,843.00	13,481,689.20	2,659,614.29	662,169.54	31,152,984.26	31.2%

** END OF REPORT - Generated by Ashley Butler **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0011100 CITY COMMISSION						
268,894.00	268,894.00	113,999.76	14,898.28	0.00	154,894.24	42.4%
0011200 CITY CLERK						
975,473.00	975,473.00	441,028.13	55,890.59	0.00	534,444.87	45.2%
0011210 CITY MANAGER						
752,047.00	752,047.00	294,367.93	59,656.72	0.00	457,679.07	39.1%
0011300 FINANCE						
1,138,427.00	1,138,427.00	502,682.35	86,847.95	2,087.50	633,657.15	44.3%
0011310 INFORMATION TECHNOLOGY						
1,091,151.00	1,091,151.00	464,672.04	125,923.95	1,092.00	625,386.96	42.7%
0011350 HUMAN RESOURCES						
516,348.00	516,348.00	191,066.52	35,581.49	0.00	325,281.48	37.0%
0011400 CITY ATTORNEY						
662,427.00	662,427.00	249,334.60	42,667.77	-18,516.09	431,608.49	34.8%
0011500 PLANNING						
931,755.00	931,755.00	311,755.26	50,535.30	23,782.83	596,216.91	36.0%
0011501 PLANNING GREENWAY						
348,426.00	348,426.00	85,228.93	30,592.96	34,530.00	228,667.07	34.4%
0011910 NON DEPARTMENTAL						
347,306.00	347,306.00	138,874.26	23,550.66	0.00	208,431.74	40.0%
0011930 FACILITIES MAINTENANCE						
1,004,616.00	1,004,616.00	432,602.64	130,700.11	0.00	572,013.36	43.1%
0012100 POLICE						
7,953,097.00	7,953,079.00	2,767,716.36	542,913.78	412,488.61	4,772,874.03	40.0%
0012200 FIRE						
8,016,340.00	7,935,141.00	2,709,173.24	528,581.55	43,751.33	5,182,216.43	34.7%
0012201 FIRE OCEAN RESCUE						
1,165,327.00	1,165,327.00	231,381.08	47,928.14	57,641.99	876,303.93	24.8%
0012400 BUILDING / PERMITTING						
51,992.00	52,028.00	24,964.25	3,061.19	-17,468.34	44,532.09	14.4%
0012420 CODE ENFORCEMENT						
536,466.00	536,466.00	195,542.41	26,097.82	-168.84	341,092.43	36.4%
0014100 STREETS						
2,047,357.00	2,047,357.00	673,917.64	143,867.86	-630.39	1,374,069.75	32.9%
0015200 DOWNTOWN						
437,350.00	437,350.00	130,650.80	19,995.73	7,806.01	298,893.19	31.7%
0015640 PUBLIC ASSISTANCE						
142,500.00	142,500.00	25,625.00	0.00	0.00	116,875.00	18.0%
0017100 LIBRARY						
63,191.00	63,191.00	8,925.34	1,027.75	0.00	54,265.66	14.1%
0017200 RECREATION						
1,552,751.00	1,536,147.00	533,712.80	96,020.25	2,861.00	999,573.20	34.9%
0017210 PARKS						
1,965,416.00	1,965,416.00	759,836.04	136,414.33	108,967.93	1,096,612.03	44.2%

City of Fernandina Beach
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FOR 2026 05

0017220 PECK ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0017220 PECK 443,679.00	460,283.00	151,371.61	45,776.25	3,944.00	304,967.39	33.7%
0017225 MLK CENTER 158,263.00	158,263.00	35,610.01	8,442.09	0.00	122,652.99	22.5%
0017230 YOUTH 394,718.00	394,718.00	105,292.56	19,580.44	0.00	289,425.44	26.7%
0017240 AQUATICS 568,116.00	568,116.00	140,953.08	30,780.41	0.00	427,162.92	24.8%
0018100 INTERFUND TRANSFERS OUT 4,227,371.00	4,227,371.00	1,761,404.56	352,280.92	0.00	2,465,966.44	41.7%
0018200 CONTINGENCIES 753,057.00	869,358.00	0.00	0.00	0.00	869,358.00	.0%
0018300 RESERVES 6,747,862.00	6,747,862.00	0.00	0.00	0.00	6,747,862.00	.0%
GRAND TOTAL 45,261,723.00	45,296,843.00	13,481,689.20	2,659,614.29	662,169.54	31,152,984.26	31.2%

** END OF REPORT - Generated by Ashley Butler **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
001 GENERAL FUND							
001 31110 PROPERTY TAXES	-21,219,017.00	-21,219,017.00	-19,531,207.95	-520,238.39	0.00	-1,687,809.05	92.0%
001 31240 LOCAL OPTION GAS TAX	-399,848.00	-399,848.00	-212,214.26	-33,607.29	0.00	-187,633.74	53.1%
001 31251 STATE/FIRE INSURANCE TAX	-115,000.00	-115,000.00	-25,530.53	0.00	0.00	-89,469.47	22.2%
001 31252 STATE/POLICE INSURANCE TAX	-110,000.00	-110,000.00	0.00	0.00	0.00	-110,000.00	.0%
001 31260 SMALL COUNTY SURTAX	-2,662,890.00	-2,662,890.00	-1,158,125.00	-327,373.92	0.00	-1,504,765.00	43.5%
001 31610 LOCAL BUSINESS TAX	-302,000.00	-302,000.00	-202,957.42	-5,446.42	0.00	-99,042.58	67.2%
001 31620 LOCAL BUSINESS TAX - PENALTIES	-3,000.00	-3,000.00	-4,901.53	-1,089.26	0.00	1,901.53	163.4%
001 31630 LOCAL BUSINESS TAX-OTHER FEES	-5,000.00	-5,000.00	-1,312.50	-367.50	0.00	-3,687.50	26.3%
001 31640 LOCAL BUSINESS TAX-PAST DUE FE	-2,000.00	-2,000.00	-5.25	-5.25	0.00	-1,994.75	.3%
001 32204 BUILDING PERMIT-DRIVEWAY	-3,500.00	-3,500.00	-35.00	0.00	0.00	-3,465.00	1.0%
001 32218 CLEARING/EXCAVATE-PERMITS	-17,000.00	-17,000.00	-7,081.00	-2,633.00	0.00	-9,919.00	41.7%
001 32310 FRANCHISE FEES ELECTRIC	-1,600,000.00	-1,600,000.00	-705,590.16	-131,063.16	0.00	-894,409.84	44.1%
001 32340 FRANCHISE FEES GAS	-25,000.00	-25,000.00	-19,129.33	-4,535.76	0.00	-5,870.67	76.5%
001 32370 FRANCHISE FEES - SOLD WASTE	-162,000.00	-162,000.00	-64,969.79	-16,101.15	0.00	-97,030.21	40.1%
001 32900 CODE ENFORCEMENT FEES & FINES	-25,000.00	-25,000.00	-1,797.00	-478.26	0.00	-23,203.00	7.2%
001 32901 ZONING PLAN REVIEW	-45,000.00	-45,000.00	-33,490.00	-6,075.00	0.00	-11,510.00	74.4%
001 32915 ANNEXATION APP FEE	-4,000.00	-4,000.00	-3,800.00	-300.00	0.00	-200.00	95.0%
001 32916 BOA APP FEES-COMMERCIAL	-3,500.00	-3,500.00	0.00	0.00	0.00	-3,500.00	.0%
001 32917 BOA APP FEES-RESIDENTIAL	-7,500.00	-7,500.00	1,500.00	0.00	0.00	-9,000.00	-20.0%
001 32918 ZONING CERTIFICATION FEE	-1,500.00	-1,500.00	-1,400.00	-500.00	0.00	-100.00	93.3%

City of Fernandina Beach
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FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
001 32926	PLAT APPROVAL APP FEE						
	-3,000.00	-3,000.00	0.00	0.00	0.00	-3,000.00	.0%
001 32928	REZONING APP FEE						
	-5,000.00	-5,000.00	-10,000.00	0.00	0.00	5,000.00	200.0%
001 32929	SITE PLAN REVIEW APP FEE						
	-22,000.00	-22,000.00	-15,100.00	-6,300.00	0.00	-6,900.00	68.6%
001 32932	DUE DILIGENCE						
	-1,000.00	-1,000.00	-500.00	-250.00	0.00	-500.00	50.0%
001 32935	ADMINISTRATIVE WAIVER						
	-900.00	-900.00	0.00	0.00	0.00	-900.00	.0%
001 32937	LOT LINE ADJUSTMENTS						
	-2,400.00	-2,400.00	-100.00	0.00	0.00	-2,300.00	4.2%
001 32980	OTHER MISC PERMITS						
	0.00	0.00	-908.00	0.00	0.00	908.00	100.0%
001 32981	SPECIAL EVENT PERMITS						
	-4,000.00	-4,000.00	-5,065.00	-770.00	0.00	1,065.00	126.6%
001 32982	SPECIAL BANNER PERMITS						
	-1,500.00	-1,500.00	-960.00	-735.00	0.00	-540.00	64.0%
001 32992	FIRE MARSHAL FEES						
	-65,000.00	-65,000.00	-10,171.23	-600.00	0.00	-54,828.77	15.6%
001 32995	ADDRESS ASSIGNMENT						
	-300.00	-300.00	-260.00	-40.00	0.00	-40.00	86.7%
001 33350	HALF-CENT SALES TAX						
	-1,102,103.00	-1,102,103.00	-422,179.09	-87,014.77	0.00	-679,923.91	38.3%
001 33420	FEMA STATE						
	0.00	0.00	-75,337.27	-75,337.27	0.00	75,337.27	100.0%
001 33512	STATE REVENUE SHARING PROCEED						
	-391,478.00	-391,478.00	-151,157.21	-29,120.51	0.00	-240,320.79	38.6%
001 33514	MOBILE HOME TAX						
	-800.00	-800.00	-706.98	-51.00	0.00	-93.02	88.4%
001 33515	ALCOHOLIC BEV LICENSE						
	-29,750.00	-29,750.00	-32,287.30	-8,736.50	0.00	2,537.30	108.5%
001 33522	FIREFIGHTERS SUPPLEMENT						
	-10,000.00	-10,000.00	-3,010.00	0.00	0.00	-6,990.00	30.1%
001 33720	SCHOOL RESOURCE OFFICER						
	-216,492.00	-216,492.00	-100,442.52	-21,933.23	0.00	-116,049.48	46.4%
001 33722	NASSAU COUNTY OCEAN RESCUE						
	-223,014.00	-223,014.00	-103,909.24	0.00	0.00	-119,104.76	46.6%
001 33910	OCEAN,HIGHWAY AND PRT AUTHORIT						
	-50,000.00	-50,000.00	-50,000.00	0.00	0.00	0.00	100.0%
001 34140	REIMBURSEMENT FOR LEGAL EXP						
	-10,500.00	-10,500.00	0.00	0.00	0.00	-10,500.00	.0%
001 34260	AMBULANCE SERVICES						
	-690,000.00	-690,000.00	-410,912.78	-78,112.71	0.00	-279,087.22	59.6%

City of Fernandina Beach
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FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
001 34296	OPIOID SETTLEMENT						
	0.00	-35,102.00	0.00	0.00	0.00	-35,102.00	.0%
001 34490	STREET SWEEPING CHARGES						
	-9,000.00	-9,000.00	-750.00	0.00	0.00	-8,250.00	8.3%
001 34700	TRUST ACTIVITIES NON-TAXABLE						
	-235,000.00	-235,000.00	-65,975.80	-3,211.00	0.00	-169,024.20	28.1%
001 34701	TRUST ACTIVITIES TAXABLE						
	-75,000.00	-75,000.00	-53,552.81	-11,673.09	0.00	-21,447.19	71.4%
001 34702	PARKS TRUST NON-TAXABLE						
	-14,500.00	-14,500.00	-5,244.00	-288.00	0.00	-9,256.00	36.2%
001 34703	PARKS TRUST TAXABLE						
	-15,000.00	-15,000.00	-7,099.00	-460.00	0.00	-7,901.00	47.3%
001 34704	RENTALS NON-TAXABLE						
	-4,200.00	-4,200.00	0.00	0.00	0.00	-4,200.00	.0%
001 34720	RENTALS						
	-10,000.00	-10,000.00	-16,961.50	-8,086.00	0.00	6,961.50	169.6%
001 34721	PECK RENTS						
	-5,000.00	-5,000.00	-4,491.50	-1,628.00	0.00	-508.50	89.8%
001 34722	PECK RENTS NON-TAXABLE						
	-25,000.00	-25,000.00	-11,157.00	-2,231.40	0.00	-13,843.00	44.6%
001 34723	PECK TRUST TAXABLE						
	-10,000.00	-10,000.00	-2,323.18	-461.26	0.00	-7,676.82	23.2%
001 34724	PECK TRUST NON-TAXABLE						
	-7,500.00	-7,500.00	-8,458.80	-771.60	0.00	958.80	112.8%
001 34725	MLK RENTS						
	-4,500.00	-4,500.00	-2,923.00	-880.00	0.00	-1,577.00	65.0%
001 34726	MLK RENTS NON-TAXABLE						
	-1,000.00	-1,000.00	0.00	0.00	0.00	-1,000.00	.0%
001 34728	MLK TRUST NON-TAXABLE						
	-8,000.00	-8,000.00	0.00	0.00	0.00	-8,000.00	.0%
001 34730	YOUTH TRUST ACTIVITIES						
	-15,000.00	-15,000.00	-63,894.00	-13,222.00	0.00	48,894.00	426.0%
001 34731	YOUTH CAMPS						
	-190,000.00	-190,000.00	608.00	0.00	0.00	-190,608.00	-.3%
001 34739	SWIMMING POOL RENTALS						
	0.00	0.00	-200.00	0.00	0.00	200.00	100.0%
001 34740	AQUATICS TRUST TAXABLE						
	0.00	0.00	-5,076.73	-1,502.99	0.00	5,076.73	100.0%
001 34741	AQUATICS TRUST NON-TAXABLE						
	-100,000.00	-100,000.00	-43,873.80	-4,661.60	0.00	-56,126.20	43.9%
001 34742	SWIMMING POOLS						
	-70,000.00	-70,000.00	-3,890.28	-437.66	0.00	-66,109.72	5.6%
001 34743	SWIMMING POOLS NON-TAXABLE						
	-15,000.00	-15,000.00	0.00	0.00	0.00	-15,000.00	.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
001 34745	GREENWAY						
	-1,000.00	-1,000.00	-400.00	0.00	0.00	-600.00	40.0%
001 34746	GREENWAY TAXABLE						
	0.00	0.00	-813.83	0.00	0.00	813.83	100.0%
001 35100	COURT CASES GENERAL FUND						
	-10,000.00	-10,000.00	-2,058.47	-345.73	0.00	-7,941.53	20.6%
001 35115	PARKING TICKETS						
	-20,000.00	-20,000.00	-1,980.00	-10.00	0.00	-18,020.00	9.9%
001 35120	POLICE EDUCATION						
	-1,200.00	-1,200.00	-438.35	-80.00	0.00	-761.65	36.5%
001 35911	FINGERPRINT-ACCI-INC REPORT						
	-4,800.00	-4,800.00	-2,360.00	-470.00	0.00	-2,440.00	49.2%
001 36110	INTEREST						
	-479,000.00	-479,000.00	-171,235.54	-41,552.38	0.00	-307,764.46	35.7%
001 36120	UNREALIZED GAIN						
	0.00	0.00	1,981.34	293.90	0.00	-1,981.34	100.0%
001 36210	RENTS						
	-5,300.00	-5,300.00	-4,234.87	-733.02	0.00	-1,065.13	79.9%
001 36215	RENTS NON-TAXABLE						
	-27,400.00	-27,400.00	-12,466.55	-2,281.31	0.00	-14,933.45	45.5%
001 36990	OTHER REVENUE						
	-60,851.00	-60,851.00	-16,989.39	-3,722.24	0.00	-43,861.61	27.9%
001 36993	DONATIONS/CONTRIBUTIONS						
	0.00	0.00	-1,572.41	-1,572.41	0.00	1,572.41	100.0%
001 36996	REVENUE-GARNISHMENT FEE						
	-100.00	-100.00	-39.14	-8.00	0.00	-60.86	39.1%
001 36998	STATE OF FLORIDA - FDOT						
	-77,501.00	-77,501.00	0.00	0.00	0.00	-77,501.00	.0%
001 38215	FROM UTILITY TAX						
	-2,500,000.00	-2,500,000.00	-1,041,666.69	-208,333.33	0.00	-1,458,333.31	41.7%
001 38244	FROM SANITATION						
	-40,000.00	-40,000.00	-16,666.69	-3,333.33	0.00	-23,333.31	41.7%
001 38245	FROM WASTEWATER OPERATIONS						
	-360,000.00	-360,000.00	-150,000.00	-30,000.00	0.00	-210,000.00	41.7%
001 38246	FROM WATER OPERATIONS						
	-120,000.00	-120,000.00	-50,000.00	-10,000.00	0.00	-70,000.00	41.7%
001 38910	CASH BALANCE FORWARD						
	-11,195,879.00	-11,195,879.00	0.00	0.00	0.00	-11,195,879.00	.0%
TOTAL GENERAL FUND							
	-45,258,723.00	-45,293,825.00	-25,131,257.33	-1,710,477.80	0.00	-20,162,567.67	55.5%
TOTAL REVENUES							
	-45,258,723.00	-45,293,825.00	-25,131,257.33	-1,710,477.80	0.00	-20,162,567.67	
0011200 CITY CLERK							
0011200 36993	YOUTH ADVISORY COMM DONATIONS						

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

0011200 CITY CLERK	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
	-3,000.00	-3,000.00	-465.00	0.00	0.00	-2,535.00	15.5%
TOTAL CITY CLERK	-3,000.00	-3,000.00	-465.00	0.00	0.00	-2,535.00	15.5%
TOTAL REVENUES	-3,000.00	-3,000.00	-465.00	0.00	0.00	-2,535.00	
0012200 FIRE							
0012200 34292 PROGRAM REVENUES	0.00	0.00	-43.00	0.00	0.00	43.00	100.0%
0012200 34295 OTHER PUBLIC SAFETY	0.00	0.00	-220.00	0.00	0.00	220.00	100.0%
0012200 36993 DONATIONS/CONTRIBUTIONS	0.00	0.00	-842.70	0.00	0.00	842.70	100.0%
TOTAL FIRE	0.00	0.00	-1,105.70	0.00	0.00	1,105.70	100.0%
TOTAL REVENUES	0.00	0.00	-1,105.70	0.00	0.00	1,105.70	
0017210 PARKS							
0017210 34751 LIGHTHOUSE SPECIAL TOUR	0.00	0.00	-276.00	0.00	0.00	276.00	100.0%
TOTAL PARKS	0.00	0.00	-276.00	0.00	0.00	276.00	100.0%
TOTAL REVENUES	0.00	0.00	-276.00	0.00	0.00	276.00	
GRAND TOTAL	-45,261,723.00	-45,296,825.00	-25,133,104.03	-1,710,477.80	0.00	-20,163,720.97	55.5%

** END OF REPORT - Generated by Ashley Butler **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
100 LAW ENFORCEMENT TRUST							
100 35110 FINES/FORFEITURES	0.00	0.00	-9,614.00	0.00	0.00	9,614.00	100.0%
100 36110 INTEREST	-55.00	-55.00	-55.91	-15.53	0.00	0.91	101.7%
100 38910 CASH BALANCE FORWARD	-4,190.00	-4,190.00	0.00	0.00	0.00	-4,190.00	.0%
100 59990 RESERVE	4,245.00	4,245.00	0.00	0.00	0.00	4,245.00	.0%
TOTAL LAW ENFORCEMENT TRUST	0.00	0.00	-9,669.91	-15.53	0.00	9,669.91	100.0%
TOTAL REVENUES	-4,245.00	-4,245.00	-9,669.91	-15.53	0.00	5,424.91	
TOTAL EXPENSES	4,245.00	4,245.00	0.00	0.00	0.00	4,245.00	
GRAND TOTAL	0.00	0.00	-9,669.91	-15.53	0.00	9,669.91	100.0%

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City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
110 FEDERAL FORFEITURE							
110 35121	SEIZED CONTRABAND						
	-2,500.00	-2,500.00	-1,153.67	0.00	0.00	-1,346.33	46.1%
110 36110	INTEREST						
	-300.00	-300.00	-688.68	-123.40	0.00	388.68	229.6%
110 38910	CASH BALANCE FORWARD						
	-89,050.00	-89,050.00	0.00	0.00	0.00	-89,050.00	.0%
110 54000	TRAINING/TRAVEL						
	6,500.00	6,500.00	0.00	0.00	0.00	6,500.00	.0%
110 55200	OPERATING SUPPLIES						
	15,000.00	15,000.00	0.00	0.00	0.00	15,000.00	.0%
110 59990	RESERVE						
	70,350.00	70,350.00	0.00	0.00	0.00	70,350.00	.0%
TOTAL FEDERAL FORFEITURE							
	0.00	0.00	-1,842.35	-123.40	0.00	1,842.35	100.0%
TOTAL REVENUES							
	-91,850.00	-91,850.00	-1,842.35	-123.40	0.00	-90,007.65	
TOTAL EXPENSES							
	91,850.00	91,850.00	0.00	0.00	0.00	91,850.00	
GRAND TOTAL							
	0.00	0.00	-1,842.35	-123.40	0.00	1,842.35	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
125 TREE TRUST SPECIAL REV FUND							
125 32219 TREE TRUST FUND RESERVE	-74,847.00	-74,847.00	-22,225.00	-5,100.00	0.00	-52,622.00	29.7%
125 36110 INTEREST	-5,000.00	-5,000.00	-3,601.11	-636.29	0.00	-1,398.89	72.0%
125 38910 CASH BALANCE FORWARD	-450,419.00	-450,419.00	0.00	0.00	0.00	-450,419.00	.0%
125 51200 SALARIES	26,232.00	26,232.00	7,450.89	1,528.66	0.00	18,781.11	28.4%
125 51300 SEASONAL/TEMPORARY	5,500.00	5,500.00	0.00	0.00	0.00	5,500.00	.0%
125 52100 FICA	1,854.00	1,854.00	535.51	108.06	0.00	1,318.49	28.9%
125 52200 RETIREMENT	5,454.00	5,454.00	1,591.32	323.92	0.00	3,862.68	29.2%
125 52300 HEALTH INSUR	5,598.00	5,598.00	1,801.56	349.14	0.00	3,796.44	32.2%
125 52301 LIFE INSUR	77.00	77.00	26.27	5.00	0.00	50.73	34.1%
125 52400 WORKERS' COMP	2,900.00	2,900.00	319.56	63.92	0.00	2,580.44	11.0%
125 53100 PROFESSIONAL SERVICES	77,000.00	77,000.00	0.00	0.00	0.00	77,000.00	.0%
125 53100 26017 CEMETERY MASTER TREE PLAN	40,000.00	40,000.00	0.00	0.00	0.00	40,000.00	.0%
125 54970 PROGRAM COSTS	264,350.00	264,350.00	17,404.63	0.00	139,001.67	107,943.70	59.2%
125 55200 OPERATING SUPPLIES	50,250.00	50,250.00	49.28	0.00	0.00	50,200.72	.1%
125 59990 RESERVE	51,051.00	51,051.00	0.00	0.00	0.00	51,051.00	.0%
TOTAL TREE TRUST SPECIAL REV FUND	0.00	0.00	3,352.91	-3,357.59	139,001.67	-142,354.58	100.0%
TOTAL REVENUES	-530,266.00	-530,266.00	-25,826.11	-5,736.29	0.00	-504,439.89	
TOTAL EXPENSES	530,266.00	530,266.00	29,179.02	2,378.70	139,001.67	362,085.31	
GRAND TOTAL	0.00	0.00	3,352.91	-3,357.59	139,001.67	-142,354.58	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
126 HDC SPECIAL REVENUE FUND							
126 32924 HDC APPLICATION FEE	-7,500.00	-7,500.00	-2,300.00	-425.00	0.00	-5,200.00	30.7%
126 32931 HDC VARIANCE	-1,200.00	-1,200.00	0.00	0.00	0.00	-1,200.00	.0%
126 36110 INTEREST	-1,500.00	-1,500.00	-768.58	-137.50	0.00	-731.42	51.2%
126 38910 CASH BALANCE FORWARD	-66,940.00	-66,940.00	0.00	0.00	0.00	-66,940.00	.0%
126 53100 PROFESSIONAL SERVICES	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00	.0%
126 54970 PROGRAM COSTS	57,000.00	57,000.00	0.00	0.00	0.00	57,000.00	.0%
126 59990 RESERVE	18,140.00	18,140.00	0.00	0.00	0.00	18,140.00	.0%
TOTAL HDC SPECIAL REVENUE FUND	0.00	0.00	-3,068.58	-562.50	0.00	3,068.58	100.0%
TOTAL REVENUES	-77,140.00	-77,140.00	-3,068.58	-562.50	0.00	-74,071.42	
TOTAL EXPENSES	77,140.00	77,140.00	0.00	0.00	0.00	77,140.00	
GRAND TOTAL	0.00	0.00	-3,068.58	-562.50	0.00	3,068.58	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YTD BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
127 PARKING SPECIAL REVENUE FUND							
127 PAID PARKING							
127 34450	PARKING REVENUE						
	0.00	0.00	-114,943.97	-114,943.97	0.00	114,943.97	100.0%
127 53400	CONTRACTUAL						
	0.00	0.00	96,038.00	96,038.00	242,676.00	-338,714.00	100.0%
127 54700	PRINTING						
	0.00	0.00	837.90	0.00	0.00	-837.90	100.0%
TOTAL PARKING SPECIAL REVENUE FUN							
	0.00	0.00	-18,068.07	-18,905.97	242,676.00	-224,607.93	100.0%
TOTAL REVENUES							
	0.00	0.00	-114,943.97	-114,943.97	0.00	114,943.97	
TOTAL EXPENSES							
	0.00	0.00	96,875.90	96,038.00	242,676.00	-339,551.90	
GRAND TOTAL							
	0.00	0.00	-18,068.07	-18,905.97	242,676.00	-224,607.93	100.0%

** END OF REPORT - Generated by Susan Carless **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
135 LAND CONSERVATION TRUST							
135 36110	INTEREST						
	-2,625.00	-2,625.00	-1,638.69	-291.38	0.00	-986.31	62.4%
135 38910	CASH BALANCE FORWARD						
	-257,318.00	-257,318.00	0.00	0.00	0.00	-257,318.00	.0%
135 53100	PROFESSIONAL SERVICES						
	3,500.00	3,500.00	0.00	0.00	0.00	3,500.00	.0%
135 56100	LAND						
	256,443.00	256,443.00	0.00	0.00	0.00	256,443.00	.0%
TOTAL LAND CONSERVATION TRUST							
	0.00	0.00	-1,638.69	-291.38	0.00	1,638.69	100.0%
TOTAL REVENUES							
	-259,943.00	-259,943.00	-1,638.69	-291.38	0.00	-258,304.31	
TOTAL EXPENSES							
	259,943.00	259,943.00	0.00	0.00	0.00	259,943.00	
GRAND TOTAL							
	0.00	0.00	-1,638.69	-291.38	0.00	1,638.69	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
140 BUILDING FEES FUND								
140 32200	BUILDING PERMITS	-710,000.00	-710,000.00	-328,266.31	-69,730.13	0.00	-381,733.69	46.2%
140 32202	BUILDING PERMIT-CONSTRUCTION	-3,000.00	-3,000.00	-3,255.00	-450.00	0.00	255.00	108.5%
140 32203	BUILDING PERMIT-DEMOLITION	-2,000.00	-2,000.00	0.00	0.00	0.00	-2,000.00	.0%
140 32206	BUILDING PERMIT-AFTER THE FACT	-10,000.00	-10,000.00	-4,063.16	-432.00	0.00	-5,936.84	40.6%
140 32207	BUILDING PERMIT-REINSPECTION	-4,000.00	-4,000.00	-6,600.00	-950.00	0.00	2,600.00	165.0%
140 32903	SIGN PERMITS	-2,000.00	-2,000.00	-798.00	0.00	0.00	-1,202.00	39.9%
140 32905	ELECTRICAL PERMITS-GENERAL	0.00	0.00	-75.00	0.00	0.00	75.00	100.0%
140 32908	GAS PERMITS-GENERAL	-14,000.00	-14,000.00	-4,242.76	-716.42	0.00	-9,757.24	30.3%
140 32909	GAS PERMITS-LP INSTALLATION	-4,000.00	-4,000.00	-1,200.00	-300.00	0.00	-2,800.00	30.0%
140 32911	MECHANICAL	-12,000.00	-12,000.00	-4,050.00	-700.00	0.00	-7,950.00	33.8%
140 32912	PLUMBING PERMITS	-4,000.00	-4,000.00	-2,100.00	-350.00	0.00	-1,900.00	52.5%
140 32920	CDD COPIES MADE FEE	0.00	0.00	-0.45	0.00	0.00	0.45	100.0%
140 32960	ADMINISTRATION COST BLDING SU	-3,000.00	-3,000.00	-1,296.15	0.00	0.00	-1,703.85	43.2%
140 32980	OTHER MISC PERMITS	-30,000.00	-30,000.00	-17,350.00	-3,655.00	0.00	-12,650.00	57.8%
140 36110	INTEREST	-30,000.00	-30,000.00	-10,122.48	-1,617.59	0.00	-19,877.52	33.7%
140 36990	OTHER REVENUE	-1,000.00	-1,000.00	-7,822.43	0.00	0.00	6,822.43	782.2%
140 38910	CASH BALANCE FORWARD	-1,194,007.00	-1,194,007.00	0.00	0.00	0.00	-1,194,007.00	.0%
140 51200	SALARIES	590,946.00	590,946.00	230,078.72	45,820.01	0.00	360,867.28	38.9%
140 51350	PART-TIME	30,314.00	30,314.00	11,676.00	2,105.64	0.00	18,638.00	38.5%
140 51400	OVERTIME	0.00	61.00	87.15	26.86	0.00	-26.15	142.9%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
140 52100	FICA						
	45,931.00	45,931.00	17,876.46	3,515.26	0.00	28,054.54	38.9%
140 52200	RETIREMENT						
	119,865.00	119,865.00	46,243.28	9,474.13	0.00	73,621.72	38.6%
140 52300	HEALTH INSUR						
	111,742.00	111,742.00	39,688.51	8,958.06	0.00	72,053.49	35.5%
140 52301	LIFE INSUR						
	1,665.00	1,665.00	732.03	146.42	0.00	932.97	44.0%
140 52400	WORKERS' COMP						
	4,051.00	4,051.00	1,553.31	310.67	0.00	2,497.69	38.3%
140 53100	PROFESSIONAL SERVICES						
	531,695.00	531,695.00	156,188.35	72,469.41	-1,735.94	377,242.59	29.0%
140 53400	CONTRACTUAL						
	172,951.00	172,951.00	116,337.65	1,322.78	0.00	56,613.35	67.3%
140 54000	TRAINING/TRAVEL						
	42,400.00	42,400.00	1,665.00	1,425.00	0.00	40,735.00	3.9%
140 54100	COMM - PHONE/FAX/ALARM						
	1,600.00	1,600.00	1,600.00	0.00	0.00	0.00	100.0%
140 54101	COMMUNICATIONS-CELLULAR						
	8,000.00	8,000.00	3,193.09	1,064.34	0.00	4,806.91	39.9%
140 54500	INSURANCE						
	36,540.00	36,522.00	11,666.75	2,329.75	0.00	24,855.25	31.9%
140 54611	R/M FACILITIES						
	2,600.00	2,600.00	0.00	0.00	0.00	2,600.00	.0%
140 54630	R/M VEHICLES-LABOR						
	1,000.00	1,000.00	137.50	0.00	0.00	862.50	13.8%
140 54640	R/M VEHICLES-PARTS						
	1,500.00	1,500.00	9.68	0.00	0.00	1,490.32	.6%
140 54700	PRINTING						
	5,000.00	4,939.00	340.31	0.00	0.00	4,598.69	6.9%
140 54934	LEGAL/CONTRACTUAL						
	20,825.00	20,825.00	0.00	0.00	0.00	20,825.00	.0%
140 54935	OTHER - PR YR PERMIT REFUND						
	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00	.0%
140 55100	OFFICE SUPPLIES						
	4,000.00	4,000.00	828.16	83.96	0.00	3,171.84	20.7%
140 55200	OPERATING SUPPLIES						
	5,530.00	5,530.00	565.82	23.50	0.00	4,964.18	10.2%
140 55210	UNIFORMS						
	3,400.00	3,400.00	589.27	0.00	0.00	2,810.73	17.3%
140 55230	GAS/OIL						
	4,200.00	4,200.00	1,040.49	229.86	0.00	3,159.51	24.8%
140 55400	BOOKS/SUBS/DUES						
	12,000.00	12,000.00	3,425.00	0.00	0.00	8,575.00	28.5%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
140 56401	NON CAP EQUIP						
	5,500.00	5,500.00	5,069.94	5,069.94	0.00	430.06	92.2%
140 56410 23041	CITYVIEW SOFTWARE PROJ 23041						
	254,719.00	254,719.00	40,345.11	0.00	-27,644.10	242,017.99	5.0%
140 59990	RESERVE						
	3,033.00	3,033.00	0.00	0.00	0.00	3,033.00	.0%
TOTAL BUILDING FEES FUND							
	0.00	-18.00	299,695.84	75,474.45	-29,380.04	-270,333.80	*********%
TOTAL REVENUES							
	-2,023,007.00	-2,023,007.00	-391,241.74	-78,901.14	0.00	-1,631,765.26	
TOTAL EXPENSES							
	2,023,007.00	2,022,989.00	690,937.58	154,375.59	-29,380.04	1,361,431.46	
GRAND TOTAL							
	0.00	-18.00	299,695.84	75,474.45	-29,380.04	-270,333.80	*********%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
145 WASTEWATER CAPACITY							
145 36110 INTEREST	-10,800.00	-10,800.00	-5,933.28	-990.54	0.00	-4,866.72	54.9%
145 36310 IMPACT FEES- INCORPORATED AREA	-450,000.00	-450,000.00	-49,245.85	-3,981.49	0.00	-400,754.15	10.9%
145 36311 IMPACT FEES- UNINCORPORATED	-20,000.00	-20,000.00	-13,734.72	-129.16	0.00	-6,265.28	68.7%
145 38910 CASH BALANCE FORWARD	-970,927.00	-970,927.00	0.00	0.00	0.00	-970,927.00	.0%
145 59230 TRANSFER TO UTIL ACQ DS	500,000.00	500,000.00	208,333.31	41,666.67	0.00	291,666.69	41.7%
145 59990 RESERVE	951,727.00	951,727.00	0.00	0.00	0.00	951,727.00	.0%
TOTAL WASTEWATER CAPACITY	0.00	0.00	139,419.46	36,565.48	0.00	-139,419.46	100.0%
TOTAL REVENUES	-1,451,727.00	-1,451,727.00	-68,913.85	-5,101.19	0.00	-1,382,813.15	
TOTAL EXPENSES	1,451,727.00	1,451,727.00	208,333.31	41,666.67	0.00	1,243,393.69	
GRAND TOTAL	0.00	0.00	139,419.46	36,565.48	0.00	-139,419.46	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
145 WASTEWATER CAPACITY							
145 36110 INTEREST	-10,800.00	-10,800.00	-5,933.28	-990.54	0.00	-4,866.72	54.9%
145 36310 IMPACT FEES- INCORPORATED AREA	-450,000.00	-450,000.00	-49,245.85	-3,981.49	0.00	-400,754.15	10.9%
145 36311 IMPACT FEES- UNINCORPORATED	-20,000.00	-20,000.00	-13,734.72	-129.16	0.00	-6,265.28	68.7%
145 38910 CASH BALANCE FORWARD	-970,927.00	-970,927.00	0.00	0.00	0.00	-970,927.00	.0%
145 59230 TRANSFER TO UTIL ACQ DS	500,000.00	500,000.00	208,333.31	41,666.67	0.00	291,666.69	41.7%
145 59990 RESERVE	951,727.00	951,727.00	0.00	0.00	0.00	951,727.00	.0%
TOTAL WASTEWATER CAPACITY	0.00	0.00	139,419.46	36,565.48	0.00	-139,419.46	100.0%
TOTAL REVENUES	-1,451,727.00	-1,451,727.00	-68,913.85	-5,101.19	0.00	-1,382,813.15	
TOTAL EXPENSES	1,451,727.00	1,451,727.00	208,333.31	41,666.67	0.00	1,243,393.69	
GRAND TOTAL	0.00	0.00	139,419.46	36,565.48	0.00	-139,419.46	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
150 UTILITY TAX							
150 31410 ELECTRIC MUNICIPAL TAX	-1,080,000.00	-1,080,000.00	-590,382.76	-113,312.67	0.00	-489,617.24	54.7%
150 31420 TELEPHONE MUNICIPAL TAX	-1,010,818.00	-1,010,818.00	-426,184.83	-86,569.40	0.00	-584,633.17	42.2%
150 31440 GAS MUNICIPAL TAX	-180,000.00	-180,000.00	-91,461.72	-15,553.98	0.00	-88,538.28	50.8%
150 36110 INTEREST	-9,500.00	-9,500.00	-6,573.98	-1,225.37	0.00	-2,926.02	69.2%
150 38910 CASH BALANCE FORWARD	-1,011,850.00	-1,011,850.00	0.00	0.00	0.00	-1,011,850.00	.0%
150 59100 TRANSFER TO GENERAL FUND	2,500,000.00	2,500,000.00	1,041,666.69	208,333.33	0.00	1,458,333.31	41.7%
150 59990 RESERVE	792,168.00	792,168.00	0.00	0.00	0.00	792,168.00	.0%
TOTAL UTILITY TAX	0.00	0.00	-72,936.60	-8,328.09	0.00	72,936.60	100.0%
TOTAL REVENUES	-3,292,168.00	-3,292,168.00	-1,114,603.29	-216,661.42	0.00	-2,177,564.71	
TOTAL EXPENSES	3,292,168.00	3,292,168.00	1,041,666.69	208,333.33	0.00	2,250,501.31	
GRAND TOTAL	0.00	0.00	-72,936.60	-8,328.09	0.00	72,936.60	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
170 CEMETERY							
170 32970 BURIAL PERMITS	-4,500.00	-4,500.00	-3,600.00	-1,150.00	0.00	-900.00	80.0%
170 34560 MARKER SETTING FEES	-4,250.00	-4,250.00	0.00	0.00	0.00	-4,250.00	.0%
170 34565 DEED TRANSFER FEES	0.00	0.00	-150.00	-75.00	0.00	150.00	100.0%
170 34570 PERPETUAL CARE	-56,000.00	-56,000.00	-32,728.18	-2,745.11	0.00	-23,271.82	58.4%
170 34580 SALE OF LOTS	-104,000.00	-104,000.00	-48,856.16	-5,098.07	0.00	-55,143.84	47.0%
170 36110 INTEREST	-45,000.00	-45,000.00	-20,897.98	-2,787.39	0.00	-24,102.02	46.4%
170 36120 UNREALIZED GAIN	0.00	0.00	2,285.67	353.75	0.00	-2,285.67	100.0%
170 38910 CASH BALANCE FORWARD	-261,797.00	-261,797.00	0.00	0.00	0.00	-261,797.00	.0%
170 38913 CASH BAL FOR RESTD CEMET	-1,451,034.00	-1,451,034.00	0.00	0.00	0.00	-1,451,034.00	.0%
170 53400 CONTRACTUAL	135,384.00	135,384.00	38,827.12	9,668.05	0.00	96,556.88	28.7%
170 54300 UTILITIES ELECTRIC	1,000.00	1,000.00	367.04	91.46	0.00	632.96	36.7%
170 54310 UTILITIES-WATER & WASTEWATER	250.00	250.00	57.43	14.31	0.00	192.57	23.0%
170 54610 R/M BLDG & GROUNDS	10,000.00	10,000.00	119.98	49.28	0.00	9,880.02	1.2%
170 54611 R/M FACILITIES	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	.0%
170 55200 OPERATING SUPPLIES	2,500.00	2,500.00	149.88	0.00	0.00	2,350.12	6.0%
170 59990 RESERVE	260,413.00	260,413.00	0.00	0.00	0.00	260,413.00	.0%
170 59997 RESERVE REST'D FOR CEMETERY	1,507,034.00	1,507,034.00	0.00	0.00	0.00	1,507,034.00	.0%
TOTAL CEMETERY	0.00	0.00	-64,425.20	-1,678.72	0.00	64,425.20	100.0%
TOTAL REVENUES	-1,926,581.00	-1,926,581.00	-103,946.65	-11,501.82	0.00	-1,822,634.35	
TOTAL EXPENSES	1,926,581.00	1,926,581.00	39,521.45	9,823.10	0.00	1,887,059.55	
GRAND TOTAL	0.00	0.00	-64,425.20	-1,678.72	0.00	64,425.20	100.0%

City of Fernandina Beach
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FOR 2026 05

ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
180 COMM DEVELOP AREA							
180 31110 PROPERTY TAXES	-149,899.00	-149,899.00	0.00	0.00	0.00	-149,899.00	.0%
180 31117 PROPERTY TAXES-COUNTY	-226,659.00	-226,659.00	0.00	0.00	0.00	-226,659.00	.0%
180 36110 INTEREST	-7,500.00	-7,500.00	-3,218.64	-538.73	0.00	-4,281.36	42.9%
180 38910 CASH BALANCE FORWARD	-608,208.00	-608,208.00	0.00	0.00	0.00	-608,208.00	.0%
180 53200 AUDITING	6,600.00	6,600.00	2,750.00	550.00	0.00	3,850.00	41.7%
180 53400 CONTRACTUAL	0.00	0.00	720.00	720.00	0.00	-720.00	100.0%
180 56300 25073 NORTH 2ND STREET STREETSCAPE	0.00	138,261.00	111,248.80	0.00	0.00	27,012.20	80.5%
180 57100 PRINCIPAL	52,224.00	52,224.00	0.00	0.00	0.00	52,224.00	.0%
180 57200 INTEREST	18,217.00	18,217.00	0.00	0.00	0.00	18,217.00	.0%
180 59990 RESERVE	915,225.00	776,964.00	0.00	0.00	0.00	776,964.00	.0%
TOTAL COMM DEVELOP AREA	0.00	0.00	111,500.16	731.27	0.00	-111,500.16	100.0%
TOTAL REVENUES	-992,266.00	-992,266.00	-3,218.64	-538.73	0.00	-989,047.36	
TOTAL EXPENSES	992,266.00	992,266.00	114,718.80	1,270.00	0.00	877,547.20	
GRAND TOTAL	0.00	0.00	111,500.16	731.27	0.00	-111,500.16	100.0%

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City of Fernandina Beach
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FOR 2026 05

		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
190 LAW ENFORCE RECOVERY								
190 34210	FEDERAL LAW ENFORCEMENT SUPP	-458,614.00	-458,614.00	-115,453.30	-23,090.66	0.00	-343,160.70	25.2%
190 36110	INTEREST	-6,000.00	-6,000.00	-2,642.01	-407.67	0.00	-3,357.99	44.0%
190 38910	CASH BALANCE FORWARD	-561,503.00	-561,503.00	0.00	0.00	0.00	-561,503.00	.0%
190 53400	CONTRACTUAL	20,000.00	38,085.00	18,084.91	0.00	0.00	20,000.09	47.5%
190 54000	TRAINING/TRAVEL	30,000.00	36,416.00	9,206.26	0.00	0.00	27,209.74	25.3%
190 54921	UNDERCOVER	4,000.00	4,000.00	0.00	0.00	0.00	4,000.00	.0%
190 55200	OPERATING SUPPLIES	28,000.00	28,000.00	4,193.02	3,260.02	0.00	23,806.98	15.0%
190 56400	MACH/EQUIP	7,500.00	7,500.00	0.00	0.00	0.00	7,500.00	.0%
190 56400 25411	POLICE SERVICE VEHICLE (RE#5)	66,628.00	66,628.00	0.00	0.00	0.00	66,628.00	.0%
190 56400 25412	POLICE SERVICE VEHICLE (RE#90)	66,628.00	66,628.00	0.00	0.00	0.00	66,628.00	.0%
190 56400 26408	POLICE VEHICLE RE #75	69,000.00	69,000.00	57,040.00	0.00	10,937.75	1,022.25	98.5%
190 56400 26409	POLICE VEHICLE RE #76	69,000.00	69,000.00	57,040.00	0.00	10,937.75	1,022.25	98.5%
190 56401	EQUIP-NON CAPITAL	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	.0%
190 59990	RESERVE	655,361.00	630,860.00	0.00	0.00	0.00	630,860.00	.0%
TOTAL LAW ENFORCE RECOVERY		0.00	0.00	27,468.88	-20,238.31	21,875.50	-49,344.38	100.0%
	TOTAL REVENUES	-1,026,117.00	-1,026,117.00	-118,095.31	-23,498.33	0.00	-908,021.69	
	TOTAL EXPENSES	1,026,117.00	1,026,117.00	145,564.19	3,260.02	21,875.50	858,677.31	
	GRAND TOTAL	0.00	0.00	27,468.88	-20,238.31	21,875.50	-49,344.38	100.0%

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City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
230 UTILITY DEBT SERVICE							
230 36110 INTEREST	-8,000.00	-8,000.00	-2,071.42	-435.96	0.00	-5,928.58	25.9%
230 38140 FROM WW IMPACT FEES	-500,000.00	-500,000.00	-208,333.31	-41,666.67	0.00	-291,666.69	41.7%
230 38141 FROM WATER IMPACT FEES	-25,000.00	-25,000.00	-10,416.69	-2,083.33	0.00	-14,583.31	41.7%
230 38145 FROM WASTEWATER	-429,425.00	-429,425.00	-178,927.06	-35,785.42	0.00	-250,497.94	41.7%
230 38146 FROM WATER	-1,542,325.00	-1,542,325.00	-642,635.44	-128,527.08	0.00	-899,689.56	41.7%
230 38910 CASH BALANCE FORWARD	-57,033.00	-57,033.00	0.00	0.00	0.00	-57,033.00	.0%
230 57100 PRINCIPAL	1,740,000.00	1,740,000.00	0.00	0.00	0.00	1,740,000.00	.0%
230 57200 INTEREST	756,750.00	756,750.00	278,668.45	121,012.20	0.00	478,081.55	36.8%
230 57310 BOND ISSUANCE EXPENSE	0.00	0.00	54,807.45	0.00	0.00	-54,807.45	100.0%
230 59990 RESERVE	65,033.00	65,033.00	0.00	0.00	0.00	65,033.00	.0%
TOTAL UTILITY DEBT SERVICE	0.00	0.00	-708,908.02	-87,486.26	0.00	708,908.02	100.0%
TOTAL REVENUES	-2,561,783.00	-2,561,783.00	-1,042,383.92	-208,498.46	0.00	-1,519,399.08	
TOTAL EXPENSES	2,561,783.00	2,561,783.00	333,475.90	121,012.20	0.00	2,228,307.10	
GRAND TOTAL	0.00	0.00	-708,908.02	-87,486.26	0.00	708,908.02	100.0%

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City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
3001000 GENERAL GOVERNMENT							
3001000 56300 IMPROVEMENTS	200,000.00	0.00	0.00	0.00	0.00	0.00	.0%
3001000 56300 24010 DOWNTOWN STREETSCAPES	50,000.00	30,000.00	0.00	0.00	0.00	30,000.00	.0%
3001000 56300 24011 DOWNTOWN REVITALIZATION	0.00	235,108.00	115,559.22	34,061.70	-106,959.22	226,508.00	3.7%
3001000 56300 25073 NORTH 2ND STREET STREETSCAPE	68,816.00	68,816.00	56,447.99	0.00	0.00	12,368.01	82.0%
3001000 56301 26029 DEMOLITION OF ATLANTIC SF	0.00	20,000.00	15,241.94	14,205.94	0.00	4,758.06	76.2%
3001000 56410 22018 SOFTWARE	40,000.00	40,000.00	0.00	0.00	0.00	40,000.00	.0%
3001000 57100 PRINCIPAL	536,078.00	536,078.00	299,653.33	0.00	0.00	236,424.67	55.9%
3001000 57200 INTEREST	92,077.00	92,077.00	44,761.05	192.89	0.00	47,315.95	48.6%
3001000 57300 FINANCING COSTS	0.00	0.00	49,078.72	0.00	0.00	-49,078.72	100.0%
3001000 59990 RESERVE	1,139,924.00	945,060.00	0.00	0.00	0.00	945,060.00	.0%
TOTAL GENERAL GOVERNMENT	2,126,895.00	1,967,139.00	580,742.25	48,460.53	-106,959.22	1,493,355.97	24.1%
TOTAL EXPENSES	2,126,895.00	1,967,139.00	580,742.25	48,460.53	-106,959.22	1,493,355.97	
3001310 CAP IMP IT							
3001310 56400 EQUIPMENT	170,000.00	170,000.00	0.00	0.00	118,461.03	51,538.97	69.7%
TOTAL CAP IMP IT	170,000.00	170,000.00	0.00	0.00	118,461.03	51,538.97	69.7%
TOTAL EXPENSES	170,000.00	170,000.00	0.00	0.00	118,461.03	51,538.97	
3002100 CAP IMP POLICE							
3002100 56400 26444 PANASONIC TOUGHBOOKS-POLICE	207,422.00	207,422.00	207,421.20	0.00	0.00	0.80	100.0%

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3002100 CAP IMP POLICE	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
3002100 56400 26445	ELECTRONIC CONTROL DEVICE-PD						
	209,815.00	209,815.00	209,814.49	0.00	0.00	0.51	100.0%
TOTAL CAP IMP POLICE							
	417,237.00	417,237.00	417,235.69	0.00	0.00	1.31	100.0%
TOTAL EXPENSES							
	417,237.00	417,237.00	417,235.69	0.00	0.00	1.31	
3002200 CAP IMP FIRE							
3002200 56300 26023	FS1 EXHAUST GAS REMOVAL SYSTEM						
	0.00	75,000.00	0.00	0.00	67,045.00	7,955.00	89.4%
3002200 56400 26410	FIRE RESCUE UNIT RE#103						
	435,000.00	445,244.00	0.00	0.00	445,244.00	0.00	100.0%
3002200 56400 26448	FIRE TOUGHBOOKS						
	0.00	116,301.00	116,300.09	0.00	0.00	0.91	100.0%
TOTAL CAP IMP FIRE							
	435,000.00	636,545.00	116,300.09	0.00	512,289.00	7,955.91	98.8%
TOTAL EXPENSES							
	435,000.00	636,545.00	116,300.09	0.00	512,289.00	7,955.91	
3004100 CAP IMP STREETS							
3004100 56311	SIDEWALKS-GENL/MISC						
	150,000.00	0.00	0.00	0.00	0.00	0.00	.0%
3004100 56311 26030	SIDEWALKS/CURBING						
	0.00	150,000.00	34,315.85	34,315.85	9,847.14	105,837.01	29.4%
3004100 56320 26000	STREET PAVING/RESURFACING-CAPI						
	990,000.00	990,000.00	328,967.35	0.00	0.00	661,032.65	33.2%
3004100 56400 26411	STREETS FRONT-END LOADER #431						
	275,000.00	253,391.00	253,391.00	0.00	0.00	0.00	100.0%
TOTAL CAP IMP STREETS							
	1,415,000.00	1,393,391.00	616,674.20	34,315.85	9,847.14	766,869.66	45.0%
TOTAL EXPENSES							
	1,415,000.00	1,393,391.00	616,674.20	34,315.85	9,847.14	766,869.66	
3007100 CAP IMPRV LIBRARY							
3007100 56300 26018	LIBRARY FACADE REPAIRS						
	20,000.00	20,000.00	19,980.09	19,980.09	0.00	19.91	99.9%

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3007100 CAP IMPRV LIBRARY	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
TOTAL CAP IMPRV LIBRARY	20,000.00	20,000.00	19,980.09	19,980.09	0.00	19.91	99.9%
TOTAL EXPENSES	20,000.00	20,000.00	19,980.09	19,980.09	0.00	19.91	
3007200 CAP IMP REC							
3007200 56300 23036 IMPROVEMENTS	8,404.00	8,404.00	1,032.40	653.93	-1,032.40	8,404.00	.0%
3007200 56300 23037 IMPROVEMENTS	31,552.00	31,552.00	3,876.13	2,455.17	-3,876.13	31,552.00	.0%
3007200 56300 23038 IMPROVEMENTS	2,107,376.00	2,107,376.00	18,581.22	7,785.38	-18,581.22	2,107,376.00	.0%
3007200 56300 23039 IMPROVEMENTS	4,158,028.00	4,158,028.00	19,413.96	12,296.96	-19,413.96	4,158,028.00	.0%
3007200 56300 23040 IMPROVEMENTS	69,249.00	69,249.00	8,507.25	5,388.56	-8,507.25	69,249.00	.0%
3007200 56300 26019 ARC WINDOW REPLACEMENT PH3	100,000.00	100,000.00	0.00	0.00	0.00	100,000.00	.0%
3007200 56315 25072 DUNE WALKOVERS	0.00	14,851.00	14,850.83	0.00	-14,850.83	14,851.00	.0%
3007200 56315 26003 BEACH ACCESS 9 REPLACEMENT	150,000.00	150,000.00	10,065.00	0.00	4,825.00	135,110.00	9.9%
3007200 56315 26004 BEACH ACCESS 34 REPAIRS	0.00	50,000.00	49,950.00	0.00	0.00	50.00	99.9%
3007200 56327 25013 BEACH MONITORING/REPORTING	0.00	6,941.00	6,940.48	0.00	-7,603.50	7,604.02	-9.6%
3007200 56400 26412 THOR GUARD SYSTEM UPGRADE	27,000.00	26,817.00	24,860.00	0.00	0.00	1,957.00	92.7%
TOTAL CAP IMP REC	6,651,609.00	6,723,218.00	158,077.27	28,580.00	-69,040.29	6,634,181.02	1.3%
TOTAL EXPENSES	6,651,609.00	6,723,218.00	158,077.27	28,580.00	-69,040.29	6,634,181.02	
3007210 PARKS IMPROVEMENTS							
3007210 56300 24019 LIGHTHOUSE	110,000.00	110,000.00	0.00	0.00	92,385.72	17,614.28	84.0%

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3007210 PARKS IMPROVEMENTS ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
3007210 56300 26004 BEACH ACCESS 34 REDECKING						
50,000.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL PARKS IMPROVEMENTS						
160,000.00	110,000.00	0.00	0.00	92,385.72	17,614.28	84.0%
TOTAL EXPENSES						
160,000.00	110,000.00	0.00	0.00	92,385.72	17,614.28	
3007225 MLK CENTER						
3007225 56300 26020 MLK INTERIOR IMPROVEMENTS						
125,000.00	125,000.00	0.00	0.00	0.00	125,000.00	.0%
3007225 56300 26021 MLK WINDOWS AND DOORS						
75,000.00	75,000.00	0.00	0.00	0.00	75,000.00	.0%
TOTAL MLK CENTER						
200,000.00	200,000.00	0.00	0.00	0.00	200,000.00	.0%
TOTAL EXPENSES						
200,000.00	200,000.00	0.00	0.00	0.00	200,000.00	
GRAND TOTAL						
11,595,741.00	11,637,530.00	1,909,009.59	131,336.47	556,983.38	9,171,537.03	21.2%

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YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
300 CAPITAL IMPROVEMENT							
300 33400 STATE GRANT	-6,000,000.00	-6,041,789.00	-176,410.96	-28,580.00	0.00	-5,865,378.04	2.9%
300 33544 8TH CENT GAS TAX	-82,466.00	-82,466.00	-31,841.84	-6,134.35	0.00	-50,624.16	38.6%
300 33710 COUNTY GRANT	-100,000.00	-100,000.00	-223,713.04	-73,713.04	0.00	123,713.04	223.7%
300 36110 INTEREST	-30,800.00	-30,800.00	-9,068.85	-1,488.57	0.00	-21,731.15	29.4%
300 38101 FROM GENERAL FUND	-2,540,207.00	-2,540,207.00	-1,058,419.56	-211,683.92	0.00	-1,481,787.44	41.7%
300 38410 LOAN PROCEEDS	-533,537.00	-533,537.00	-593,462.81	0.00	0.00	59,925.81	111.2%
300 38910 CASH BALANCE FORWARD	-2,308,731.00	-2,308,731.00	0.00	0.00	0.00	-2,308,731.00	.0%
TOTAL CAPITAL IMPROVEMENT	-11,595,741.00	-11,637,530.00	-2,092,917.06	-321,599.88	0.00	-9,544,612.94	18.0%
TOTAL REVENUES	-11,595,741.00	-11,637,530.00	-2,092,917.06	-321,599.88	0.00	-9,544,612.94	
GRAND TOTAL	-11,595,741.00	-11,637,530.00	-2,092,917.06	-321,599.88	0.00	-9,544,612.94	18.0%

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	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
3101000 CAP EXP ADMIN							
3101000 56500 INFRASTRUCTURE	75,000.00	0.00	0.00	0.00	0.00	0.00	.0%
3101000 56500 26032 NEW SIDEWALKS FY26	0.00	75,000.00	0.00	0.00	0.00	75,000.00	.0%
3101000 59990 RESERVE	1,891,886.00	1,891,886.00	0.00	0.00	0.00	1,891,886.00	.0%
TOTAL CAP EXP ADMIN	1,966,886.00	1,966,886.00	0.00	0.00	0.00	1,966,886.00	.0%
TOTAL EXPENSES	1,966,886.00	1,966,886.00	0.00	0.00	0.00	1,966,886.00	
3102100 CAP EXP POLICE							
3102100 56400 MACH/EQUIP	30,000.00	30,000.00	0.00	0.00	0.00	30,000.00	.0%
3102100 56401 EQUIP-NON CAPITAL	15,000.00	15,000.00	0.00	0.00	0.00	15,000.00	.0%
3102100 59990 RESERVE	569,915.00	569,915.00	0.00	0.00	0.00	569,915.00	.0%
TOTAL CAP EXP POLICE	614,915.00	614,915.00	0.00	0.00	0.00	614,915.00	.0%
TOTAL EXPENSES	614,915.00	614,915.00	0.00	0.00	0.00	614,915.00	
3102200 CAP EXP FIRE							
3102200 59990 RESERVE	662,984.00	662,984.00	0.00	0.00	0.00	662,984.00	.0%
TOTAL CAP EXP FIRE	662,984.00	662,984.00	0.00	0.00	0.00	662,984.00	.0%
TOTAL EXPENSES	662,984.00	662,984.00	0.00	0.00	0.00	662,984.00	
3107200 CAP EXP RECREATION							
3107200 56100 24043 YBOR ALVAREZ SOCCER COMPLEX							

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3107200 CAP EXP RECREATION	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
	85,983.00	85,983.00	0.00	0.00	0.00	85,983.00	.0%
3107200 56200 20015 COLUMBARIUM	65,000.00	65,000.00	1,506.00	1,506.00	11,374.00	52,120.00	19.8%
3107200 56300 24047 MLK SOFTBALL	2,000,000.00	2,000,000.00	840.00	0.00	-840.00	2,000,000.00	.0%
3107200 56300 24050 WATERFRONT PARK	700,000.00	744,735.00	379,884.51	101,675.04	-202,436.07	567,286.56	23.8%
3107200 59990 RESERVE	414,400.00	369,665.00	0.00	0.00	0.00	369,665.00	.0%
TOTAL CAP EXP RECREATION	3,265,383.00	3,265,383.00	382,230.51	103,181.04	-191,902.07	3,075,054.56	5.8%
TOTAL EXPENSES	3,265,383.00	3,265,383.00	382,230.51	103,181.04	-191,902.07	3,075,054.56	
GRAND TOTAL	6,510,168.00	6,510,168.00	382,230.51	103,181.04	-191,902.07	6,319,839.56	2.9%

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	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
310 CAPITAL EXPANSION							
310 33440 OTHER GRANT	0.00	0.00	-50,300.00	0.00	0.00	50,300.00	100.0%
310 33710 COUNTY GRANT	-50,000.00	-50,000.00	0.00	0.00	0.00	-50,000.00	.0%
310 36110 INTEREST	-147,000.00	-147,000.00	-48,430.10	-8,502.70	0.00	-98,569.90	32.9%
TOTAL CAPITAL EXPANSION	-197,000.00	-197,000.00	-98,730.10	-8,502.70	0.00	-98,269.90	50.1%
TOTAL REVENUES	-197,000.00	-197,000.00	-98,730.10	-8,502.70	0.00	-98,269.90	
3101000 CAP EXP ADMIN							
3101000 32410 IMPACT FEES ADMIN	-100,000.00	-100,000.00	-26,316.84	-7,520.04	0.00	-73,683.16	26.3%
3101000 38910 CASH BALANCE FORWARD	-1,811,109.00	-1,811,109.00	0.00	0.00	0.00	-1,811,109.00	.0%
TOTAL CAP EXP ADMIN	-1,911,109.00	-1,911,109.00	-26,316.84	-7,520.04	0.00	-1,884,792.16	1.4%
TOTAL REVENUES	-1,911,109.00	-1,911,109.00	-26,316.84	-7,520.04	0.00	-1,884,792.16	
3102100 CAP EXP POLICE							
3102100 32421 IMPACT FEES POLICE	-60,000.00	-60,000.00	-15,550.86	-4,443.66	0.00	-44,449.14	25.9%
3102100 38910 CASH BALANCE FORWARD	-538,336.00	-538,336.00	0.00	0.00	0.00	-538,336.00	.0%
TOTAL CAP EXP POLICE	-598,336.00	-598,336.00	-15,550.86	-4,443.66	0.00	-582,785.14	2.6%
TOTAL REVENUES	-598,336.00	-598,336.00	-15,550.86	-4,443.66	0.00	-582,785.14	
3102200 CAP EXP FIRE							
3102200 32422 IMPACT FEES FIRE							

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	ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
3102200 CAP EXP FIRE							
	-80,000.00	-80,000.00	-21,531.96	-6,152.76	0.00	-58,468.04	26.9%
3102200 38910 CASH BALANCE FORWARD	-565,566.00	-565,566.00	0.00	0.00	0.00	-565,566.00	.0%
TOTAL CAP EXP FIRE	-645,566.00	-645,566.00	-21,531.96	-6,152.76	0.00	-624,034.04	3.3%
TOTAL REVENUES	-645,566.00	-645,566.00	-21,531.96	-6,152.76	0.00	-624,034.04	
3107200 CAP EXP RECREATION							
3107200 32470 IMPACT FEES RECREATION	-600,000.00	-600,000.00	-164,010.39	-40,549.59	0.00	-435,989.61	27.3%
3107200 38910 CASH BALANCE FORWARD	-2,558,157.00	-2,558,157.00	0.00	0.00	0.00	-2,558,157.00	.0%
TOTAL CAP EXP RECREATION	-3,158,157.00	-3,158,157.00	-164,010.39	-40,549.59	0.00	-2,994,146.61	5.2%
TOTAL REVENUES	-3,158,157.00	-3,158,157.00	-164,010.39	-40,549.59	0.00	-2,994,146.61	
GRAND TOTAL	-6,510,168.00	-6,510,168.00	-326,140.15	-67,168.75	0.00	-6,184,027.85	5.0%

** END OF REPORT - Generated by Ashley Butler **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

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	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
315 OTHER CAPITAL IMPROVEMENTS							
315 36110	INTEREST						
	-10,000.00	-10,000.00	-13,926.79	-2,387.93	0.00	3,926.79	139.3%
315 38910	CASH BALANCE FORWARD						
	-2,406,855.00	-2,406,855.00	0.00	0.00	0.00	-2,406,855.00	.0%
TOTAL OTHER CAPITAL IMPROVEMENTS							
	-2,416,855.00	-2,416,855.00	-13,926.79	-2,387.93	0.00	-2,402,928.21	.6%
TOTAL REVENUES							
	-2,416,855.00	-2,416,855.00	-13,926.79	-2,387.93	0.00	-2,402,928.21	
3151000 OTHER CAPITAL IMPROVEMENTS							
3151000 56300	IMPROVEMENTS						
	181,896.00	0.00	0.00	0.00	0.00	0.00	.0%
3151000 56300 22013	IMPROVEMENTS						
	2,234,959.00	2,234,959.00	117,532.50	19,695.00	1,852,093.18	265,333.32	88.1%
3151000 56300 26028	STORMWATER CAPITAL IMPR						
	0.00	181,896.00	34,345.44	20,847.45	0.00	147,550.56	18.9%
TOTAL OTHER CAPITAL IMPROVEMENTS							
	2,416,855.00	2,416,855.00	151,877.94	40,542.45	1,852,093.18	412,883.88	82.9%
TOTAL EXPENSES							
	2,416,855.00	2,416,855.00	151,877.94	40,542.45	1,852,093.18	412,883.88	
GRAND TOTAL							
	0.00	0.00	137,951.15	38,154.52	1,852,093.18	-1,990,044.33	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
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	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
330 WASTEWATER IMPROVEMENT							
330 36110 INTEREST	-44,200.00	-44,200.00	-92,341.79	-19,197.15	0.00	48,141.79	208.9%
330 36120 UNREALIZED GAIN	0.00	0.00	535.37	69.72	0.00	-535.37	100.0%
330 38145 FROM WASTEWATER	-60,000.00	-60,000.00	-25,000.00	-5,000.00	0.00	-35,000.00	41.7%
330 38910 CASH BALANCE FORWARD	-12,413,162.00	-12,413,162.00	0.00	0.00	0.00	-12,413,162.00	.0%
330 56300 IMPROVEMENTS	100,000.00	100,000.00	0.00	0.00	0.00	100,000.00	.0%
330 56300 25017 WASTEWATER PLANT AUTOMATION	68,830.00	68,830.00	65,195.00	0.00	-58,830.00	62,465.00	9.2%
330 56300 25018 WW DIGESTER BLOWER SYSTEM	2,000,000.00	2,000,000.00	0.00	0.00	0.00	2,000,000.00	.0%
330 59990 RESERVE	10,348,532.00	10,348,532.00	0.00	0.00	0.00	10,348,532.00	.0%
TOTAL WASTEWATER IMPROVEMENT	0.00	0.00	-51,611.42	-24,127.43	-58,830.00	110,441.42	100.0%
TOTAL REVENUES	-12,517,362.00	-12,517,362.00	-116,806.42	-24,127.43	0.00	-12,400,555.58	
TOTAL EXPENSES	12,517,362.00	12,517,362.00	65,195.00	0.00	-58,830.00	12,510,997.00	
GRAND TOTAL	0.00	0.00	-51,611.42	-24,127.43	-58,830.00	110,441.42	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

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ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
410 GOLF COURSE						
0000 UNDEFINED						
410 GOLF						
410-0000-000-572-57-0000-51200- SALARIES						
467,559.00	467,559.00	172,662.78	36,540.93	0.00	294,896.22	36.9%
410-0000-000-572-57-0000-51350- PART-TIME						
434,791.00	434,791.00	137,470.44	25,958.00	0.00	297,320.56	31.6%
410-0000-000-572-57-0000-51400- OVERTIME						
15,000.00	15,000.00	4,443.50	765.66	0.00	10,556.50	29.6%
410-0000-000-572-57-0000-52100- FICA						
70,666.00	70,666.00	25,304.75	4,826.72	0.00	45,361.25	35.8%
410-0000-000-572-57-0000-52200- RETIREMENT						
100,743.00	100,743.00	36,821.18	7,744.19	0.00	63,921.82	36.5%
410-0000-000-572-57-0000-52300- HEALTH INSUR						
75,449.00	75,449.00	24,549.77	5,959.48	0.00	50,899.23	32.5%
410-0000-000-572-57-0000-52301- LIFE INSUR						
1,407.00	1,407.00	573.00	119.50	0.00	834.00	40.7%
410-0000-000-572-57-0000-52350- OPEB COSTS						
794.00	794.00	330.81	66.17	0.00	463.19	41.7%
410-0000-000-572-57-0000-52400- WORKERS' COMP						
10,036.00	10,036.00	2,610.81	522.17	0.00	7,425.19	26.0%
410-0000-000-572-57-0000-53100- PROFESSIONAL SERVICES						
2,500.00	2,500.00	876.72	876.72	0.00	1,623.28	35.1%
410-0000-000-572-57-0000-53200- AUDITING						
3,221.00	3,221.00	1,342.06	268.42	0.00	1,878.94	41.7%
410-0000-000-572-57-0000-53400- CONTRACTUAL						
23,224.00	23,224.00	6,858.95	1,641.14	0.00	16,365.05	29.5%
410-0000-000-572-57-0000-54000- TRAINING/TRAVEL						
1,850.00	1,850.00	1,059.83	364.83	0.00	790.17	57.3%
410-0000-000-572-57-0000-54100- COMM - PHONE/FAX/ALARM						
2,388.00	2,388.00	1,454.89	0.00	0.00	933.11	60.9%
410-0000-000-572-57-0000-54101- COMMUNICATIONS-CELLULAR						
480.00	480.00	424.61	153.44	0.00	55.39	88.5%
410-0000-000-572-57-0000-54103- COMMUNICATIONS-INTERNET						
3,520.00	3,520.00	830.55	367.52	0.00	2,689.45	23.6%
410-0000-000-572-57-0000-54200- POSTAGE						
100.00	100.00	0.00	0.00	0.00	100.00	.0%

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ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
410-0000-000-572-57-0000-54300-		UTILITIES ELECTRIC				
72,000.00	72,000.00	20,089.32	9,046.77	0.00	51,910.68	27.9%
410-0000-000-572-57-0000-54310-		UTILITIES-WATER & WASTEWATER				
8,100.00	8,100.00	2,571.47	597.83	0.00	5,528.53	31.7%
410-0000-000-572-57-0000-54400-		RENTALS/LEASES				
9,400.00	9,400.00	0.00	0.00	0.00	9,400.00	.0%
410-0000-000-572-57-0000-54500-		INSURANCE				
46,280.00	46,280.00	14,380.44	2,876.08	0.00	31,899.56	31.1%
410-0000-000-572-57-0000-54610-		R/M BLDG & GROUNDS				
37,800.00	37,800.00	1,945.99	1,945.99	20,207.79	15,646.22	58.6%
410-0000-000-572-57-0000-54611-		R/M FACILITIES				
20,050.00	20,050.00	10,123.64	2,548.72	0.00	9,926.36	50.5%
410-0000-000-572-57-0000-54620-		R/M EQUIPMENT				
42,000.00	42,000.00	15,714.46	2,446.26	0.00	26,285.54	37.4%
410-0000-000-572-57-0000-54630-		R/M VEHICLES-LABOR				
1,000.00	1,000.00	912.50	637.50	0.00	87.50	91.3%
410-0000-000-572-57-0000-54640-		R/M VEHICLES-PARTS				
750.00	750.00	127.96	24.00	0.00	622.04	17.1%
410-0000-000-572-57-0000-54800-		PROMOTIONAL				
18,549.00	18,549.00	9,566.00	1,657.00	0.00	8,983.00	51.6%
410-0000-000-572-57-0000-55100-		OFFICE SUPPLIES				
1,000.00	1,000.00	479.09	109.99	0.00	520.91	47.9%
410-0000-000-572-57-0000-55200-		OPERATING SUPPLIES				
140,315.00	140,315.00	30,292.10	6,165.87	0.00	110,022.90	21.6%
410-0000-000-572-57-0000-55201-		CREDIT CARD FEES				
54,000.00	54,000.00	24,983.68	4,519.21	0.00	29,016.32	46.3%
410-0000-000-572-57-0000-55210-		UNIFORMS				
2,500.00	2,500.00	2,395.41	0.00	0.00	104.59	95.8%
410-0000-000-572-57-0000-55220-		JANITORIAL SUPPLIES				
4,400.00	4,400.00	1,394.93	832.35	0.00	3,005.07	31.7%
410-0000-000-572-57-0000-55230-		GAS/OIL				
21,000.00	21,000.00	5,841.85	749.33	0.00	15,158.15	27.8%
410-0000-000-572-57-0000-55240-		CHEMICALS				
180,000.00	180,000.00	30,801.17	698.53	0.00	149,198.83	17.1%
410-0000-000-572-57-0000-55400-		BOOKS/SUBS/DUES				
2,545.00	2,545.00	445.00	200.00	0.00	2,100.00	17.5%
410-0000-000-572-57-0000-55550-		F&B COST OF SALES				
0.00	0.00	-83.87	-83.87	0.00	83.87	100.0%
410-0000-000-572-57-0000-56300-26024		GOLF CLUBHOUSE BAR RENOVATION				
50,000.00	50,000.00	17,411.18	1,681.03	32,587.75	1.07	100.0%
410-0000-000-572-57-0000-56400-		MACH/EQUIP				
5,000.00	5,000.00	4,188.00	0.00	0.00	812.00	83.8%
410-0000-000-572-57-0000-56400-26413		TRI DECK MOWER RE#823				
18,000.00	18,139.00	0.00	0.00	18,138.53	0.47	100.0%

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ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
410-0000-000-572-57-0000-56400-26414		DAKOTA SPREADER RE#809				
24,000.00	24,000.00	0.00	0.00	22,810.00	1,190.00	95.0%
410-0000-000-572-57-0000-56400-26415		CUSHMAN HAULER UTLTY CART-872				
12,000.00	12,000.00	11,495.00	0.00	0.00	505.00	95.8%
410-0000-000-572-57-0000-56400-26416		BUFFALO BLOWER RE826				
12,000.00	12,000.00	0.00	0.00	10,880.00	1,120.00	90.7%
410-0000-000-572-57-0000-56400-26417		GRASSHOPPER MOWER RE#829				
28,000.00	28,000.00	0.00	0.00	26,542.25	1,457.75	94.8%
410-0000-000-572-57-0000-56400-26418		JOHN DEER GATOR RE#805				
38,000.00	38,000.00	0.00	0.00	36,685.28	1,314.72	96.5%
410-0000-000-572-57-0000-56400-26419		CLUBCAR CUSHMAN				
12,000.00	11,861.00	11,495.00	0.00	0.00	366.00	96.9%
410-0000-000-572-57-0000-56400-26420		IRRIGATION SYSTEM UPGRADE				
105,000.00	105,000.00	0.00	0.00	0.00	105,000.00	.0%
410-0000-000-572-57-0000-56400-26421		RANGE BALL DISPENSER				
16,000.00	16,000.00	195.00	195.00	10,435.00	5,370.00	66.4%
410-0000-000-572-57-0000-57100-		PRINCIPAL				
144,000.00	144,000.00	71,000.00	36,000.00	0.00	73,000.00	49.3%
410-0000-000-572-57-0000-57200-		INTEREST				
19,408.00	19,408.00	10,571.79	5,073.49	0.00	8,836.21	54.5%
TOTAL UNDEFINED						
2,358,825.00	2,358,825.00	715,951.76	164,095.97	178,286.60	1,464,586.64	37.9%
7260 GOLF COURSE						
4107260 GOLF TOPTRACER						
410-7260-726-572-57-0000-54400-		RENTALS/LEASES				
10,000.00	10,000.00	8,000.00	0.00	0.00	2,000.00	80.0%
TOTAL GOLF COURSE						
10,000.00	10,000.00	8,000.00	0.00	0.00	2,000.00	80.0%
7261 GOLF PRO SHOP						
4107261 GOLF PRO SHOP						
410-7261-000-572-57-0000-51350-		PART TIME SALARIES				
93,181.00	93,181.00	32,260.38	6,046.22	0.00	60,920.62	34.6%

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ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
410-7261-000-572-57-0000-51400- OVERTIME						
3,500.00	3,500.00	1,643.19	306.61	0.00	1,856.81	46.9%
410-7261-000-572-57-0000-52100- FICA						
7,397.00	7,397.00	2,593.66	486.00	0.00	4,803.34	35.1%
410-7261-000-572-57-0000-52400- WORKERS' COMP						
1,842.00	1,842.00	260.44	52.08	0.00	1,581.56	14.1%
410-7261-000-572-57-0000-54970- PROGRAM COSTS						
26,400.00	26,400.00	7,212.00	1,408.00	0.00	19,188.00	27.3%
410-7261-000-572-57-0000-55210- UNIFORMS						
350.00	350.00	300.00	0.00	0.00	50.00	85.7%
410-7261-000-572-57-0000-55545- PRO SHOP COST OF SALES						
75,000.00	75,000.00	32,749.28	10,865.47	0.00	42,250.72	43.7%
TOTAL GOLF PRO SHOP						
207,670.00	207,670.00	77,018.95	19,164.38	0.00	130,651.05	37.1%
7262 GOLF FOOD & BEVERAGE						
4107262 GOLF FOOD & BEVERAGE						
410-7262-000-572-57-0000-51200- SALARIES						
144,889.00	144,889.00	30,279.57	5,383.86	0.00	114,609.43	20.9%
410-7262-000-572-57-0000-51350- PART TIME SALARIES						
91,290.00	91,290.00	41,585.11	7,592.89	0.00	49,704.89	45.6%
410-7262-000-572-57-0000-51400- OVERTIME						
3,500.00	3,500.00	1,563.99	166.44	0.00	1,936.01	44.7%
410-7262-000-572-57-0000-52100- FICA						
17,788.00	17,788.00	8,232.82	1,430.49	0.00	9,555.18	46.3%
410-7262-000-572-57-0000-52200- RETIREMENT						
29,283.00	29,283.00	7,550.04	1,540.52	0.00	21,732.96	25.8%
410-7262-000-572-57-0000-52300- HEALTH INSUR						
30,679.00	30,679.00	6,478.00	1,474.08	0.00	24,201.00	21.1%
410-7262-000-572-57-0000-52301- LIFE INSUR						
407.00	407.00	86.75	17.50	0.00	320.25	21.3%
410-7262-000-572-57-0000-52400- WORKERS' COMP						
3,314.00	3,314.00	856.69	171.33	0.00	2,457.31	25.9%
410-7262-000-572-57-0000-54400- RENTALS/LEASES						
3,576.00	3,576.00	1,505.45	301.09	0.00	2,070.55	42.1%
410-7262-000-572-57-0000-55200- OPERATING SUPPLIES						
19,000.00	19,000.00	7,288.86	2,027.65	0.00	11,711.14	38.4%
410-7262-000-572-57-0000-55210- UNIFORMS						
350.00	350.00	300.00	0.00	0.00	50.00	85.7%

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ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
410-7262-000-572-57-0000-55550- F&B COST OF SALES						
160,000.00	160,000.00	58,745.26	14,597.00	0.00	101,254.74	36.7%
410-7262-000-572-57-0000-56400- EQUIPMENT						
7,000.00	7,000.00	0.00	0.00	0.00	7,000.00	.0%
TOTAL GOLF FOOD & BEVERAGE						
511,076.00	511,076.00	164,472.54	34,702.85	0.00	346,603.46	32.2%
TOTAL GOLF COURSE						
3,087,571.00	3,087,571.00	965,443.25	217,963.20	178,286.60	1,943,841.15	37.0%
TOTAL EXPENSES						
3,087,571.00	3,087,571.00	965,443.25	217,963.20	178,286.60	1,943,841.15	
GRAND TOTAL						
3,087,571.00	3,087,571.00	965,443.25	217,963.20	178,286.60	1,943,841.15	37.0%

** END OF REPORT - Generated by Susan Carless **

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ACCOUNTS FOR: 410 GOLF COURSE

		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
0000 UNDEFINED								
000 UNDEFINED								
410 33120	FEMA GRANT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 33420	FEMA STATE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 34710	GREEN FEES	-775,000.00	-775,000.00	-364,605.25	-72,400.83	0.00	-410,394.75	47.0%
410 34711	SURCHARGE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 34713	GOLF CARTS	-460,000.00	-460,000.00	-243,850.55	-48,764.02	0.00	-216,149.45	53.0%
410 34714	RANGE FEES	-160,000.00	-160,000.00	-67,566.02	-14,390.55	0.00	-92,433.98	42.2%
410 34715	PRO SHOP SALES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 34716	FOOD AND BEVERAGE REVENUE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 34717	BAY RENTALS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 34718	FACILITY RENTAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 34719	GOLF INSTRUCTION	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 34733	MEMBERSHIPS	-300,000.00	-300,000.00	-287,449.00	-3,200.00	0.00	-12,551.00	95.8%
410 34743	RANGE FEES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 34745	INACTIVE - PRO SHOP SALES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 34750	INACTIVE ACCOUNT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 34790	TOP TRACER BAY SPONSORSHIP	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 36110	INTEREST	0.00	0.00	-2,478.11	-557.46	0.00	2,478.11	100.0%
410 36120	UNREALIZED GAIN	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 36200	DISCOUNTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%

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ACCOUNTS FOR: 410 GOLF COURSE	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
410 36420 INSURANCE PROCEEDS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 36980 CREDIT CARD CONVENIENCE FEES	-45,000.00	-45,000.00	-21,825.94	-3,907.04	0.00	-23,174.06	48.5%
410 36990 OTHER REVENUE	0.00	0.00	128.42	1,447.70	0.00	-128.42	100.0%
410 36992 GAIN ON SALE OF ASSET	-20,000.00	-20,000.00	-150.00	-150.00	0.00	-19,850.00	.8%
410 38101 FROM GENERAL FUND	-429,384.00	-429,384.00	-178,910.00	-35,782.00	0.00	-250,474.00	41.7%
410 38145 FROM WASTEWATER	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 38410 LOAN PROCEEDS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 38411 LOAN FORGIVENESS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 38910 CASH BALANCE FORWARD	-195,387.00	-195,387.00	0.00	0.00	0.00	-195,387.00	.0%
410 51200 SALARIES	467,559.00	467,559.00	172,662.78	36,540.93	0.00	294,896.22	36.9%
410 51210 WC REIMB	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 51300 SEASONAL/TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 51350 PART-TIME	434,791.00	434,791.00	137,470.44	25,958.00	0.00	297,320.56	31.6%
410 51400 OVERTIME	15,000.00	15,000.00	4,443.50	765.66	0.00	10,556.50	29.6%
410 52100 FICA	70,666.00	70,666.00	25,304.75	4,826.72	0.00	45,361.25	35.8%
410 52200 RETIREMENT	100,743.00	100,743.00	36,821.18	7,744.19	0.00	63,921.82	36.5%
410 52300 HEALTH INSUR	75,449.00	75,449.00	24,549.77	5,959.48	0.00	50,899.23	32.5%
410 52301 LIFE INSUR	1,407.00	1,407.00	573.00	119.50	0.00	834.00	40.7%
410 52350 OPEB COSTS	794.00	794.00	330.81	66.17	0.00	463.19	41.7%
410 52400 WORKERS' COMP	10,036.00	10,036.00	2,610.81	522.17	0.00	7,425.19	26.0%
410 52500 UNEMPLOYMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 53100 PROFESSIONAL SERVICES	2,500.00	2,500.00	876.72	876.72	0.00	1,623.28	35.1%

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ACCOUNTS FOR: 410 GOLF COURSE

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
410 53200	AUDITING						
	3,221.00	3,221.00	1,342.06	268.42	0.00	1,878.94	41.7%
410 53400	CONTRACTUAL						
	23,224.00	23,224.00	6,858.95	1,641.14	0.00	16,365.05	29.5%
410 54000	TRAINING/TRAVEL						
	1,850.00	1,850.00	1,059.83	364.83	0.00	790.17	57.3%
410 54100	COMM - PHONE/FAX/ALARM						
	2,388.00	2,388.00	1,454.89	0.00	0.00	933.11	60.9%
410 54101	COMMUNICATIONS-CELLULAR						
	480.00	480.00	424.61	153.44	0.00	55.39	88.5%
410 54103	COMMUNICATIONS-INTERNET						
	3,520.00	3,520.00	830.55	367.52	0.00	2,689.45	23.6%
410 54200	POSTAGE						
	100.00	100.00	0.00	0.00	0.00	100.00	.0%
410 54300	UTILITIES ELECTRIC						
	72,000.00	72,000.00	20,089.32	9,046.77	0.00	51,910.68	27.9%
410 54310	UTILITIES-WATER & WASTEWATER						
	8,100.00	8,100.00	2,571.47	597.83	0.00	5,528.53	31.7%
410 54320	UTILITIES-PROPANE/OTHER						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 54400	RENTALS/LEASES						
	9,400.00	9,400.00	0.00	0.00	0.00	9,400.00	.0%
410 54500	INSURANCE						
	46,280.00	46,280.00	14,380.44	2,876.08	0.00	31,899.56	31.1%
410 54610	R/M BLDG & GROUNDS						
	37,800.00	37,800.00	1,945.99	1,945.99	20,207.79	15,646.22	58.6%
410 54611	R/M FACILITIES						
	20,050.00	20,050.00	10,123.64	2,548.72	0.00	9,926.36	50.5%
410 54620	R/M EQUIPMENT						
	42,000.00	42,000.00	15,714.46	2,446.26	0.00	26,285.54	37.4%
410 54630	R/M VEHICLES-LABOR						
	1,000.00	1,000.00	912.50	637.50	0.00	87.50	91.3%
410 54640	R/M VEHICLES-PARTS						
	750.00	750.00	127.96	24.00	0.00	622.04	17.1%
410 54700	PRINTING						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 54800	PROMOTIONAL						
	18,549.00	18,549.00	9,566.00	1,657.00	0.00	8,983.00	51.6%
410 54900	MISC EXPENSE						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 55100	OFFICE SUPPLIES						
	1,000.00	1,000.00	479.09	109.99	0.00	520.91	47.9%
410 55200	OPERATING SUPPLIES						
	140,315.00	140,315.00	30,292.10	6,165.87	0.00	110,022.90	21.6%

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ACCOUNTS FOR: 410 GOLF COURSE

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
410 55201	CREDIT CARD FEES						
	54,000.00	54,000.00	24,983.68	4,519.21	0.00	29,016.32	46.3%
410 55210	UNIFORMS						
	2,500.00	2,500.00	2,395.41	0.00	0.00	104.59	95.8%
410 55220	JANITORIAL SUPPLIES						
	4,400.00	4,400.00	1,394.93	832.35	0.00	3,005.07	31.7%
410 55230	GAS/OIL						
	21,000.00	21,000.00	5,841.85	749.33	0.00	15,158.15	27.8%
410 55240	CHEMICALS						
	180,000.00	180,000.00	30,801.17	698.53	0.00	149,198.83	17.1%
410 55400	BOOKS/SUBS/DUES						
	2,545.00	2,545.00	445.00	200.00	0.00	2,100.00	17.5%
410 55545	PRO SHOP COST OF SALES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 55550	F&B COST OF SALES						
	0.00	0.00	-83.87	-83.87	0.00	83.87	100.0%
410 55555	F&B PERSONNEL COSTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56200	BUILDING						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56300	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56300 23003	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56300 23004	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56300 23053	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56300 23054	IMPROVEMENTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56300 24023	GOLF COURSE IRRIGATION						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56300 26024	GOLF CLUBHOUSE BAR RENOVATION						
	50,000.00	50,000.00	17,411.18	1,681.03	32,587.75	1.07	100.0%
410 56400	MACH/EQUIP						
	5,000.00	5,000.00	4,188.00	0.00	0.00	812.00	83.8%
410 56400 25401	GOLF TORO 3050 MOWER (RE#801)						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56400 25402	GOLF TORO 3050 MOWER (RE#802)						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56400 25403	GOLF TORO BUNK RAKE (RE#803)						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56400 25404	GOLF SALSCO ROLLER (RE#819)						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%

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ACCOUNTS FOR: 410 GOLF COURSE	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
410 56400 25405 GOLF FAIRWAY MOWER	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56400 25406 GOLF FAIRWAY MOWER	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56400 25432 GOLF DRIVING RANGE NETTING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 56400 26413 TRI DECK MOWER RE#823	18,000.00	18,139.00	0.00	0.00	18,138.53	0.47	100.0%
410 56400 26414 DAKOTA SPREADER RE#809	24,000.00	24,000.00	0.00	0.00	22,810.00	1,190.00	95.0%
410 56400 26415 CUSHMAN HAULER UTLTY CART-872	12,000.00	12,000.00	11,495.00	0.00	0.00	505.00	95.8%
410 56400 26416 BUFFALO BLOWER RE826	12,000.00	12,000.00	0.00	0.00	10,880.00	1,120.00	90.7%
410 56400 26417 GRASSHOPPER MOWER RE#829	28,000.00	28,000.00	0.00	0.00	26,542.25	1,457.75	94.8%
410 56400 26418 JOHN DEER GATOR RE#805	38,000.00	38,000.00	0.00	0.00	36,685.28	1,314.72	96.5%
410 56400 26419 CLUBCAR CUSHMAN	12,000.00	11,861.00	11,495.00	0.00	0.00	366.00	96.9%
410 56400 26420 IRRIGATION SYSTEM UPGRADE	105,000.00	105,000.00	0.00	0.00	0.00	105,000.00	.0%
410 56400 26421 RANGE BALL DISPENSER	16,000.00	16,000.00	195.00	195.00	10,435.00	5,370.00	66.4%
410 56401 EQUIP-NON CAPITAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 57100 PRINCIPAL	144,000.00	144,000.00	71,000.00	36,000.00	0.00	73,000.00	49.3%
410 57200 INTEREST	19,408.00	19,408.00	10,571.79	5,073.49	0.00	8,836.21	54.5%
410 57300 FINANCING COSTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 59100 TRANSFER TO GENERAL FUND	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 59900 CONTINGENCY	0.00	0.00	0.00	0.00	0.00	0.00	.0%
410 59990 RESERVE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL UNDEFINED	-25,946.00	-25,946.00	-450,754.69	-13,608.23	178,286.60	246,522.09	1050.1%

7260 GOLF COURSE

726 GOLF - TOPTRACER

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ACCOUNTS FOR: 410 GOLF COURSE

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
4107260 34714	RANGE FEES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 34716	TT FOOD & BEVERAGE						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 34717	BAY RENTALS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 34718	FACILITY RENTAL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 34719	GOLF INSTRUCTION						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 34790	TOPTRACER BAY SPONSORSHIP						
	-1,250.00	-1,250.00	-625.00	-125.00	0.00	-625.00	50.0%
4107260 51200	SALARIES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 51210	WC REIMB						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 51300	SEASONAL/TEMPORARY						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 51350	PART TIME SALARIES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 51400	OVERTIME						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 52100	FICA						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 52200	RETIREMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 52300	HEALTH INSUR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 52301	LIFE INSUR						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 52350	OPEB COSTS						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 52400	WORKERS' COMP						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 54103	COMMUNICATIONS-INTERNET						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 54300	UTILITIES ELECTRIC						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 54310	UTILITIES-WATER & WASTEWATER						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 54320	UTILITIES-PROPANE/OTHER						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 54400	RENTALS/LEASES						
	10,000.00	10,000.00	8,000.00	0.00	0.00	2,000.00	80.0%

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ACCOUNTS FOR: 410 GOLF COURSE	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
4107260 54500 INSURANCE	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 54610 R/M BLDG & GROUNDS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 54611 R/M FACILITIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 54620 R/M EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 54800 PROMOTIONAL	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 55200 OPERATING SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 55210 UNIFORMS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 55550 F&B COST OF SALES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 56200 BUILDING	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 56300 IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 56400 EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107260 56401 NON CAP EQUIP	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL GOLF - TOPTRACER	8,750.00	8,750.00	7,375.00	-125.00	0.00	1,375.00	84.3%
7261 GOLF PRO SHOP							
000 UNDEFINED							
4107261 34715 PRO SHOP SALES	-147,000.00	-147,000.00	-63,804.42	-9,940.68	0.00	-83,195.58	43.4%
4107261 34719 GOLF INSTRUCTION	-33,000.00	-33,000.00	-12,695.00	-3,680.00	0.00	-20,305.00	38.5%
4107261 51200 SALARIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107261 51210 WC REIMB	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107261 51300 SEASONAL/TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00	.0%

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ACCOUNTS FOR: 410 GOLF COURSE

		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
4107261 51350	PART TIME SALARIES	93,181.00	93,181.00	32,260.38	6,046.22	0.00	60,920.62	34.6%
4107261 51400	OVERTIME	3,500.00	3,500.00	1,643.19	306.61	0.00	1,856.81	46.9%
4107261 52100	FICA	7,397.00	7,397.00	2,593.66	486.00	0.00	4,803.34	35.1%
4107261 52200	RETIREMENT	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107261 52300	HEALTH INSUR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107261 52301	LIFE INSUR	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107261 52400	WORKERS' COMP	1,842.00	1,842.00	260.44	52.08	0.00	1,581.56	14.1%
4107261 54970	PROGRAM COSTS	26,400.00	26,400.00	7,212.00	1,408.00	0.00	19,188.00	27.3%
4107261 55100	OFFICE SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107261 55200	OPERATING SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107261 55210	UNIFORMS	350.00	350.00	300.00	0.00	0.00	50.00	85.7%
4107261 55545	PRO SHOP COST OF SALES	75,000.00	75,000.00	32,749.28	10,865.47	0.00	42,250.72	43.7%
TOTAL UNDEFINED		27,670.00	27,670.00	519.53	5,543.70	0.00	27,150.47	1.9%
7262 GOLF FOOD & BEVERAGE								
000 UNDEFINED								
4107262 34716	FOOD AND BEVERAGE	-499,550.00	-499,550.00	-213,594.06	-40,000.53	0.00	-285,955.94	42.8%
4107262 34718	FACILITY RENTAL	-22,000.00	-22,000.00	-10,393.91	-1,375.00	0.00	-11,606.09	47.2%
4107262 51200	SALARIES	144,889.00	144,889.00	30,279.57	5,383.86	0.00	114,609.43	20.9%
4107262 51210	WC REIMB	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107262 51300	SEASONAL/TEMPORARY	0.00	0.00	0.00	0.00	0.00	0.00	.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ACCOUNTS FOR: 410 GOLF COURSE

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
4107262 51350	PART TIME SALARIES						
	91,290.00	91,290.00	41,585.11	7,592.89	0.00	49,704.89	45.6%
4107262 51400	OVERTIME						
	3,500.00	3,500.00	1,563.99	166.44	0.00	1,936.01	44.7%
4107262 52100	FICA						
	17,788.00	17,788.00	8,232.82	1,430.49	0.00	9,555.18	46.3%
4107262 52200	RETIREMENT						
	29,283.00	29,283.00	7,550.04	1,540.52	0.00	21,732.96	25.8%
4107262 52300	HEALTH INSUR						
	30,679.00	30,679.00	6,478.00	1,474.08	0.00	24,201.00	21.1%
4107262 52301	LIFE INSUR						
	407.00	407.00	86.75	17.50	0.00	320.25	21.3%
4107262 52400	WORKERS' COMP						
	3,314.00	3,314.00	856.69	171.33	0.00	2,457.31	25.9%
4107262 53400	CONTRACTUAL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107262 54000	TRAINING/TRAVEL						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107262 54400	RENTALS/LEASES						
	3,576.00	3,576.00	1,505.45	301.09	0.00	2,070.55	42.1%
4107262 54620	R/M EQUIPMENT						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107262 55100	OFFICE SUPPLIES						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
4107262 55200	OPERATING SUPPLIES						
	19,000.00	19,000.00	7,288.86	2,027.65	0.00	11,711.14	38.4%
4107262 55210	UNIFORMS						
	350.00	350.00	300.00	0.00	0.00	50.00	85.7%
4107262 55550	F&B COST OF SALES						
	160,000.00	160,000.00	58,745.26	14,597.00	0.00	101,254.74	36.7%
4107262 56400	EQUIPMENT						
	7,000.00	7,000.00	0.00	0.00	0.00	7,000.00	.0%
4107262 56401	NON CAP EQUIP						
	0.00	0.00	0.00	0.00	0.00	0.00	.0%
TOTAL UNDEFINED							
	-10,474.00	-10,474.00	-59,515.43	-6,672.68	0.00	49,041.43	568.2%
TOTAL GOLF COURSE							
	0.00	0.00	-502,375.59	-14,862.21	178,286.60	324,088.99	100.0%
	TOTAL REVENUES						
	-3,087,571.00	-3,087,571.00	-1,467,818.84	-232,825.41	0.00	-1,619,752.16	
	TOTAL EXPENSES						
	3,087,571.00	3,087,571.00	965,443.25	217,963.20	178,286.60	1,943,841.15	

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
GRAND TOTAL						
0.00	0.00	-502,375.59	-14,862.21	178,286.60	324,088.99	100.0%

** END OF REPORT - Generated by Ashley Butler **

City of Fernandina Beach
YTD BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
410 GOLF COURSE							
0000 UNDEFINED							
410 GOLF							
410-0000-000-572-57-0000-34710- GREEN FEES	-775,000.00	-775,000.00	-364,605.25	-72,400.83	0.00	-410,394.75	47.0%
410-0000-000-572-57-0000-34713- GOLF CARTS	-460,000.00	-460,000.00	-243,850.55	-48,764.02	0.00	-216,149.45	53.0%
410-0000-000-572-57-0000-34714- RANGE FEES	-160,000.00	-160,000.00	-67,566.02	-14,390.55	0.00	-92,433.98	42.2%
410-0000-000-572-57-0000-34733- MEMBERSHIPS	-300,000.00	-300,000.00	-287,449.00	-3,200.00	0.00	-12,551.00	95.8%
410-0000-000-572-57-0000-36110- INTEREST	0.00	0.00	-2,478.11	-557.46	0.00	2,478.11	100.0%
410-0000-000-572-57-0000-36980- CREDIT CARD CONVENIENCE FEES	-45,000.00	-45,000.00	-21,825.94	-3,907.04	0.00	-23,174.06	48.5%
410-0000-000-572-57-0000-36990- OTHER REVENUE	0.00	0.00	128.42	1,447.70	0.00	-128.42	100.0%
410-0000-000-572-57-0000-36992- GAIN ON SALE OF ASSET	-20,000.00	-20,000.00	-150.00	-150.00	0.00	-19,850.00	.8%
410-0000-000-572-57-0000-38101- FROM GENERAL FUND	-429,384.00	-429,384.00	-178,910.00	-35,782.00	0.00	-250,474.00	41.7%
410-0000-000-572-57-0000-38910- CASH BALANCE FORWARD	-195,387.00	-195,387.00	0.00	0.00	0.00	-195,387.00	.0%
TOTAL UNDEFINED	-2,384,771.00	-2,384,771.00	-1,166,706.45	-177,704.20	0.00	-1,218,064.55	48.9%
7260 GOLF COURSE							
4107260 GOLF TOPTRACER							
410-7260-726-572-57-0000-34790- TOPTRACER BAY SPONSORSHIP	-1,250.00	-1,250.00	-625.00	-125.00	0.00	-625.00	50.0%
TOTAL GOLF COURSE	-1,250.00	-1,250.00	-625.00	-125.00	0.00	-625.00	50.0%

City of Fernandina Beach
YTD BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
7261 GOLF PRO SHOP							
4107261 GOLF PRO SHOP							
410-7261-000-572-57-0000-34715- PRO SHOP SALES	-147,000.00	-147,000.00	-63,804.42	-9,940.68	0.00	-83,195.58	43.4%
410-7261-000-572-57-0000-34719- GOLF INSTRUCTION	-33,000.00	-33,000.00	-12,695.00	-3,680.00	0.00	-20,305.00	38.5%
TOTAL GOLF PRO SHOP	-180,000.00	-180,000.00	-76,499.42	-13,620.68	0.00	-103,500.58	42.5%
7262 GOLF FOOD & BEVERAGE							
4107262 GOLF FOOD & BEVERAGE							
410-7262-000-572-57-0000-34716- FOOD AND BEVERAGE	-499,550.00	-499,550.00	-213,594.06	-40,000.53	0.00	-285,955.94	42.8%
410-7262-000-572-57-0000-34718- FACILITY RENTAL	-22,000.00	-22,000.00	-10,393.91	-1,375.00	0.00	-11,606.09	47.2%
TOTAL GOLF FOOD & BEVERAGE	-521,550.00	-521,550.00	-223,987.97	-41,375.53	0.00	-297,562.03	42.9%
TOTAL GOLF COURSE	-3,087,571.00	-3,087,571.00	-1,467,818.84	-232,825.41	0.00	-1,619,752.16	47.5%
TOTAL REVENUES	-3,087,571.00	-3,087,571.00	-1,467,818.84	-232,825.41	0.00	-1,619,752.16	
GRAND TOTAL	-3,087,571.00	-3,087,571.00	-1,467,818.84	-232,825.41	0.00	-1,619,752.16	47.5%

** END OF REPORT - Generated by Susan Carless **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
420 AIRPORT								
420 33220	FAA GRANT	-1,225,500.00	-1,225,500.00	-54,620.78	1,602.74	0.00	-1,170,879.22	4.5%
420 33323	FDOT GRANT	-2,242,164.00	-2,242,164.00	-84,021.46	956.94	0.00	-2,158,142.54	3.7%
420 34704	RENTALS NON-TAXABLE	-1,500.00	-1,500.00	-40.00	-20.00	0.00	-1,460.00	2.7%
420 34720	RENTALS	-3,250.00	-3,250.00	-1,903.93	-110.00	0.00	-1,346.07	58.6%
420 34970	FUEL FLOW FEES	-37,600.00	-37,600.00	-13,451.68	-3,195.20	0.00	-24,148.32	35.8%
420 34971	LEASE PAYMENTS-LAND LEASE	-122,601.00	-122,601.00	-102,977.02	-20,667.10	0.00	-19,623.98	84.0%
420 34972	BUILDING LEASE	-800.00	-800.00	-2,640.45	-528.09	0.00	1,840.45	330.1%
420 34973	LAND LEASE- AMELIA RIVER	-215,197.00	-215,197.00	-101,178.27	-22,648.14	0.00	-114,018.73	47.0%
420 34974	LAND LEASE PAYMENTS-NON TAXABL	-78,621.00	-78,621.00	-33,425.25	-6,702.49	0.00	-45,195.75	42.5%
420 34975	RENT/LEASE PAYMENTS	-406,196.00	-406,196.00	-179,573.10	-35,680.53	0.00	-226,622.90	44.2%
420 34976	8 FLAGS RENT (TAXABLE)	-131,877.00	-131,877.00	0.00	0.00	0.00	-131,877.00	.0%
420 34977	FUEL FARM RENT	-2,000.00	-2,000.00	-1,863.60	-372.72	0.00	-136.40	93.2%
420 34978	8 FLAGS RENT NON-TAXABLE	-5,000.00	-5,000.00	-4,954.96	-356.07	0.00	-45.04	99.1%
420 34979	TRANSIENT REVENUE	-10,000.00	-10,000.00	-7,345.23	-1,500.00	0.00	-2,654.77	73.5%
420 36110	INTEREST	0.00	0.00	-14,437.45	-3,078.97	0.00	14,437.45	100.0%
420 36990	OTHER REVENUE	-22,500.00	-22,500.00	-18,516.44	-500.00	0.00	-3,983.56	82.3%
420 36991	AIRCRAFT PARKING REVENUE	-2,250.00	-2,250.00	-654.37	0.00	0.00	-1,595.63	29.1%
420 36992	GAIN ON SALE OF ASSET	-1,922,000.00	-1,922,000.00	0.00	0.00	0.00	-1,922,000.00	.0%
420 36995	LATE FEES	0.00	0.00	-570.60	-233.60	0.00	570.60	100.0%
420 38101	FROM GENERAL FUND	-296,438.00	-296,438.00	-123,515.81	-24,703.17	0.00	-172,922.19	41.7%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
420 38910	CASH BALANCE FORWARD	-2,544,999.00	-2,544,999.00	0.00	0.00	0.00	-2,544,999.00	.0%
420 51200	SALARIES	79,777.00	79,777.00	32,630.46	5,801.86	0.00	47,146.54	40.9%
420 51350	PART-TIME	31,150.00	31,150.00	8,553.93	1,709.29	0.00	22,596.07	27.5%
420 52100	FICA	8,493.00	8,493.00	3,148.67	574.26	0.00	5,344.33	37.1%
420 52200	RETIREMENT	15,681.00	15,681.00	5,992.35	1,229.42	0.00	9,688.65	38.2%
420 52300	HEALTH INSUR	12,129.00	12,129.00	4,446.32	987.48	0.00	7,682.68	36.7%
420 52301	LIFE INSUR	217.00	217.00	94.00	19.00	0.00	123.00	43.3%
420 52350	OPEB COSTS	1,756.00	1,756.00	731.69	146.33	0.00	1,024.31	41.7%
420 52400	WORKERS' COMP	1,576.00	1,576.00	389.56	77.92	0.00	1,186.44	24.7%
420 53100	PROFESSIONAL SERVICES	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	.0%
420 53100 25070	PROFESSIONAL SERVICES	175,000.00	175,000.00	52,877.50	0.00	-52,877.50	175,000.00	.0%
420 53100 25071	PROFESSIONAL SERVICES	750,000.00	750,000.00	38,397.16	0.00	711,602.84	0.00	100.0%
420 53200	AUDITING	738.00	738.00	307.50	61.50	0.00	430.50	41.7%
420 53400	CONTRACTUAL	230,718.00	230,718.00	80,608.57	17,306.22	0.00	150,109.43	34.9%
420 54000	TRAINING/TRAVEL	3,800.00	3,800.00	90.00	0.00	0.00	3,710.00	2.4%
420 54100	COMM - PHONE/FAX/ALARM	3,126.00	3,126.00	913.25	0.00	0.00	2,212.75	29.2%
420 54101	COMMUNICATIONS-CELLULAR	630.00	630.00	149.80	0.00	0.00	480.20	23.8%
420 54103	COMMUNICATIONS-INTERNET	6,726.00	6,726.00	2,269.79	1,125.00	0.00	4,456.21	33.7%
420 54200	POSTAGE	100.00	100.00	22.93	12.45	0.00	77.07	22.9%
420 54300	UTILITIES ELECTRIC	28,500.00	28,500.00	16,495.31	4,863.29	0.00	12,004.69	57.9%
420 54310	UTILITIES-WATER & WASTEWATER	12,200.00	12,200.00	2,967.54	0.00	0.00	9,232.46	24.3%
420 54500	INSURANCE	31,822.00	31,822.00	4,552.94	910.58	0.00	27,269.06	14.3%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
420 54610	R/M BLDG & GROUNDS						
	125,000.00	124,995.00	51,177.58	30,746.01	11,404.40	62,413.02	50.1%
420 54611	R/M FACILITIES						
	19,500.00	19,500.00	1,424.53	825.61	0.00	18,075.47	7.3%
420 54620	R/M EQUIPMENT						
	3,000.00	3,000.00	771.85	227.36	0.00	2,228.15	25.7%
420 54630	R/M VEHICLES-LABOR						
	5,000.00	5,000.00	1,837.50	350.00	0.00	3,162.50	36.8%
420 54640	R/M VEHICLES-PARTS						
	6,500.00	6,500.00	1,627.30	296.82	0.00	4,872.70	25.0%
420 54700	PRINTING						
	650.00	650.00	0.00	0.00	0.00	650.00	.0%
420 54800	PROMOTIONAL						
	750.00	750.00	0.00	0.00	0.00	750.00	.0%
420 54910	BILLING COSTS						
	10,000.00	10,000.00	4,166.69	833.33	0.00	5,833.31	41.7%
420 55100	OFFICE SUPPLIES						
	2,300.00	2,300.00	582.34	208.32	0.00	1,717.66	25.3%
420 55200	OPERATING SUPPLIES						
	265.00	265.00	69.06	69.06	0.00	195.94	26.1%
420 55210	UNIFORMS						
	300.00	300.00	0.00	0.00	0.00	300.00	.0%
420 55230	GAS/OIL						
	12,000.00	12,000.00	2,718.73	328.90	0.00	9,281.27	22.7%
420 55400	BOOKS/SUBS/DUES						
	600.00	600.00	412.50	0.00	0.00	187.50	68.8%
420 56300 23002	HANGARS NORTH-DESIGN AND CONST						
	1,800,000.00	1,800,000.00	16,460.79	0.00	54,489.21	1,729,050.00	3.9%
420 56300 24053	TAXIWAY D - DESIGN AND CONSTRU						
	1,000,000.00	1,000,000.00	0.00	0.00	0.00	1,000,000.00	.0%
420 56300 25024	MAINTENANCE EQUIPMENT BARN						
	50,000.00	50,000.00	24,655.30	3,765.30	20,890.00	4,454.70	91.1%
420 56300 25025	FLIGHT PLANNING BUILDING RENO						
	40,000.00	40,000.00	0.00	0.00	0.00	40,000.00	.0%
420 56300 25027	AIRPORT TAXILANE & ROADWAY DES						
	724,831.00	724,836.00	19,867.90	0.00	704,963.78	4.32	100.0%
420 56300 25028	AIRPORT RUNWAY 13/31 REHAB DES						
	175,000.00	175,000.00	0.00	0.00	0.00	175,000.00	.0%
420 56300 25066	AIRPORT DRAINAGE IMPROVEMENTS						
	500,000.00	500,000.00	0.00	0.00	89,550.00	410,450.00	17.9%
420 56300 26005	AIRPORT HANGER B ROOF REPLACEM						
	95,000.00	95,000.00	0.00	0.00	0.00	95,000.00	.0%
420 56400 25431	AIRPORT FUEL FARM GENERATOR						
	120,000.00	120,000.00	70,204.11	0.00	-70,204.13	120,000.02	.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
420 56400 26422	AIRPORT VEHICLE RE #1700						
	50,000.00	50,000.00	0.00	0.00	43,585.00	6,415.00	87.2%
420 56400 26423	AIRPORT ARFF TRUCK						
	530,000.00	530,000.00	0.00	0.00	0.00	530,000.00	.0%
420 57100	PRINCIPAL						
	313,776.00	313,776.00	0.00	0.00	0.00	313,776.00	.0%
420 57200	INTEREST						
	97,499.00	97,499.00	0.00	0.00	0.00	97,499.00	.0%
420 59990	RESERVE						
	2,184,383.00	2,184,383.00	0.00	0.00	0.00	2,184,383.00	.0%
TOTAL AIRPORT							
	0.00	0.00	-294,074.95	-45,261.09	1,513,403.60	-1,219,328.65	100.0%
	TOTAL REVENUES						
	-9,270,493.00	-9,270,493.00	-745,690.40	-117,736.40	0.00	-8,524,802.60	
	TOTAL EXPENSES						
	9,270,493.00	9,270,493.00	451,615.45	72,475.31	1,513,403.60	7,305,473.95	
	GRAND TOTAL						
	0.00	0.00	-294,074.95	-45,261.09	1,513,403.60	-1,219,328.65	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
440 SANITATION								
440 34340	GARBAGE FEES	-2,303,215.00	-2,303,215.00	-998,198.48	-204,439.43	0.00	-1,305,016.52	43.3%
440 34341	GARBAGE FEES - CITY OF FB	-525,475.00	-525,475.00	-211,909.45	-42,450.16	0.00	-313,565.55	40.3%
440 36110	INTEREST	0.00	0.00	-3,033.64	-529.71	0.00	3,033.64	100.0%
440 36990	OTHER REVENUE	-119,500.00	-119,500.00	-50,190.18	-2,044.89	0.00	-69,309.82	42.0%
440 36992	GAIN ON SALE OF ASSET	-5,000.00	-5,000.00	1,220.30	1,220.30	0.00	-6,220.30	-24.4%
440 38910	CASH BALANCE FORWARD	-299,406.00	-299,406.00	0.00	0.00	0.00	-299,406.00	.0%
440 51200	SALARIES	105,536.00	105,536.00	34,355.76	7,625.51	0.00	71,180.24	32.6%
440 51400	OVERTIME	20,000.00	20,000.00	18,430.67	5,367.60	0.00	1,569.33	92.2%
440 52100	FICA	9,625.00	9,625.00	4,020.00	984.84	0.00	5,605.00	41.8%
440 52200	RETIREMENT	26,367.00	26,367.00	10,397.32	2,753.25	0.00	15,969.68	39.4%
440 52300	HEALTH INSUR	25,447.00	25,447.00	9,842.55	2,611.43	0.00	15,604.45	38.7%
440 52301	LIFE INSUR	308.00	308.00	143.95	34.29	0.00	164.05	46.7%
440 52400	WORKERS' COMP	5,552.00	5,552.00	1,300.81	260.17	0.00	4,251.19	23.4%
440 53200	AUDITING	1,208.00	1,208.00	503.31	100.67	0.00	704.69	41.7%
440 53400	CONTRACTUAL	282,946.00	282,946.00	80,935.14	7,296.25	45,150.00	156,860.86	44.6%
440 53440	SANITATION SERVICES EXPENSE	2,117,168.00	2,117,168.00	722,078.50	185,868.27	0.00	1,395,089.50	34.1%
440 54000	TRAINING/TRAVEL	1,100.00	1,100.00	0.00	0.00	0.00	1,100.00	.0%
440 54400	RENTALS/LEASES	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	.0%
440 54440	LAND RENT	35,500.00	35,500.00	14,487.05	2,897.41	0.00	21,012.95	40.8%
440 54500	INSURANCE	52,200.00	52,200.00	16,640.81	3,328.17	0.00	35,559.19	31.9%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
440 54610	R/M BLDG & GROUNDS						
	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	.0%
440 54620	R/M EQUIPMENT						
	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	.0%
440 54630	R/M VEHICLES-LABOR						
	11,000.00	11,000.00	5,031.25	975.00	0.00	5,968.75	45.7%
440 54640	R/M VEHICLES-PARTS						
	30,000.00	30,000.00	10,958.58	278.79	0.00	19,041.42	36.5%
440 54910	BILLING COSTS						
	92,000.00	92,000.00	38,333.31	7,666.67	0.00	53,666.69	41.7%
440 55100	OFFICE SUPPLIES						
	150.00	150.00	0.00	0.00	0.00	150.00	.0%
440 55200	OPERATING SUPPLIES						
	4,500.00	4,500.00	654.70	0.00	0.00	3,845.30	14.5%
440 55210	UNIFORMS						
	1,100.00	1,100.00	235.71	0.00	0.00	864.29	21.4%
440 55230	GAS/OIL						
	30,000.00	30,000.00	12,845.06	2,088.46	0.00	17,154.94	42.8%
440 55644	NON PROFIT KNB						
	5,000.00	5,000.00	638.00	0.00	0.00	4,362.00	12.8%
440 56400	MACH/EQUIP						
	0.00	18,336.00	18,336.00	0.00	0.00	0.00	100.0%
440 56400 26424	SANITATION GRAPPLE TRUCK						
	250,000.00	250,000.00	199,900.00	0.00	0.00	50,100.00	80.0%
440 56401	NON CAP EQUIP						
	20,000.00	1,664.00	0.00	0.00	0.00	1,664.00	.0%
440 59100	TRANSFER TO GENERAL FUND						
	40,000.00	40,000.00	16,666.69	3,333.33	0.00	23,333.31	41.7%
440 59990	RESERVE						
	70,389.00	70,389.00	0.00	0.00	0.00	70,389.00	.0%
TOTAL SANITATION							
	0.00	0.00	-45,376.28	-14,773.78	45,150.00	226.28	100.0%
	TOTAL REVENUES						
	-3,252,596.00	-3,252,596.00	-1,262,111.45	-248,243.89	0.00	-1,990,484.55	
	TOTAL EXPENSES						
	3,252,596.00	3,252,596.00	1,216,735.17	233,470.11	45,150.00	1,990,710.83	
	GRAND TOTAL						
	0.00	0.00	-45,376.28	-14,773.78	45,150.00	226.28	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
450 WASTEWATER								
450 34345	WASTEWATER CHARGES	-6,814,355.00	-6,814,355.00	-3,001,523.69	-596,727.23	0.00	-3,812,831.31	44.0%
450 34530	SEPTIC DUMPING	-80,000.00	-80,000.00	-37,605.00	-8,583.60	0.00	-42,395.00	47.0%
450 34535	WASTEWATER TAP FEES	-60,000.00	-60,000.00	-30,000.00	0.00	0.00	-30,000.00	50.0%
450 34910	WASTEWATER MISCELLANEOUS FEES	-85,000.00	-85,000.00	-39,895.58	-8,053.98	0.00	-45,104.42	46.9%
450 36110	INTEREST	-55,434.00	-55,434.00	-24,525.64	-4,616.67	0.00	-30,908.36	44.2%
450 36990	OTHER REVENUE	0.00	0.00	-1,893.77	0.00	0.00	1,893.77	100.0%
450 36992	GAIN ON SALE OF ASSET	0.00	0.00	-71,453.04	-60,703.04	0.00	71,453.04	100.0%
450 38910	CASH BALANCE FORWARD	-971,615.00	-971,615.00	0.00	0.00	0.00	-971,615.00	.0%
450 51200	SALARIES	1,112,950.00	1,112,950.00	397,517.34	81,351.64	0.00	715,432.66	35.7%
450 51350	PART-TIME	58,635.00	58,635.00	19,349.94	4,111.78	0.00	39,285.06	33.0%
450 51400	OVERTIME	220,500.00	220,500.00	71,953.02	16,505.83	0.00	148,546.98	32.6%
450 52100	FICA	86,467.00	86,467.00	36,482.34	7,487.63	0.00	49,984.66	42.2%
450 52200	RETIREMENT	230,933.00	230,933.00	95,805.86	20,735.99	0.00	135,127.14	41.5%
450 52300	HEALTH INSUR	217,529.00	217,529.00	89,433.64	20,733.04	0.00	128,095.36	41.1%
450 52301	LIFE INSUR	3,524.00	3,524.00	1,307.00	266.75	0.00	2,217.00	37.1%
450 52350	OPEB COSTS	15,361.00	15,361.00	6,400.44	1,280.08	0.00	8,960.56	41.7%
450 52400	WORKERS' COMP	22,977.00	22,977.00	5,184.56	1,036.92	0.00	17,792.44	22.6%
450 53100	PROFESSIONAL SERVICES	107,000.00	107,000.00	5,304.00	1,539.00	0.00	101,696.00	5.0%
450 53200	AUDITING	7,703.00	7,703.00	3,209.56	641.92	0.00	4,493.44	41.7%
450 53400	CONTRACTUAL	392,921.00	392,921.00	113,997.58	24,344.91	0.00	278,923.42	29.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
450 54000	TRAINING/TRAVEL						
	32,615.00	32,615.00	0.00	0.00	1,700.00	30,915.00	5.2%
450 54100	COMM - PHONE/FAX/ALARM						
	4,863.00	4,863.00	494.89	0.00	0.00	4,368.11	10.2%
450 54101	COMMUNICATIONS-CELLULAR						
	4,750.00	4,750.00	1,548.02	350.50	0.00	3,201.98	32.6%
450 54103	COMMUNICATIONS-INTERNET						
	4,235.00	4,235.00	1,295.00	271.20	0.00	2,940.00	30.6%
450 54200	POSTAGE						
	3,000.00	3,000.00	106.02	0.00	0.00	2,893.98	3.5%
450 54300	UTILITIES ELECTRIC						
	290,000.00	290,000.00	124,285.31	28,382.83	0.00	165,714.69	42.9%
450 54310	UTILITIES-WATER & WASTEWATER						
	25,000.00	25,000.00	6,503.23	1,933.03	0.00	18,496.77	26.0%
450 54320	UTILITIES-PROPANE/OTHER						
	10,000.00	10,000.00	25.39	0.00	0.00	9,974.61	.3%
450 54400	RENTALS/LEASES						
	25,000.00	25,000.00	0.00	0.00	4,300.00	20,700.00	17.2%
450 54500	INSURANCE						
	80,569.00	80,569.00	24,145.00	4,829.00	0.00	56,424.00	30.0%
450 54610	R/M BLDG & GROUNDS						
	559,600.00	559,600.00	119,910.03	31,403.06	20,978.00	418,711.97	25.2%
450 54611	R/M FACILITIES						
	26,500.00	26,500.00	2,648.22	0.00	0.00	23,851.78	10.0%
450 54620	R/M EQUIPMENT						
	209,000.00	209,000.00	95,780.00	14,752.85	-1,892.14	115,112.14	44.9%
450 54630	R/M VEHICLES-LABOR						
	22,000.00	22,000.00	6,600.00	2,850.00	0.00	15,400.00	30.0%
450 54640	R/M VEHICLES-PARTS						
	40,000.00	40,000.00	14,548.90	9,159.53	0.00	25,451.10	36.4%
450 54800	PROMOTIONAL						
	12,500.00	12,500.00	2.97	0.00	0.00	12,497.03	.0%
450 54910	BILLING COSTS						
	200,000.00	200,000.00	83,333.31	16,666.67	0.00	116,666.69	41.7%
450 54920	UTILITY ADMIN COSTS						
	491,322.00	491,322.00	204,717.50	40,943.50	0.00	286,604.50	41.7%
450 55100	OFFICE SUPPLIES						
	1,000.00	1,000.00	424.80	5.06	0.00	575.20	42.5%
450 55200	OPERATING SUPPLIES						
	75,180.00	75,180.00	28,168.23	8,240.42	0.00	47,011.77	37.5%
450 55210	UNIFORMS						
	11,200.00	11,200.00	5,471.85	0.00	0.00	5,728.15	48.9%
450 55220	JANITORIAL SUPPLIES						
	1,800.00	1,800.00	573.00	0.00	0.00	1,227.00	31.8%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
450 55230	GAS/OIL						
	38,000.00	38,000.00	14,199.05	3,142.87	0.00	23,800.95	37.4%
450 55240	CHEMICALS						
	128,000.00	128,000.00	55,459.00	15,893.00	64,520.00	8,021.00	93.7%
450 55400	BOOKS/SUBS/DUES						
	4,071.00	4,071.00	1,543.00	486.25	0.00	2,528.00	37.9%
450 56300 23051	IMPROVEMENTS						
	166,433.00	166,433.00	0.00	0.00	0.00	166,433.00	.0%
450 56300 25031	WASTEWATER SYSTEM LATERAL						
	113,300.00	113,300.00	68,550.00	0.00	-68,550.00	113,300.00	.0%
450 56300 25048	WASTEWATER LIFTSTATION #3 UPGR						
	400,000.00	400,000.00	4,584.50	0.00	-4,584.50	400,000.00	.0%
450 56300 25049	WASTEWATER LIFTSTATION #18 UPG						
	300,000.00	300,000.00	0.00	0.00	0.00	300,000.00	.0%
450 56300 26006	FY26 LIFT STATION UPGRADES						
	100,000.00	100,000.00	50,285.60	10,620.24	0.00	49,714.40	50.3%
450 56300 26007	FY26 GRAVITY RELINE						
	220,000.00	220,000.00	0.00	0.00	219,422.75	577.25	99.7%
450 56300 26008	IMPROVEMENTS						
	50,000.00	50,000.00	26,260.70	0.00	0.00	23,739.30	52.5%
450 56300 26009	FY26 MANHOLE REHIBILITATION						
	60,000.00	60,000.00	4,109.52	579.98	0.00	55,890.48	6.8%
450 56300 26010	ATL AVE ACCOMMODATION-WW						
	200,000.00	200,000.00	33,040.00	0.00	0.00	166,960.00	16.5%
450 56400	MACH/EQUIP						
	100,000.00	0.00	0.00	0.00	0.00	0.00	.0%
450 56400 25424	WASTEWATER UTILITY CRANE TRUCK						
	132,609.00	132,609.00	132,609.00	0.00	-132,609.00	132,609.00	.0%
450 56400 26425	FY26 LIFT STATION GENERATORS						
	0.00	100,000.00	88,248.36	62,536.60	0.00	11,751.64	88.2%
450 56400 26426	WASTEWATER SEWER TRUCK RE #397						
	575,000.00	575,000.00	545,823.56	545,823.56	0.00	29,176.44	94.9%
450 56401	EQUIP-NON CAPITAL						
	8,500.00	8,500.00	0.00	0.00	0.00	8,500.00	.0%
450 56410 23041	CITYVIEW SOFTWARE PROJ 23041						
	0.00	0.00	1,868.66	0.00	-1,868.66	0.00	.0%
450 59100	TRANSFER TO GENERAL FUND						
	360,000.00	360,000.00	150,000.00	30,000.00	0.00	210,000.00	41.7%
450 59230	TRANSFER TO UTIL ACQ DS						
	429,425.00	429,425.00	178,927.06	35,785.42	0.00	250,497.94	41.7%
450 59330	TRANSFER TO WW CAPITAL						
	60,000.00	60,000.00	25,000.00	5,000.00	0.00	35,000.00	41.7%
450 59990	RESERVE						
	14,432.00	14,432.00	0.00	0.00	0.00	14,432.00	.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
TOTAL WASTEWATER						
0.00	0.00	-259,861.76	371,006.54	101,416.45	158,445.31	100.0%
TOTAL REVENUES						
-8,066,404.00	-8,066,404.00	-3,206,896.72	-678,684.52	0.00	-4,859,507.28	
TOTAL EXPENSES						
8,066,404.00	8,066,404.00	2,947,034.96	1,049,691.06	101,416.45	5,017,952.59	
GRAND TOTAL						
0.00	0.00	-259,861.76	371,006.54	101,416.45	158,445.31	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
460 WATER								
460 34346	WATER CHARGES	-5,332,590.00	-5,332,590.00	-2,220,457.43	-400,404.95	0.00	-3,112,132.57	41.6%
460 34610	WATER TAP CHARGES	-53,560.00	-53,560.00	-44,979.20	-3,895.84	0.00	-8,580.80	84.0%
460 34620	WATER METER INSTALLATION FEES	-30,000.00	-30,000.00	-9,303.05	-1,064.59	0.00	-20,696.95	31.0%
460 34621	WATER NONPAY RECONNECT FEE	-50,000.00	-50,000.00	-17,582.50	-3,136.25	0.00	-32,417.50	35.2%
460 34910	MISCELLANEOUS FEES	-5,000.00	-5,000.00	-800.00	-100.00	0.00	-4,200.00	16.0%
460 36110	INTEREST	-79,745.00	-79,745.00	-45,732.77	-10,281.17	0.00	-34,012.23	57.3%
460 36120	UNREALIZED GAIN	0.00	0.00	288.39	7.32	0.00	-288.39	100.0%
460 36323	EXTENSION CHARGES	-30,000.00	-30,000.00	-7,533.21	-4,504.17	0.00	-22,466.79	25.1%
460 36990	OTHER REVENUE	0.00	0.00	-403.46	0.00	0.00	403.46	100.0%
460 36995	LATE FEES	-20,000.00	-20,000.00	-7,968.94	-1,294.65	0.00	-12,031.06	39.8%
460 38910	CASH BALANCE FORWARD	-4,964,785.00	-4,964,785.00	0.00	0.00	0.00	-4,964,785.00	.0%
460 38912	RESERVE - R & R FUND	-200,000.00	-200,000.00	0.00	0.00	0.00	-200,000.00	.0%
460 51200	SALARIES	875,262.00	875,262.00	306,668.72	61,003.89	0.00	568,593.28	35.0%
460 51400	OVERTIME	162,225.00	162,225.00	44,928.08	9,389.17	0.00	117,296.92	27.7%
460 52100	FICA	63,666.00	63,666.00	25,705.42	5,030.54	0.00	37,960.58	40.4%
460 52200	RETIREMENT	180,985.00	180,985.00	71,015.40	14,916.27	0.00	109,969.60	39.2%
460 52300	HEALTH INSUR	228,374.00	228,374.00	85,490.70	19,034.19	0.00	142,883.30	37.4%
460 52301	LIFE INSUR	2,605.00	2,605.00	1,007.33	195.50	0.00	1,597.67	38.7%
460 52350	OPEB COSTS	14,483.00	14,483.00	6,034.56	1,206.92	0.00	8,448.44	41.7%
460 52400	WORKERS' COMP	19,000.00	19,000.00	4,700.81	940.17	0.00	14,299.19	24.7%

City of Fernandina Beach
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FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
460 53100	PROFESSIONAL SERVICES						
	106,000.00	106,000.00	3,325.00	0.00	0.00	102,675.00	3.1%
460 53200	AUDITING						
	7,833.00	7,833.00	3,263.75	652.75	0.00	4,569.25	41.7%
460 53400	CONTRACTUAL						
	64,690.00	64,690.00	21,992.71	2,800.75	4,000.00	38,697.29	40.2%
460 54000	TRAINING/TRAVEL						
	32,365.00	32,365.00	3,179.42	0.00	1,700.00	27,485.58	15.1%
460 54100	COMM - PHONE/FAX/ALARM						
	3,255.00	3,255.00	1,049.15	0.00	0.00	2,205.85	32.2%
460 54101	COMMUNICATIONS-CELLULAR						
	10,000.00	10,000.00	3,123.05	633.27	0.00	6,876.95	31.2%
460 54103	COMMUNICATIONS-INTERNET						
	9,250.00	9,250.00	3,410.32	946.42	0.00	5,839.68	36.9%
460 54200	POSTAGE						
	700.00	700.00	106.02	0.00	0.00	593.98	15.1%
460 54300	UTILITIES ELECTRIC						
	235,000.00	235,000.00	110,766.98	14,164.62	0.00	124,233.02	47.1%
460 54310	UTILITIES-WATER & WASTEWATER						
	1,000.00	1,000.00	287.28	71.82	0.00	712.72	28.7%
460 54320	UTILITIES-PROPANE/OTHER						
	2,000.00	2,000.00	45.98	0.00	0.00	1,954.02	2.3%
460 54400	RENTALS/LEASES						
	15,000.00	15,000.00	0.00	0.00	0.00	15,000.00	.0%
460 54440	LAND RENT						
	21,600.00	21,600.00	8,724.65	1,744.93	0.00	12,875.35	40.4%
460 54500	INSURANCE						
	66,580.00	66,580.00	21,225.00	4,245.00	0.00	45,355.00	31.9%
460 54610	R/M BLDG & GROUNDS						
	448,000.00	448,000.00	159,867.07	10,899.13	37,863.00	250,269.93	44.1%
460 54611	R/M FACILITIES						
	16,300.00	16,300.00	1,603.04	0.00	0.00	14,696.96	9.8%
460 54620	R/M EQUIPMENT						
	114,000.00	114,000.00	40,782.87	5,618.98	17,601.00	55,616.13	51.2%
460 54630	R/M VEHICLES-LABOR						
	13,000.00	13,000.00	10,418.75	4,437.50	0.00	2,581.25	80.1%
460 54640	R/M VEHICLES-PARTS						
	25,000.00	25,000.00	17,117.56	3,662.60	0.00	7,882.44	68.5%
460 54700	PRINTING						
	250.00	250.00	0.00	0.00	0.00	250.00	.0%
460 54800	PROMOTIONAL						
	7,000.00	7,000.00	1,002.50	0.00	0.00	5,997.50	14.3%
460 54910	BILLING COSTS						
	200,000.00	200,000.00	83,333.31	16,666.67	0.00	116,666.69	41.7%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
460 54920		UTILITY ADMIN COSTS					
	491,322.00	491,322.00	204,717.50	40,943.50	0.00	286,604.50	41.7%
460 55100		OFFICE SUPPLIES					
	2,500.00	2,500.00	918.64	657.05	0.00	1,581.36	36.7%
460 55200		OPERATING SUPPLIES					
	77,330.00	77,330.00	42,684.78	3,914.09	0.00	34,645.22	55.2%
460 55210		UNIFORMS					
	11,900.00	11,900.00	5,028.45	0.00	0.00	6,871.55	42.3%
460 55220		JANITORIAL SUPPLIES					
	3,000.00	3,000.00	148.84	0.00	0.00	2,851.16	5.0%
460 55230		GAS/OIL					
	54,000.00	54,000.00	18,953.22	4,118.65	0.00	35,046.78	35.1%
460 55240		CHEMICALS					
	76,000.00	76,000.00	21,945.00	0.00	54,055.00	0.00	100.0%
460 55400		BOOKS/SUBS/DUES					
	7,240.00	7,240.00	1,256.30	0.00	0.00	5,983.70	17.4%
460 56200		BUILDING					
	40,000.00	40,000.00	0.00	0.00	0.00	40,000.00	.0%
460 56300 23045		CLINCH DRIVE WATER MAIN					
	350,000.00	350,000.00	512.50	512.50	0.00	349,487.50	.1%
460 56300 23052		AMELIA ROAD WATER MAIN					
	166,433.00	166,433.00	0.00	0.00	0.00	166,433.00	.0%
460 56300 25036		WATER PLANT AUTOMATION					
	0.00	33,533.00	33,533.00	0.00	-33,533.00	33,533.00	.0%
460 56300 25038		WATER DEEP WELL REHAB #32					
	66,000.00	66,000.00	63,745.00	0.00	-63,745.00	66,000.00	.0%
460 56300 26011		FY26 WATER METER PERIODIC					
	388,000.00	388,000.00	375,331.52	0.00	0.00	12,668.48	96.7%
460 56300 26012		FY26 PLANT AUTOMATION					
	100,000.00	66,467.00	42,960.13	1,663.94	3,750.00	19,756.87	70.3%
460 56300 26013		FY26 LARGE METER PERIODIC					
	50,000.00	50,000.00	0.00	0.00	0.00	50,000.00	.0%
460 56300 26022		ATL AVE ACCOMMODATION -WATER					
	200,000.00	200,000.00	25,040.00	0.00	0.00	174,960.00	12.5%
460 56400		MACH/EQUIP					
	6,000.00	9,240.00	9,240.00	0.00	0.00	0.00	100.0%
460 56400 26427		WATER VEHICLE RE #1342					
	180,000.00	176,760.00	108,329.37	107,916.62	0.00	68,430.63	61.3%
460 56400 26428		WATER 4" PUMP					
	50,000.00	43,459.00	0.00	0.00	43,459.00	0.00	100.0%
460 56400 26429		WATER UTILITY TRUCK RE #1341					
	85,000.00	85,000.00	84,215.73	8,008.96	0.00	784.27	99.1%
460 56400 26430		WTP HIGH SERVICE PUMP					
	96,200.00	95,741.00	71,265.00	0.00	18,000.00	6,476.00	93.2%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
460 56400 26431	WTP HIGH SERVICE PUMP 600GPM						
	43,250.00	43,250.00	32,248.00	0.00	9,000.00	2,002.00	95.4%
460 56400 26432	WATER VEHICLE RE #26432						
	33,000.00	33,000.00	31,457.00	0.00	0.00	1,543.00	95.3%
460 56400 26446	REVERSABLE COMPACTOR						
	0.00	7,000.00	6,822.99	0.00	0.00	177.01	97.5%
460 56401	EQUIP-NON CAPITAL						
	16,500.00	16,500.00	2,107.06	0.00	0.00	14,392.94	12.8%
460 56410 23041	CITYVIEW SOFTWARE PROJ 23041						
	0.00	0.00	1,378.97	0.00	-1,378.97	0.00	.0%
460 59100	TRANSFER TO GENERAL FUND						
	120,000.00	120,000.00	50,000.00	10,000.00	0.00	70,000.00	41.7%
460 59230	TRANSFER TO UTIL ACQ DS						
	1,542,325.00	1,542,325.00	642,635.44	128,527.08	0.00	899,689.56	41.7%
460 59910	CONTINGENCY R & R						
	200,000.00	200,000.00	0.00	0.00	0.00	200,000.00	.0%
460 59990	RESERVE						
	3,364,257.00	3,364,257.00	0.00	0.00	0.00	3,364,257.00	.0%
TOTAL WATER							
	0.00	0.00	562,177.70	59,849.18	90,771.03	-652,948.73	100.0%
	TOTAL REVENUES						
	-10,765,680.00	-10,765,680.00	-2,354,472.17	-424,674.30	0.00	-8,411,207.83	
	TOTAL EXPENSES						
	10,765,680.00	10,765,680.00	2,916,649.87	484,523.48	90,771.03	7,758,259.10	
	GRAND TOTAL						
	0.00	0.00	562,177.70	59,849.18	90,771.03	-652,948.73	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

		ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
470 STORMWATER								
470 33400	STATE GRANT	-525,625.00	-525,625.00	-313,207.06	310,677.82	0.00	-212,417.94	59.6%
470 34347	WATER DRAINAGE FEES	-1,065,355.00	-1,065,355.00	-473,153.42	-94,723.96	0.00	-592,201.58	44.4%
470 34910	MISCELLANEOUS FEES	0.00	0.00	-126.00	0.00	0.00	126.00	100.0%
470 36110	INTEREST	0.00	0.00	-151.00	-95.03	0.00	151.00	100.0%
470 36992	GAIN ON SALE OF ASSET	-35,000.00	-35,000.00	0.00	0.00	0.00	-35,000.00	.0%
470 38410	LOAN PROCEEDS	-321,440.00	-321,440.00	0.00	0.00	0.00	-321,440.00	.0%
470 38910	CASH BALANCE FORWARD	326,612.00	326,612.00	0.00	0.00	0.00	326,612.00	.0%
470 51200	SALARIES	313,166.00	313,166.00	108,406.76	23,009.22	0.00	204,759.24	34.6%
470 51400	OVERTIME	45,000.00	45,000.00	6,952.19	3,380.56	0.00	38,047.81	15.4%
470 52100	FICA	26,508.00	26,508.00	8,612.98	1,943.59	0.00	17,895.02	32.5%
470 52200	RETIREMENT	72,790.00	72,790.00	23,171.36	5,592.01	0.00	49,618.64	31.8%
470 52300	HEALTH INSUR	60,755.00	60,755.00	22,461.78	5,988.86	0.00	38,293.22	37.0%
470 52301	LIFE INSUR	848.00	848.00	341.17	75.25	0.00	506.83	40.2%
470 52350	OPEB COSTS	2,194.00	2,194.00	914.19	182.83	0.00	1,279.81	41.7%
470 52400	WORKERS' COMP	9,681.00	9,681.00	2,352.94	470.58	0.00	7,328.06	24.3%
470 53100	PROFESSIONAL SERVICES	20,000.00	38,280.00	0.00	0.00	38,280.00	0.00	100.0%
470 53200	AUDITING	2,311.00	2,311.00	962.94	192.58	0.00	1,348.06	41.7%
470 53400	CONTRACTUAL	71,916.00	71,916.00	6,380.92	630.19	0.00	65,535.08	8.9%
470 54000	TRAINING/TRAVEL	6,100.00	6,100.00	508.00	438.00	500.00	5,092.00	16.5%
470 54100	COMM - PHONE/FAX/ALARM	330.00	330.00	160.00	0.00	0.00	170.00	48.5%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
470 54101	COMMUNICATIONS-CELLULAR						
	4,000.00	4,000.00	921.86	225.12	0.00	3,078.14	23.0%
470 54103	COMMUNICATIONS-INTERNET						
	1,854.00	1,854.00	500.95	107.75	0.00	1,353.05	27.0%
470 54200	POSTAGE						
	300.00	300.00	0.00	0.00	0.00	300.00	.0%
470 54300	UTILITIES ELECTRIC						
	5,000.00	5,000.00	1,680.08	325.27	0.00	3,319.92	33.6%
470 54310	UTILITIES-WATER & WASTEWATER						
	1,000.00	1,000.00	327.75	63.07	0.00	672.25	32.8%
470 54400	RENTALS/LEASES						
	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	.0%
470 54500	INSURANCE						
	24,623.00	24,623.00	7,849.56	1,569.92	0.00	16,773.44	31.9%
470 54611	R/M FACILITIES						
	2,500.00	2,500.00	62.28	0.00	0.00	2,437.72	2.5%
470 54620	R/M EQUIPMENT						
	10,000.00	10,000.00	876.17	634.68	0.00	9,123.83	8.8%
470 54630	R/M VEHICLES-LABOR						
	8,000.00	8,000.00	5,900.00	1,025.00	0.00	2,100.00	73.8%
470 54640	R/M VEHICLES-PARTS						
	17,000.00	17,000.00	14,874.73	927.54	0.00	2,125.27	87.5%
470 54700	PRINTING						
	500.00	500.00	0.00	0.00	0.00	500.00	.0%
470 54800	PROMOTIONAL						
	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	.0%
470 54910	BILLING COSTS						
	35,000.00	35,000.00	14,583.31	2,916.67	0.00	20,416.69	41.7%
470 54920	UTILITY ADMIN COSTS						
	109,183.00	109,183.00	45,492.94	9,098.58	0.00	63,690.06	41.7%
470 55100	OFFICE SUPPLIES						
	1,000.00	1,000.00	140.98	9.50	0.00	859.02	14.1%
470 55200	OPERATING SUPPLIES						
	20,965.00	20,965.00	1,982.53	791.15	0.00	18,982.47	9.5%
470 55210	UNIFORMS						
	6,300.00	6,300.00	2,111.03	0.00	0.00	4,188.97	33.5%
470 55220	JANITORIAL SUPPLIES						
	1,000.00	1,000.00	141.73	24.29	0.00	858.27	14.2%
470 55230	GAS/OIL						
	16,000.00	16,000.00	5,498.57	1,149.58	0.00	10,501.43	34.4%
470 55300	ROAD MATERIALS						
	12,000.00	12,000.00	0.00	0.00	0.00	12,000.00	.0%
470 55400	BOOKS/SUBS/DUES						
	1,035.00	1,035.00	820.30	41.00	0.00	214.70	79.3%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
470 56400 26433	STORMWATER STREET SWEEPER						
	321,440.00	321,440.00	0.00	0.00	0.00	321,440.00	.0%
470 56401	EQUIP-NON CAPITAL						
	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	.0%
470 56410 23041	CITYVIEW SOFTWARE PROJ 23041						
	0.00	0.00	1,954.38	0.00	-1,954.38	0.00	.0%
470 57100	PRINCIPAL						
	103,938.00	132,599.00	0.00	0.00	0.00	132,599.00	.0%
470 57200	INTEREST						
	5,422.00	13,523.00	0.00	0.00	0.00	13,523.00	.0%
470 59990	RESERVE						
	257,149.00	202,107.00	0.00	0.00	0.00	202,107.00	.0%
TOTAL STORMWATER							
	0.00	0.00	-499,693.10	276,671.62	36,825.62	462,867.48	100.0%
TOTAL REVENUES							
	-1,620,808.00	-1,620,808.00	-786,637.48	215,858.83	0.00	-834,170.52	
TOTAL EXPENSES							
	1,620,808.00	1,620,808.00	286,944.38	60,812.79	36,825.62	1,297,038.00	
GRAND TOTAL							
	0.00	0.00	-499,693.10	276,671.62	36,825.62	462,867.48	100.0%

** END OF REPORT - Generated by Marileida Hernandez **

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
480 MARINA							
480 33400 STATE GRANT	-93,859.00	-93,859.00	-93,886.50	0.00	0.00	27.50	100.0%
480 33410 FL INLAND NAVIGATION REVENUE	-326,000.00	-326,000.00	0.00	0.00	0.00	-326,000.00	.0%
480 34750 SLIP RENTALS - PERMANENT	-518,800.00	-518,800.00	-220,818.76	-51,198.06	0.00	-297,981.24	42.6%
480 34755 SLIP RENTALS - TRANSIENT	-1,069,580.00	-1,069,580.00	-562,575.01	-66,572.16	0.00	-507,004.99	52.6%
480 34757 SLIP RENTALS - NON-TAXABLE	-13,000.00	-13,000.00	17,708.50	0.00	0.00	-30,708.50	-136.2%
480 34759 DOCK STORE RENT	-3,537.00	-3,537.00	-486.96	-150.79	0.00	-3,050.04	13.8%
480 34760 BUSINESS RENTALS	-29,930.00	-29,930.00	3,029.06	-329.78	0.00	-32,959.06	-10.1%
480 34762 MOORINGS-TAXABLE	-40,000.00	-40,000.00	-19,055.76	-4,344.83	0.00	-20,944.24	47.6%
480 34767 SERVICES-TAXABLE	-5,606.00	-5,606.00	-235.00	-55.00	0.00	-5,371.00	4.2%
480 34770 FUEL-DIESEL	-1,255,000.00	-1,255,000.00	-564,202.68	-29,070.25	0.00	-690,797.32	45.0%
480 34771 FUEL-GAS	-375,000.00	-375,000.00	-122,250.15	-16,646.64	0.00	-252,749.85	32.6%
480 34775 FUEL-DISCOUNTS DIESEL	20,284.00	20,284.00	10,377.58	361.41	0.00	9,906.42	51.2%
480 34776 FUEL-DISCOUNTS GAS	3,716.00	3,716.00	1,657.41	207.75	0.00	2,058.59	44.6%
480 36110 INTEREST	0.00	0.00	-8,892.68	-1,857.99	0.00	8,892.68	100.0%
480 36215 NON-TAXABLE RENT	0.00	0.00	-550.50	0.00	0.00	550.50	100.0%
480 36980 CREDIT CARD CONVENIENCE FEES	-69,000.00	-69,000.00	0.00	0.00	0.00	-69,000.00	.0%
480 36990 OTHER REVENUE	-470.00	-470.00	-4,693.22	-2,232.95	0.00	4,223.22	998.6%
480 36992 GAIN ON SALE OF ASSET	-37,680.00	-37,680.00	0.00	0.00	0.00	-37,680.00	.0%
480 38101 FROM GENERAL FUND	-654,589.00	-654,589.00	-272,745.44	-54,549.08	0.00	-381,843.56	41.7%
480 38410 LOAN PROCEEDS	0.00	0.00	-141,379.52	0.00	0.00	141,379.52	100.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
480 38910	CASH BALANCE FORWARD						
	-245,445.00	-245,445.00	0.00	0.00	0.00	-245,445.00	.0%
480 53100	PROFESSIONAL SERVICES						
	31,561.00	31,561.00	13,898.12	2,662.00	0.00	17,662.88	44.0%
480 53200	AUDITING						
	3,217.00	3,217.00	1,072.32	268.08	0.00	2,144.68	33.3%
480 53400	CONTRACTUAL						
	692,455.00	692,455.00	230,256.87	48,932.25	0.00	462,198.13	33.3%
480 54000	TRAINING/TRAVEL						
	2,000.00	2,000.00	2,141.17	821.35	0.00	-141.17	107.1%
480 54100	COMM - PHONE/FAX/ALARM						
	3,341.00	3,341.00	1,102.34	43.63	0.00	2,238.66	33.0%
480 54103	COMMUNICATIONS-INTERNET						
	6,180.00	6,180.00	1,357.36	302.00	0.00	4,822.64	22.0%
480 54200	POSTAGE						
	130.00	130.00	10.48	10.48	0.00	119.52	8.1%
480 54300	UTILITIES ELECTRIC						
	7,400.00	7,400.00	1,428.43	583.39	0.00	5,971.57	19.3%
480 54310	UTILITIES-WATER & WASTEWATER						
	17,640.00	17,640.00	6,440.14	971.11	0.00	11,199.86	36.5%
480 54500	INSURANCE						
	676,384.00	676,384.00	248,652.57	48,792.45	0.00	427,731.43	36.8%
480 54610	R/M BLDG & GROUNDS						
	253,900.00	72,739.00	48,980.82	955.36	0.00	23,758.18	67.3%
480 54611	R/M FACILITIES						
	8,300.00	8,300.00	0.00	0.00	0.00	8,300.00	.0%
480 54620	R/M EQUIPMENT						
	77,550.00	77,550.00	16,398.75	4,777.47	0.00	61,151.25	21.1%
480 54630	R/M VEHICLES-LABOR						
	1,000.00	1,000.00	300.00	0.00	0.00	700.00	30.0%
480 54640	R/M VEHICLES-PARTS						
	1,000.00	1,000.00	92.77	0.00	0.00	907.23	9.3%
480 54675	R/M MOORING FIELD						
	40,600.00	40,600.00	4,000.00	4,000.00	0.00	36,600.00	9.9%
480 54700	PRINTING						
	395.00	395.00	0.00	0.00	0.00	395.00	.0%
480 54800	PROMOTIONAL						
	48,610.00	48,610.00	10,940.90	2,019.87	0.00	37,669.10	22.5%
480 54900	MISC EXPENSE						
	1,000.00	1,000.00	11.49	0.00	0.00	988.51	1.1%
480 54902	BAD DEBT EXPENSE						
	190.00	190.00	54,010.07	54,010.07	0.00	-53,820.07	28426.4%
480 55100	OFFICE SUPPLIES						
	3,250.00	3,250.00	2,771.92	145.46	0.00	478.08	85.3%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

FOR 2026 05

	ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED
480 55200	OPERATING SUPPLIES						
	92,158.00	92,158.00	13,408.55	1,673.75	0.00	78,749.45	14.5%
480 55201	CREDIT CARD FEES						
	175,000.00	175,000.00	116,214.37	13,721.59	0.00	58,785.63	66.4%
480 55210	UNIFORMS						
	4,410.00	4,410.00	754.80	754.80	0.00	3,655.20	17.1%
480 55220	JANITORIAL SUPPLIES						
	2,266.00	2,266.00	539.20	0.00	0.00	1,726.80	23.8%
480 55400	BOOKS/SUBS/DUES						
	2,956.00	2,956.00	0.00	0.00	0.00	2,956.00	.0%
480 55510	FUEL FOR RESALE						
	1,097,083.00	1,097,083.00	456,001.25	29,866.57	0.00	641,081.75	41.6%
480 56200	BUILDING						
	38,000.00	38,000.00	0.00	0.00	0.00	38,000.00	.0%
480 56300	IMPROVEMENTS						
	45,000.00	45,000.00	0.00	0.00	0.00	45,000.00	.0%
480 56300 25042	MARINA-FUEL TANK REPLACEMENT						
	41,147.00	41,147.00	35,325.97	0.00	-35,325.97	41,147.00	.0%
480 56300 26026	ADA RAMP AT MARINA						
	0.00	11,856.00	11,855.66	0.00	0.00	0.34	100.0%
480 56300 26031	MARINA DOCK G REHABILITATION						
	0.00	181,161.00	0.00	0.00	181,161.00	0.00	100.0%
480 56301 25065	NON CAP IMPROVEMENT						
	32,816.00	32,816.00	28,173.77	0.00	-28,173.77	32,816.00	.0%
480 56328 26001	DREDGING-MARINA						
	339,600.00	339,600.00	0.00	0.00	0.00	339,600.00	.0%
480 56400	MACH/EQUIP						
	105,400.00	16,900.00	0.00	0.00	0.00	16,900.00	.0%
480 56400 25045	MARINA-PUMPOUT BOAT						
	175,000.00	163,144.00	125,182.00	0.00	0.00	37,962.00	76.7%
480 56400 25434	D DOCK PEDASTALS						
	0.00	40,000.00	27,360.00	0.00	-27,360.00	40,000.00	.0%
480 56400 26025	REPLACE DOCK D TRANSFORMER						
	0.00	48,500.00	0.00	0.00	0.00	48,500.00	.0%
480 57100	PRINCIPAL						
	630,790.00	630,790.00	58,217.70	11,643.54	0.00	572,572.30	9.2%
480 57200	INTEREST						
	55,767.00	55,767.00	28,299.00	24,007.12	0.00	27,468.00	50.7%
TOTAL MARINA							
	0.00	0.00	-433,800.84	24,523.97	90,301.26	343,499.58	100.0%
TOTAL REVENUES							
	-4,713,496.00	-4,713,496.00	-1,978,999.63	-226,438.37	0.00	-2,734,496.37	
TOTAL EXPENSES							
	4,713,496.00	4,713,496.00	1,545,198.79	250,962.34	90,301.26	3,077,995.95	
GRAND TOTAL							
	0.00	0.00	-433,800.84	24,523.97	90,301.26	343,499.58	100.0%

City of Fernandina Beach
YEAR-TO-DATE BUDGET REPORT

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ORIGINAL APPROP	REVISED BUDGET	YTD ACTUAL	MTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	% USED

** END OF REPORT - Generated by Marileida Hernandez **

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT:	Presentation Project/Operation Updates
ITEM TYPE:	Presentation

REQUESTED ACTION: N/A

SYNOPSIS: Deputy City Manager Jeremiah Glisson will provide an update on pending projects and operations.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: N/A

CITY MANAGER RECOMMENDATION(S): N/A

Jeremiah Glisson, Deputy City Manager	03/09/2026
Sarah Campbell, City Manager	03/09/2026

Kimberly Elliott Briley

Date: July 25, 2025

Submitted By: Kimberly Elliott-Briley, Deputy City Clerk

COMMISSION ACTION:

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-36
Mentoring Program Agreement Extension — Big Brothers Big Sisters of Northeast Florida

ITEM TYPE: Resolution (w/o fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-36.

SYNOPSIS: The City Commission, at their April 16, 2024, regular meeting, adopted Resolution 2024-70, entering into a two-year Mentoring Program Agreement with Big Brothers Big Sisters of Northeast Florida ("BBBSNEF") for the Fire Department and Police Department to be able to provide mentoring to Nassau County students. Due to overwhelming success, the BBBSNEFL submitted a written request, in accordance with the Mentoring Program Agreement terms, for two additional one-year extensions, attached hereto as Exhibit A.

The Fire Department and Police Department wish to continue participation in the Program, in furtherance of mentoring Nassau County youth.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission adopt proposed Resolution 2026-36.

Jeffrey Tambasco, Police Chief	02/27/2026
Jeremy Holmes, Fire Chief	03/02/2026
Kimberly Elliott-Briley, Deputy City Clerk	03/03/2026
Jeremiah Glisson, Deputy City Manager	03/04/2026
Sarah Campbell, City Manager	03/04/2026
Teresa Prince, City Attorney	03/06/2026
Katie Newton, Downtown Coordinator	03/06/2026

Lorelei Jacobs

Submitted By: Lorelei Jacobs, Grants Administrator Date: February 27, 2026

COMMISSION ACTION: Adopt

RESOLUTION 2026-36

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING A MENTORING AGREEMENT PROGRAM EXTENSION WITH BIG BROTHERS BIG SISTERS OF NORTHEAST FLORIDA FOR THE FIRE DEPARTMENT AND POLICE DEPARTMENT; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, for more than ninety-five years, Big Brothers Big Sisters of Northeast Florida ("BBBSNEFL") has helped children and youth achieve success in life by working with community volunteers who mentor youth in one-on-one relationships as Big Brothers and Big Sisters; and

WHEREAS, BBBSNEFL encourages workplace mentoring partnerships between Nassau County students and volunteer mentors from local businesses and governmental entities; and

WHEREAS, BBBSNEFL volunteer mentors work with their mentees to help strengthen academic skills, encourage conflict resolution, build positive interpersonal skills, develop effective study habits, nurture self-confidence, and foster an appreciation for goal setting; and

WHEREAS, the City Commission, at their April 16, 2024, regular meeting, adopted Resolution 2024-70, entering into a two-year Mentoring Program Agreement with BBBSNEFL for the Fire Department and Police Department to be able to provide one-on-one mentoring to Nassau County students; and

WHEREAS, due to overwhelming success, the BBBSNEFL submitted a written request, in accordance with the Mentoring Program Agreement terms, for two additional one-year extensions, attached hereto as Exhibit A; and

WHEREAS, the Fire Department and Police Department wish to continue participation in the Program, in furtherance of mentoring Nassau County youth.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The Commission hereby approves the BBBSNEFL Mentoring Program Agreement extension for two additional one-year periods.

SECTION 2. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 3. This Resolution is effective immediately upon passage.

ADOPTED this 17th day of March, 2026.

CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Commissioner – Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
TERESA L. PRINCE, ESQ.
City Attorney

Resolution 2026-36
Exhibit "A"

From: Sara Alford <salford@bbbsnefl.org>
Date: February 11, 2026 at 4:19:28 PM EST
To: Jeffrey Tambasco <jtambasco@fbfl.org>, Jeremy Holmes <JHolmes@fbfl.city>
Cc: Lena Ramsay <lramsay@bbbsnefl.org>, Beverly Filer <bfiler@bbbsnefl.org>
Subject: Fernandina Beach Fire & Rescue and Police Department BSW MOU request for renewal

CAUTION: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender, were expecting this email, and know the content is safe.

Afternoon Chiefs,

I hope this note finds you well.

We have really valued our Beyond School Walls partnership with your organizations and think this year's joint sessions has been a success for your organizations and the students!

As you all know, we operate this program under a Memorandum of Understanding that was first signed back in April of 2024 (copy attached for ease of reference). The MOU's two-year term will expire this April 2026. There is the option to renew/extend the agreement for two additional one-year periods with the same terms and conditions. It is noted our agency's intent/request to renew must be submitted in writing 60 days out from the current term end. We would love the opportunity to renew and continue the program for participating students and Mentors.

Please let me know thoughts, questions, etc.

If extension is agreeable to you all, please let me know what, if anything beyond this email, is required to serve as official request from our agency to renew/extend the agreement for an additional year.

With appreciation,
Sara

SARA ALFORD, M.A.

Chief Executive Officer & Kimberly's Big Sister

Big Brothers Big Sisters of Northeast Florida

Office: 904.727.9797 ext. 1129 | **Cell**: 904.716.8146

40 E. Adams Street Suite 220, Jacksonville, FL 32202

www.bbbsnefl.org

RESOLUTION 2024-70

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING AN AGREEMENT WITH BIG BROTHERS BIG SISTERS OF NORTHEAST FLORIDA ESTABLISHING A YOUTH MENTORING PROGRAM WITH THE FIRE DEPARTMENT AND POLICE DEPARTMENT; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, for more than ninety-five years, Big Brothers Big Sisters of Northeast Florida ("BBBSNEFL") has helped children and youth achieve success in life by working with community volunteers who mentor youth in one-on-one relationships as Big Brothers and Big Sisters; and

WHEREAS, BBBSNEFL encourages workplace mentoring partnerships between students in Nassau County and volunteer mentors from local businesses and governmental entities; and

WHEREAS, BBBSNEFL volunteer mentors work with their mentees to help strengthen their academic skills, encourage conflict resolution, build positive interpersonal skills, develop effective study habits, nurture self-confidence, and foster an appreciation for goal setting; and

WHEREAS, the Fernandina Beach Fire and Police Departments (FBFD and FBPD) have staff who wish to participate in this type of mentorship program, teaching youth about the vital role of emergency services personnel within the community; and

WHEREAS, BBBSNEFL and the City believe it is to their mutual benefit to enter into this Agreement so that volunteer mentors from FBFD and FBPD will be able to provide one-on-one mentoring to students in Nassau County.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the Agreement with Big Brothers Big Sisters of Northeast Florida for a youth mentoring program with the Fernandina Beach Police and Fire Departments, attached hereto as Exhibit "A".

SECTION 2. The City Clerk and Interim City Manager are authorized to execute all documentation pertaining to the Agreement, upon review and approval of the City Attorney.

SECTION 3. This Resolution is effective immediately upon passage.

ADOPTED this 16th day of April, 2024.

CITY OF FERNANDINA BEACH

Bradley M. Bean

BRADLEY M. BEAN
Commissioner – Mayor

ATTEST:

Caroline Best

CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

TAMMI E. BACH
City Attorney

MENTORING PROGRAM AGREEMENT
BETWEEN THE CITY OF FERNANDINA BEACH
AND BIG BROTHERS BIG SISTERS OF NORTHEAST FLORIDA

This **MENTORING PROGRAM AGREEMENT** (the "Agreement") between Big Brothers Big Sisters of Northeast Florida ("BBBSNEFL") and the City of Fernandina Beach("City"), a municipal corporation, for and on behalf of the City of Fernandina Beach Fire ("FBFD") and Police ("FBPD") Departments, for one-on-one mentoring by volunteer mentors from FBFD and FBPD (the "Program") is entered into this 16th day of April, 2024.

WITNESSETH:

WHEREAS, for over 95 years, BBBSNEFL has helped children and youth achieve success in life by working with community volunteers who mentor youth in one-on-one relationships as Big Brothers and Big Sisters; and

WHEREAS, BBBSNEFL encourages workplace mentoring partnerships between students in Nassau County and volunteer mentors from local business and governmental entities; and

WHEREAS, volunteer mentors in the Program will work with their mentees to help strengthen their academic skills, encourage conflict resolution, build positive interpersonal skills, develop effective study skills, nourish self-confidence, and foster an appreciation for goal setting; and

WHEREAS, BBBSNEFL and the City believe it is to their mutual benefit to enter into this Agreement so that volunteer mentors from FBFD and FBPD will be able to provide one-on-one mentoring to students in Nassau County.

NOW, THEREFORE, in consideration of the mutual promises herein, BBBSNEFL and the City agree as follows:

1. **Term of Agreement.** The term of this Agreement (the "term") begins on 4/16/24, 2024, and terminates on April 16, 2026. Upon mutual agreement of the parties, the term may be extended for two additional one-year periods with the same terms and conditions as are set forth herein. Notice of BBBSNEFL's request for an additional renewal period must be given in writing at least 60 days prior to the end of the current term.

2. **Termination of Agreement.** Either party has the right to terminate this Agreement at any time by providing at least 30 days' written notice of such termination to the other party.

3. **Purpose of Agreement.** The purpose of this Agreement is to allow FBFD and FBPD to provide one-on-one mentoring at fire and police stations to high school aged students who are interested in pursuing a career in fire and rescue or police services. Students will be exposed to real-world fire and rescue and police environments and have the opportunity to observe various aspects of emergency services activities at local fire and police stations and develop an understanding of the many facets of FBFD's and FBPD's day-to-day operations. In addition, the mentoring experience will encourage high school graduation and post-secondary opportunities.

4. **Specific Responsibilities of BBBSNEFL.** It is the responsibility of BBBSNEFL to:

    a. Provide training to the FBFD and FBPD volunteer mentor and mentors' respective stations.

b. Provide background screening which includes Level II local, state, and federal background checks, and fingerprinting.
c. Provide a Match Support Specialist who will:
    i. Match mentors and students based on common interests;
    ii. Communicate regularly with FBFD, FBPD, mentors, and students;
    iii. Arrange all transportation and travel with students to fire and police stations;
    iv. Coordinate logistics for mentoring sessions and activities;
    v. Develop individual improvement plans with specific academic goals for each participating student in concert with the mentor, mentee, and mentee's teachers;
    vi. Provide report cards and any other pertinent information about the students to mentors;
    vii. Have quarterly feedback sessions with mentors;
    viii. Provide an end-of-the-year report on student's grades, behavior, attendance, and promotion to the next grade.
d. Acquire parental/guardian permission for each student's participation in the Program.
e. Provide a signed consent/hold harmless statement from the parent/guardian of each student participating in the Program.
f. Undertake and agree that it will indemnify and hold harmless the City of Fernandina Beach, its members, officials, officers, employees, and agents, and be responsible for reasonable attorney's fees on account of thereof that may be sustained or incurred by reason of any and all claims, demands, suits, actions, judgments, and executions for damages of any and every kind and by whomever and whenever made or obtained, allegedly caused by, arising out of, or relating in any manner to the activity of any Participant or Participants supplied by BBBSNEFL pursuant to this Agreement.
g. Procure and maintain, during the term of this Agreement and any renewal period, liability insurance as shown in Exhibit A.
h. Withdraw a Participant when directed to do so by the Fire Chief or Police Chief.

5. **Specific Responsibilities of FBFD and FBPD**. It is the responsibility of FBFD and FBPD to:
    a. Make a one-year commitment to the Program.
    b. Identify, solicit, and recruit volunteer mentors.
    c. Identify a FBFD and FBPD contract person who will work with BBBSNEFL to coordinate various aspects of the Program.
    d. Provide a copy of FBFD and FBPD Rules and Regulations and an appropriate orientation to participating students in connection with its facilities and its policies and procedures at the first session.
    e. Provide a FBFD or FBPD volunteer mentor for each participating student. Each department will provide up to 5 mentors for this program.
    f. Provide a meeting space for mentors and mentees at local fire and police stations once a month for three to four hours.
    g. Provide participants with opportunities to observe various aspects of FBFD and FBPD day-to-day routines and operations.

6. **City of Fernandina Beach Insurance and Indemnification.** The City of Fernandina Beach is insured for its own negligence, and its obligations with respect thereto are controlled by the provisions and limitations of Chapter 768.28, Florida Statutes.

    The parties recognize that BBBSNEFL is an independent contractor. BBBSNEFL agrees to assume liability for and indemnify, hold harmless, and defend the City, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense,

including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of BBBSNEFL, its officers, volunteers, employees, agents, and representatives. City liability hereunder shall include all attorney's fees and costs incurred by the City in the enforcement of this indemnification provision. This includes claims made by the employees of BBBSNEFL against the City, and BBBSNEFL hereby waives its entitlement, if any, to immunity under Section 440.11, Florida Statutes. The obligations contained in this provision shall survive termination of this Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under this Agreement. Nothing contained in the foregoing indemnification shall be construed to be a waiver of any immunity or limitation of liability the City may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes.

7. **Governing Law/Venue.** This Agreement is governed by and construed in accordance with the laws of the State of Florida and the ordinances of the City of Fernandina Beach. Venue for any action arising out of this Agreement will lie in the jurisdictional courts of Nassau County, Florida.

8. **Modification of Agreement.** Modification of this Agreement must be made in writing by mutual consent of both parties and attached to this Agreement.

9. **Notices.** All notices under this Agreement must be in writing and delivered by personal delivery, or United States certified, return receipt requested mail. Such notices will be delivered to the following:

   FOR BBBSNEFL:

   Sara Alford
   Vice President of Programs
   Big Brothers Big Sisters of Northeast Florida
   40 East Adams Street, Suite 200
   Jacksonville, FL 32203

   FOR THE CITY:

   Charles L. George, PE
   Interim City Manager
   City of Fernandina Beach
   204 Ash Street
   Fernandina Beach, FL 32034

   With a copy to the Fire Chief Harvey "Ty" Silcox and Police Chief Jeff Tambasco.

IN WITNESS WHEREOF, the respective parties hereto have executed this Agreement for the purposed expressed herein effective the day and year first above written,

CITY OF FERNANDINA BEACH

Charles L. George, PE
Interim City Manager

ATTEST:

Caroline Best
City Clerk

APPROVED AS TO FORM & LEGALITY:

Tammi E. Bach
City Attorney

BIG BROTHERS BIG SISTERS OF NORTHEAST FLORIDA

Sara Alford
Vice President of Programs

WITNESS:

Print: Julie Solomon

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-37
Award of Invitation to Bid 26-01 - Presco South Construction Inc.

ITEM TYPE: Resolution (w/ fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-37.

SYNOPSIS: The City issued Invitation to Bid ("ITB") 26-01 for the Atlantic Recreation Center Windows and Storefront Glass Replacement. Four bids were received and opened on February 24, 2026. Staff recommends awarding ITB 26-01 to Presco South Construction Inc. in the amount of $99,700.

FISCAL IMPACT: Funds are budgeted and available in the Parks and Recreation Improvements account, 3007200 56300, Project #26019.

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission adopt proposed Resolution 2026-37.

Jeremiah Glisson, Deputy City Manager	03/02/2026
Catherine Sabattini, Public Works/Operations Director	03/02/2026
Scott Mikelson, Parks and Recreation Director	03/04/2026
Kimberly Elliott-Briley, Deputy City Clerk	03/04/2026
Alisha Brown, Budget Analyst	03/04/2026
Sarah Campbell, City Manager	03/09/2026
Teresa Prince, City Attorney	03/09/2026
Katie Newton, Downtown Coordinator	03/10/2026

Date: February 24, 2026

Submitted By: Jeremiah Glisson, Deputy City Manager

COMMISSION ACTION: Adopt

RESOLUTION 2026-37

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AWARDING INVITATION TO BID 26-01 TO PRESCO SOUTH CONSTRUCTION INC. FOR THE ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City issued Invitation to Bid ("ITB") 26-01 for the removal and replacement of windows and doors within the Atlantic Recreation Center; and

WHEREAS, on February 24, 2026, four bids were received in response to ITB 26-01. Following review, staff recommends awarding ITB 26-01 to Presco South Construction Inc., the lowest bidder, Atlantic Recreation Center Windows and Storefront Glass Replacement in the amount of $99,700; and

WHEREAS, funding is included in the FY2025/2026 Budget for the Parks and Recreation Improvements account, 3007200 56300, Project #26019.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby awards ITB 26-01 to Presco South Construction Inc. for the Atlantic Recreation Center Windows and Storefront Glass Replacement, in an amount of $99,700, attached hereto as Exhibit A.

SECTION 2. The City Clerk and City Manager are hereby authorized to execute all documentation related to the award of ITB 26-01, upon review and approval of the City Attorney.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This resolution shall take effect on the first business day following its adoption.

ADOPTED this 17th day of March, 2026.

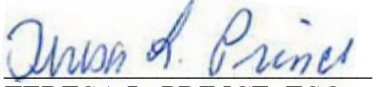
CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Mayor – Commissioner

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM & LEGALITY:



TERESA L. PRINCE, ESQ.
City Attorney

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A"
CONTACT SHEET

Name: Presco South Construction

Federal Taxpayer ID 26-1976302

MailingAddress: 3350 SW 148th Ave #110

City, State, & Zip Code: Miramar, FL 33027

Telephone: 786-425-7737 **Fax:** _____

Email: PSC@prescosouth.com

Submitted By: Jorge Diaz

Title: President

Accounting Contact:

Name: n/a **Title:** _____

Email Address: _____ **Phone:** _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM

The undersigned, having carefully examined the Contract Documents and the site of the proposed work and being familiar with the obstacles and conditions that will be encountered during the execution of the work, hereby offers, and agrees to furnish all labor, materials, contingencies, supervision and equipment necessary to perform the work in accordance with the proposed contract documents.

Replacement of eighteen (18) windows $ 26,200.00 Lump Sum

BID ADDITIVE NO. 1

Bid additive will consist of the replacement of four (4) storefront glass doors and surrounding window glass assemblies

Replacement of storefront glass doors and window glass $ 73,500.00 Lump Sum

This Bid is submitted by: _____

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____

(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____

(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: Presco South Construction INC (SEAL)

State of Incorporation: Florida

Type (General Business, Professional, Service, Limited Liability): Contractor

By: _____

(Signature -- attach evidence of authority to sign)

Name (typed or printed): Jorge Diaz

Title: President

(CORPORATE SEAL)

Attest _____

Date of Qualification to do business in Florida is 02 / 12 / 2008.

A Joint Venture

Name of Joint Venture: _____

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____

(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM (CONTINUED)

By: _____

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address _____
_____
_____

Phone No. _____ Fax No. _____

E-mail _____ _____

SUBMITTED on_____ 20 ____.

State Contractor License No. _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for ITB 26-01.

2. This sworn statement is submitted by (entity) Presco South Construction whose business address is 3350 SW 148th Ave #110 and (if applicable) Federal Employer Identification Number (FEIN) is 26-1976302 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is Jorge Diaz and my relationship to the entity named above is President.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or
    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any
natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)

JD Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)

____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)

JD The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)



Signature 2/24/2026 Date:

STATE OF FLORIDA
COUNTY OF Broward

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this 24 day of February, 20 26,
by Jorge Diaz,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Rhonny Alex

Notary Public Printed Name

My Commission Expires _____

Notary Public State of Florida
Rhonny Alex
My Commission HH 360968
Expires 2/12/2027

Personally Known x OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: Presco South Construction

CITY: Miramar STATE: FL ZIP CODE: 33027

SIGNATURE: _____ PHONE: 786-425-7737

NAME (TYPED OR PRINTED): Jorge Diaz TITLE: President

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: ITB 26-01

Project Description: Installation of windows and storefront system

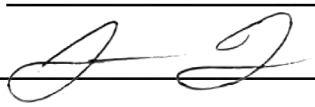
I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: Presco South Construction

Authorized Signature: 

Title: President

Date: 2/24/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "E"

PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Jorge Diaz Title: President

Signature: _____ Date: 2/24/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for ITB 26-01.

This sworn statement is submitted by (entity) Presco South Construction whose business address is 3350 SW 148th Ave #110 and (if applicable) Federal Employer Identification Number (FEIN) is 26-1976302 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Jorge Diaz and my relationship to the entity named above is President.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

2/24/2026
Signature Date:

STATE OF FLORIDA
COUNTY OF Broward

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this 24 day of February, 20 26,

by Jorge Diaz,

Rhonny Alex
Notary Public Printed Name

Notary Public State of Florida
Rhonny Alex
My Commission HH 360968
Expires 2/12/2027

My Commission Expires _____

Personally Known x OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for ITB 26-01.
This sworn statement is submitted by (entity) Presco South Construction whose business address is 3350 SW 148th Ave #110 and (if applicable) Federal Employer Identification Number (FEIN) is 26-1976302 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Jorge Diaz and my relationship to the entity named above is President.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

2/24/2026
Signature Date:

STATE OF FLORIDA
COUNTY OF Broward

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this 24 day of February, 20 26,

by Jorge Diaz,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Rhonny Alex

Notary Public Printed Name

My Commission Expires _____

Notary Public State of Florida
Rhonny Alex
My Commission HH 360958
Expires 2/12/2027

Personally Known x OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

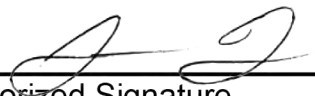
Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO__x__

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO__x__

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO__x__

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

Presco South Construction	2/24/2026
Firm	Date
	Jjorge Diaz
Authorized Signature	Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

"ATTACHMENT A"

LIST OF SUBCONTRACTORS

I _____/DO, ___X___/DO NOT, propose to subcontract some of the work on this project. I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

INTRODUCTION

The City of Fernandina Beach, Florida is accepting competitive sealed bids for the **ATLANTIC RECREATION CENTER AUDITORIUM WINDOWS AND STOREFRONT GLASS REPLACEMENT.**

The City of Fernandina Beach will receive sealed submittals through www.demandstar.com. Submittals must be uploaded to Demandstar.com E-bidding System prior to **2:00PM(EST), February 24, 2026**.

A Mandatory Pre-bid meeting will be held at 9:00am (EST), January 29, 2026, at the City of Fernandina Atlantic Recreation Center Auditorium, 2500 Atlantic Avenue, Fernandina Beach, FL 32034. Submittals will not be considered from any firm that is not represented at the Mandatory Pre-bid meeting. Any bidder who arrives after the meeting has concluded will not be considered.

It shall be the sole responsibility of the Bidder to have its Bid submitted through the **DemandStar website** (www.demandstar.com) not later than the above date and time. Facsimile, paper or telegraphic submittals will not be accepted. Delay in delivery shall be the sole responsibility of the Bidder. Submittals received after the deadline will not be considered. Award of the Bid is subject to authorization and appropriation of funds in the fiscal year 2025-2026 budget.

SUBMITTERS ARE REFERRED TO THE ATTACHED GENERAL CONDITIONS FOR OTHER IMPORTANT INFORMATION REGARDING THE INVITATION TO BID PROCESS, REQUIREMENTS AND EXHIBITS.

The bid shall be submitted on the specified **Contact Sheet,** hereto attached as "**Exhibit A**" and **Bid Pricing Form**, hereto attached as **"Exhibit A-1"**. The person signing the Bid Response Form shall have the authority to bind the proposer to the Bid. All information on the Bid form shall be provided, or the Bid may not be accepted.

The competitive sealed Bid shall be accompanied by a **"Public Entity Crimes",** herein provided as "**Exhibit B**", **"Drug-Free Workplace Certification"** herein provides as **"Exhibit C"**, "**E-Verify Statement**" herein provided as **"Exhibit D"**, **"Proposer Acknowledgements and Agreements"**, herein provided as "**Exhibit E**", **"Conflict of Interest",** herein provided as, "**Exhibit F**", **"Non-Collusion Affidavit",** herein provided as "**Exhibit G" and "Dispute Disclosure",** herein provided as **"Exhibit H". "Attachment A", List of Subcontractors.**

CONTRACTOR SHALL SIGN AND INCLUDE EXHIBITS "A-H" and "Attachment A". Failure to do so may result in rejection of the bid submittal.

An example of the City of Fernandina Beach construction contract is included as a separate document.

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

In accordance with Item 16, General Terms and Conditions, please provide **proof that the Contractor/Vendor is not listed in the Excluded Parties List System**, a federal suspension and debarment listing.

SCOPE OF WORK

The City of Fernandina Beach, Florida (City) is requesting sealed competitive bids from qualified contractors for the replacement of windows and storefront glass at the Atlantic Recreation Center located at 2500 Atlantic Ave, Fernandina Beach, FL.

The work will consist of the replacement of the following:

- 11 fixed pane windows located on the east side of the administration building (Ref picture #1)
- 7 fixed pane windows located on the south side of the administration building (Ref picture #2)

All work will be in accordance with the following specifications:

1. Replacement windows shall be Anderson 100 Series, fixed dual pane, Low-E rating.
2. Replacement windows frames shall be dark bronze in color for both exterior and interior, where break metal trim is used it should be colored to match.
3. Replacement windows shall be a full size of fixed design and be installed in existing openings.
4. Replacement windows shall be sized to fit into existing window openings with 1/4” on all sides unless approved by the City prior to their installation.
5. Replacement windows shall be installed using Prosoco R-guard liquid flashing and Tremco Dymonic 100 urethane sealants or an equivalent approved by the City.
6. All exterior and interior trim around window opens to be repainted where applicable.
7. All installation work shall come with a 1-year warranty.
8. Cost shall include permitting, mobilization, project set-up, safety equipment, boom lift, waste disposal, and site clean-up.

Bid additives will consist of the replacement of storefront glass door and window assemblies as detailed below:

- Storefront windows and glass door located on the north side of the administration building (Ref picture #3)
- Storefront windows and glass door located on the west side of the administration building (Ref picture #4)
- Storefront glass door and windows located on the west side of the auditorium building (Ref picture #5)
- 1 storefront glass door and windows located on the west side of the Auditorium building (Ref picture #6)

All work will be in accordance with the following specifications:

1. Replacement windows shall be Anderson 100 Series, fixed dual pane, Low-E rating.

2. Replacement window glass frames shall be dark bronze in color for both exterior and interior, where break metal trim is used it should be colored to match.
3. Replacement windows shall be a full size of fixed design and be installed in existing openings.
4. Replacement windows shall be sized to fit into existing window openings with 1/4" on all sides unless approved by the City prior to their installation.
5. Replacement windows shall be installed using Prosoco R-guard liquid flashing and Tremco Dymonic 100 urethane sealants or an equivalent approved by the City.
6. All exterior and interior trim around openings to be repainted where applicable.
7. All door assemblies shall match existing and accept MBS lock sets as provided by the City.
8. All installation work shall come with a 1-year warranty.
9. Cost shall include permitting, mobilization, project set-up, safety equipment, boom lift, waste disposal, and site clean-up.

SAFETY

The Contractor shall provide all necessary barricades and signage and take necessary precautions to protect buildings, the general public and Contractor personnel. The Contractor shall at all times guard against damage or loss of City property or the general public and shall be held responsible for replacing or repairing any loss or damage to the satisfaction of The City of Fernandina Beach.

GENERAL CONSTRUCTION GUIDELINES

1. The contractor shall be required to coordinate his work schedule with the City designee during the course of the project.

2. The Contractor is required to submit his design and installation procedures for review & approval prior to installation.

3. Contractor is solely responsible for all construction means, methods, techniques, sequences, procedures and coordinating all portions of Work under Contract.

4. Contractor is responsible for all acts and omissions of his Subcontractors.

5. City staff will not establish limits of Work between Contractor and Subcontractors, nor act as an arbiter in establishing such limits.

AWARD

Award recommendation shall be made to the most responsive and responsible bidder offering the best value. The City reserves the right, based upon its deliberations and in its opinion, to accept or reject any or all proposals. The City also reserves the right to waive minor irregularities or variations to the specifications and in the bidding process.

Successful Bidder is required to have a Business License in the city where their home office is located. If Bidder's business office is located in the City of Fernandina Beach a business tax license is required.

Bid Package

ITB Documents and Specifications are available to download from DemandStar at www.demandstar.com. Any questions regarding the ITB package can be directed to Wanda Weaks, Purchasing Specialist, wweaks@fbfl.org.

CONTACT

Specification questions during the bid period shall be submitted in writing to Purchasing Specialist, Wanda Weaks, wweaks@fbfl.org.

Bidders are hereby put on notice that no contact shall be made with any of the City Commission members, other City staff, or others that may be involved in the selection process to discuss this request or to influence the outcome of the selection.

ADDENDA

A written response to bidder questions will be issued via Addendum and posted on the City's website at www.fbfl.us/bids and DemandStar at www.demandstar.com. It is the bidder's responsibility to check the City's website for Addenda prior to submitting their bid. The deadline for questions is **ten** days before bid opening.

If there is an Addendum it becomes part of the original Bid and shall be acknowledged by attaching a copy of the Addendum, signed by an authorized representative of the person or company submitting the bid or proposal. Failure to do so may disqualify the bid or proposal.

CONTRACTOR PERSONNEL

1. CITY reserves the right to reject any CONTRACTOR employee doing business for the awarded CONTRACTOR that has not received the proper safety training or is not performing work in a safe manner. Any costs resulting in a rejection of personnel will be solely at the CONTRACTOR's expense.

2. No sub-contractor shall be employed by CONTRACTOR for the provision of these services without the prior written approval of the CITY.

PERFORMANCE STANDARDS/QUALITY REQUIREMENTS

In addition to those requirements set forth in the Scope of Work, all services (and items incidental thereto) and work provided by CONTRACTOR shall conform to the following:

PROJECT SCHEDULE

CONTRACTOR shall begin no later than **fourteen** calendar days from issuance of Notice to Proceed; all work must be completed **within 90 calendar days of startup**.

TIME OF PERFORMANCE

1. CONTRACTOR may, upon approval by City designee, be provided weekends and after-hours access to the site, if necessary or desired, to complete the project, weather permitting. However, no additional sums shall be paid other than that specified in the bid response.

2. CONTRACTOR may set up equipment onto the jobsite without commencing work for a maximum of seven calendar days. Location of equipment storage will be provided by the City designee.

3. CONTRACTOR will, prior to any delay submit notification of delay in writing within five calendar days to City designee.

4. CONTRACTOR shall submit documentation explaining the cause of delay. CITY shall determine the extent of delay and extend the time for completing the work if, in CITY's judgment, the findings justify an extension. Any delay shall not entitle CONTRACTOR to any additional compensation. The sole remedy of CONTRACTOR shall be an extension of time.

5. CONTRACTOR shall arrange with the City designee a sequence of procedures, means of access, space for storage of materials and equipment and use of approaches, corridors, and stairways. CITY shall not be responsible for lost or stolen materials or tools left on the job site.

SITE MAINTENANCE

1. Extreme care shall be taken to safeguard all existing facilities, paved walkways, site amenities, utilities, windows, and vehicles on or around the job site. Damage to public and/or private property shall be the responsibility of CONTRACTOR and shall be repaired and/or replaced in equal or better condition at no additional cost to the CITY. CONTRACTOR shall use all means to protect existing objects, structures and vegetation designated to remain. In the event of damage, immediately make all repairs, replacements, and dressings to damaged materials, to the approval of CITY, at no additional cost to the CITY. In the event of damage to public and/or private property, CONTRACTOR shall immediately contact the CITY's designee and inform them about the location and extent of the damages and will stay on site until his investigation of the damage is concluded.

2. CONTRACTOR shall place all debris in refuse container and keep the premises free from rubbish at the end of each working day. The CONTRACTOR shall be responsible for supplying, emptying and the removal of waste containers/dumpsters, as necessary.

3. CONTRACTOR shall arrange material storage so as not to interfere with the CITY's operations.

4. CONTRACTOR shall at the completion of the job, remove unused material and rubbish from the site. If CONTRACTOR refuses at any time to remove the debris from the premises, or to keep the working area clean, such cleaning will be completed by the CITY and deducted from the balance due CONTRACTOR.

5. CONTRACTOR shall store all materials to be protected against weather, vandalism, and theft. Any materials found to be damaged or missing shall be replaced by CONTRACTOR at no cost to the CITY.

6. CONTRACTOR shall be responsible for clean up at the site at the conclusion of the project, including excess construction materials, and a thorough cleaning of all areas that were affected by CONTRACTOR or their subcontractors to the satisfaction of the CITY.

SAFETY

1. CONTRACTOR shall be aware that this project is subject to public vehicle and pedestrian traffic at all times.

2. CONTRACTOR shall comply with all Federal/County/City laws/ordinances and City Fire codes during the execution of this project.

3. CONTRACTOR shall continuously maintain adequate protection of all work from damage and shall protect public and privately owned property, structures, vehicles, utilities, and work of any kind against damage or interruptions of service, which may result from the operations of the CONTRACTOR.

4. CONTRACTOR shall provide Safety Data Sheets: If any chemicals or materials or products containing toxic substances, as defined by Chapter 442, Florida Statutes, are to be used at any time during this the contract period, CONTRACTOR shall furnish Safety Data Sheets to the City designee prior to commencing this project.

5. CONTRACTOR shall perform all work under supervision of a capable supervisor using skilled employees.

6. CONTRACTOR shall have a person, which is on their payroll and with ***the authority to make decisions, on site at all times.***

REQUIRED INSPECTIONS

Prior to the start of any work, CONTRACTOR shall examine all surfaces and report in writing to the City designee any conditions detrimental to work. Failure to observe this injunction constitutes a waiver to any subsequent claims to the contrary.

CITY'S RIGHTS TO INSPECT, REJECT, AND STOP WORK

1. Right to Inspect Work - CITY will have the right to inspect the work at all times. Such inspections will not relieve the CONTRACTOR of any of its obligations to perform the work in strict accordance with the contract documents.

2. Right to Reject Work - CITY will have the right to reject work which does not conform to the contract documents. CITY may require special inspection or testing of the work.

3. Right to Stop Work - If CITY reasonably believes that CONTRACTOR is failing to carry out the work in accordance with the contract documents; CITY may order CONTRACTOR to stop the work, or a portion of the work, until such time as the cause of such stop order has been eliminated.

4. Right to Carry Out Work - If CONTRACTOR fails to perform the work properly or fails to perform any provision of the contract documents, including unauthorized project schedule delays, CITY, after three days written notice to CONTRACTOR without correction, may correct the deficiencies through the CITY's own forces or through others and may deduct the cost thereof from the payment then or thereafter due to the CONTRACTOR.

WARRANTY

1. CONTRACTOR shall provide warranty stating that the Atlantic Recreation Center Auditorium Windows and Storefront Glass Project is complete in detail and finish, and free of hazardous conditions. The material warranty and workmanship must have a one-year warranty.

2. If CITY deems it unacceptable to have CONTRACTOR correct the work which has been incorrectly done, a deduction from the contract price shall be made as determined by CITY. Such a deduction from the contract price shall in no way affect the CONTRACTOR's responsibility for defects, which may occur nor their ability for correcting them, and damage caused by them.

3. Supplies and/or services furnished as a result of this bid shall be covered by the most favorable commercial warranties, expressed or implied, that the bidder and/or manufacturer gives to any customer. The rights and remedies provided herein are in addition to and do not limit any rights afforded to the CITY by any other clause of this bid. Any applicable written warranty from the product manufacturer and/or representative company shall commence from date of completion and acceptance by the CITY.

INSURANCE REQUIREMENTS

Insurance requirements are outlined in the General Conditions of this Invitation to Bid.

BOND REQUIREMENTS

Bid bonds requirements are outlined in the General Conditions of this Invitation to Bid.

EQUAL OPPORTUNITY/AFFIRMATIVE ACTION

The City is an equal opportunity/affirmative action employer. The City is committed to equal opportunity employment effort and expects firms that do business with the City to have an affirmative action program.

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT
GENERAL CONDITIONS OF INVITATION TO BID

1. **PREPARATION OF BID -** INVITATION TO BID shall be prepared in accordance with the following:
   a. The Contact Sheet/Bid Form attached hereto as "Exhibit A", shall be used when submitting your INVITATION TO BID.
   b. All information required by the Contact Sheet/Bid Form shall be furnished. The Bidder shall print or type his/her name and manually sign the Form and any continuation sheet on which an entry is made.
   c. Unit prices shall be shown and where there is an error in extension of price, the unit price shall govern.
   d. Alternate Bids will not be considered unless authorized by the Invitation to Bid.
   e. Bidders will **not** include federal taxes nor State of Florida sales, excise, and use taxes in prices, as the City is exempt from payment of such taxes. An exemption certificate will be signed where applicable upon request.
   f. Bidders shall make all investigations necessary to thoroughly inform themselves about any and all conditions related to the performance of the contract. Plea of ignorance by the Bidder of conditions that exists or may hereafter exist as a result of failure or omission on the part of the Bidder to make the necessary examinations and investigations, or failure to fulfill in every detail the requirements provided for in the Purchasing Policy, Purchasing Ordinance and/or State and Federal Statutes. The City's Purchasing Ordinance is set forth in Chapter 2-420, *et seq*.
   g. Prices quoted must be FOB City of Fernandina Beach, Florida with all transportation charges prepaid unless otherwise specified in the Invitation to Bid.
   h. Deliveries are to be FOB Destination unless otherwise specified in the Invitation to Bid.
   i. Deliveries are to be made during regular business hours.
   j. Bids and Bid prices shall be valid for a minimum of ninety (90) days, unless otherwise stated on the INVITATION TO BID.

2. **SUBMISSION OF BID**
   a. The City of Fernandina Beach has partnered with **DemandStar using their E-bidding platform**. All submittals will be received through the **DemandStar E-bidding platform**. To register and submit through DemandStar go to www.demandstar.com/registration.

3. **REJECTION OF BID**
   a. The City reserves the right to accept or reject any or all Bids, to waive irregularities and technicalities, and to request resubmission or to re-advertise for the services. The City shall be the sole judge of the submittals. The City's decision shall be final.

4. **WITHDRAWAL OF BID**
   a. Bids may not be withdrawn after the time set for the opening for a period of time as specified.

b. Bids may be withdrawn prior to the time set for the opening. Such request must be in writing.

5. LATE BID

a. INVITATION TO BID and modifications received after the time set for the opening will not be considered.
b. Modifications in writing received prior to the time set for the opening will be accepted.

6. LOCAL, STATE, AND FEDERAL COMPLIANCE

a. Bidders shall comply with all local, state, and federal directives, orders and laws as applicable to the INVITATION TO BID and subsequent contract(s) in accordance with the requirements as stated in CFR 200.321, including but not limited to Equal Employment Opportunity (EEO), Minority Business Enterprise (MBE), and Occupational Safety and Health Administration (OSHA) as applicable to this contract.
b. A "Public Entity Crimes Statement", in accordance with Florida Statutes, Section 287.133 (3) (a), on Public Entity Crimes, attached hereto as "Exhibit B", must be received at the time of the bid.
c. A "Drug Free Workplace Certification" attached hereto as "Exhibit C", must be received at the time of the bid.
d. The City of Fernandina Beach requires that the Bidder selected will not discriminate under the contract against any person, in accordance with federal, state and local government regulations.
e. An "E-Verify Statement" attached hereto as "Exhibit D" must be received at the time of the bid.

7. AWARD OF INVITATION TO BID

a. The INVITATION TO BID will be awarded to the most responsive and responsible bidder offering the best value to the City of Fernandina Beach.
b. The City reserves the right to accept and award item by item, and/or by group, or in the aggregate.
c. A written award of acceptance, (Purchase Order), mailed or otherwise furnished to the successful Bidder shall result in a binding contract without further action by either party.
d. Upon award, for construction projects, the Contractor will be required to complete/execute the City's Contract and General Conditions for Construction Services. An example of the contract can be found on the City's website at www.fbfl.us/bids, Bids and Purchasing web page.
e. Agreement may be cancelled with 60-day notice unless otherwise stated in signed contract documents.

8. NOT RESPONSIBLE FOR COSTS

a. The City shall not be responsible for any cost incurred by a prospective Bidder in responding to this INVITATION TO BID.

9. BONDS

- If Bid is less than $100,000 no Bid Bond or Payment and Performance Bond required.
- If Bid is greater than $100,000 and is for material only, a Bid Bond is required but no Payment and Performance Bond is required.
- If Bid is $100,000 - $200,000, and is for services, a Bid Bond is required but no Payment and Performance Bond is required.
- If Bid is greater than $200,000, and is for services, Bid Bond and Payment and Performance Bond is required.

BID BOND:

a. If the Base Bid or the Base Bid plus the sum of any alternates fall into the criteria above requiring a Bid Bond, the bidder shall enclose a Certified Check or Bid Bond with each bid. A Certified Check or Bid Bond shall be for an amount not less than five percent (5%) of the Bid price and shall be made payable to the CITY OF FERNANDINA BEACH as a guarantee that the Bidder will not withdraw its bid for a period of ninety (90) calendar days after Bid closing time. Bid Bonds or Certified Checks will be returned to unsuccessful bidders within 10 days of bid award. Successful bidders will receive their Certified Check or Bid Bond after the contract/agreement has been signed and a Performance and Payment Bond is received.

PERFORMANCE AND PAYMENT BONDS:

a. In the event the Contract is awarded to the Bidder, Bidder will thereafter enter into a written contract with the CITY OF FERNANDINA BEACH and furnish a Payment and Performance Bond in an amount equal to the contract price. The form of the bonds shall be in accordance with Section 255.05 of Florida Statutes. Failing to do so, Bidder shall forfeit its bid security.

   Payment and Performance Bond shall be secured from or countersigned by an agency or surety company recognized in good standing and authorized to do business in the State of Florida.

   The following exceptions to bidder providing Performance and Payment Bonds are as follows: In lieu of the Performance and Payment Bonds, a contractor may file with the City an alternative form of security in the form of cash, a money order, a certified check, a cashier's check, an irrevocable letter of credit, or a security of a type listed in part II of chapter 625, Florida Statutes. Any such alternative form of security shall be for the same purpose and be subject to the same conditions as those applicable to the bonds. The value of an alternative form of security shall be in the amount of the bid.

10. PUBLIC INFORMATION

a. All information contained in this Bid is public information, and as such will be handled in accordance with chapter 119, Florida Statutes.

11. ADDITIONAL INFORMATION

a. The City reserves the right to require Bidders to provide references and information on previous similar experience prior to award of the contract.

12. QUESTIONS

a. Any questions about the INVITATION TO BID should be communicated per instructions in the INVITATION TO BID.

13. INDEMNIFICATION AND INSURANCE

INDEMNIFICATION

The CONTRACTOR agrees to assume liability for and indemnify, hold harmless, and defend the City, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the CONTRACTOR, its agents, officers, contractors, subcontractors, employees, or anyone else employed or utilized by the CONTRACTOR in the performance of this Agreement. The CONTRACTOR's liability hereunder shall include all attorney's fees and costs incurred by the City in the enforcement of this indemnification provision. This includes claims made by the employees of the CONTRACTOR against the City and the CONTRACTOR hereby waives its entitlement, if any, to immunity under Section 440.11, Florida Statutes. The obligations contained in this provision shall survive termination of this Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under this Agreement.

Subject to the limitations set forth in this Section, the CONTRACTOR shall assume control of the defense of any claim asserted by a third party against the City and, in connection with such defense, shall appoint lead counsel, in each case at the CONTRACTOR's expense. The City shall have the right, at its option, to participate in the defense of any third-party claim, without relieving CONTRACTOR of any of its obligations hereunder. If the CONTRACTOR assumes control of the defense of any third-party claim in accordance with this paragraph, the CONTRACTOR shall obtain the prior written consent of the City before entering into any settlement of such claim. Notwithstanding anything to the contrary in this Section, the CONTRACTOR shall not assume or maintain control of the defense of any third-party claim, but shall pay the fees of counsel retained by the City and all expenses, including experts' fees, if (i) an adverse determination with respect to the third-party claim would, in the good faith judgment of the City, be detrimental in any material respect to the City's reputation; (ii) the third-party claim seeks an injunction or equitable relief against the City; or (iii) the CONTRACTOR has failed or is failing to prosecute or defend vigorously the third-party claim. Each party shall cooperate, and cause its agents to cooperate, in the defense or prosecution of any third-party claim and shall furnish or cause to be furnished such records and information, and attend such conferences, discovery proceedings, hearings, trials, or appeals, as may be reasonably requested in connection therewith.

It is the specific intent of the parties hereto that the foregoing indemnification complies with Section 725.06, Florida Statutes, as amended. CONTRACTOR expressly agrees that it will not claim, and waives any claim, that this indemnification violates Section 725.06, Florida Statutes, as amended. Nothing contained in the foregoing indemnification shall be construed as a waiver of any immunity or limitation of liability the City may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes.

INSURANCE

Prior to commencement of any work under this Contract and until completion and final acceptance of the work, the CONTRACTOR/VENDOR shall, at its sole expense, maintain the following insurance on its own behalf, and furnish to the CITY certificates of insurance evidencing same and reflecting the effective date of such coverage as follows:

The term "Contractor" as used in the insurance rider, shall mean, and include Subcontractors of every tier.

A. Worker's Compensation and Occupational Disease Insurance in accordance with the applicable law or laws; Employer's Liability Insurance with limit of at least One Million ($1,000,000) dollars. This includes sole proprietorships and officers of corporations who will be performing work on the job.

B. Commercial General Liability with a combined Bodily Injury and Property Damage limit of not less than ONE Million ($1,000,000.00) dollars per occurrence and TWO Million ($2,000,000) Dollars in the aggregate. The aggregate must be applicable on a per project basis. Coverage must include the following perils:
   1. Broad Form Blanket Contractual Liability for liability assumed under this Contract and all other Contracts relative to the project.
   2. Completed Operations/Products Liability.
   3. Broad Form Property Damage
   4. Personal and Advertising Injury Liability
   5. Independent Contractors
   6. Endorsements must be furnished reflecting the inclusion of the interests of Owner, Construction Manager, General Contractor, Contractor, (your company) , their officers, directors, partners, representatives, agents and employees, and naming each as an Additional Insured on a primary and non-contributing basis.
   7. Coverage is to be endorsed to reflect that insurance is to be primary and non-contributory with respect to any other collectable insurance, for the Owner, General Contractor, Contractor, (your company) and all other parties required to be named as additional insureds.
   8. Coverage is to be provided on an "occurrence" basis with carriers licensed and admitted to conduct business in the State of [your state] or otherwise acceptable to the Contractor (your company).

9. A copy of policy and/or endorsement(s) and any other documents required to verify such insurance are to be submitted with the appropriate certificate(s), or upon the request of Contractor (your company). Failure to provide these documents is not to be construed as a waiver of the requirements to provide such insurance.

C. Commercial Automobile Liability Insurance covering the use of all Owned, Non-Owned, and Hired Vehicles with combined Bodily Injury and Property Damage Limit of at least One Million ($1,000,000.00) Dollars.

D. Umbrella I Excess Liability Insurance with a limit of no less than One Million ($1,000,000) minimum per occurrence.

E. During the term of this agreement, (if applicable) the Contractor/Vendor will carry Professional Liability Insurance which will cover liability for any damage or non-performance on account of any error, omission, or other provable negligence caused by the Contractor/Vendor. The amount of insurance shall not be less than One Million ($1, 000,000) per occurrence and aggregate.

F. Loss Deductible – If the insurance of any CONTRACTOR/VENDOR contains deductible(s), penalty(s) or self-insured retention(s), the CONTRACTOR/VENDOR
Whose insurance contains such provision(s) shall be solely responsible for payment of such deductible(s), penalty(s) or self-insured retention(s).

G. Where an Off Project Site Property exposure exists, the Contractor at its sole expense shall furnish to the Owner and Contractor (your company) Certificates of Insurance and other required documentation evidencing the following coverage which shall provide for the interests of [Name of Owner] , [Name of General Contractor] and (your company) to be named as Loss Payees and shall contain a provision requiring the insurance carriers to waive their rights of subrogation against all indemnities' named in the contract.
"All Risk" Property Insurance on all materials, equipment and supplies intended to become a permanent part of the construction stored on premises away from the project site and while in transit, until actually delivered to the project site. Coverage is to be provided on a replacement cost basis.

H. The above insurances shall each contain the following wording verbatim: "[Name of Owner], [Name of General Contractor], and (your company) are interested in the maintenance of this insurance and it is agreed that this insurance will not be canceled materially changed or not renewed without at least a thirty (30) day advance written notice to [Name and address of Owner], [Name and address of General Contractor] and [Name and address of your company] by certified mail-return receipt requested."

I. The amount of insurance contained in the aforementioned insurance coverages shall not be construed to be a limitation of the liability on the part of the Subcontractor or any of its Subcontractors.

J. The Contractor shall file certificates of insurance prior to the commencement of work with the Owner and the General Contractor which shall be subject to the Owner, General Contractor and (your company) approval of adequacy of protection and the satisfactory character of the Insurer.

K. Any type of insurance or any increase of limits of liability not described above which the Subcontractor requires for its own protection or on account of statute shall be its own responsibility and at its own expense.

L. The carrying of the insurance described shall in no way be interpreted as relieving the Contractor or Subcontractor of any responsibility of liability under this Contract.

M. Any policies effected by the Contractor on its Owned and/or Rented Equipment and Materials shall contain a provision requiring the insurance carriers to waive their rights of subrogation against the [Name of Owner], [Name of General Contractor], [Name of Contractor (your company)] and all other indemnities named in the Contract.

N. Should the Contractor engage a Subcontractor, the same conditions will apply under this contract to each Subcontractor, however, the retained Subcontractor shall be required to maintain limits of liability of not less than One Million ($1,000,000.00) Dollars per occurrence and Two Million ($2,000,000) Dollars in the aggregate, with said limits applicable on a per project basis, or such greater limits as may be required by the retaining Subcontractor.

14. PAYMENT

Payment due hereunder shall be made by the City to CONTRACTOR/VENDOR in accordance with the Florida Prompt Payment Act.

15. BID PROTESTS

Bid protest conditions and procedures are in accordance with City Ordinances – Part 2, Chapter 2, Article VII, Division 2, Section 2-444.

16. FEDERAL GRANT MONEY

In the event this project is funded with federal grant monies, CONTRACTOR/VENDOR may not participate in the bid if CONTRACTOR/VENDOR is listed in the Excluded Parties List System (EPLS) a federal suspension and debarment listing www.sam.gov CONTRACTOR/VENDOR shall include copy of search results with bid or proposal.

17. LOBBYING

a. Lobbying is defined as any action taken by an individual, firm, association, joint venture, partnership, syndicate, corporation, and/or all other groups who seek to influence the governmental decision of a Board Member, the City Manager, and/or any City Personnel during the solicitation process. The lobbying black-out period commences upon the issuance of this solicitation and concluded upon the signing of the agreement. CONTRACTORS shall not contact any Commission Member and/or any requesting or evaluating Department/Office personnel during said black-out period. All questions and procedural matters shall be directed to the City Manager. The City Commissioners and/or the City Manager may disqualify any solicitation response where any Commissioner, the City Manager, and/or City Personnel have been lobbied in violation of the blackout period.

EXHIBITS

EXHIBIT "A" **Contact Sheet**

EXHIBIT "A-1" **Bid Pricing Form**

EXHIBIT "B" **Public Entity Crimes**

EXHIBIT "C" **Drug-Free Workplace Certification**

EXHIBIT "D" **E-Verify Statement**

EXHIBIT "E" **Proposer Acknowledgements and Agreements**

EXHIBIT "F" **Conflict of Interest**

EXHIBIT "G" **Non-Collusion Affidavit**

EXHIBIT "H" **Disputes Disclosure**

EXHIBIT "A"
CONTACT SHEET

Name: _____

Federal Taxpayer ID_____

MailingAddress:_____

City, State, & Zip Code: _____

Telephone: _____ Fax: _____

Email: _____

Submitted By: _____

Title: _____

Accounting Contact:

Name: _____Title:_____

Email Address: _____ Phone: _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM

The undersigned, having carefully examined the Contract Documents and the site of the proposed work and being familiar with the obstacles and conditions that will be encountered during the execution of the work, hereby offers, and agrees to furnish all labor, materials, contingencies, supervision and equipment necessary to perform the work in accordance with the proposed contract documents.

Replacement of eighteen (18) windows $_____Lump Sum

BID ADDITIVE NO. 1

Bid additive will consist of the replacement of four (4) storefront glass doors and surrounding window glass assemblies

Replacement of storefront glass doors and window glass $ _____Lump Sum

This Bid is submitted by: _____
If Bidder is:

An Individual

Name (typed or printed): _____

By: _____

(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____

(Signature of general partner -- attach evidence of authority to sign)
Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: _____ (SEAL)

State of Incorporation: _____

Type (General Business, Professional, Service, Limited Liability): _____

By: _____

(Signature -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(CORPORATE SEAL)

Attest _____

Date of Qualification to do business in Florida is ____/____/____.

A Joint Venture

Name of Joint Venture: _____

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature of first joint venture partner -- attach evidence of authority to sign)
Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____
(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM (CONTINUED)

By: _____

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address _____
_____
_____

Phone No. _____ Fax No. _____

E-mail _____ _____

SUBMITTED on_____ 20 ____.

State Contractor License No. _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for _____.

2. This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is_____and my relationship to the entity named above is _____.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or
    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any
natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)
____ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.
____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)
____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)
____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this __ day of _____, 20_____,
by _____,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: _____

CITY: _____STATE: _____ ZIP CODE: _____

SIGNATURE: _____PHONE: _____

NAME (TYPED OR PRINTED): _____TITLE: _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: _____

Project Description: _____

_____

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: _____

Authorized Signature: _____

Title: _____

Date: _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "E"

PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name:_____Title: _____

Signature: _____Date: _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for _____.

This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is_____and my relationship to the entity named above is_____.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 20_____,

by _____,

_____
Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for _____.
This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is_____and my relationship to the entity named above is_____.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 20_____,

by _____,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO____

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO_____

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO_____

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

Firm Date

Authorized Signature Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

"ATTACHMENT A"

LIST OF SUBCONTRACTORS

I _____/DO, _____/DO NOT, propose to subcontract some of the work on this project. I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBITS

EXHIBIT "A"	Contact Sheet
EXHIBIT "A-1"	Bid Pricing Form
EXHIBIT "B"	Public Entity Crimes
EXHIBIT "C"	Drug-Free Workplace Certification
EXHIBIT "D"	E-Verify Statement
EXHIBIT "E"	Proposer Acknowledgements and Agreements
EXHIBIT "F"	Conflict of Interest
EXHIBIT "G"	Non-Collusion Affidavit
EXHIBIT "H"	Disputes Disclosure

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A"
CONTACT SHEET

Name: C. C. Borden Construction, Inc.

Federal Taxpayer ID 59-291644

MailingAddress: 1019 Rosselle St.

City, State, & Zip Code: Jacksonville FL 32204

Telephone: 904-354-3458 **Fax:** 904-354-4770

Email: Ccborden@ccborden.com

Submitted By: Camille C. Borden

Title: President

Accounting Contact:

Name: Linda Mason **Title:** BookKeeper

Email Address: Ccborden@ccborden.com **Phone:** 904-354-3458

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A-1"

BID PRICING FORM

The undersigned, having carefully examined the Contract Documents and the site of the proposed work and being familiar with the obstacles and conditions that will be encountered during the execution of the work, hereby offers, and agrees to furnish all labor, materials, contingencies, supervision and equipment necessary to perform the work in accordance with the proposed contract documents.

Replacement of eighteen (18) windows $ 71,196.00 Lump Sum

seventy one thousand one hundred ninety six dollars 00/100

BID ADDITIVE NO. 1

Bid additive will consist of the replacement of four (4) storefront glass doors and surrounding window glass assemblies

Replacement of storefront glass doors and window glass $ 88,158.00 Lump Sum

This Bid is submitted by: C. C. Borden Construction, Inc.

If Bidder is:

An Individual

Name (typed or printed): N/A

By: _____

(Individual's signature)

Doing business as: C. C. Borden Construction, Inc.

A Partnership

Partnership Name: N/A

By: _____

(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: C. C. Borden Construction, Inc. (SEAL)

State of Incorporation: Florida

Type (General Business, Professional, Service, Limited Liability): GB

By: _____

(Signature -- attach evidence of authority to sign)

Name (typed or printed): Camille C. Borden

Title: President

(CORPORATE SEAL)

Attest Nicole Borden

Date of Qualification to do business in Florida is 08/01/1988

A Joint Venture

Name of Joint Venture: N/A

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____

(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM (CONTINUED)

By: N/A

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address _____

_____

_____

Phone No. 904-354-3458 Fax No. 904-354-4770

E-mail Ccborden@ccborden.com _____

SUBMITTED on February 24 20 26.

State Contractor License No. CGC1506253

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for 26-01 ARC Auditorium Windows .

2. This sworn statement is submitted by (entity) C. C. Borden Construction, Inc. whose business address is 1019 Rosselle St. Jacksonville, FL 32204 and (if applicable) Federal Employer Identification Number (FEIN) is 59-291644 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is Camille C. Borden and my relationship to the entity named above is President .

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or
    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any
natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)
   _X_ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.
   ____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)
   ____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)
   ____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

Signature _____ Date: 2/24/26

STATE OF FLORIDA
COUNTY OF Florida

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 24 day of February, 20 26,
by _____,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

Linda Mason

Notary Public Printed Name

LINDA G MASON
MY COMMISSION # HH 219126
EXPIRES: April 27, 2026

My Commission Expires: _____

Personally Known ✓ OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: C. C. Borden Construction, Inc.

CITY: Jacksonville STATE: FL ZIP CODE: 32220

SIGNATURE: _____ PHONE: 904-354-3458

NAME (TYPED OR PRINTED): Camille C. Borden TITLE: President

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: 26-01 ARC Auditorium Windows

Project Description: Window replacement

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: C. C. Borden Construction, Inc.

Authorized Signature:

Title: President

Date: 02/24/26

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "E"
PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Camille C. Borden Title: President

Signature: Camille C. Borden Date: 02/24/26

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for 26-01 ARC Auditorium Windows.

This sworn statement is submitted by (entity) C. C. Borden Construction, Inc. whose business address is 1019 Rosselle St. Jacksonville, FL 32204 and (if applicable) Federal Employer Identification Number (FEIN) is 59-291644 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Camille C. Borden and my relationship to the entity named above is President.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

2/24/26
Signature Date:

STATE OF FLORIDA
COUNTY OF Florida

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 24 day of February, 20 26,

by Camille C. Borden,

Linda Mason
Notary Public Printed Name

LINDA G MASON
MY COMMISSION # HH 219126
EXPIRES: April 27, 2026

My Commission Expires

Personally Known X OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "G"
NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for 26-01 ARC Auditorium Windows.
This sworn statement is submitted by (entity) C. C. Borden Construction, Inc. whose business address is 1019 Rosselle St. Jacksonville, FL 32204 and (if applicable) Federal Employer Identification Number (FEIN) is 59-291644 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Camille C. Borden and my relationship to the entity named above is President.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Camille C. Borden 2/24/26
Signature Date:

STATE OF FLORIDA
COUNTY OF Florida

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 24 day of February, 20 26,

by Camille C. Borden,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Linda Mason

Notary Public Printed Name



My Commission Expires _____

Personally Known X OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO_X___

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO_X____

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO__X__

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

C.C. Borden Construction, Inc.	02/06/26
Firm	Date
Camille C. Borden, President	
Authorized Signature	Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

"ATTACHMENT A"

LIST OF SUBCONTRACTORS

I X /DO, _____/DO NOT, propose to subcontract some of the work on this project. I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT
Frida Windows	JAX FLA	Window supplier	32,000

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

THE AMERICAN INSTITUTE OF ARCHITECTS

AIA Document A310

Bid Bond

KNOW ALL MEN BY THESE PRESENTS, that **C.C. Borden Construction, Inc.**, as Principal, hereinafter called the Principal, and **The Ohio Casualty Insurance Company,** a corporation duly organized under the laws of the State of **Ohio** as Surety, hereinafter called the Surety, are held and bound unto **City of Fernandina Beach, FL,** as Obligee, hereinafter called the Obligee, in the sum of

Five Percent of Bid Amount Dollars(**5%**)

for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for

ITB 26-01 Atlantic Recreation Center Windows and Storefront Glass Replacement

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligee in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and Sealed this 24th day of February, 2026

C.C. Borden Construction, Inc.

(Witness) (Principal)

Pres

(Title)

C. C. BORDEN CONSTRUCTION, INC. CORPORATE SEAL 1988 (Seal) FLORIDA

Bill FitzGibbon (Witness)

The Ohio Casualty Insurance Company

(Surety) (Seal)

(Title)

Robert T. Theus Attorney in Fact

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

Certificate No. 8212555 - 972130

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Benjamin K. Powell Fitzhugh K. Powell, Jr., Robert T. Theus, Susan Jordan

all of the city of Jacksonville state of FL each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 8th day of October, 2024

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

By: _____
Nathan J. Zangerle, Assistant Secretary

State of PENNSYLVANIA
County of MONTGOMERY ss

On this 8th day of October, 2024 before me personally appeared Nathan J. Zangerle, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.

Commonwealth of Pennsylvania - Notary Seal
Teresa Pastella, Notary Public
Montgomery County
My commission expires March 28, 2025
Commission number 1126044
Member, Pennsylvania Association of Notaries

By: _____
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV – OFFICERS: Section 12. Power of Attorney.
Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII – Execution of Contracts: Section 5. Surety Bonds and Undertakings
Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes Nathan J. Zangerle, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 24TH day of FEBRUARY, 2026

By: _____
Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

For bond and/or Power of Attorney (POA) verification inquiries, please call 610-832-8240 or email HOSUR@libertymutual.com.

EXHIBITS

EXHIBIT "A" **Contact Sheet**

EXHIBIT "A-1" **Bid Pricing Form**

EXHIBIT "B" **Public Entity Crimes**

EXHIBIT "C" **Drug-Free Workplace Certification**

EXHIBIT "D" **E-Verify Statement**

EXHIBIT "E" **Proposer Acknowledgements and Agreements**

EXHIBIT "F" **Conflict of Interest**

EXHIBIT "G" **Non-Collusion Affidavit**

EXHIBIT "H" **Disputes Disclosure**

EXHIBIT "A"
CONTACT SHEET

Name: Fidel Goldson

Federal Taxpayer ID 81-0879746

MailingAddress: 734 N State Rd 7

City, State, & Zip Code: Plantation, FL 33317

Telephone: 954-817-5416 **Fax:** _____

Email: info@goldsonconstruction.com

Submitted By: Fidel Goldson

Title: Owner/President

Accounting Contact:

Name: Kadiann Clarke **Title:** Bookkeeper

Email Address: accounting@goldsonconstruction.com **Phone:** 954-529-3005

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM

The undersigned, having carefully examined the Contract Documents and the site of the proposed work and being familiar with the obstacles and conditions that will be encountered during the execution of the work, hereby offers, and agrees to furnish all labor, materials, contingencies, supervision and equipment necessary to perform the work in accordance with the proposed contract documents.

Replacement of eighteen (18) windows $ 136,410.16 Lump Sum

BID ADDITIVE NO. 1

Bid additive will consist of the replacement of four (4) storefront glass doors and surrounding window glass assemblies

Replacement of storefront glass doors and window glass $ 40,871.18 Lump Sum

This Bid is submitted by: Fidel Goldson

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____

(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____

(Signature of general partner -- attach evidence of authority to sign)
Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: Goldson Construction Corp (SEAL)

State of Incorporation: Florida

Type (General Business, Professional, Service, Limited Liability): General Business

By: Fidel Goldson

(Signature -- attach evidence of authority to sign)

Name (typed or printed): Fidel Goldson

Title: Owner/President

(CORPORATE SEAL)

Attest Iryn Wee

Date of Qualification to do business in Florida is 12 / 15 / 2015.

A Joint Venture

Name of Joint Venture: _____

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____

(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM (CONTINUED)

By: _____

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address _____
734 N State Rd 7 Plantation, FL 33317

Phone No. 954-817-5416 Fax No. _____

E-mail info@goldsonconstruction.com

SUBMITTED on February 23 20 26.

State Contractor License No. CGC1524607

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for CITY OF FERNANDINA BEACH.

2. This sworn statement is submitted by (entity) Goldson Construction Corp whose business address is 734 N State Rd 7 Plantation, FL 33317 and (if applicable) Federal Employer Identification Number (FEIN) is 81-0879746 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is Fidel Goldson and my relationship to the entity named above is Owner/President.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or
    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any
natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)

✓ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)

____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)

____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

Fidel Goldson — February 23, 2026
Signature — Date:

STATE OF FLORIDA
COUNTY OF Broward

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 23 day of February, 2026,
by Fidel Goldson,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Notary Public

Vivienne Goldson
Printed Name

My Commission Expires 6-7-2027

Personally Known ✓ OR Produced Identification _____ ID Produced _____.

Notary Public State of Florida
Vivienne Goldson
My Commission HH 407724
Expires 6/7/2027

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: Goldson Construction Corp

CITY: Plantation STATE: Florida ZIP CODE: 33317

SIGNATURE: Fidel Goldson PHONE: 954-817-5416

NAME (TYPED OR PRINTED): Fidel Goldson TITLE: Owner/President

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: ITB 26-01

Project Description: Atlantic Recreation Center Windows and Storefront Glass Replacement

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: Fidel Goldson

Authorized Signature: Fidel Goldson

Title: Owner/President

Date: February 23, 2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "E"
PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Fidel Goldson Title: Owner/President

Signature: Fidel Goldson Date: February 23, 2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for CITY OF FERNANDINA BEACH.

This sworn statement is submitted by (entity) Goldson Construction Corp whose business address is 734 N State Rd 7 Plantation, FL 33317 and (if applicable) Federal Employer Identification Number (FEIN) is 81-0879746 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Fidel Goldson and my relationship to the entity named above is Owner/President.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

Fidel Goldson February 23, 2026
Signature Date:

STATE OF FLORIDA
COUNTY OF Broward

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 23rd day of February, 20 26,

by Fidel Goldson,

Notary Public Vivienne Goldson
Printed Name

My Commission Expires 6-7-2027

Personally Known ✓ OR Produced Identification _____ ID Produced _____.

Notary Public State of Florida
Vivienne Goldson
My Commission HH 407724
Expires 6/7/2027

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for CITY OF FERNANDINA BEACH.
This sworn statement is submitted by (entity) Goldson Construction Corp whose business address is 734 N State Rd 7 Plantation, FL 33317 and (if applicable) Federal Employer Identification Number (FEIN) is 81-0879746 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Fidel Goldson and my relationship to the entity named above is Owner/President.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Fidel Goldson — February 23, 2026
Signature — Date:

STATE OF FLORIDA
COUNTY OF Brevard

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 23rd day of February, 20 26,

by Fidel Goldson,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Notary Public

Vivienne Goldson
Printed Name

My Commission Expires 6-7-2027

Personally Known ✓ OR Produced Identification _____ ID Produced _____.

Notary Public State of Florida
Vivienne Goldson
My Commission HH 407724
Expires 6/7/2027

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO✓

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO✓

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO✓

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

Goldson Construction Corp	February 23, 2026
Firm	Date
Fidel Goldson	Fidel Goldson Owner/President
Authorized Signature	Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

"ATTACHMENT A"

LIST OF SUBCONTRACTORS

I Fidel Goldson /DO, _____/DO NOT, propose to subcontract some of the work on this project. I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A"
CONTACT SHEET

Name: THOMAS MAY CONSTRUCTION COMPANY

Federal Taxpayer ID 59-2520445

MailingAddress: 310 COLLEGE DRIVE

City, State, & Zip Code: ORANGE PARK, FLORIDA 32065

Telephone: (904) 272-4808 **Fax:** (904) 272-4957

Email: jgoff@tmay.net

Submitted By: JOSHUA GOFF

Title: VICE-PRESIDENT

Accounting Contact:

Name: BRENDA S. RAU **Title:** OFFICE MANAGER

Email Address: brau@tmay.net **Phone:** (904) 272-4808

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A-1"

BID PRICING FORM

The undersigned, having carefully examined the Contract Documents and the site of the proposed work and being familiar with the obstacles and conditions that will be encountered during the execution of the work, hereby offers, and agrees to furnish all labor, materials, contingencies, supervision and equipment necessary to perform the work in accordance with the proposed contract documents.

Replacement of eighteen (18) windows $ 46,950.00 Lump Sum

FORTY-SIX THOUSAND, NINE HUNDRED & FIFTY DOLLARS AND ZERO CENTS

BID ADDITIVE NO. 1

Bid additive will consist of the replacement of four (4) storefront glass doors and surrounding window glass assemblies

Replacement of storefront glass doors and window glass $ 85,450.00 Lump Sum

EIGHTY-FIVE THOUSAND, FOUR HUNDRED & FIFTY DOLLARS AND ZERO CENTS

This Bid is submitted by: THOMAS MAY CONSTRUCTION COMPANY

If Bidder is: CORPORATION

An Individual

Name (typed or printed): N/A

By: N/A

(Individual's signature)

Doing business as: N/A

A Partnership

Partnership Name: N/A

By: N/A

(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): N/A

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: THOMAS MAY CONSTRUCTION COMPANY (SEAL)

State of Incorporation: FLORIDA
SEE CORPORATE CERTIFICATE ATTACHED

Type (General Business, Professional, Service, Limited Liability): S-CORPORATION

By: _____

(Signature -- attach evidence of authority to sign) SEE CORPORATE RESOLUTION ATTACHED

Name (typed or printed): JOSHUA GOFF

Title: VICE-PRESIDENT

(CORPORATE SEAL)

A CORPORATION IN THE
STATE OF FLORIDA
MAY 09, 1985

Attest _____
VALERIE G. WARD, SECRETARY/TREASURER

Date of Qualification to do business in Florida is 05 / 09 / 1985.

A Joint Venture

Name of Joint Venture: N/A

First Joint Venturer Name: N/A (SEAL)

By: N/A

(Signature of first joint venture partner -- attach evidence of authority to sign)
Name (typed or printed): N/A

Title: N/A

Second Joint Venturer Name: N/A
(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

State of Florida
Department of State

I certify from the records of this office that THOMAS MAY CONSTRUCTION COMPANY is a corporation organized under the laws of the State of Florida, filed on May 13, 1985, effective May 9, 1985.

The document number of this corporation is H58515.

I further certify that said corporation has paid all fees due this office through December 31, 2026, that its most recent annual report/uniform business report was filed on January 8, 2026, and that its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the Great Seal of the State of Florida at Tallahassee, the Capital, this the Eighth day of January, 2026

Secretary of State

Tracking Number: 6263566119CC

To authenticate this certificate,visit the following site,enter this number, and then follow the instructions displayed.

https://services.sunbiz.org/Filings/CertificateOfStatus/CertificateAuthentication

CERTIFIED COPY OF CORPORATE RESOLUTION

I VALERIE G WARD SECRETARY OF THOMAS MAY CONSTRUCTION COMPANY, DO HEREBY CERTIFY THAT THE FOLLOWING RESOLUTION WAS DULY ADOPTED AT SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CORPORATION DULY HELD AT THE OFFICES OF THE CORPORATION ON

THE 6TH DAY OF OCTOBER 20 25

BE IT RESOLVED THAT THE FOLLOWING PERSONS ARE OFFICERS OF THE CORPORATION IN THE CAPACITIES SET OPPOSITE THEIR RESPECTIVE NAMES; THAT THE SIGNATURES SET OPPOSITE SUCH NAMES ARE THEIR SIGNATURES; AND THAT EACH OFFICER IS DULY AUTHORIZED TO EXECUTE ANY AND ALL AGREEMENTS, LIEN STATEMENTS, PROMISSORY NOTES AND OTHER SUCH DOCUMENTATION AS MAY BE REQUIRED:

Individual's Name (Type or Print)		*Signature*
KEITH R. WARD	PRESIDENT	
JOSHUA R. GOFF	VICE PRESIDENT-GC DIVISION	
WILLIAM E. WATTS III	VICE PRESIDENT-ROOFING DIVISION	
VALERIE G. WARD	TREASURER	Valerie G Ward
VALERIE G. WARD	SECRETARY	Valerie G Ward
	TITLE	
	TITLE	
	TITLE	
	TITLE	

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL AND SEAL OF THE CORPORATION AT THE CITY AND STATE OF ORANGE PARK, FLORIDA ON THE 24TH DAY OF FEBRUARY 20 26

(CORPORATE SEAL)

A CORPORATION IN THE STATE OF FLORIDA MAY 09, 1985

Valerie G Ward

SECRETARY

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A-1"
BID PRICING FORM (CONTINUED)

By: N/A

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): N/A

Title: N/A

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address 310 COLLEGE DRIVE
ORANGE PARK, FLORIDA 32065

Phone No. (904) 272-4808 Fax No. (904) 272-4957

E-mail jgoff@tmay.net JOSHUA GOFF

SUBMITTED on 02/24 20 26.

State Contractor License No. CGC1530108

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for ITB 26-01 ATLANTIC RECREATION CENTER AUDITORIUM WINDOWS AND STOREFRONT GLASS REPLACEMENT
2. This sworn statement is submitted by (entity) THOMAS MAY CONSTRUCTION CO. whose business address is 310 COLLEGE DR., ORANGE PARK, FL. 32065 and (if applicable) Federal Employer Identification Number (FEIN) is 59-2520445 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)
3. My name is JOSHUA GOFF and my relationship to the entity named above is VICE-PRESIDENT .
4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.
6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:
    1. A predecessor or successor of a person convicted of a public entity crime; or
    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)
   _X_ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.
   ____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)
   ____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)
   ____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

Signature JOSHUA GOFF Date: 02/24/2026

STATE OF FLORIDA
COUNTY OF CLAY

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 24TH day of FEBRUARY, 20 26,
by JOSHUA GOFF,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

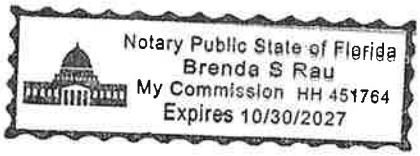
CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

Brenda S. Rau — BRENDA S. RAU

Notary Public — Printed Name

My Commission Expires OCTOBER 30, 2027

Personally Known X OR Produced Identification N/A ID Produced N/A.



THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "C"
DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: THOMAS MAY CONSTRUCTION COMPANY

CITY: ORANGE PARK STATE: FLORIDA ZIP CODE: 32065

SIGNATURE: _____ PHONE: (904) 272-4808

NAME (TYPED OR PRINTED): JOSHUA GOFF TITLE: VICE-PRESIDENT

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: ITB 26-01

Project Description: ATLANTIC RECREATION CENTER AUDITORIUM WINDOWS AND STOREFRONT GLASS REPLACEMENT

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: THOMAS MAY CONSTRUCTION COMPANY

Authorized Signature:

JOSHUA GOFF

Title: VICE-PRESIDENT

Date: 02/24/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

E-Verify

Welcome	Company	User ID
BRENDA RAU	THOMAS MAY CONSTRUCTION COMPANY	BRAU8504

MENU

Company Information

Company Name
THOMAS MAY CONSTRUCTION COMPANY

Company ID Number
450090

DUNS Number
152630919

Doing Business As (DBA) Name
--

Physical Location

Address 1
310 COLLEGE DRIVE

Address 2
--

City
ORANGE PARK

State
FL

Zip Code
32065

County
CLAY

Mailing Address

Address 1
--

Address 2
--

City
--

State
--

Zip Code
--

Additional Information

Employer Identification Number
592520445

Total Number of Employees
20 to 99

Parent Organization
--

Administrator
--

Organization Designation

Employer Category
Federal Contractor without FAR E-Verify Clause

View / Edit

NAICS Code
236 - CONSTRUCTION OF BUILDINGS (236)

View / Edit

Total Hiring Sites
1

View / Edit

Total Points of Contact
1

View / Edit

View Original MOU Template

View MOU

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "E"
PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

THOMAS MAY CONSTRUCTION COMPANY

Name: JOSHUA GOFF Title: VICE-PRESIDENT

Signature: _____ Date: 02/24/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "F"
CONFLICT OF INTEREST STATEMENT

ITB 26-01 ATLANTIC RECREATION CENTER AUDITORIUM WINDOWS AND STOREFRONT GLASS REPLACEMENT

This sworn statement is submitted with Bid, Proposal or Contract for

This sworn statement is submitted by (entity) THOMAS MAY CONSTRUCTION CO. whose business address is 310 COLLEGE DR., ORANGE PARK, FL. 32065 and (if applicable) Federal Employer Identification Number (FEIN) is 59-2520445 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)

My name is JOSHUA GOFF and my relationship to the entity named above is VICE-PRESIDENT .

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

Signature Date: 02/24/2026

STATE OF FLORIDA
COUNTY OF CLAY

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 24TH day of FEBRUARY, 20 26,

by JOSHUA GOFF,

Brenda S. Rau — BRENDA S. RAU
Notary Public — Printed Name

My Commission Expires OCTOBER 30, 2027

Personally Known X OR Produced Identification N/A ID Produced N/A.

Notary Public State of Florida
Brenda S Rau
My Commission HH 451764
Expires 10/30/2027

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "G"
NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for REPLACEMENT.
This sworn statement is submitted by (entity) THOMAS MAY CONSTRUCTION CO. whose business address is 310 COLLEGE DR., ORANGE PARK, FL. 32065 and (if applicable) Federal Employer Identification Number (FEIN) is 59-2520445 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)

My name is JOSHUA GOFF and my relationship to the entity named above is VICE-PRESIDENT.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Signature 02/24/2026
Date:

STATE OF FLORIDA
COUNTY OF CLAY

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 24TH day of FEBRUARY, 20 26,

by JOSHUA GOFF,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

Brenda S Rau — BRENDA S. RAU

Notary Public — Printed Name

My Commission Expires OCTOBER 30, 2027

Personally Known X OR Produced Identification N/A ID Produced N/A.



THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO__X__

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO__X___

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO__X___

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved. NONE

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

THOMAS MAY CONSTRUCTION COMPANY	02/24/2026
Firm	Date
Authorized Signature	JOSHUA GOFF, VICE-PRESIDENT Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-01
ATLANTIC RECREATION CENTER WINDOWS AND STOREFRONT GLASS REPLACEMENT

"ATTACHMENT A"
LIST OF SUBCONTRACTORS

I ____X____/DO, _____/DO NOT, propose to subcontract some of the work on this project. I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT
AMERICAN WINDOW PRODUCTS	2633 POWERS AVENUE JACKSONVILLE, FL. 32207	WINDOWS	38,079.00
CAPITOL GLASS & ALUMINUM COMPANY, INC.	4811 HUNT STREET JACKSONVILLE, FL. 32254	STOREFRONTS	74,256.00

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH ITB OPENING TALLY

ITB 26-01, February 24, 2026, 2:00PM

Bid Name: ARC Windows and Storefront Replacement

Attended by: Cathy Sabattini, Scott Mikelson and Wanda Weaks

DATE/TIME REC'D	COMPANY NAME/LOCATION	REPLACEMENT OF 18 WINDOWS	BID ADDITIVE - REPLACEMENT OF 4 STOREFRONT GLASS	EXHIBITS A-H	ADDENDUM NO 1-2
2/24/2026 1:20PM	Presco South Coast Miramar, FL	26,200.00	13,500.00	✓	✓ 1+2
2/24/2026 12:38PM	Goldcon Corp South Ranches, FL	136,440.16	40,871.18	✓	✓ #1+2
2/24/2026 10:22AM	Thomas May Const Orange Park, FL	46,950.00	85,450.00	✓	✓ 1+2
2/24/2026 1:38PM	CC Borden Const Jacksonville FL	71,196.00	88158.00	✓	✓ 1+2

This is a preliminary summary of the submittals as they were opened and announced at the bid opening. Contractor/Vendor should not assume award until after final/review/recommendation for award

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-38
Award of Invitation to Bid 26-07 - Presco South Construction Inc.

ITEM TYPE: Resolution (w/ fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-38.

SYNOPSIS: The City issued Invitation to Bid ("ITB") 26-07 for the MLK Jr. Recreation Complex Windows and Storefront Glass. Four bids were received and opened on February 24, 2026. Staff recommends awarding ITB 26-07 to Presco South Construction Inc. in the amount of $74,000.

FISCAL IMPACT: Funds are budgeted and available in the Parks and Recreation Martin Luther King Improvements account, 3007225 56300 Project #26021.

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission adopt proposed Resolution 2026-38.

Jeremiah Glisson, Deputy City Manager	03/02/2026
Catherine Sabattini, Public Works/Operations Director	03/02/2026
Scott Mikelson, Parks and Recreation Director	03/04/2026
Kimberly Elliott-Briley, Deputy City Clerk	03/04/2026
Alisha Brown, Budget Analyst	03/04/2026
Sarah Campbell, City Manager	03/09/2026
Teresa Prince, City Attorney	03/10/2026
Katie Newton, Downtown Coordinator	03/10/2026

Date: February 24, 2026

Submitted By: Jeremiah Glisson, Deputy City Manager

COMMISSION ACTION: Adopt

RESOLUTION 2026-38

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AWARDING INVITATION TO BID 26-07 TO PRESCO SOUTH CONSTRUCTION INC. FOR THE MLK JR. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City issued Invitation to Bid ("ITB") 26-07 for the MLK Jr Recreation Complex Windows and Storefront Glass Replacement; and

WHEREAS, on February 24, 2026, four bids were received in response to ITB 26-07. Following review, staff recommends awarding ITB 26-07 to Presco South Construction Inc., the lowest bidder, for the MLK Jr. Recreation Complex Windows and Storefront Glass Replacement in the amount of $74,000; and

WHEREAS, funding is included in the FY2025/2026 Budget for the Parks and Recreation Martin Luther King Improvements account 3007225 56300 Project #26021.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby awards ITB 26-07 to Presco South Construction Inc. for the MLK Jr Recreation Complex Windows and Storefront Glass Replacement in an amount of $74,000, attached hereto as Exhibit A.

SECTION 2. The City Clerk and City Manager are hereby authorized to execute all documentation related to the award of ITB 26-07 upon review and approval of the City Attorney.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This resolution shall take effect on the first business day following its adoption.

ADOPTED this 17th day of March, 2026.

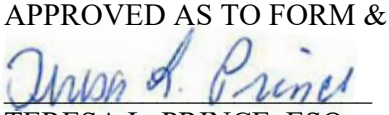
CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Mayor – Commissioner

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM & LEGALITY:



TERESA L. PRINCE, ESQ.
City Attorney

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A"
CONTACT SHEET

Name: Presco South Construction

Federal Taxpayer ID 26-1976302

MailingAddress: 3350 SW 148th Ave #110

City, State, & Zip Code: Miramar, FL 33027

Telephone: 786-425-7737 **Fax:** _____

Email: PSC@prescosouth.com

Submitted By: Jorge Diaz

Title: President

Accounting Contact:

Name: n/a **Title:** _____

Email Address: _____ **Phone:** _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

AMENDED - EXHIBIT "A-1"

BID PRICING FORM

The undersigned, having carefully examined the Contract Documents and the site of the proposed work and being familiar with the obstacles and conditions that will be encountered during the execution of the work, hereby offers, and agrees to furnish all labor, materials, contingencies, supervision and equipment necessary to perform the work in accordance with the proposed contract documents.

Replacement of twenty-two (24) windows $ 30,000.00 Lump Sum

BID ADDITIVE NO. 1

Bid additive will consist of the replacement of two (2) storefront glass doors and surrounding window glass assemblies

Replacement of storefront glass doors and window glass $ 44,000 Lump Sum

This Bid is submitted by: _____

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____

(Individual's signature)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____

(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: Presco South Construction

(SEAL)

State of Incorporation: Florida

Type (General Business, Professional, Service, Limited Liability): Contractor

By: _____

(Signature -- attach evidence of authority to sign)

Name (typed or printed): Jorge Diaz

Title: President

(CORPORATE SEAL)

Attest _____

Date of Qualification to do business in Florida is 2 / 24 /2026.

A Joint Venture

Name of Joint Venture: _____

First Joint Venturer Name: _____

(SEAL)

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

By: _____

(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____
(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

By: _____

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address _____

_____

_____

Phone No. _____ Fax No. _____

E-mail _____ _____

SUBMITTED on_____ 20 ____.

State Contractor License No. _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES
THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for ITB 26-07.

2. This sworn statement is submitted by (entity) Presco South Construction whose business address is 3350 SW 148th Ave #110 and (if applicable) Federal Employer Identification Number (FEIN) is 26-1976302 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is Jorge Diaz and my relationship to the entity named above is President.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or
    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any
natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)

JD Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)

____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)

JD The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)



Signature Date: 2/24/2026

STATE OF FLORIDA
COUNTY OF Broward

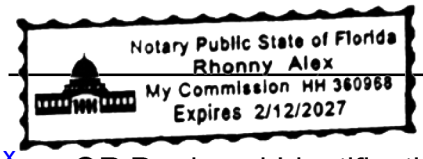
Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this 24 day of February, 20 26,
by Jorge Diaz,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Rhonny Alex

Notary Public Printed Name

My Commission Expires _____



Personally Known x OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: Presco South Construction

CITY: Miramar STATE: FL ZIP CODE: 33027

SIGNATURE: _____ PHONE: 786-425-7737

NAME (TYPED OR PRINTED): Jorge Diaz TITLE: President

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: ITB 26-07

Project Description: Installation of windwows and store front system

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: Presco South Construction, INC

Authorized Signature: 

Title: President

Date: 2/24/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "E"

PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Jorge Diaz Title: President

Signature:  Date: 2/24/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for ITB 26-07.

This sworn statement is submitted by (entity) Presco South Construction whose business address is 3350 SW 148th Ave #110 and (if applicable) Federal Employer Identification Number (FEIN) is 26-1976302 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Jorge Diaz and my relationship to the entity named above is President.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

2/24/2026
Signature Date:

STATE OF FLORIDA
COUNTY OF Broward

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 24 day of February, 20 26,

by Jorge Diaz,

Rhonny Alex
Notary Public Printed Name

Notary Public State of Florida
Rhonny Alex
My Commission HH 360958
Expires 2/12/2027

My Commission Expires _____

Personally Known x OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

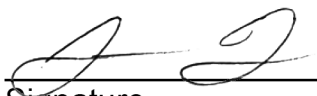
EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for ITB 26-07.
This sworn statement is submitted by (entity) Presco South Construction whose business address is 3350 SW 148th Ave #110 and (if applicable) Federal Employer Identification Number (FEIN) is 26-1976302 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Jorge Diaz and my relationship to the entity named above is President.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.



Signature Date: 2/24/2026

STATE OF FLORIDA
COUNTY OF Broward

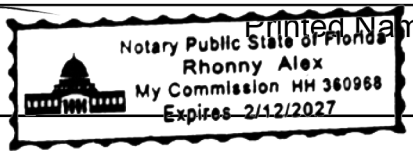
Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this 24 day of February, 20 26,

by Jorge Diaz,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Rhonny Alex

Notary Public — Printed Name



My Commission Expires _____

Personally Known x OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO__x__

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO__x__

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO__x__

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

Presco South Construction	2/24/2026
Firm	Date
	Jorge Diaz
Authorized Signature	Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

"ATTACHMENT A"

LIST OF SUBCONTRACTORS

I _____/DO, __x__/DO NOT, propose to subcontract some of the work on this project. I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

INTRODUCTION

The City of Fernandina Beach, Florida is accepting competitive sealed bids for the **MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT.**

The City of Fernandina Beach will receive sealed submittals through www.demandstar.com. Submittals must be uploaded to Demandstar.com E-bidding System prior to **2:00PM(EST), February 24, 2026**.

A Mandatory Pre-bid meeting will be held at 9:30am (EST), January 29, 2026, at the Martin Luther King, Jr., Recreation Complex, 1200 Elm Street, Fernandina Beach, FL 32034. Submittals will not be considered from any firm that is not represented at the Mandatory Pre-bid meeting. Any bidder who arrives after the meeting has concluded will not be considered.

It shall be the sole responsibility of the Bidder to have its Bid submitted through the **DemandStar website** (www.demandstar.com) not later than the above date and time. Facsimile, paper or telegraphic submittals will not be accepted. Delay in delivery shall be the sole responsibility of the Bidder. Submittals received after the deadline will not be considered. Award of the Bid is subject to authorization and appropriation of funds in the fiscal year 2025-2026 budget.

SUBMITTERS ARE REFERRED TO THE ATTACHED GENERAL CONDITIONS FOR OTHER IMPORTANT INFORMATION REGARDING THE INVITATION TO BID PROCESS, REQUIREMENTS AND EXHIBITS.

The bid shall be submitted on the specified **Contact Sheet,** hereto attached as "**Exhibit A**" and **Bid Pricing Form**, hereto attached as **"Exhibit A-1"**. The person signing the Bid Response Form shall have the authority to bind the proposer to the Bid. All information on the Bid form shall be provided, or the Bid may not be accepted.

The competitive sealed Bid shall be accompanied by a **"Public Entity Crimes",** herein provided as "**Exhibit B**", **"Drug-Free Workplace Certification"** herein provides as **"Exhibit C"**, "**E-Verify Statement**" herein provided as **"Exhibit D"**, **"Proposer Acknowledgements and Agreements"**, herein provided as "**Exhibit E**", **"Conflict of Interest",** herein provided as, "**Exhibit F**", **"Non-Collusion Affidavit",** herein provided as "**Exhibit G" and "Dispute Disclosure",** herein provided as **"Exhibit H". "Attachment A", List of Subcontractors.**

CONTRACTOR SHALL SIGN AND INCLUDE EXHIBITS "A-H" and "Attachment A". Failure to do so may result in rejection of the bid submittal.

An example of the City of Fernandina Beach construction contract is included as a separate document.

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

In accordance with Item 16, General Terms and Conditions, please provide **proof that the Contractor/Vendor is not listed in the Excluded Parties List System**, a federal suspension and debarment listing.

SCOPE OF WORK

The City of Fernandina Beach, Florida (City) is requesting sealed competitive bids from qualified contractors for the replacement of windows and storefront glass at the Martin Luther King Jr Recreation Complex located at 1200 Elm St.

The work will consist of the replacement of the following:

- 3 fixed pane windows located on the east side of the camp room building (Ref picture #1).
- 4 fixed pane windows located on the west side of the camp room building (Ref picture #2).
- 5 fixed pane windows and 1 horizontal sliding window located on the east side of the administrative building (Ref picture #3 & #4). Window pictured in Ref #4 needs to be replaced with a window that fits the original opening.
- 8 fixed pane windows on the west side of the administrative building (Ref picture #5).
- 2 fixed pane windows on the north side of the administrative building (Ref pictures #6 and #7). Window pictured in Ref #7 needs to be replaced with a window that fits the original opening.

Bid additives will consist of the replacement of storefront glass door and window assemblies as detailed below:

- Storefront windows and glass door located on the north side of the administration building
  (Ref picture #8 and #9)

All work will be in accordance with the following specifications:

1. Replacement window glass shall be fixed dual pane, Low-E rating and be produced by a reputable manufacturer.
2. Replacement window glass frames shall be dark bronze in color for both exterior and interior, where break metal trim is used it should be colored to match.
3. Replacement windows shall be a full size of fixed design and be installed in existing openings.
4. Replacement windows shall be sized to fit into existing window openings with 1/4” on all sides unless approved by the City prior to their installation.
5. Replacement window glass shall be installed using Prosoco R-guard liquid flashing and Tremco Dymonic 100 urethane sealants or an equivalent approved by the City.
6. All exterior and interior trim around openings to be repainted where applicable.
7. All door assemblies shall match existing specifications, be commercial grade, and be produced by a reputable manufacturer.
8. All door assemblies shall accept MBS lock sets (provided by the City).

9. All installation work shall come with a 1-year warranty.
10. Cost shall include permitting, mobilization, project set-up, safety equipment, boom lift, waste disposal, and site clean-up.

SAFETY

The Contractor shall provide all necessary barricades and signage and take necessary precautions to protect buildings, the general public and Contractor personnel. The Contractor shall at all times guard against damage or loss of City property or the general public and shall be held responsible for replacing or repairing any loss or damage to the satisfaction of The City of Fernandina Beach.

GENERAL CONSTRUCTION GUIDELINES

1. The contractor shall be required to coordinate his work schedule with the City designee during the course of the project.

2. The Contractor is required to submit his design and installation procedures for review & approval prior to installation.

3. Contractor is solely responsible for all construction means, methods, techniques, sequences, procedures and coordinating all portions of Work under Contract.

4. Contractor is responsible for all acts and omissions of his Subcontractors.

5. City staff will not establish limits of Work between Contractor and Subcontractors, nor will he act as an arbiter in establishing such limits.

AWARD

Award recommendation shall be made to the most responsive and responsible bidder offering the best value. The City reserves the right, based upon its deliberations and in its opinion, to accept or reject any or all proposals. The City also reserves the right to waive minor irregularities or variations to the specifications and in the bidding process.

Successful Bidder is required to have a Business License in the city where their home office is located. If Bidder's business office is located in the City of Fernandina Beach a business tax license is required.

Bid Package

ITB Documents and Specifications are available to download from DemandStar at www.demandstar.com. Any questions regarding the ITB package can be directed to Wanda Weaks, Purchasing Specialist, wweaks@fbfl.org.

CONTACT

Specification questions during the bid period shall be submitted in writing to Purchasing Specialist, Wanda Weaks, wweaks@fbfl.org.

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

Bidders are hereby put on notice that no contact shall be made with any of the City Commission members, other City staff, or others that may be involved in the selection process to discuss this request or to influence the outcome of the selection.

ADDENDA

A written response to bidder questions will be issued via Addendum and posted on the City's website at www.fbfl.us/bids and DemandStar at www.demandstar.com. It is the bidder's responsibility to check the City's website for Addenda prior to submitting their bid. The deadline for questions is **ten** days before bid opening.

If there is an Addendum it becomes part of the original Bid and shall be acknowledged by attaching a copy of the Addendum, signed by an authorized representative of the person or company submitting the bid or proposal. Failure to do so may disqualify the bid or proposal.

CONTRACTOR PERSONNEL

1. CITY reserves the right to reject any CONTRACTOR employee doing business for the awarded CONTRACTOR that has not received the proper safety training or is not performing work in a safe manner. Any costs resulting in a rejection of personnel will be solely at the CONTRACTOR's expense.

2. No sub-contractor shall be employed by CONTRACTOR for the provision of these services without the prior written approval of the CITY.

PERFORMANCE STANDARDS/QUALITY REQUIREMENTS

In addition to those requirements set forth in the Scope of Work, all services (and items incidental thereto) and work provided by CONTRACTOR shall conform to the following:

PROJECT SCHEDULE

CONTRACTOR shall begin no later than **fourteen** calendar days from issuance of Notice to Proceed; all work must be completed **within 90 calendar days of startup**.

TIME OF PERFORMANCE

1. CONTRACTOR may, upon approval by City designee, be provided weekends and after-hours access to the site, if necessary or desired, to complete the project, weather permitting. However, no additional sums shall be paid other than that specified in the bid response.

2. CONTRACTOR may set up equipment onto the jobsite without commencing work for a maximum of seven calendar days. Location of equipment storage will be provided by the City designee.

3. CONTRACTOR will, prior to any delay submit notification of delay in writing within five calendar days to City designee.

4. CONTRACTOR shall submit documentation explaining the cause of delay. CITY shall determine the extent of delay and extend the time for completing the work if, in CITY's judgment, the findings justify an extension. Any delay shall not entitle CONTRACTOR to any additional compensation. The sole remedy of CONTRACTOR shall be an extension of time.

5. CONTRACTOR shall arrange with the City designee a sequence of procedure, means of access, space for storage of materials and equipment and use of approaches, corridors, and stairways. CITY shall not be responsible for lost or stolen materials or tools left on the job site.

SITE MAINTENANCE

1. Extreme care shall be taken to safeguard all existing facilities, paved walkways, site amenities, utilities, windows, and vehicles on or around the job site. Damage to public and/or private property shall be the responsibility of CONTRACTOR and shall be repaired and/or replaced in equal or better condition at no additional cost to the CITY. CONTRACTOR shall use all means to protect existing objects, structures and vegetation designated to remain. In the event of damage, immediately make all repairs, replacements, and dressings to damaged materials, to the approval of CITY, at no additional cost to the CITY. In the event of damage to public and/or private property, CONTRACTOR shall immediately contact the CITY's designee and inform them about the location and extent of the damages and will stay on site until his investigation of the damage is concluded.

2. CONTRACTOR shall place all debris in refuse container and keep the premises free from rubbish at the end of each working day. The CONTRACTOR shall be responsible for supplying, emptying and the removal of waste containers/dumpsters, as necessary.

3. CONTRACTOR shall arrange material storage so as not to interfere with the CITY's operations.

4. CONTRACTOR shall at the completion of the job, remove unused material and rubbish from the site. If CONTRACTOR refuses at any time to remove the debris from the premises, or to keep the working area clean, such cleaning will be completed by the CITY and deducted from the balance due CONTRACTOR.

5. CONTRACTOR shall store all materials to be protected against weather, vandalism, and theft. Any materials found to be damaged or missing shall be replaced by CONTRACTOR at no cost to the CITY.

6. CONTRACTOR shall be responsible for clean up at the site at the conclusion of the project, including excess construction materials, and a thorough cleaning of all areas that were affected by CONTRACTOR or their subcontractors to the satisfaction of the CITY.

SAFETY

1. CONTRACTOR shall be aware that this project is subject to public vehicle and pedestrian traffic at all times.

2. CONTRACTOR shall comply with all Federal/County/City laws/ordinances and City Fire codes during the execution of this project.

3. CONTRACTOR shall continuously maintain adequate protection of all work from damage and shall protect public and privately owned property, structures, vehicles, utilities, and work of any kind against damage or interruptions of service, which may result from the operations of the CONTRACTOR.

4. CONTRACTOR shall provide Safety Data Sheets: If any chemicals or materials or products containing toxic substances, as defined by Chapter 442, Florida Statutes, are to be used at any time during this the contract period, CONTRACTOR shall furnish Safety Data Sheets to the City designee prior to commencing this project.

5. CONTRACTOR shall perform all work under supervision of a capable supervisor using skilled employees.

6. CONTRACTOR shall have a person, which is on their payroll and with ***the authority to make decisions, on site at all times.***

REQUIRED INSPECTIONS

Prior to the start of any work, CONTRACTOR shall examine all surfaces and report in writing to the City designee any conditions detrimental to work. Failure to observe this injunction constitutes a waiver to any subsequent claims to the contrary.

CITY'S RIGHTS TO INSPECT, REJECT, AND STOP WORK

1. Right to Inspect Work - CITY will have the right to inspect the work at all times. Such inspections will not relieve the CONTRACTOR of any of its obligations to perform the work in strict accordance with the contract documents.

2. Right to Reject Work - CITY will have the right to reject work which does not conform to the contract documents. CITY may require special inspection or testing of the work.

3. Right to Stop Work - If CITY reasonably believes that CONTRACTOR is failing to carry out the work in accordance with the contract documents; CITY may order CONTRACTOR to stop the work, or a portion of the work, until such time as the cause of such stop order has been eliminated.

4. Right to Carry Out Work - If CONTRACTOR fails to perform the work properly or fails to perform any provision of the contract documents, including unauthorized project schedule delays, CITY, after three days written notice to CONTRACTOR without correction, may correct the deficiencies through the CITY's own forces or through others

and may deduct the cost thereof from the payment then or thereafter due to the CONTRACTOR.

WARRANTY

1. CONTRACTOR shall provide warranty stating that the MLK, Jr. Complex Windows and Storefront Glass Replacement is complete in detail and finish, and free of hazardous conditions. The material warranty and workmanship must have a one-year warranty.

2. If CITY deems it unacceptable to have CONTRACTOR correct the work, which has been incorrectly done, a deduction from the contract price shall be made as determined by CITY. Such a deduction from the contract price shall in no way affect the CONTRACTOR's responsibility for defects, which may occur nor their ability for correcting them, and damage caused by them.

3. Supplies and/or services furnished as a result of this bid shall be covered by the most favorable commercial warranties, expressed or implied, that the bidder and/or manufacturer gives to any customer. The rights and remedies provided herein are in addition to and do not limit any rights afforded to the CITY by any other clause of this bid. Any applicable written warranty from the product manufacturer and/or representative company shall commence from date of completion and acceptance by the CITY.

INSURANCE REQUIREMENTS

Insurance requirements are outlined in the General Conditions of this Invitation to Bid.

BOND REQUIREMENTS

Bid bonds requirements are outlined in the General Conditions of this Invitation to Bid.

EQUAL OPPORTUNITY/AFFIRMATIVE ACTION

The City is an equal opportunity/affirmative action employer. The City is committed to equal opportunity employment effort and expects firms that do business with the City to have an affirmative action program.

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT
GENERAL CONDITIONS OF INVITATION TO BID

1. **PREPARATION OF BID -** INVITATION TO BID shall be prepared in accordance with the following:
   a. The Contact Sheet/Bid Form attached hereto as "Exhibit A", shall be used when submitting your INVITATION TO BID.
   b. All information required by the Contact Sheet/Bid Form shall be furnished. The Bidder shall print or type his/her name and manually sign the Form and any continuation sheet on which an entry is made.
   c. Unit prices shall be shown and where there is an error in extension of price, the unit price shall govern.
   d. Alternate Bids will not be considered unless authorized by the Invitation to Bid.
   e. Bidders will **not** include federal taxes nor State of Florida sales, excise, and use taxes in prices, as the City is exempt from payment of such taxes. An exemption certificate will be signed where applicable upon request.
   f. Bidders shall make all investigations necessary to thoroughly inform themselves about any and all conditions related to the performance of the contract. Plea of ignorance by the Bidder of conditions that exists or may hereafter exist as a result of failure or omission on the part of the Bidder to make the necessary examinations and investigations, or failure to fulfill in every detail the requirements provided for in the Purchasing Policy, Purchasing Ordinance and/or State and Federal Statutes. The City's Purchasing Ordinance is set forth in Chapter 2-420, *et seq*.
   g. Prices quoted must be FOB City of Fernandina Beach, Florida with all transportation charges prepaid unless otherwise specified in the Invitation to Bid.
   h. Deliveries are to be FOB Destination unless otherwise specified in the Invitation to bid
   i. Deliveries are to be made during regular business hours.
   j. Bids and Bid prices shall be valid for a minimum of ninety (90) days, unless otherwise stated on the INVITATION TO BID.

2. **SUBMISSION OF BID**
   a. The City of Fernandina Beach has partnered with **DemandStar using their E-bidding platform**. All submittals will be received through the **DemandStar E-bidding platform**. To register and submit through DemandStar go to www.demandstar.com/registration.

3. **REJECTION OF BID**
   a. The City reserves the right to accept or reject any or all Bids, to waive irregularities and technicalities, and to request resubmission or to re-advertise for the services. The City shall be the sole judge of the submittals. The City's decision shall be final.

4. **WITHDRAWAL OF BID**
   a. Bids may not be withdrawn after the time set for the opening for a period of time as specified.

b. Bids may be withdrawn prior to the time set for the opening. Such request must be in writing.

5. LATE BID

a. INVITATION TO BID and modifications received after the time set for the opening will not be considered.
b. Modifications in writing received prior to the time set for the opening will be accepted.

6. LOCAL, STATE, AND FEDERAL COMPLIANCE

a. Bidders shall comply with all local, state, and federal directives, orders and laws as applicable to the INVITATION TO BID and subsequent contract(s) in accordance with the requirements as stated in CFR 200.321, including but not limited to Equal Employment Opportunity (EEO), Minority Business Enterprise (MBE), and Occupational Safety and Health Administration (OSHA) as applicable to this contract.
b. A "Public Entity Crimes Statement", in accordance with Florida Statutes, Section 287.133 (3) (a), on Public Entity Crimes, attached hereto as "Exhibit B", must be received at the time of the bid.
c. A "Drug Free Workplace Certification" attached hereto as "Exhibit C", must be received at the time of the bid.
d. The City of Fernandina Beach requires that the Bidder selected will not discriminate under the contract against any person, in accordance with federal, state and local government regulations.
e. An "E-Verify Statement" attached hereto as "Exhibit D" must be received at the time of the bid.

7. AWARD OF INVITATION TO BID

a. The INVITATION TO BID will be awarded to the most responsive and responsible bidder offering the best value to the City of Fernandina Beach.
b. The City reserves the right to accept and award item by item, and/or by group, or in the aggregate.
c. A written award of acceptance, (Purchase Order), mailed or otherwise furnished to the successful Bidder shall result in a binding contract without further action by either party.
d. Upon award, for construction projects, the Contractor will be required to complete/execute the City's Contract and General Conditions for Construction Services. An example of the contract can be found on the City's website at www.fbfl.us/bids, Bids and Purchasing web page.
e. Agreement may be cancelled with 60-day notice unless otherwise stated in signed contract documents.

8. NOT RESPONSIBLE FOR COSTS

a. The City shall not be responsible for any cost incurred by a prospective Bidder in responding to this INVITATION TO BID.

9. BONDS

- If Bid is less than $100,000 no Bid Bond or Payment and Performance Bond required.
- If Bid is greater than $100,000 and is for material only, a Bid Bond is required but no Payment and Performance Bond is required.
- If Bid is $100,000 - $200,000, and is for services, a Bid Bond is required but no Payment and Performance Bond is required.
- If Bid is greater than $200,000, and is for services, Bid Bond and Payment and Performance Bond is required.

BID BOND:

a. If the Base Bid or the Base Bid plus the sum of any alternates fall into the criteria above requiring a Bid Bond, the bidder shall enclose a Certified Check or Bid Bond with each bid. A Certified Check or Bid Bond shall be for an amount not less than five percent (5%) of the Bid price and shall be made payable to the CITY OF FERNANDINA BEACH as a guarantee that the Bidder will not withdraw its bid for a period of ninety (90) calendar days after Bid closing time. Bid Bonds or Certified Checks will be returned to unsuccessful bidders within 10 days of bid award. Successful bidders will receive their Certified Check or Bid Bond after the contract/agreement has been signed and a Performance and Payment Bond is received.

PERFORMANCE AND PAYMENT BONDS:

a. In the event the Contract is awarded to the Bidder, Bidder will thereafter enter into a written contract with the CITY OF FERNANDINA BEACH and furnish a Payment and Performance Bond in an amount equal to the contract price. The form of the bonds shall be in accordance with Section 255.05 of Florida Statutes. Failing to do so, Bidder shall forfeit its bid security.

   Payment and Performance Bond shall be secured from or countersigned by an agency or surety company recognized in good standing and authorized to do business in the State of Florida.

   The following exceptions to bidder providing Performance and Payment Bonds are as follows: In lieu of the Performance and Payment Bonds, a contractor may file with the City an alternative form of security in the form of cash, a money order, a certified check, a cashier's check, an irrevocable letter of credit, or a security of a type listed in part II of chapter 625, Florida Statutes. Any such alternative form of security shall be for the same purpose and be subject to the same conditions as those applicable to the bonds. The value of an alternative form of security shall be in the amount of the bid.

10. PUBLIC INFORMATION

a. All information contained in this Bid is public information, and as such will be handled in accordance with chapter 119, Florida Statutes.

11. ADDITIONAL INFORMATION

a. The City reserves the right to require Bidders to provide references and information on previous similar experience prior to award of the contract.

12. QUESTIONS

a. Any questions about the INVITATION TO BID should be communicated per instructions in the INVITATION TO BID.

13. INDEMNIFICATION AND INSURANCE

INDEMNIFICATION

The CONTRACTOR agrees to assume liability for and indemnify, hold harmless, and defend the City, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the CONTRACTOR, its agents, officers, contractors, subcontractors, employees, or anyone else employed or utilized by the CONTRACTOR in the performance of this Agreement. The CONTRACTOR's liability hereunder shall include all attorney's fees and costs incurred by the City in the enforcement of this indemnification provision. This includes claims made by the employees of the CONTRACTOR against the City and the CONTRACTOR hereby waives its entitlement, if any, to immunity under Section 440.11, Florida Statutes. The obligations contained in this provision shall survive termination of this Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under this Agreement.

Subject to the limitations set forth in this Section, the CONTRACTOR shall assume control of the defense of any claim asserted by a third party against the City and, in connection with such defense, shall appoint lead counsel, in each case at the CONTRACTOR's expense. The City shall have the right, at its option, to participate in the defense of any third-party claim, without relieving CONTRACTOR of any of its obligations hereunder. If the CONTRACTOR assumes control of the defense of any third-party claim in accordance with this paragraph, the CONTRACTOR shall obtain the prior written consent of the City before entering into any settlement of such claim. Notwithstanding anything to the contrary in this Section, the CONTRACTOR shall not assume or maintain control of the defense of any third-party claim, but shall pay the fees of counsel retained by the City and all expenses, including experts' fees, if (i) an adverse determination with respect to the third-party claim would, in the good faith judgment of the City, be detrimental in any material respect to the City's reputation; (ii) the third-party claim seeks an injunction or equitable relief against the City; or (iii) the CONTRACTOR has failed or is failing to prosecute or defend vigorously the third-party claim. Each party shall cooperate, and cause its agents to cooperate, in the defense or prosecution of any third-party claim and shall furnish or cause to be furnished such records and information, and attend such conferences, discovery proceedings, hearings, trials, or appeals, as may be reasonably requested in connection therewith.

It is the specific intent of the parties hereto that the foregoing indemnification complies with Section 725.06, Florida Statutes, as amended. CONTRACTOR expressly agrees that it will not claim, and waives any claim, that this indemnification violates Section 725.06, Florida Statutes, as amended. Nothing contained in the foregoing indemnification shall be construed as a waiver of any immunity or limitation of liability the City may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes.

INSURANCE

Prior to commencement of any work under this Contract and until completion and final acceptance of the work, the CONTRACTOR/VENDOR shall, at its sole expense, maintain the following insurance on its own behalf, and furnish to the CITY certificates of insurance evidencing same and reflecting the effective date of such coverage as follows:

The term "Contractor" as used in the insurance rider, shall mean, and include Subcontractors of every tier.

A. Worker's Compensation and Occupational Disease Insurance in accordance with the applicable law or laws; Employer's Liability Insurance with limit of at least One Million ($1,000,000) dollars. This includes sole proprietorships and officers of corporations who will be performing work on the job.

B. Commercial General Liability with a combined Bodily Injury and Property Damage limit of not less than ONE Million ($1,000,000.00) dollars per occurrence and TWO Million ($2,000,000) Dollars in the aggregate. The aggregate must be applicable on a per project basis. Coverage must include the following perils:
   1. Broad Form Blanket Contractual Liability for liability assumed under this Contract and all other Contracts relative to the project.
   2. Completed Operations/Products Liability.
   3. Broad Form Property Damage
   4. Personal and Advertising Injury Liability
   5. Independent Contractors
   6. Endorsements must be furnished reflecting the inclusion of the interests of Owner, Construction Manager, General Contractor, Contractor, (your company) , their officers, directors, partners, representatives, agents and employees, and naming each as an Additional Insured on a primary and non-contributing basis.
   7. Coverage is to be endorsed to reflect that insurance is to be primary and non-contributory with respect to any other collectable insurance, for the Owner, General Contractor, Contractor, (your company) and all other parties required to be named as additional insureds.
   8. Coverage is to be provided on an "occurrence" basis with carriers licensed and admitted to conduct business in the State of [your state] or otherwise acceptable to the Contractor (your company).

9. A copy of policy and/or endorsement(s) and any other documents required to verify such insurance are to be submitted with the appropriate certificate(s), or upon the request of Contractor (your company). Failure to provide these documents is not to be construed as a waiver of the requirements to provide such insurance.

C. Commercial Automobile Liability Insurance covering the use of all Owned, Non-Owned, and Hired Vehicles with combined Bodily Injury and Property Damage Limit of at least One Million ($1,000,000.00) Dollars.

D. Umbrella I Excess Liability Insurance with a limit of no less than One Million ($1,000,000) minimum per occurrence.

E. During the term of this agreement, (if applicable) the Contractor/Vendor will carry Professional Liability Insurance which will cover liability for any damage or non-performance on account of any error, omission, or other provable negligence caused by the Contractor/Vendor. The amount of insurance shall not be less than One Million ($1, 000,000) per occurrence and aggregate.

F. Loss Deductible – If the insurance of any CONTRACTOR/VENDOR contains deductible(s), penalty(s) or self-insured retention(s), the CONTRACTOR/VENDOR Whose insurance contains such provision(s) shall be solely responsible for payment of such deductible(s), penalty(s) or self-insured retention(s).

G. Where an Off Project Site Property exposure exists, the Contractor at its sole expense shall furnish to the Owner and Contractor (your company) Certificates of Insurance and other required documentation evidencing the following coverage which shall provide for the interests of [Name of Owner] , [Name of General Contractor] and (your company) to be named as Loss Payees and shall contain a provision requiring the insurance carriers to waive their rights of subrogation against all indemnities' named in the contract.
"All Risk" Property Insurance on all materials, equipment and supplies intended to become a permanent part of the construction stored on premises away from the project site and while in transit, until actually delivered to the project site. Coverage is to be provided on a replacement cost basis.

H. The above insurances shall each contain the following wording verbatim: "[Name of Owner], [Name of General Contractor], and (your company) are interested in the maintenance of this insurance and it is agreed that this insurance will not be canceled materially changed or not renewed without at least a thirty (30) day advance written notice to [Name and address of Owner], [Name and address of General Contractor] and [Name and address of your company] by certified mail-return receipt requested."

I. The amount of insurance contained in the aforementioned insurance coverages shall not be construed to be a limitation of the liability on the part of the Subcontractor or any of its Subcontractors.

J. The Contractor shall file certificates of insurance prior to the commencement of work with the Owner and the General Contractor which shall be subject to the Owner, General Contractor and (your company) approval of adequacy of protection and the satisfactory character of the Insurer.

K. Any type of insurance or any increase of limits of liability not described above which the Subcontractor requires for its own protection or on account of statute shall be its own responsibility and at its own expense.

L. The carrying of the insurance described shall in no way be interpreted as relieving the Contractor or Subcontractor of any responsibility of liability under this Contract.

M. Any policies effected by the Contractor on its Owned and/or Rented Equipment and Materials shall contain a provision requiring the insurance carriers to waive their rights of subrogation against the [Name of Owner], [Name of General Contractor], [Name of Contractor (your company)] and all other indemnities named in the Contract.

N. Should the Contractor engage a Subcontractor, the same conditions will apply under this contract to each Subcontractor, however, the retained Subcontractor shall be required to maintain limits of liability of not less than One Million ($1,000,000.00) Dollars per occurrence and Two Million ($2,000,000) Dollars in the aggregate, with said limits applicable on a per project basis, or such greater limits as may be required by the retaining Subcontractor.

14. PAYMENT

Payment due hereunder shall be made by the City to CONTRACTOR/VENDOR in accordance with the Florida Prompt Payment Act.

15. BID PROTESTS

Bid protest conditions and procedures are in accordance with City Ordinances – Part 2, Chapter 2, Article VII, Division 2, Section 2-444.

16. FEDERAL GRANT MONEY

In the event this project is funded with federal grant monies, CONTRACTOR/VENDOR may not participate in the bid if CONTRACTOR/VENDOR is listed in the Excluded Parties List System (EPLS) a federal suspension and debarment listing www.sam.gov CONTRACTOR/VENDOR shall include copy of search results with bid or proposal.

17. LOBBYING

a. Lobbying is defined as any action taken by an individual, firm, association, joint venture, partnership, syndicate, corporation, and/or all other groups who seek to influence the governmental decision of a Board Member, the City Manager, and/or any City Personnel during the solicitation process. The lobbying black-out period commences upon the issuance of this solicitation and concluded upon the signing of the agreement. CONTRACTORS shall not contact any Commission Member and/or any requesting or evaluating Department/Office personnel during said black-out period. All questions and procedural matters shall be directed to the City Manager. The City Commissioners and/or the City Manager may disqualify any solicitation response where any Commissioner, the City Manager, and/or City Personnel have been lobbied in violation of the blackout period.

EXHIBITS

EXHIBIT "A"	**Contact Sheet**
EXHIBIT "A-1"	**Bid Pricing Form**
EXHIBIT "B"	**Public Entity Crimes**
EXHIBIT "C"	**Drug-Free Workplace Certification**
EXHIBIT "D"	**E-Verify Statement**
EXHIBIT "E"	**Proposer Acknowledgements and Agreements**
EXHIBIT "F"	**Conflict of Interest**
EXHIBIT "G"	**Non-Collusion Affidavit**
EXHIBIT "H"	**Disputes Disclosure**

EXHIBIT "A"
CONTACT SHEET

Name: _____

Federal Taxpayer ID_____

MailingAddress:_____

City, State, & Zip Code: _____

Telephone: _____ **Fax:** _____

Email: _____

Submitted By: _____

Title: _____

Accounting Contact:

Name: _____**Title:**_____

Email Address: _____ **Phone:** _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM

The undersigned, having carefully examined the Contract Documents and the site of the proposed work and being familiar with the obstacles and conditions that will be encountered during the execution of the work, hereby offers, and agrees to furnish all labor, materials, contingencies, supervision and equipment necessary to perform the work in accordance with the proposed contract documents.

Replacement of twenty-two (22) windows $_____Lump Sum

BID ADDITIVE NO. 1

Bid additive will consist of the replacement of two (2) storefront glass doors and surrounding window glass assemblies

Replacement of storefront glass doors and window glass $ _____Lump Sum

This Bid is submitted by: _____

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____

(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____

(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: _____ (SEAL)

State of Incorporation: _____

Type (General Business, Professional, Service, Limited Liability): _____

By: _____

(Signature -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(CORPORATE SEAL)

Attest _____

Date of Qualification to do business in Florida is ____/____/____.

A Joint Venture

Name of Joint Venture: _____

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature of first joint venture partner -- attach evidence of authority to sign)
Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____
(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM (CONTINUED)

By: _____

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address _____
_____
_____

Phone No. _____ Fax No. _____

E-mail _____ _____

SUBMITTED on_____ 20 ____.

State Contractor License No. _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for _____.

2. This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is_____and my relationship to the entity named above is _____.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or
    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any
natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)
   ____ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.
   ____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)
   ____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)
   ____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this __ day of _____, 20_____,
by _____,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: _____

CITY: _____STATE: _____ ZIP CODE: _____

SIGNATURE: _____PHONE: _____

NAME (TYPED OR PRINTED): _____TITLE: _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: _____

Project Description: _____

_____

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: _____

Authorized Signature: _____

Title: _____

Date: _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "E"

PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name:_____Title: _____

Signature: _____Date: _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for _____.

This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is_____and my relationship to the entity named above is_____.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 20_____,

by _____,

_____
Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for _____.
This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is_____and my relationship to the entity named above is_____.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 20_____,

by _____,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

_____

Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO____

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO_____

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO_____

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

Firm Date

Authorized Signature Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

"ATTACHMENT A"

LIST OF SUBCONTRACTORS

I _____/DO, _____/DO NOT, propose to subcontract some of the work on this project. I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A"

CONTACT SHEET

Name: C.C. Borden Construction, inc.

Federal Taxpayer ID: 59-2911644

Mailing Address: 1019 Rosselle St.

City, State, & Zip Code: Jacksonville, FL 32204

Telephone: (904)354-3458 **Fax:** (904)354-4770

Email: Ccborden@ccborden.com

Submitted By: Camille C. Borden

Title: President/Owner

Accounting Contact:

Name: Linda Mason **Title:** Bookkeeper

Email Address: Linda@ccborden.com **Phone:** (904)354-3458

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM

DESCRIPTION	TOTAL
REMOVE AND REPLACE WINDOWS (QTY 15)	$ 56,447.00
MOBILIZATION/DEMOBILIZATION/MISC	$ 88,754.00

TOTAL PROJECT BID, COMPLETE $ 145,201.00

one hundred forty-five thousand two hundred and one dollars 00/100
(in words)

This Bid is submitted by:
If Bidder is:

An Individual
Name (typed or printed): N/A

By: _____
(Individual's signature)
Doing business as: _____

A Partnership

Partnership Name: N/A

By: _____

(Signature of general partner -- attach evidence of authority to sign)
Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: C.C. Borden Construction, Inc. (SEAL)

State of Incorporation: Florida

Type (General Business, Professional, Service, Limited Liability): _____

By: _____

(Signature -- attach evidence of authority to sign)

Name (typed or printed): Camille C. Borden

Title: President/Owner

(CORPORATE SEAL)

Attest _____

Date of Qualification to do business in Florida is 08 / 01 / 1988

A Joint Venture

Name of Joint Venture: N/A

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____

(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

By: N/A

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address 1019 Rosselle St.
Jacksonville, FL 32204

Phone No. 904-354-3458 Fax No. 904-354-4770

E-mail Ccborden@ccborden.com

SUBMITTED on April 9 20 24.

State Contractor License No. CGC1506253

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES
THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for City of Fernandina Beach .

2. This sworn statement is submitted by (entity) C.C. Borden Construction, Inc. whose business address is 1019 Rosselle St. Jacksonville, FL 32204 and (if applicable) Federal Employer Identification Number (FEIN) is 59-2911644 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)

3. My name is Camille C. Borden and my relationship to the entity named above is President/Owner .

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

   1. A predecessor or successor of a person convicted of a public entity crime; or

   2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)

   _X_ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

   ____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)

   ____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)

   ____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

Carli C Bond 04/09/24
Signature Date:

STATE OF FLORIDA
COUNTY OF Duval
PERSONALLY, APPEARED BEFORE ME, the undersigned authority, who, after first being sworn by me, affixed his/her signature at the space provided above on this 9 day of April, 2024, and is personally known to me, or has provided _____ as identification.

Linda Mason
Notary Public
My Commission expires: LINDA G MASON
MY COMMISSION # HH 219126
EXPIRES: April 27, 2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: C.C. Borden Construction, Inc.

CITY: Jacksonville STATE: FL ZIP CODE: 32204

SIGNATURE: Camille C Borden PHONE: 904-354-3458

NAME (TYPED OR PRINTED): Camille C. Borden TITLE: President/Owner

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

EXHIBIT "D"

E-VERIFY STATEMENT

Bid/Proposal Number: ITB24-11

Project Description: City Hall Building Dept Windows Removal and Replacement.

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: C.C. Borden Construction, Inc.

Authorized Signature:

Title: President/Owner

Date: 04/09/24

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "E"

PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Camille C. Borden Title: President/Owner

Signature: Camille C Borden Date: 04/04/24

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for City of Fernandina Beach .

This sworn statement is submitted by (entity) C.C. Borden Construction, Inc. whose business address is 1019 Rosselle St. Jacksonville, FL 32204 and (if applicable) Federal Employer Identification Number (FEIN) is 59-2911644 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)

My name is Camille C. Borden and my relationship to the entity named above is President/Owner .

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

Carl Dan 04/09/24
Signature Date:

STATE OF FLORIDA
COUNTY OF Duval

PERSONALLY, APPEARED BEFORE ME, the undersigned authority, who, after first being sworn by me, affixed his/her signature at the space provided above on this 9 day of April, 2024, and is personally known to me, or has provided _____ as identification.

Linda Mason
Notary Signature

My Commission expires: _____

LINDA G MASON
MY COMMISSION # HH 219126
EXPIRES: April 27, 2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for City of Fernandina Beach.
This sworn statement is submitted by (entity) C.C. Borden Construction, Inc whose business address is 1019 Rosselle St. Jacksonville, FL 32204 and (if applicable) Federal Employer Identification Number (FEIN) is 59-2911644 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)

My name is Camille C. Borden and my relationship to the entity named above is President/Owner.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Camille C. Borden 04/04/24
Signature Date:

STATE OF FLORIDA
COUNTY OF Duval

PERSONALLY, APPEARED BEFORE ME, the undersigned authority, who, after first being sworn by me, affixed his/her signature at the space provided above on this 9 day of April, 2024, and is personally known to me, or has provided _____ as identification.

Linda Mason My Commission expires: _____
Notary Signature

LINDA G MASON
NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION # HH 219126
EXPIRES: April 27, 2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

EXHIBIT "H"

DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO_X__

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO_X___

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO_X__

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

C.C. Borden Construction, Inc.	04/09/24
Firm	Date
Camille C. Borden	Camille C. Borden President/Owner
Authorized Signature	Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

"ATTACHMENT A"
LIST OF SUBCONTRACTORS

I ____X____/DO, _____/DO NOT, propose to subcontract some of the work on this project. I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT
Frieda Windows	Sunbeam Rd. Jax., FL	Window Installation	$44,000.00

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

ADDENDUM No. 1

The following changes are applicable to the original documents and specifications of **ITB 24-11.** This Addendum No.1 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the bid submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting the bid.

NAME: Camille C. Borden **TITLE:** President/owner

ADDRESS: 1019 Rosselle St.

CITY: Jacksonville **STATE:** FL

AUTHORIZED SIGNATURE: Camille Borden **DATE:** 04/09/2024

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

1. Is there a place onsite for the new windows to be temporarily stored while window demo/replacement is taking place? The windows can be stored on-site. A designated site will be agreed upon before the start of the project.

2. Is there an area on site for a dump trailer to be parked during the demolition/removal stage of this project? The dump trailer can be parked on the east side of the building. The designated site will be agreed upon before the start of the project.

3. What are the rough dimensions of the existing single hung windows? This is the responsibility of the contractor/bidder to determine.

4. What are the rough dimensions of the existing fixed windows? This is the responsibility of the contractor/bidder to determine.

5. Is there an estimated cost for the permit fees for this project? The Building Dept estimates the fees to be around $750.

SAM.GOV

C.C. BORDEN CONSTRUCTION, INC.

Unique Entity ID	CAGE / NCAGE	Purpose of Registration
WJZLJKEWMJC9	**1FHP9**	**All Awards**
Registration Status	Expiration Date	
Active Registration	**Aug 13, 2024**	
Physical Address	Mailing Address	
1019 Rosselle ST **Jacksonville, Florida 32204-2832** **United States**	**1019 Rosselle ST.** **Jacksonville, Florida 32204-2832** **United States**	

Business Information

Doing Business as	Division Name	Division Number
(blank)	**(blank)**	**(blank)**
Congressional District	State / Country of Incorporation	URL
Florida 04	**Florida / United States**	**www.ccborden.com**

Registration Dates

Activation Date	Submission Date	Initial Registration Date
Aug 15, 2023	**Aug 14, 2023**	**Jul 31, 2001**

Entity Dates

Entity Start Date	Fiscal Year End Close Date
Jan 1, 1988	**Dec 31**

Immediate Owner

CAGE	Legal Business Name
(blank)	**(blank)**

Highest Level Owner

CAGE	Legal Business Name
(blank)	**(blank)**

Executive Compensation

In your business or organization's preceding completed fiscal year, did your business or organization (the legal entity to which this specific SAM record, represented by a Unique Entity ID, belongs) receive both of the following: 1. 80 percent or more of your annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements and 2. $25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

No

Does the public have access to information about the compensation of the senior executives in your business or organization (the legal entity to which this specific SAM record, represented by a Unique Entity ID, belongs) through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

Not Selected

Proceedings Questions

Is your business or organization, as represented by the Unique Entity ID on this entity registration, responding to a Federal procurement opportunity that contains the provision at FAR 52.209-7, subject to the clause in FAR 52.209-9 in a current Federal contract, or applying for a Federal grant opportunity which contains the award term and condition described in 2 C.F.R. 200 Appendix XII?

Yes

Does your business or organization, as represented by the Unique Entity ID on this specific SAM record, have current active Federal contracts and/or grants with total value (including any exercised/unexercised options) greater than $10,000,000?

No

Within the last five years, had the business or organization (represented by the Unique Entity ID on this specific SAM record) and/or any of its principals, in connection with the award to or performance by the business or organization of a Federal contract or grant, been the subject of a Federal or State (1) criminal proceeding resulting in a conviction or other acknowledgment of fault; (2) civil proceeding resulting in a finding of fault with a monetary fine, penalty, reimbursement, restitution, and/or damages greater than $5,000, or other acknowledgment of fault; and/or (3) administrative proceeding resulting in a finding of fault with either a monetary fine or penalty greater than $5,000 or reimbursement, restitution, or damages greater than $100,000, or other acknowledgment of fault?

Not Selected

Exclusion Summary

Active Exclusions Records?

No

SAM Search Authorization

I authorize my entity's non-sensitive information to be displayed in SAM public search results:

Yes

Entity Types

Business Types

Entity Structure	Entity Type	Organization Factors
Corporate Entity (Not Tax Exempt)	**Business or Organization**	**(blank)**

Profit Structure
For Profit Organization

Socio-Economic Types

Self Certified Small Disadvantaged Business
Women-Owned Business

Check the registrant's Reps & Certs, if present, under FAR 52.212-3 or FAR 52.219-1 to determine if the entity is an SBA-certified HUBZone small business concern. Additional small business information may be found in the SBA's Dynamic Small Business Search if the entity completed the SBA supplemental pages during registration.

Financial Information

Accepts Credit Card Payments	Debt Subject To Offset
No	**No**

EFT Indicator	CAGE Code
0000	**1FHP9**

Electronic Funds Transfer

Account Type	Routing Number	Lock Box Number
Checking	********45**	**(blank)**

Financial Institution	Account Number
SOUTHSTATE BANK, N.A.	********80**

Automated Clearing House

Phone (U.S.)	Email	Phone (non-U.S.)
9044213742	**(blank)**	**(blank)**

Fax
9044213737

Remittance Address

C C BORDEN CONSTRUCTION INC
1019 Rosselle ST
Jacksonville, Florida 32204
United States

Taxpayer Information

EIN	Type of Tax	Taxpayer Name
*******1644**	**Applicable Federal Tax**	**C C BORDEN CONSTRUCTION INC**

Tax Year (Most Recent Tax Year)	Name/Title of Individual Executing Consent	TIN Consent Date
2007	**President**	**Aug 14, 2023**

Address	Signature
1019 Rosselle ST **Jacksonville, Florida 32204**	**CAMILLE BORDEN**

Points of Contact

Accounts Receivable POC

Camille C. Borden, Owner
ccborden@ccborden.com

9043543458

Electronic Business

CAMILLE C. Borden, Owner
ccborden@ccborden.com
9043543458
1019 Rosselle Street
Jacksonville, Florida 32204
United States

Roxanne L Garcia, APM
ccborden@ccborden.com
9043543458
1019 Rosselle ST,
Jacksonville, Florida 32204
United States

Government Business

Camille C. BORDEN, Owner
ccborden@ccborden.com
9043543458
1019 Rosselle Street
Jacksonville, Florida 32204
United States

Benjamin A BORDEN
ccborden@ccborden.com
9043543458
1019 Rosselle Street
Jacksonville, Florida 32204
United States

Service Classifications

NAICS Codes

Primary	NAICS Codes	NAICS Title
Yes	236220	Commercial And Institutional Building Construction
	236210	Industrial Building Construction
	238110	Poured Concrete Foundation And Structure Contractors
	238120	Structural Steel And Precast Concrete Contractors
	238130	Framing Contractors
	238140	Masonry Contractors
	238150	Glass And Glazing Contractors
	238160	Roofing Contractors
	238170	Siding Contractors
	238190	Other Foundation, Structure, And Building Exterior Contractors
	238210	Electrical Contractors And Other Wiring Installation Contractors
	238220	Plumbing, Heating, And Air-Conditioning Contractors
	238310	Drywall And Insulation Contractors
	238320	Painting And Wall Covering Contractors
	238330	Flooring Contractors
	238340	Tile And Terrazzo Contractors
	238350	Finish Carpentry Contractors
	238390	Other Building Finishing Contractors

Product and Service Codes

PSC	PSC Name
Z1AA	Maintenance Of Office Buildings
Z2AA	Repair Or Alteration Of Office Buildings
Z2JZ	Repair Or Alteration Of Miscellaneous Buildings

Size Metrics

IGT Size Metrics

Annual Revenue (from all IGTs)
(blank)

Worldwide

Annual Receipts (in accordance with 13 CFR 121)	Number of Employees (in accordance with 13 CFR 121)
$10,000,000.00	**12**

Location

Annual Receipts (in accordance with 13 CFR 121)	Number of Employees (in accordance with 13 CFR 121)
$7,000,000.00	**8**

Industry-Specific

Barrels Capacity	Megawatt Hours	Total Assets
(blank)	**(blank)**	**(blank)**

Electronic Data Interchange (EDI) Information

This entity did not enter the EDI information

Disaster Response

This entity does not appear in the disaster response registry.

2023 - 2024 LOCAL BUSINESS TAX RECEIPT

JIM OVERTON, DUVAL COUNTY TAX COLLECTOR

231 E. Forsyth Street, Suite 130, Jacksonville, FL 32202-3370
Phone: (904) 255-5700, option 3 Fax: (904) 255-8403
https://taxcollector.coj.net/

Note – A penalty is imposed for failure to keep this receipt exhibited conspicuously at your place of business. This business tax receipt is furnished pursuant to Municipal Ordinance Code, Chapters 770-772, for the period October 01, 2023 through September 30, 2024 .

C C BORDEN CONSTRUCTION, INC
1019 ROSSELLE ST
JACKSONVILLE, FL 32204-2832

ACCOUNT NUMBER: 1520
BUSINESS NAME: C C BORDEN CONSTRUCTION, INC
PHYSICAL ADDRESS: 1019 ROSSELLE ST
JACKSONVILLE, FL 32204-2832

CLASSIFICATION CODE: 309001 CONTRACTOR - ALL TYPES

STATE LICENSE NO: CGC1506253

COUNTY TAX:	22.50
MUNICIPAL TAX:	101.25
COUNTY LATE PENALTY:	0.00
MUNICIPAL LATE PENALTY:	0.00
TOTAL TAX:	**123.75**

RENEWAL

VALID UNTIL September 30, 2024

2023 - 2024

ATTENTION

THIS RECEIPT IS FOR BUSINESS TAX RECEIPT ONLY.
CERTAIN BUSINESSES MAY REQUIRE ADDITIONAL STATE LICENSING.

This is a business tax receipt only. It does not permit the receipt holder to violate any existing regulatory or zoning laws of the County or City. It does not exempt the receipt holder from any other license or permit required by law. This is not a certification of the receipt holder's qualifications.

JIM OVERTON, TAX COLLECTOR

THIS BECOMES A RECEIPT AFTER VALIDATION.

Paid 230911000003021 09/11/2023 $ 123.75

2023 - 2024 LOCAL BUSINESS TAX RECEIPT

JIM OVERTON, DUVAL COUNTY TAX COLLECTOR

231 E. Forsyth Street, Suite 130, Jacksonville, FL 32202-3370
Phone: (904) 255-5700, option 3 Fax: (904) 255-8403
https://taxcollector.coj.net/

Note – A penalty is imposed for failure to keep this receipt exhibited conspicuously at your place of business. This business tax receipt is furnished pursuant to Municipal Ordinance Code, Chapters 770-772, for the period October 01, 2023 through September 30, 2024 .

STARKS CAMILLE BORDEN
1019 ROSSELLE ST
JACKSONVILLE, FL 32204-2832

ACCOUNT NUMBER: 1233
BUSINESS NAME: STARKS CAMILLE BORDEN
PHYSICAL ADDRESS: 1019 ROSSELLE ST
JACKSONVILLE, FL 32204-2832

CLASSIFICATION CODE: 325014 QUALIFYING AGENT - CONTRACTORS

STATE LICENSE NO: CGC1506253

COUNTY TAX:	0.00
MUNICIPAL TAX:	100.00
COUNTY LATE PENALTY:	0.00
MUNICIPAL LATE PENALTY:	0.00
TOTAL TAX:	**100.00**

RENEWAL

VALID UNTIL September 30, 2024

2023 - 2024

ATTENTION

THIS RECEIPT IS FOR BUSINESS TAX RECEIPT ONLY.
CERTAIN BUSINESSES MAY REQUIRE ADDITIONAL STATE LICENSING.

This is a business tax receipt only. It does not permit the receipt holder to violate any existing regulatory or zoning laws of the County or City. It does not exempt the receipt holder from any other license or permit required by law. This is not a certification of the receipt holder's qualifications.

JIM OVERTON, TAX COLLECTOR

THIS BECOMES A RECEIPT AFTER VALIDATION.

Paid 230911000003021 09/11/2023 $ 100.00

Ron DeSantis, Governor

Melanie S. Griffin, Secretary

Florida dbpr

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

CONSTRUCTION INDUSTRY LICENSING BOARD

THE GENERAL CONTRACTOR HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 489, FLORIDA STATUTES

STARKS, CAMILLE BORDEN

C C BORDEN CONSTRUCTION INC
1019 ROSSELLE STREET
JACKSONVILLE FL 32204

LICENSE NUMBER: CGC1506253

EXPIRATION DATE: AUGUST 31, 2024

Always verify licenses online at MyFloridaLicense.com

Do not alter this document in any form.

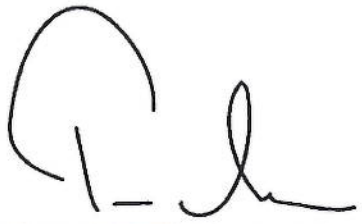
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State of Florida

CC Borden Construction

Is certified under the provisions of
287 and 295.187, Florida Statutes, for a period from:

03/09/2023 03/09/2025



J. Todd Inman
Florida Department of Management Services

FLORIDA DEPARTMENT OF MANAGEMENT SERVICES
SUPPLIER DIVERSITY

Office of Supplier Diversity
4050 Esplanade Way, Suite 380
Tallahassee, FL 32399
850-487-0915
www.dms.myflorida.com/osd

State of Florida
Department of State

I certify from the records of this office that C.C. BORDEN CONSTRUCTION, INC. is a corporation organized under the laws of the State of Florida, filed on August 2, 1988, effective August 1, 1988.

The document number of this corporation is M93201.

I further certify that said corporation has paid all fees due this office through December 31, 2024, that its most recent annual report/uniform business report was filed on January 17, 2024, and that its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the Great Seal of the State of Florida at Tallahassee, the Capital, this the Seventeenth day of January, 2024

Secretary of State

Tracking Number: 3647611905CC

To authenticate this certificate,visit the following site,enter this number, and then follow the instructions displayed.

https://services.sunbiz.org/Filings/CertificateOfStatus/CertificateAuthentication

AIA Document 310 - 2010 Bid Bond

CONTRACTOR (Name, legal status and address):

C.C. Borden Construction, Inc.
1019 Rosselle Street
Jacksonville FL 32034

SURETY (Name, legal status and principal place of business):

Fidelity and Deposit Company of Maryland
1299 Zurich Way
Schaumburg, IL 60196-1056

OWNER (Name, legal status and address):

City of Fernandina Beach
204 Ash Street
Fernandina Beach FL 32034

RECEIVED
APR 08 2024
CC BORDEN CONSTR., INC.

Bond Amount: Five percent of the bid

PROJECT : (Name, location or address, and Project number, if any):

Building Dept Windows Remove and Replace - City Hall
Selective demolition and modifications: Window Replacement

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters in to a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed by the Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 9 day of April, 2024

Sally Crampton
(Witness) (Seal)

(Witness) (Seal)

C.C. Borden Construction, Inc.
(Principal) (Seal)

(Title) Camille C. Borden, President

Fidelity and Deposit Company of Maryland
(Surety)

(Title) Attorney-In-Fact

C.C. BORDEN CONSTRUCTION CORPORATE SEAL 1988 FLORIDA

Language conforms to AIA Document A310 Bid Bond
BID70001ZZ0311f

ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), by ROBERT D. MURRAY, Vice President, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint **William R. HARDAKER, Nick NAPOLEON and Edra Ann WALLER, of Jacksonville, Florida,** EACH, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: Consents to Release of Retainage and/or Final Estimates on Construction Contracts required by the Department of Transportation, State of Florida and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York, the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland, and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland, in their own proper persons.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said **ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND,** this 31st day of August A.D. 2020.

ATTEST:
ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND

By: Robert D. Murray
Vice President

By: Dawn E. Brown
Secretary

State of Maryland
County of Baltimore

On this 31st day of August , 2020, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Robert D. Murray, Vice President and Dawn E. Brown, Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, deposeth and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Constance A. Dunn, Notary Public
My Commission Expires: July 9, 2023

EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify of revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990:

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies, this 9th day of April, 2024.

Brian M. Hodges, Vice President

TO REPORT A CLAIM WITH REGARD TO A SURETY BOND, PLEASE SUBMIT A COMPLETE DESCRIPTION OF THE CLAIM INCLUDING THE PRINCIPAL ON THE BOND, THE BOND NUMBER, AND YOUR CONTACT INFORMATION TO:

Zurich Surety Claims
1299 Zurich Way
Schaumburg, IL 60196-1056
www.reportsfclaims@zurichna.com
800-626-4577

FEDERAL CONTRACT REQUIREMENTS

ARPA FUNDS 2022

Certification Regarding Lobbying

(To be submitted with each bid or offer exceeding $100,000)

EXHIBIT "I"

The undersigned certifies, to the best of his or her knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) The undersigned shall require that the language paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995).

The Contractor, C.C. Borden Construction, Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

Signature of Contractor's Authorized Official

Camille C. Borden President/Owner

Printed Name and Title of Contractor's Authorized Official

04/09/2024

Date

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

N/A

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether sub-awardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the sub-awardee, e.g., the first sub-awardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Sub-awardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

N/A

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information

N/A

unless it displays a valid OMB control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

Approved by
OMB 0348-0046

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

N/A

N/A

Disclosure of Lobbying Activities

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352 (See reverse for public burden disclosure)

Type of Federal Action:	**Status of Federal Action:**	**Report Type:**
N/A a. contract ___ b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	a. bid/offer/application _____ b. initial award c. post-award	a. initial filing _____ b. material change

Name and Address of Reporting Entity:	**If Reporting Entity in No. 4 is Sub-awardee,**
____ Prime _____ Sub-awardee Tier_____, if Known: **Congressional District, if known:**	Enter Name and Address of Prime: **Congressional District, if known:**
Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, *if applicable*: _____
Federal Action Number, *if known:*	**9. Award Amount,** *if known:* **$**
10. a. Name and Address of Lobbying Registrant *(if individual, last name, first name, MI):*	**b. Individuals Performing Services** *(including address if different from No. 10a)* *(last name, first name, MI):*
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.	**Signature:_____** **_____Print Name: _** **_____** **Title: _____** **Telephone No.:_____Date: _____**
Federal Use Only	**Authorized for Local Reproduction Standard Form - LLL (Rev. 7-97)**

N/A

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

N/A

EXHIBIT I-1: REQUIRED CONTRACT PROVISIONS

2 CFR 200.326 Contract provisions. The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards. The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

All Contracts

THRESHOLD	PROVISION	CITATION
>$150,000 (Simplified Acquisition Threshold)	Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.	2 CFR 200 APPENDIX II (A)
>$10,000	All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.	2 CFR 200 APPENDIX II (B)
None	Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.	2 CFR 200 APPENDIX II (F)
None	Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.	2 CFR 200 APPENDIX II (H)
None	Records of non-Federal entities. The U.S. Department of Housing and Urban Development (HUD), Inspectors General, the Comptroller General of the United States, the Texas General Land Office (GLO), and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and discussion related to such documents.	2 CFR 200.336

N/A

None	Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:	2 CFR 200.333

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N/A

N/A	(a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. (b) When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period. (c) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition. (d) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity. (e) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned. (f) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates). (1) If submitted for negotiation. If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission. (2) If not submitted for negotiation. If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.	

N/A

N/A

None	Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms. (a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. (b) Affirmative steps must include: (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists; (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;	2 CFR 200.321

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N/A

N/A

	(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.	
Option Contract Language for contracts awarded prior to Grant Award	The contract award is contingent upon the receipt of CDBG-DR funds. If no such funds are awarded, the contract shall terminate.	Optional

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

N/A

N/A

EO Clause for Construction Contracts > $10K including administration & engineering contracts associated with construction contracts

THRESHOLD	PROVISION	CITATION
>$10,000	Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60–1.3 must include the equal opportunity clause provided under 41 CFR 60–1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964–1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." 41 CFR 60-1.4 Equal opportunity clause. (b) Federally assisted construction contracts. (1) Except as otherwise provided, each administering agency shall require the inclusion of the following language as a condition of any grant, contract, loan, insurance, or guarantee involving federally assisted construction which is not exempt from the requirements of the equal opportunity clause: The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause: During the performance of this contract, the contractor agrees as follows: (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause. (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.	41 CFR §60-1.4(b) and 2 CFR 200 APPENDIX II (C)

	(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to	

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

N/A

N/A

	individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information. (4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor. (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders. (7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law. (8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States. The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause	

N/A

	is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract. The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules,	

N/A

	regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance. The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings. (c) Subcontracts. Each nonexempt prime contractor or subcontractor shall include the equal opportunity clause in each of its nonexempt subcontracts. (d) Inclusion of the equal opportunity clause by reference. The equal opportunity clause may be included by reference in all Government contracts and subcontracts, including Government bills of lading, transportation requests, contracts for deposit of Government funds, and contracts for issuing and paying U.S. savings bonds and notes, and such other contracts and subcontracts as the Director of OFCCP may designate. (e) Incorporation by operation of the order. By operation of the order, the equal opportunity clause shall be considered to be a part of every contract and subcontract required by the order and the regulations in this part to include such a clause whether or not it is physically incorporated in such contracts and whether or not the contract between the agency and the contractor is written. (f) Adaptation of language. Such necessary changes in language may be made in the equal opportunity clause as shall be appropriate to identify properly the parties and their undertakings. [80 FR 54975, Sept. 11, 2015]	

N/A

THRESHOLD	PROVISION	CITATION
>$2,000	*Compliance with the Davis-Bacon Act (40 U.S.C. 3141 et seq.) as supplemented by Department of Labor regulations (29 CFR part 5) and with the Copeland "Anti-Kickback" Act (18 U.S.C. 874; 40 U.S.C. 3145) as supplemented in Department of Labor regulations (29 CFR part 3):* Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.	2 CFR 200 APPENDIX II (D)
>$100,000	Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.	2 CFR 200 APPENDIX II (E)

N/A

>$150,000	Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).	2 CFR 200 APPENDIX II (G)
>$100,000	Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or	2 CFR 200 APPENDIX II (I) and 24 CFR §570.303

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

N/A

N/A

	employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.	
>$100,000	All Section 3 covered contracts shall include the following clause (referred to as the Section 3 clause): A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations. C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin. D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135. E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135. F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.	24 CFR §135.38

N/A

	G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i)	

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

N/A

N/A

	preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).	
	A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. [78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]	2 CFR 200 APPENDIX II (J)
	Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.	42 U.S.C. 6201
	As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award. a. For purposes of this section: i. "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. ii. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.	2 CFR 200.322

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

N/A

CITY OF FERANDINA BEACH
ITB 24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

INTRODUCTION

The City of Fernandina Beach, Florida (City) is requesting sealed competitive bids from qualified contractors for the **REMOVAL AND REPLACEMENT of WINDOWS in the CITY HALL BUILDING DEPT** located at 204 Ash Street, Fernandina Beach, FL 32034.

The City will receive sealed bid submittals at the location stated below not later than **2:00pm (EST), April 09, 2024.**

Any submittal received after the above stated time and date will not be considered. It shall be the sole responsibility of the Bidder to have its Bid delivered to the City of Fernandina Beach, by U.S. Mail, hand delivery or any other method available to him/her; however, facsimile, or electronic submittals will not be accepted. Delay in delivery shall be the sole responsibility of the Bidder. Submittals received after the deadline will not be considered. Award of the Bid is subject to authorization and appropriation of funds.

The original bid submittal **[1 original, 4 copies and 1 electronic copy, (CD or thumb drive)]** must be delivered to City Hall in a sealed package, clearly marked on the outside, **ITB #24-11** and addressed to:

City of Fernandina Beach
Attn: City Clerk's Office – **ITB #24-11**
204 Ash Street
Fernandina Beach, FL 32034

Hand delivered Submittal is to be taken to the Clerk's Office at the above address.

The bid shall be submitted on the specified **Contact Sheet**, hereto attached as "**Exhibit A**" and **Bid Pricing Form**, hereto attached as "**Exhibit A-1**". The person signing the Bid Response Form shall have the authority to bind the proposer to the Bid. All information on the Bid form shall be provided, or the Bid may not be accepted.

The competitive sealed Bid shall be accompanied by a **"Public Entity Crimes"**, herein provided as "**Exhibit B**", **"Drug-Free Workplace Certification"** herein provides as "**Exhibit C**", **"E-Verify Statement"** herein provided as "**Exhibit D**", **"Proposer Acknowledgements and Agreements"**, herein provided as "**Exhibit E**", **"Conflict of Interest"**, herein provided as, "**Exhibit F**", **"Non-Collusion Affidavit"**, herein provided as "**Exhibit G**" and **"Dispute Disclosure"**, herein provided as "**Exhibit H**". **"Attachment A", List of Subcontractors.**

"Exhibit I", Federal Contract Requirements ARPA Funds 2022 is included as a separate document.

A City of Fernandina Beach example contract is included as a separate document.

In accordance with Item 16, General Terms and Conditions, please provide **proof the Contractor/Vendor is not listed in the Excluded Parties List System**, a federal suspension and debarment listing.

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

EXHIBIT "A"
CONTACT SHEET

Name: J.C. Stanford & Son Inc

Federal Taxpayer ID: 54-2080934

Mailing Address: 1062 S state rd 19, suite 1

City, State, & Zip Code: Palatka, FL, 32177

Telephone: (904) 367-0990 Fax: N/A

Email: Keslyn@JCStanford.com

Submitted By: Keslyn Hart

Title: C.O.O.

Accounting Contact:

Name: Kessie Sapp Title: Office Administrator

Email Address: Kessie@JCStanford.com Phone: (904) 367-0990

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

EXHIBIT "A-1"
BID PRICING FORM

DESCRIPTION	TOTAL
REMOVE AND REPLACE WINDOWS (QTY 15)	$89,634.00
MOBILIZATION/DEMOBILIZATION/MISC	$10,000.00

TOTAL PROJECT BID, COMPLETE $ 99,634.00

Ninty Nine Thousand Six Hundred Thirty Four Dollars
(in words)

This Bid is submitted by: J.C. Stanford & Son Inc.
If Bidder is: Corporation

An Individual
Name (typed or printed): _____

By: _____
(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____

(Signature of general partner -- attach evidence of authority to sign)
Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: J.C. Stanford & Son Inc (SEAL)

State of Incorporation: Florida

Type (General Business, Professional, Service, Limited Liability): _____

By: Keslyn Hart

(Signature -- attach evidence of authority to sign) (Anual Report Attached)

Name (typed or printed): Keslyn Hart

Title: C.O.O.

(CORPORATE SEAL)

Kessie A. Sapp
Notary Public
State of Florida
Comm# HH151769
Expires 7/11/2025

Attest _____

Date of Qualification to do business in Florida is 10/15/2002

A Joint Venture

Name of Joint Venture: _____

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____
Title: _____

Second Joint Venturer Name: _____
(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM (CONTINUED)

By: _____

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address 10162 S state rd 19
Suite 1
Palatka, FL 32177

Phone No. (904) 367-0990 Fax No. N/A

E-mail Keslyn@jcrtanford.com

SUBMITTED on April 5th 2024.

State Contractor License No. CGC060574

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES
THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for ITB24-11.

2. This sworn statement is submitted by (entity) J.C. Stanford & Son whose business address is 1062 S State rd 19, Palatka FL and (if applicable) Federal Employer Identification Number (FEIN) is 54-2080934 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is Kaylyn Hart and my relationship to the entity named above is C.O.O. _____.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or

    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)

X Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)

____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)

____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

Kaelyn Hart 4/4/24
Signature Date:

STATE OF FLORIDA
COUNTY OF Putnam

PERSONALLY, APPEARED BEFORE ME, the undersigned authority, who, after first being sworn by me, affixed his/her signature at the space provided above on this 4 day of April, 2024, and is personally known to me, or has provided _____ as identification.

Kessie Sapp
Notary Public
My Commission expires: 7/11/25

Kessie A. Sapp
Notary Public
State of Florida
Comm# HH151769
Expires 7/11/2025

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: J.C. Stanford & son INC.

CITY: Palatka STATE: FL ZIP CODE: 32177

SIGNATURE: Keslyn Hart PHONE: 904-367-0990

NAME (TYPED OR PRINTED): Keslyn Hart TITLE: C.O.O.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: ITB#24-11

Project Description: City Hall Building Dept windows removal and replacement

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: J.C. Stanford & son Inc

Authorized Signature: Keshyn Hart

Title: C.O.O.

Date: 4/4/2024

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "E"
PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Keslyn Hart Title: C.O.O.

Signature: Keslyn Hart Date: 4/4/24

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for ITB #24-11.

This sworn statement is submitted by (entity) JC Stanford & Son whose business address is 1162 S State rd 9, Palatka FL and (if applicable) Federal Employer Identification Number (FEIN) is 54-2080934 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Kaylyn Hart and my relationship to the entity named above is C.O.O.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

Signature Date: 4/4/24

STATE OF FLORIDA
COUNTY OF Putnam

PERSONALLY, APPEARED BEFORE ME, the undersigned authority, who, after first being sworn by me, affixed his/her signature at the space provided above on this 4 day of April, 2024, and is personally known to me, or has provided _____ as identification.

Notary Signature

My Commission expires: 7/11/25

Kessie A. Sapp
Notary Public
State of Florida
Comm# HH151769
Expires 7/11/2025

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for ITB 24-11.
This sworn statement is submitted by (entity) JC Stanford & Son Inc whose business address is 1062 S State rd 19, Palatka FL and (if applicable) Federal Employer Identification Number (FEIN) is 54-2080934 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Keslyn Hart and my relationship to the entity named above is C.O.O.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Keslyn Hart 4/4/24
Signature Date:

STATE OF FLORIDA
COUNTY OF Putnam

PERSONALLY, APPEARED BEFORE ME, the undersigned authority, who, after first being sworn by me, affixed his/her signature at the space provided above on this 4 day of April, 2024 and is personally known to me, or has provided _____ as identification.

Kessie Sapp _____ My Commission expires: 7/11/25
Notary Signature

Kessie A. Sapp
Notary Public
State of Florida
Comm# HH151769
Expires 7/11/2025

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO_X_

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO_X_

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO_X_

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

J.C. Stanford & Son Inc — Firm
4/4/24 — Date

Keslyn Hart — Authorized Signature
Keslyn Hart, C.O.O. — Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ITB #24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

"ATTACHMENT A"
LIST OF SUBCONTRACTORS

I _____/DO, __X__/DO NOT, propose to subcontract some of the work on this project. I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT
NO SUBS			

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

ADDENDUM No. 1

The following changes are applicable to the original documents and specifications of **ITB 24-11**. This Addendum No.1 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the bid submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting the bid.

NAME: Keslyn Hart **TITLE:** C.O.O.

ADDRESS: 1062 S state rd 19

CITY: Palatka **STATE:** FL

AUTHORIZED SIGNATURE: Keslyn Hart **DATE:** 4/4/24

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 24-11
CITY HALL BUILDING DEPT WINDOWS REMOVAL AND REPLACEMENT

1. Is there a place onsite for the new windows to be temporarily stored while window demo/replacement is taking place? The windows can be stored on-site. A designated site will be agreed upon before the start of the project.

2. Is there an area on site for a dump trailer to be parked during the demolition/removal stage of this project? The dump trailer can be parked on the east side of the building. The designated site will be agreed upon before the start of the project.

3. What are the rough dimensions of the existing single hung windows? This is the responsibility of the contractor/bidder to determine.

4. What are the rough dimensions of the existing fixed windows? This is the responsibility of the contractor/bidder to determine.

5. Is there an estimated cost for the permit fees for this project? The Building Dept estimates the fees to be around $750.

2024 FLORIDA PROFIT CORPORATION ANNUAL REPORT

FILED
Mar 04, 2024
Secretary of State
6880542772CC

DOCUMENT# P02000111116

Entity Name: J.C. STANFORD & SON, INC.

Current Principal Place of Business:

1062 S SR 19
STE 1
PALATKA, FL 32177

Current Mailing Address:

1062 S SR 19
STE 1
PALATKA, FL 32177 US

FEI Number: 54-2080934

Certificate of Status Desired: No

Name and Address of Current Registered Agent:

STANFORD, JR., JOHN CDIR/PRE
565 WEST RIVER ROAD
PALATKA, FL 32177 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE:

Electronic Signature of Registered Agent — Date

Officer/Director Detail :

Title	PRESIDENT
Name	STANFORD, JOHN C JR.
Address	5666 SUMMERALL ROAD
City-State-Zip:	JACKSONVILLE FL 32216

Title	DIRECTOR
Name	STANFORD, KATIE ANNE
Address	5666 SUMMERALL ROAD
City-State-Zip:	JACKSONVILLE FL 32216

Title	COO
Name	HART, KESLYN ANNE
Address	5666 SUMMERALL ROAD
City-State-Zip:	JACKSONVILLE FL 32216

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am an officer or director of the corporation or the receiver or trustee empowered to execute this report as required by Chapter 607, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: KESLYN HART — C.O.O. — 03/04/2024

Electronic Signature of Signing Officer/Director Detail — Date

Ron DeSantis, Governor

Melanie S. Griffin, Secretary

Florida dbpr

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

CONSTRUCTION INDUSTRY LICENSING BOARD

THE GENERAL CONTRACTOR HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 489, FLORIDA STATUTES

STANFORD, JOHN CHARLES JR

J C STANFORD & SON INC
5666 SUMMERALL RD
JACKSONVILLE FL 32216

LICENSE NUMBER: CGC060574

EXPIRATION DATE: AUGUST 31, 2024

Always verify licenses online at MyFloridaLicense.com

Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 12/12/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Marsh & McLennan Agency LLC
1000 Corporate Drive
Suite 400
Fort Lauderdale FL 33334

CONTACT NAME:
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Ohio Security Insurance Company	24082
INSURER B : Evanston Insurance Company	35378
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED JCSTANF
J.C. Stanford & Son Inc.
5666 Summerall Road
Jacksonville FL 32216

COVERAGES **CERTIFICATE NUMBER:** 2018150620 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			BKS2455618033	12/10/2023	12/10/2024	EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE [X] OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 300,000
							MED EXP (Any one person)	$ 15,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	POLICY [X] PRO-JECT [ ] LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	X OTHER: Cap at 5,000,00							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
B	~~UMBRELLA LIAB~~ X OCCUR			~~MKLV7EUL103290~~	~~12/10/2023~~	~~12/10/2024~~	~~EACH OCCURRENCE~~	~~$ 5,000,000~~
	X EXCESS LIAB / CLAIMS-MADE						~~AGGREGATE~~	~~$ 5,000,000~~
	DED RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						PER STATUTE / OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [ ] N / A (Mandatory in NH)						E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
B	POLLUTION LIABILITY/ PROFESSIONAL LIABILITY			MMAENV003850	12/10/2023	12/10/2024	EACH OCCURRENCE	5,000,000
							AGGREGATE	5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Proof of Insurance only.

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 11/28/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER StateFarm KELLY V HAGAR INS AGCY INC 9458 ALTERNATE A1A PALM BEACH GARDENS FL 33403	CONTACT NAME: PHONE (A/C, No, Ext): 561-627-7660 FAX (A/C, No): 561-627-5937 E-MAIL ADDRESS:
INSURED J C STANFORD & SON INC 5666 SUMMERALL RD JACKSONVILLE FL 32216	INSURER(S) AFFORDING COVERAGE / NAIC # INSURER A : State Farm Mutual Automobile Insurance Company 25178 INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	☐ OTHER:							$
A	AUTOMOBILE LIABILITY	Y	Y	K92 3858-F10-59	06/10/2023	06/10/2024	COMBINED SINGLE LIMIT (Ea accident)	$
	☒ ANY AUTO			K92 3859-F10-59	06/10/2023	06/10/2024	BODILY INJURY (Per person)	$ 1,000,000
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS			K92 3861-F10-59	06/10/2023	06/10/2024	BODILY INJURY (Per accident)	$ 1,000,000
	☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY			K92 3860-F10-59	06/10/2023	06/10/2024	PROPERTY DAMAGE (Per accident)	$ 1,000,000
								$
	~~UMBRELLA LIAB~~ ☐ OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB ☐ CLAIMS-MADE						~~AGGREGATE~~	~~$~~
	DED ☐ RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						PER STATUTE ☐ OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ (Mandatory in NH)	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

FL 32209

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Sarah Johnson

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CERTIFICATE OF LIABILITY INSURANCE

Acct#: 2979018

DATE (MM/DD/YYYY): 12/05/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER LOCKTON COMPANIES 444 W 47TH STREET, SUITE 900 KANSAS CITY, MO 64112-1906	CONTACT NAME: PHONE (A/C, No, Ext): 844-456-1523 FAX (A/C, No): E-MAIL ADDRESS: dhrcerts@locktonaffinity.com
INSURED J.C. Stanford & Son, Inc. 5666 Summerall Rd. Jacksonville, FL 33216	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A : A I U INSURANCE COMPANY — 19399 INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	☐ ANY AUTO						BODILY INJURY (Per person)	$
	☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☐ HIRED AUTOS ☐ NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
	☐ UMBRELLA LIAB ☐ OCCUR						EACH OCCURRENCE	$
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$
	☐ DED ☐ RETENTION $							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N ☐ (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		015332018	06/01/2023	06/01/2024	X PER STATUTE ☐ OTH-ER	
							E.L. EACH ACCIDENT	$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Coverage is provided for only those employees leased to but not subcontractors of insured.

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Joseph M Arnold

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CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A"
CONTACT SHEET

Name: THOMAS MAY CONSTRUCTION COMPANY

Federal Taxpayer ID 59-2520445

MailingAddress: 310 COLLEGE DRIVE

City, State, & Zip Code: ORANGE PARK, FLORIDA 32065

Telephone: (904) 272-4808 **Fax:** (904) 272-4957

Email: jgoff@tmay.net

Submitted By: JOSHUA GOFF

Title: VICE-PRESIDENT

Accounting Contact:

Name: BRENDA S. RAU **Title:** OFFICE MANAGER

Email Address: brau@tmay.net **Phone:** (904) 272-4808

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

AMENDED - EXHIBIT "A-1"

BID PRICING FORM

The undersigned, having carefully examined the Contract Documents and the site of the proposed work and being familiar with the obstacles and conditions that will be encountered during the execution of the work, hereby offers, and agrees to furnish all labor, materials, contingencies, supervision and equipment necessary to perform the work in accordance with the proposed contract documents.

Replacement of twenty-two (24) windows $ 54,450.00 Lump Sum

FIFTY-FOUR THOUSAND, FOUR HUNDRED & FIFTY DOLLARS AND ZERO CENTS

BID ADDITIVE NO. 1

Bid additive will consist of the replacement of two (2) storefront glass doors and surrounding window glass assemblies

Replacement of storefront glass doors and window glass $ 29,950.00 Lump Sum

TWENTY-NINE THOUSAND, NINE HUNDRED & FIFTY DOLLARS AND ZERO CENTS

This Bid is submitted by: THOMAS MAY CONSTRUCTION COMPANY

If Bidder is: CORPORATION

An Individual

Name (typed or printed): N/A

By: N/A

(Individual's signature)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

Doing business as: N/A

A Partnership

Partnership Name: N/A

By: N/A

(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): N/A

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: THOMAS MAY CONSTRUCTION COMPANY

(SEAL)

State of Incorporation: FLORIDA
SEE CORPORATE CERTIFICATE ATTACHED

Type (General Business, Professional, Service, Limited Liability): S-CORPORATION

By: _____

(Signature -- attach evidence of authority to sign) SEE CORPORATE RESOLUTION ATTACHED

Name (typed or printed): JOSHUA GOFF

Title: VICE-PRESIDENT

(CORPORATE SEAL)
A CORPORATION IN THE
STATE OF FLORIDA
MAY 09, 1985

Attest _____
VALERIE G. WARD, SECRETARY/TREASURER

Date of Qualification to do business in Florida is 05 / 09 / 1985.

A Joint Venture

Name of Joint Venture: N/A

First Joint Venturer Name: N/A

(SEAL)

State of Florida
Department of State

I certify from the records of this office that THOMAS MAY CONSTRUCTION COMPANY is a corporation organized under the laws of the State of Florida, filed on May 13, 1985, effective May 9, 1985.

The document number of this corporation is H58515.

I further certify that said corporation has paid all fees due this office through December 31, 2026, that its most recent annual report/uniform business report was filed on January 8, 2026, and that its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the Great Seal of the State of Florida at Tallahassee, the Capital, this the Eighth day of January, 2026

GREAT SEAL OF THE STATE OF FLORIDA
IN GOD WE TRUST

Secretary of State

Tracking Number: 6263566119CC

To authenticate this certificate,visit the following site,enter this number, and then follow the instructions displayed.

https://services.sunbiz.org/Filings/CertificateOfStatus/CertificateAuthentication

CERTIFIED COPY OF CORPORATE RESOLUTION

I VALERIE G WARD SECRETARY OF THOMAS MAY CONSTRUCTION COMPANY, DO HEREBY CERTIFY THAT THE FOLLOWING RESOLUTION WAS DULY ADOPTED AT SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CORPORATION DULY HELD AT THE OFFICES OF THE CORPORATION ON

THE 6TH DAY OF OCTOBER 20 25

BE IT RESOLVED THAT THE FOLLOWING PERSONS ARE OFFICERS OF THE CORPORATION IN THE CAPACITIES SET OPPOSITE THEIR RESPECTIVE NAMES; THAT THE SIGNATURES SET OPPOSITE SUCH NAMES ARE THEIR SIGNATURES; AND THAT EACH OFFICER IS DULY AUTHORIZED TO EXECUTE ANY AND ALL AGREEMENTS, LIEN STATEMENTS, PROMISSORY NOTES AND OTHER SUCH DOCUMENTATION AS MAY BE REQUIRED:

Individual's Name (Type or Print)		*Signature*
KEITH R. WARD	PRESIDENT	
JOSHUA R. GOFF	VICE PRESIDENT-GC DIVISION	
WILLIAM E. WATTS III	VICE PRESIDENT-ROOFING DIVISION	
VALERIE G. WARD	TREASURER	Valerie G Ward
VALERIE G. WARD	SECRETARY	Valerie G Ward
	TITLE	
	TITLE	
	TITLE	
	TITLE	

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL AND SEAL OF THE CORPORATION AT THE CITY AND STATE OF ORANGE PARK, FLORIDA ON THE 24TH DAY OF FEBRUARY 20 26

(CORPORATE SEAL)

A CORPORATION IN THE STATE OF FLORIDA MAY 09, 1985

Valerie G Ward

SECRETARY

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

By: N/A

(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): N/A

Title: N/A

Second Joint Venturer Name: N/A
(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
ADDENDUM NO. 1
For ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

By: N/A

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): N/A

Title: N/A

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address 310 COLLEGE DRIVE
ORANGE PARK, FLORIDA 32065

Phone No. (904) 272-4808 Fax No. (904) 272-4957

E-mail jgoff@tmay.net JOSHUA GOFF

SUBMITTED on 02/24 20 26.

State Contractor License No. CGC1530108

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for ITB 26-07 MLK, JR. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT
2. This sworn statement is submitted by (entity) THOMAS MAY CONSTRUCTION CO. whose business address is 310 COLLEGE DR., ORANGE PARK, FL. 32065 and (if applicable) Federal Employer Identification Number (FEIN) is 59-2520445 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)

3. My name is JOSHUA GOFF and my relationship to the entity named above is VICE-PRESIDENT .

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or
    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any
natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)
   __X__ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.
   ____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)
   ____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)
   ____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

Signature JOSHUA GOFF Date: 02/24/2026

STATE OF FLORIDA
COUNTY OF CLAY

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 24TH day of FEBRUARY, 20 26,
by JOSHUA GOFF,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

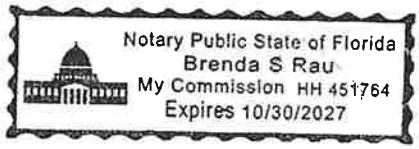
CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

Brenda S. Rau — BRENDA S. RAU

Notary Public — Printed Name

My Commission Expires OCTOBER 30, 2027

Personally Known X OR Produced Identification N/A ID Produced N/A.



THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "C"
DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: THOMAS MAY CONSTRUCTION COMPANY

CITY: ORANGE PARK STATE: FLORIDA ZIP CODE: 32065

SIGNATURE: _____ PHONE: (904) 272-4808

NAME (TYPED OR PRINTED): JOSHUA GOFF TITLE: VICE-PRESIDENT

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: ITB 26-07

Project Description: MLK, JR. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: THOMAS MAY CONSTRUCTION COMPANY

Authorized Signature: JOSHUA GOFF

Title: VICE-PRESIDENT

Date: 02/24/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

E-Verify

Welcome	Company	User ID
BRENDA RAU	THOMAS MAY CONSTRUCTION COMPANY	BRAU8504

MENU

Company Information

Company Name
THOMAS MAY CONSTRUCTION COMPANY

Company ID Number
450090

DUNS Number
152630919

Doing Business As (DBA) Name
--

Physical Location

Address 1
310 COLLEGE DRIVE

Address 2
--

City
ORANGE PARK

State
FL

Zip Code
32065

County
CLAY

Mailing Address

Address 1
--

Address 2
--

City
--

State
--

Zip Code
--

Additional Information

Employer Identification Number
592520445

Total Number of Employees
20 to 99

Parent Organization
--

Administrator
--

Organization Designation

Employer Category
Federal Contractor without FAR E-Verify Clause

View / Edit

NAICS Code
236 - CONSTRUCTION OF BUILDINGS (236)

View / Edit

Total Hiring Sites
1

View / Edit

Total Points of Contact
1

View / Edit

View Original MOU Template

View MOU

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "E"
PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

THOMAS MAY CONSTRUCTION COMPANY

Name: JOSHUA GOFF Title: VICE-PRESIDENT

Signature:  Date: 02/24/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

ITB 26-07 MLK, JR. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

This sworn statement is submitted with Bid, Proposal or Contract for STOREFRONT GLASS.

This sworn statement is submitted by (entity) THOMAS MAY CONSTRUCTION CO. whose business address is 310 COLLEGE DR., ORANGE PARK, FL. 32065 and (if applicable) Federal Employer Identification Number (FEIN) is 59-2520445 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)

My name is JOSHUA GOFF and my relationship to the entity named above is VICE-PRESIDENT.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

Signature 02/24/2026
Date:

STATE OF FLORIDA
COUNTY OF CLAY

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 24TH day of FEBRUARY, 20 26,

by JOSHUA GOFF,

Brenda S. Rau
Notary Public

BRENDA S. RAU
Printed Name

My Commission Expires OCTOBER 30, 2027

Personally Known X OR Produced Identification N/A ID Produced N/A.

Notary Public State of Florida
Brenda S Rau
My Commission HH 451764
Expires 10/30/2027

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "G"
NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for REPLACEMENT.
This sworn statement is submitted by (entity) THOMAS MAY CONSTRUCTION CO. whose business address is 310 COLLEGE DR., ORANGE PARK, FL. 32065 and (if applicable) Federal Employer Identification Number (FEIN) is 59-2520445 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)

My name is JOSHUA GOFF and my relationship to the entity named above is VICE-PRESIDENT.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Signature Date: 02/24/2026

STATE OF FLORIDA
COUNTY OF CLAY

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 24TH day of FEBRUARY, 20 26,

by JOSHUA GOFF,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

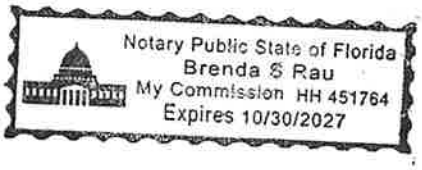
CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

Brenda S. Rau — BRENDA S. RAU

Notary Public — Printed Name

My Commission Expires OCTOBER 30, 2027

Personally Known X OR Produced Identification N/A ID Produced N/A.



THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO_X__

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO__X___

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO__X___

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved. NONE

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

THOMAS MAY CONSTRUCTION COMPANY	02/24/2026
Firm	Date
Authorized Signature	JOSHUA GOFF, VICE-PRESIDENT Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-07
MLK, Jr. RECREATION COMPLEX WINDOWS AND STOREFRONT GLASS REPLACEMENT

"ATTACHMENT A"
LIST OF SUBCONTRACTORS

I __X__/DO, _____/DO NOT, propose to subcontract some of the work on this project. I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT
AMERICAN WINDOW PRODUCTS	2633 POWERS AVENUE JACKSONVILLE, FL. 32207	WINDOWS	43,624.00
CAPITOL GLASS & ALUMINUM COMPANY, INC.	4811 HUNT STREET JACKSONVILLE, FL. 32254	STOREFRONTS	22,176.00

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH ITB OPENING TALLY

ITB 26-07, February 24, 2026, 2:00PM
Bid Name: MLK Windows and Storefront Replacement
Attended by: Cathy Sabattini, Scott Mikelson and Wanda Weaks

DATE/TIME REC'D	COMPANY NAME/LOCATION	REPLACEMENT OF 24 WINDOWS	BID ADDITIVE - REPLACEMENT OF 2 STOREFRONT GLASS	EXHIBITS A-H	ADDENDUM NO 1-2
02/24/26 1:24PM	Pasco Southern Miami, Fl	30,000.00	44,000.00	✓	✓ 1+2
02/24/26 12:57PM	Gulfstream Const Corp SW Ranches, Fl	(22) 89,826.21	9871.67	✓	✓ #1+2
02/24/26 10:51AM	Thomas May Const Orange Park Fl	54,450.00	29,950.00	✓	1+2
02/24/26 1:39PM	CC Borden Const Jacksonville, Fl	93,842.00	27,816.00	✓	✓ 1+2

This is a preliminary summary of the submittals as they were opened and announced at the bid opening. Contractor/Vendor should not assume award until after final/review/recommendation for award

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-39
Outside Legal Counsel Engagement Amendment — Gray Robinson PA

ITEM TYPE: Resolution (w/ fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-39.

SYNOPSIS: The City Commission, at their September 16, 2025, regular meeting, adopted Resolution 2025-169, authorizing the City Attorney to engage qualified outside legal counsel for conflicts, complex legal matters, board representation, and special magistrate services in fiscal year 2025/2026, in an amount not to exceed $85,000.

The City Attorney wishes to expand the current scope of services with Gray Robinson PA to include aviation law expertise, to the Fiscal Year 2025/2026 list of approved outside counsel, whose amended engagement agreement is attached hereto as Exhibit A.

FISCAL IMPACT: $10,000 is budgeted in the Airport Professional Services account, 420 53100, in Fiscal Year 2025/2026.

CITY ATTORNEY COMMENTS: See synopsis.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission adopt proposed Resolution 2026-39.

Kimberly Elliott-Briley, Deputy City Clerk	02/26/2026
Alisha Brown, Budget Analyst	03/02/2026
Jeremiah Glisson, Deputy City Manager	03/04/2026
Sarah Campbell, City Manager	03/04/2026
Teresa Prince, City Attorney	03/06/2026
Katie Newton, Downtown Coordinator	03/10/2026

Submitted By: Teresa Prince, City Attorney Date: January 30, 2026

COMMISSION ACTION: Adopt

RESOLUTION 2026-39

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AMENDING RESOLUTION 2025-169 TO APPROVE AN AMENDED ENGAGEMENT LETTER WITH GRAY ROBINSON PA INCLUDING AVIATION LEGAL SERVICES ON THE LIST OF QUALIFIED OUTSIDE LEGAL COUNSEL IN FISCAL YEAR 2025/2026; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, from time to time, the City Attorney desires to consult with qualified outside legal counsel on important and sometimes controversial issues involving conflicts, complex legal matters, and labor concerns; and

WHEREAS, from time to time, the City requires legal counsel to represent the various City Boards and Commission and to serve as Special Magistrate for appeals of non-criminal penalties pursuant to civil citations and to hear complaints filed under the City's Human Relations Ordinance; and

WHEREAS, the City Commission, at its September 16, 2025, Regular Meeting, approved Resolution 2025-169, a list of outside counsel available via engagement agreements with the City to consult with the City Attorney on complex legal matters; and

WHEREAS, the City Attorney wishes to amend the engagement agreement with Gray Robinson PA to include aviation law expertise to the list of services available; and

WHEREAS, funding is budgeted and available in the Airport Professional Services Account 420 53100, in an amount not to exceed $10,000 in FY 2025/2026.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves amending Resolution 2025-169 approving an amended Engagement Letter with Gray Robinson PA to include Aviation Legal Services as outlined in Exhibit A.

SECTION 2. The City Clerk and City Manager are hereby authorized to execute the Engagement Agreement, attached hereto, upon review and approval of the City Attorney.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This Resolution takes effect immediately upon passage.

ADOPTED this 17th day of March, 2026.

CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Commissioner – Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
TERESA L. PRINCE, ESQ.
City Attorney

Resolution 2026-39
Exhibit "A"

Outside Counsel Firms List

Firm	**Area of Practice**	**Attorney (s)**
Bartlett Loeb Hinds & Thompson, PLLC	Condemnation, land use litigation/Bert Harris	Jay J. Bartlett
Carr Allison	Litigation/general	Heath Vickers Allison Sausaman C.H. Houston III
Cavendish Partners, P.A.	Land use, contract, certiorari appeals	Michael Cavendish
Gray Robinson, P.A.	Local government, board attorney, land use, **aviation**	Nikki Day, **Guy Haggard, Drew Haggard, Chris Dawson**
Nabors, Giblin & Nickerson, P.A.	Land use, local government law, revenue sources	Heather Encinosa Greg Stewart Evan Rosenthal Kirsten Mood
Poole & Poole, P.A.	Board attorney, special magistrate, special matters	Harrison W. Poole
Weiss Serota Helfman Cole & Bierman	Land use, local government law, Bert Harris	Susan Trevarthen

GRAYROBINSON

Nikki Day | Nikki.Day@gray-robinson.com | **D** 813.273.5036
101 East Kennedy Boulevard, Suite 4000, Tampa, Florida 33602 | **T** 813.273.5000 | **F** 813.273.5145

MEMORANDUM

Supplemented to Adjust Rates 2/25/26

VIA PDF EMAIL ONLY

TO: Teresa Prince, City Attorney

CC: Katie Newton

FROM: Nikki C. Day, B.C.S.
Board Certified Expert in City County Local Government Law

DATE: February 10, 2026 Client-Matter Number: 24597.1

SUBJECT: Special Counsel Services to City Airport

Thank you for the opportunity to discuss our Firm's expertise in aviation and land use law for special counsel services to the City's airport.

Our existing contract with the City (enclosed) already provides a broad scope of access to all of our professionals and resources here at GrayRobinson, P.A. upon written request, excluding representation in litigation. Representation for litigation, if any should be requested, must always be covered by a separate written agreement.

Therefore, based on our discussion of the City's anticipated needs for legal services to the airport (which does not include litigation) this falls within the substantive scope of our existing contract.

As also noted in our existing contract, while I would continue to perform most of the work within my expertise, I may utilize other members of our Firm when deemed appropriate. And, if the rates for such professionals would differ from the substantially discounted rates extended for my services, upon providing you with a schedule of rates presently in effect for all individuals who may perform work on this matter.

Based on the airport's anticipated needs including the possibility for legal requests with regard to: airport leases, grants, FBO contracting, possible amendments to master plan and land use regulations, and surplus property, I would recommend support from the following professionals within GrayRobinson, P.A.:
Guy Haggard, Board Certified by The Florida Bar in Aviation Law, together with his associate, Drew Haggard; and with regulatory support, if needed, from Chris Dawson.

A schedule of their government discounted rates and professional biographies are enclosed.

As always, please do not hesitate to contact me if you should have any additional questions.

If you have no further questions, you are welcome to provide authorization to proceed by submitting a substantive legal requests to my email address. The quoted rates will expire September 1, 2026 if no legal requests are submitted before that time.

Enclosures as noted

Rate Schedule

Professional	Government Discounted Rate
Guy Haggard, B.C.S.	$700/hr
Drew Haggard	~~$550/hr~~ $495/hr
Chris Dawson	$495/hr

GRAYROBINSON



Guy S. Haggard, B.C.S.

Shareholder

guy.haggard@gray-robinson.com
407.843.8880

Focus

- Aviation and Drone Law
- Construction
- Corporate
- Latin America Capital Flight
- Litigation
- Real Estate
- Technology Transactions
- Transportation

Guy represents and acts as general corporate counsel for developers, manufacturers, hotels, restaurants, aviation companies and other businesses. Guy has broad experience in all types of complex construction, commercial, real estate development and corporate transactions.

Guy has significant experience representing owners, management companies, developers, architects, engineers, and contractors. His work experience includes airports and aircraft, space launch facilities, cruise ships, hotels, arenas, convention centers, condominiums, underground utilities, public school buildings, college buildings, large water transmission pipelines, amusement and theme park rides and facilities, wastewater treatment plants, water treatment plants, hospitals, roads, golf courses, storm water designs, well fields, churches, and shopping malls.

Guy is board-certified by The Florida Bar in Aviation Law. Guy is an instrument-rated private pilot and has been flying for over 35 years. He has a wide range of experience in representing aviation businesses and aircraft owners.

Guy was born in Jacksonville, Florida, and was raised in various parts of Florida. He graduated from Merritt Island High School in 1976. He attended both undergraduate and law school at the University of Florida. After graduating in 1983, Guy joined and later became a partner with Bull and Haggard, P.A. Guy joined and became a partner with GrayRobinson in 1992.

Recognition

- *Best Lawyers in America*, 2026
- *Chambers USA*, Construction, 2025
- *Martindale-Hubbell,* AV® Preeminent Rated
- *Florida Trend*, Legal Elite, 2007

Insights

- "Key Residential Construction Contract," Master Custom Builder Council, October 8, 2019
- "Drone Law," Florida Bar Aviation Law Certification Exam Review Course, January 21, 2017
- "Legal Use of Drones on Construction Projects," The Florida Bar's Real Property, Probate and Trust Law Section Executive Council Meeting, December 9, 2016

Affiliations

- The Florida Bar
  - Board Certified in Aviation Law, 2015
- Orange County Bar Association
- Eagle Scout, 1972
- Leadership Orlando, Class 35
- West Orange Airport Authority, Chair, 2006 - 2013
- West Orange Chamber of Commerce, Community Trustee, 2002 - 2006

Credentials

- J.D., University of Florida College of Law, 1983, *with honors*
- BSEE, University of Florida, 1980, *with honors*
- Board-certified by The Florida Bar in Aviation Law

Admissions

- Florida
- Florida Supreme Court
- U.S. District Court for the Southern and Middle Districts of Florida
- U.S. Court of Appeals for the 11th Circuit
- Court of International Trade

GRAYROBINSON



Drew Haggard

Shareholder

drew.haggard@gray-robinson.com
321.727.8100

Focus

- Corporate
- Data Privacy and Security
- Mergers and Acquisitions
- Technology Transactions

Accomplished attorney skilled in navigating complex business challenges, executing high-value transactions, and developing innovative compliance solutions. Focused on risk management, corporate governance, and legal strategies that drive business growth.

Drew Haggard is a versatile attorney who leads high-stakes corporate transactions, navigates complex regulatory frameworks, and builds effective compliance programs for global organizations. His practice encompasses corporate law, mergers and acquisitions, technology transactions, and data privacy, taking a holistic approach to business opportunities and challenges developed through his prior experience as a trusted general counsel. He also provides risk management strategies, corporate governance, and structuring and negotiating high-value agreements with Fortune 500 companies and U.S. and global governments and militaries.

Prior to joining GrayRobinson, Drew served as general counsel and corporate secretary for a $500 million aerospace and technology company group with worldwide operations. In this capacity, he oversaw the $640 million sale of the company and implemented enterprise-wide risk management strategies. Drew also navigated complex legal challenges, including managing the wind-down of operations in high-risk geopolitical environments, ensuring compliance with international sanctions, and protecting organizational interests.

Drew combines sharp legal insight with strategic vision to help clients overcome challenges and achieve business objectives. His leadership skills and ability to deliver practical, results-driven solutions position him as a valued advisor to clients navigating legal and business interests.

Insights

- "Legal Transfers of Personal Data from the EU to the U.S. in Danger," *Daily Business Review* and *Law.com*, July 22, 2020
- "The Privacy Revolution Has Arrived (in the U.S.)," *Daily Business Review* and *Law.com*, October 22, 2019

- "Watch for Updates to the California Consumer Privacy Act: Do You Comply?," *Lexology.com*, May 29, 2019

Media

- "GrayRobinson Brings Back Aerospace Pro From GC Role," *Law360*, March 5, 2025

Affiliations

- American Lung Association, Turquoise Takeover Committee, 2017 - 2020
- Deliver the Dream, Young Professionals Board of Directors, 2018 - 2019
- Eagle Scout, 2008
- Leadership Brevard, Class of 2026
- Leadership Fort Lauderdale, Class XXIV

Credentials

- J.D., University of Florida College of Law, 2016
- B.S., Finance, University of Florida, 2013

Admissions

- Florida

GRAYROBINSON



Christopher T. Dawson

Shareholder/Government Affairs Advisor
Orlando/Tampa

chris.dawson@gray-robinson.com
407.843.8880

Focus

- Government Affairs and Lobbying
- Construction
- Environmental and Sustainability Law
- Land Use Law
- Transportation

Systems-focused government relations lawyer, lobbyist, and engineer collaborating with private and public clients to reimagine the future of Florida. Dedicated to building prosperity and resilience through smart development, adaptability, and innovation.

Chris Dawson is a lawyer and professional lobbyist serving private and public sector clients with government relations needs across Florida. A community-driven and future-focused advocate, he protects client interests at the executive and legislative levels of state government, as well as before political subdivisions of the state. He collaborates with utilities, developers, engineering firms, design professionals, contractors, local governments, and associations to help navigate change, plan for the future, and expand opportunities for sustainable growth.

Chris guides clients through the legislative process with a deep understanding of the regulatory and procedural hurdles that can accompany policymaking, funding, and appropriations, including complex litigation. He holds two degrees in civil engineering and draws on this technical training to provide unique value and insight for clients managing projects in the infrastructure, land use, environmental, social and economic development, transportation, and construction sectors, among others. He also represents several of the largest nonprofit organizations in the state, furthering veterans affairs, child welfare services, and environmental conservation priorities.

A sixth-generation Floridian, Chris is committed to the future of the state and helps clients engineer solutions to today's most disruptive challenges - from ecosystem restoration and disaster recovery to public infrastructure resilience and sea-level rise. His subject matter expertise and integrated approach help clients develop valuable road maps for new ways of operating by taking the long view. On the local level, he provides impact planning and regulatory advisory services involving new and emerging technologies driving change and innovation in building and construction, water quality and treatment, and transportation and mobility. A natural servant leader and collaborator, he frequently teams with GrayRobinson colleagues across the firm to provide the resources necessary for clients managing long-term, large-scale projects.

Notable Work

- Legal and lobbying representation of Gulf County, Florida.
  - Recovery assistance prior to and during the landfall of Hurricane Michael, including liaising with County leadership, Division of Emergency Management, and the Governor's Office to pre-position and deploy recovery assets as quickly as possible.
  - On-the-ground aid in the immediate aftermath of Hurricane Michael, including engaging with Florida's Department of Economic Opportunity, Florida Department of Law Enforcement, and legislators to survey damage and engage with County leadership to expedite recovery efforts and mitigate long-term economic effects.
  - Ongoing support involving all aspects of recovery efforts following Hurricane Michael from a government relations perspective, including securing a critical match waiver from the Governor's Office and consideration of the County's top priorities through federal and state recovery programs (FEMA reimbursement and CDBG-Disaster Recovery and Mitigation funds).
- Assisted Dewberry Engineers in lobbying the state to implement a statewide topographic LiDAR mapping program and a statewide bathymetric coastal mapping program - one of the most comprehensive geospatial efforts in history. In partnership with federal agencies USGS and NOAA, this multi-year, $100M+ effort will yield a full set of geospatial data for the entire landmass of Florida and its entire coastline for use in emergency planning, commerce and trade, and addressing sea level rise and environmental preservation issues.
- Assisted Clay County Utility Authority in lobbying the Florida Legislature to amend priority legislation from a 5-year implementation window to 10 years for utilities and municipalities statewide to cease the non-beneficial discharge of wastewater across the state.

Recognition

- *Best Lawyers in America*, Ones to Watch, 2021-2024
  - Administrative / Regulatory Law
  - Construction Law
  - Government Relations
  - Land Use and Zoning Law
- *City & State Florida*, Florida Construction Power 100, 2023
- *The News Service of Florida*, 40 Under 40: Rising Stars, 2024
- *Orlando Business Journal*, 40 Under 40, 2019

Insights

- "Property Tax Relief, AI Regulation Emerge as Top Issues for '26 Legislative Sessions," *Florida Roofing Magazine*, January 6, 2025
- "Revenue Estimating Conference A Deeper Dive on Property Taxes," *Florida Roofing Magazine*, December 4, 2025
- "Planes, Trains, and Automobiles: The Future of Transportation in Tampa," Moderator, GrayRobinson Community Leader Forum, November 13, 2025
- "The Game of Musical Chairs," *Florida Roofing Magazine*, November 5, 2025
- "Appointments Shake Up Florida Political Landscape," *Florida Roofing Magazine*, October 6, 2025
- "GrayRobinson 2025 Virtual Legislative Session Wrap-Up," July 22, 2025

- "Governor Signs FRSA-Backed Legislation Enabling Roof-to-Wall Connections," *Florida Roofing Magazine*, July 7, 2025
- "GrayRobinson Construction Law Insight: Storm Season is Here - Is Your Roofing Contract Protected Under HB 715?" GrayRobinson Insight, June 25, 2025
- "2025 Legislative Forecast," Presenter, GrayRobinson Construction Seminar, February 12, 2025
- "Florida Senate Leadership Organizes for 2025," *Florida Roofing Magazine*, January 6, 2025
- "2024 Legislative Session Report," *Florida Roofing Magazine*, October 14, 2024
- "Florida Conducts Successful August Primary Election," *Florida Roofing Magazine*, September 17, 2024
- "Law Update: 2024 Legislative and Regulatory Update," FSHP Annual Meeting, July 26, 2024
- "Florida Votes 2024 - Part One: Florida Democrats Seeking a Comeback," *Florida Roofing Magazine,* July 22, 2024
- "GrayRobinson 2024 Legislative Session Wrap-Up," Dr. Phillips Rotary Club, June 26, 2024
- "GrayRobinson 2024 Legislative Session Wrap-Up," Clay County Utility Authority, June 17, 2024
- "2024 Election Preview," *Florida Roofing Magazine,* May 10, 2024
- "GrayRobinson 2024 Legislative Session Wrap-Up," Apopka Area Chamber of Commerce, April 29, 2024
- "GrayRobinson 2024 Legislative Session Wrap-Up," Pensacola Chamber of Commerce, April 24, 2024
- "GrayRobinson 2024 Legislative Session Wrap-Up," Orlando, April 2, 2024
- "GrayRobinson 2024 Legislative Session Wrap-Up," Tampa, April 2, 2024
- "FRSA Notches Major Victories in 2024 Legislative Session," *Florida Roofing Magazine*, April 2024
- "Roofing Day in Tallahassee," *Florida Roofing Magazine,* March 2024
- "Legislative Update," Construction Law Institute 2024 Legal Conference, March 22, 2024
- "2024 Legislative Priorities Emerge," *Florida Roofing Magazine,* February 2024
- "Tallahassee Tidbits," *Florida Roofing Magazine,* November 2023
- "Florida 2023 - Building Safety and Property Insurance - Update," ICRI Florida West Coast, October 4, 2023
- "Special Elections Preview 2024 Campaign Season," *Florida Roofing Magazine*, October 2, 2023
- "Special Elections Preview 2024 Campaign Season," *Florida Roofing Magazine,* August 2023
- "2023 Florida Legislative Session Wrap-Up," Clay County Utility Authority, July 18, 2023
- "2023 Florida Legislative Session Wrap-Up," ABC Planning Conference, July 14, 2023
- "GrayRobinson Government Affairs and Lobbying Section: Effects of SB 1718 as Passed by Florida Legislature," GrayRobinson Insight, June 20, 2023
- "Governor DeSantis Lands Long-Sought Immigration Reform Bill," *Florida Roofing Magazine,* June 2023
- "2023 Florida Legislative Session Wrap-Up," NAIOP Northwest Florida Chapter, June 7, 2023
- "2023 Florida Legislative Session Wrap-Up," NAIOP, June 6, 2023
- "Builders' Breakfast Legislative Session Impacts," Panelist, Associated Builders and Contractors Central Florida, June 6, 2023
- "GrayRobinson 2023 Legislative Session Wrap-Up," Tampa, May 23, 2023
- "GrayRobinson 2023 Legislative Session Wrap-Up," Orlando, May 16, 2023

- "GrayRobinson Government Affairs and Lobbying and Real Estate and Land Use Sections Insight: What Developers and Local Governments Should Know About New Affordable Housing Law," GrayRobinson Insight, April 27, 2023
- "Introduction to the Legislative Process," 2023 Northwest Florida Days, April 3, 2023
- "Legislative Update," 2023 Roofing Day in Tallahassee, Florida Roofing and Sheet Metal Contractors Association, March 15, 2023
- "Legislative Update," 2023 Legislative Conference, Associated Builders and Contractors of Florida, March 8, 2023
- "Property Insurance Special Session," *Florida Roofing Magazine*, February 2023
- "A Look Ahead Into 2023 - January 2023," *Florida Roofing Magazine*, January 4, 2023
- "Midterm Election Recap and 2023 Legislative Session Preview," ABC North Florida Chapter - Tallahassee, November 16, 2022
- "Construction Defect Legislation Overview and 2023 Legislative Session Preview," ABC North Florida Chapter - Pensacola, November 15, 2022
- "2022 Midterm Election Wrap-up," GrayRobinson Webinar, November 14, 2022
- "As Florida Reels from Ian, Elections March Forward - November 2022," Florida Roofing & Sheet Metal Contractors Association, Inc., November 7, 2022
- "As Florida Reels from Ian, Elections March Forward," *Florida Roofing Magazine*, November 2022
- "Meet the Candidates 2022," Apopka Area Chamber of Commerce, October 11, 2022
- "Primary Election Sends Dozens of Legislators to Tallahassee," *Florida Roofing Magazine*, October 2022
- "Legislative Update and Election Analysis," Leadership Seminole, September 9, 2022
- "2022 Session Wrap-Up," Associated Builders and Contractors Florida First Coast Chapter, August 26, 2022
- "GrayRobinson 2022 Special Session Wrap-Up: Property Protection in Florida," Webinar, June 16, 2022
- "Happy 100! Gubernatorial Appointments and Special Session," *Florida Roofing Magazine*, June 2022
- "2022 Legislative Session Wrap-Up," City of Belle Isle City Council, May 3, 2022
- "2022 Legislative Session At-A-Glance," *Florida Roofing Magazine,* May 2022
- "2022 Legislative Session Wrap-Up," Florida Roofing and Sheet Metal Contractors Association Government Affairs Committee and Board of Directors, April 22, 2022
- "GrayRobinson 2022 Legislative Session Wrap-Up," Orlando, April 20, 2022
- "GrayRobinson 2022 Legislative Session Wrap-Up," Miami, April 14, 2022
- "GrayRobinson 2022 Legislative Session Wrap-Up," Fort Lauderdale, April 13, 2022
- "Legislature Approves "Tool Time" and Other Sales Tax Holidays," *Florida Roofing Magazine,* April 2022
- "Legislative Update," Central Florida Roofing and Sheet Metal Association, February 24, 2022
- Florida Blue Key, Gator Day at the Florida Capitol, February 15, 2022
- Florida State University College Republicans General Body Meeting, February 8, 2022
- Guest Speaker, "Key Issues Legislature is Working to Solve," The Chamber Connection with Todd Thompson, February 7, 2022
- "2022 Legislative Session: The Top Five Issues," *Florida Roofing Magazine,* February 2022

- "Session Update," Florida Roofing and Sheet Metal Contractors Association Government Affairs Committee, January 26, 2022
- "2022 Florida Legislative Session Overview," Associated Builders and Contractors of Florida Legislative Conference, January 18, 2022
- "Governor DeSantis' Session Priorities," *Florida Roofing Magazine,* January 2022
- "2022 Florida Legislative Session Update," FRSA Self Insurers Fund Board of Directors, December 4, 2021
- "Legislative Update," Florida Surety Association Quarterly Meeting, November 18, 2021
- "Popcorn and Politics," Leadership Seminole Government Day, September 10, 2021
- GrayRobinson Construction Insight: Environmental Constitutional Amendments Proposed as 2022 Ballot Initiatives, September 1, 2021
- "Florida Legislative Session: 2021 Recap and 2022 Preview," Clay County Utility Authority Board of Directors Meeting, August 17, 2021
- "Florida Legislative Session Wrap-Up," Associated Builders and Contractors of Florida Legislative Planning Conference, July 23, 2021
- "Impact Fee Reform Legislation Signed Into Law," *Florida Roofing Magazine*, July 2021
- "SB76 Changes," Central Florida Roofing and Sheet Metal Association Member Meeting, June 23, 2021
- "Florida Legislative Session Wrap-Up," City of Belle Isle City Council Meeting, June 1, 2021
- "Florida Legislative Session by the Numbers," *Florida Roofing Magazine*, June 2021
- "Florida Legislative Session Wrap-Up," Florida Roofing and Sheet Metal Contractors Association, Inc. Webinar, May 26, 2021
- "GrayRobinson 2021 Legislative Session Wrap-Up," Webinar, May 18, 2021
- "2021 Florida Legislative Session Wrap-Up," Pensacola Chamber of Commerce Webinar, May 18, 2021
- "2021 Session Update: First Bills Across the Finish Line," *Florida Roofing Magazine*, May 2021
- "GrayRobinson Florida Legislative Session Weekly Roundup," April 16, 2021
- "Construction Defects Reform Legislation Takes Shape," *Florida Roofing Magazine,* March 2021
- "Session Preview," Greater Orlando Young Republicans, February 16, 2021
- "2021 Legislative Preview," Greater Pensacola Chamber, February 11, 2021
- "Session 2021 Preview: COVID-19 Liability Protections, Rioting and Public Safety Reforms," *Florida Roofing Magazine,* February 2021
- "2021 Legislative Update," ABC of Florida Legislator of the Year Program, January 14, 2021
- "Session is Coming! 2021 Construction Policy Proposals Take Shape," *Florida Roofing Magazine,* January 2021
- "2020 Election Recap," *Florida Roofing Magazine*, December 2020
- "The Winners Circle: Covering Florida's Election Results," November 4, 2020
- "Goodbye, Election! What Comes Next in the Florida Legislative Process," *Florida Roofing Magazine*, November 2020
- "Purple State Politics: Discussing Florida's Unique Geographical and Political Diversity," Moderator, October 8, 2020
- "Upset Alert! Incumbent Losses During the 2020 Primary Election," *Florida Roofing Magazine*, October 2020

- "Legislative Update," Florida Surety Association Quarterly Meeting, September 1, 2020
- "Where Are They Now? Tracked Bills of the 2020 Session," *Florida Roofing Magazine*, September 2020
- "Who's in and Who's Out?" Post-Election Pop-Up Forum, August 19, 2020
- "Current State of the Construction Industry," Moderator, GrayRobinson Virtual Community Leader Forum, August 13, 2020
- Emcee, Seminole County Regional Chamber of Commerce, Seminole Hob Nob, July 31, 2020
- "2020 Florida Election Overview," Greater Pensacola Chamber, July 28, 2020
- "From Curves to Cones: Hurricane Season in the COVID-19 World," *Florida Roofing Magazine*, June 2020
- "Keeping Roofing 'Essential'," *Florida Roofing Magazine*, May 2020
- "Update on Federal COVID-19 Employment and Business Programs," Seminole County Chamber and the Apopka Area Chamber, April 15, 2020
- "2020 Virtual Legislative Wrap-Up," Greater Pensacola Chamber, April 14, 2020
- "2020 Virtual Legislative Session Wrap-Up," Oviedo Winter Springs Regional Chamber of Commerce, April 9, 2020
- Greater Orlando Builders Association webinar, April 6, 2020
- Northwest Florida Days Business Leader's Breakfast, February 25, 2020
- "Local Government Contracting Bills on the Move!" *Florida Roofing Magazine*, February 2020
- Apopka Area Chamber of Commerce Legislative Preview Breakfast, Moderator, January 9, 2020
- Keynote Speaker, "2020 Legislative Session and Elections Update," Southwest Florida Roofing Contractors Association Annual Meeting, January 8, 2020
- "Legislative Session Preview," *Florida Roofing Magazine*, January 2020
- "Tricks and Treats in Tallahassee," *Florida Roofing Magazine*, November 2019
- Host, UF Community Speaker Series, Orlando, FL, October 1, 2019
- Florida Surety Association 3rd Quarter Meeting, Tampa, FL, August 15, 2019
- Lake County 2019 Post Session Town Hall Meeting, Moderator, Tavares, FL, August 13, 2019
- "Session 2019: A Mixed (Plastic!) Bag for Florida Environmental Policy," GrayRobinson Government Relations and Lobbying Insight, July 12, 2019
- Oviedo Winter Springs Chamber Monthly Luncheon, Moderator, Winter Springs, FL, July 11, 2019
- Public Risk Management of Florida 2019 Educational Conference, Naples, FL, June 19-21, 2019
- Pensacola Chamber of Commerce's Gopher Club Meeting, June 2, 2019
- "GrayRobinson 2019 Florida Legislative Session Wrap-Up," Fort Lauderdale, May 22, 2019
- "GrayRobinson 2019 Florida Legislative Session Wrap-Up," Orlando, May 15, 2019
- "Legislative Preview Panel," Moderator, Apopka Area Chamber of Commerce, January 14, 2019
- North Florida Chapter of Associated Builders and Contractors, October 2, 2018
- "State Economic and Customer Building Trends," 2018 Florida Natural Gas Association Operations and Marketing Conference and Tradeshow, September 19, 2018

Media

- "FRSA-PAC – The Voice of Florida's Roofing Industry in Tallahassee," Florida Roofing and Sheet Metal Contractors Association, January 5, 2026

- "Keith Truenow's manufacturing legislation takes a step forward," *Florida Politics*, March 11, 2025
- "Lawmaker wants to boost manufacturing with a 'Fresh from Florida' flavor," *Tallahassee Democrat*, March 11, 2025
- "Lobbyist File — Doing Business on the Fourth Floor, September 22, 2023," *News Service of Florida,* September 21, 2023
- "Exclusive: Leadership Tampa names class of 2024 members," *Tampa Bay Business Journal,* August 8, 2023
- "What to Look Forward to at This Year's FRSA Annual Convention," *Roofers Coffee Shop,* June 22, 2023
- "Three New Members Join the Florida Board," *Florida Board of Professional Engineers,* April 2023
- "Class Notes," *Alabama Law Alumni*, December 21, 2022
- "Personnel File --- People on the Move, December 19, 2022," *News Service Florida,* December 19, 2022
- "Takeaways from Tallahassee — 12 days of Christmas scams," *Florida Politics,* December 17, 2022
- "'Meet the Candidates' Chamber event," *The Apopka Chief*, October 21, 2022
- "FRSA and ABC of Florida win big with tool time sales tax holiday," *Florida Politics,* April 6, 2022
- "Governor DeSantis Signs SB 76 Into Law," Florida Roofing and Sheet Metal Contractors Association "Roof Flash," June 11, 2021
- "Winners and Losers Emerging From the 2021 Legislative Session," *Florida Politics*, May 3, 2021
- Pensacola Expert Panel, Newsradio 92.3 FM/1620 AM, May 17, 2021
- "Apopka Chamber Names Chairs for 2022-23," *Apopka Voice*, February 25, 2021
- Just Vote Episode 8, WFBD/Blab TV, August 2020
- "Purple Florida: Lawmakers Prepare to Navigate COVID-19 in Politically Divided State," *Florida Politics*, October 8, 2020
- Florida House on Capitol Hill Trustee Newsletter, April 2020
- "*Law360* Names Attys Who Moved Up the Firm Ranks in Q1," *Law360*, April 2020
- "GrayRobinson Promotes Dawson," *INFLUENCE* Magazine, April 2020
- "FRSA Working Hard to Make Roofing an Essential Business with Government Agencies," Florida Association of Roofing Professionals (FRSA), March 2020
- "Legislative Update on Essential Consideration for Roofing and Construction FRSA's," Florida Association of Roofing Professionals (FRSA), March 2020
- "Annual Meeting Hits Political Highlights and Elects 2020 New Officers and Board Members," Southwest Florida Roofing Contractors Association (SWFRCA) Newsletter, February 2020
- "FRSA Hires Chris Dawson as New Legislative Counsel," *Florida Roofing Magazine*, November 2019
- Florida State Legislators' Town Hall and 2019 Legislation, Tavares, Florida, August 13, 2019
- Hurricane Michael Relief Drive interview, WFTV ABC Orlando, October 15, 2018
- Hurricane Michael Relief Drive interview, WESH NBC Orlando, October 14, 2018
- Hurricane Michael Relief Drive interview, WFTV ABC Orlando, October 14, 2018

Affiliations

- Alabama State Bar
  - Executive Council, Non-Resident Lawyers Section
- Associated Industries of Florida
  - Association Advisory Group
  - Environmental Sustainability & Agriculture Council
  - Workers' Comp Coalition
- Florida Association of Professional Lobbyists
- The Florida Bar, Governmental and Public Policy Advocacy Committee
- Florida Board of Professional Engineers, Licensed Engineer in Training (EIT)
- Florida Chamber Political Institute
- Florida House on Capitol Hill, Young Ambassadors Council
- Leadership Tampa, Class of 2024
- University of Alabama Farrah Law Alumni Society

Credentials

- J.D./M.S. Eng., University of Alabama School of Law, 2013, *magna cum laude*
- B.S., University of Florida, 2010
- Designated Professional Lobbyist

Admissions

- Alabama
- Florida
- U.S. District Court for the Middle and Northern Districts of Florida

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August 28, 2025

VIA EMAIL

Teresa Prince
City Attorney
City of Fernandina Beach
204 Ash Street
Fernandina Beach, Florida 32034
tprince@fbfl.org

Re: Engagement Letter for Special Counsel Representation of City of Fernandina Beach

Dear Ms. Prince:

We are pleased that you have asked GrayRobinson, P.A. (Firm) to continue to serve as special counsel to the City Attorney's office at the City of Fernandina Beach (the City). I appreciate the confidence you have placed in our Firm, and I look forward to working with you.

It has been our experience that things go more smoothly if both our client and we have a clear understanding in writing of the scope of the engagement and the role we have agreed to play. Consequently, our representation is limited to the matter as described below. This engagement letter will also govern all subsequent matters in which we may become involved on your behalf unless a separate arrangement is made that differs materially from the terms of this engagement letter.

Scope of Representation:

The scope of our engagement will be to provide on-going legal advice and services to the City's City Attorney office upon request. We will confirm each request with you in writing by email to the above address. However, this engagement does not include any representation in litigation. Representation for litigation will be covered by a separate, written agreement.

Billing, Fees and Expenses:

Our Firm will charge for our professional services on an hourly basis at the rate of $300.00 for attorneys and $150.00 for paralegals. These rates are discounted from our standard hourly rates. I will perform most of the legal work on this matter. However, I may utilize other members of our Firm whenever, in our discretion, we deem it appropriate. If requested, we will be glad to provide you with a schedule of rates presently in effect

for all individuals performing work on this matter. Additionally, our professional hourly rates will automatically increase on October 1 of each year by the change in consumer price index for all urban consumers for Tampa-St. Petersburg-Clearwater as of August of that year.

In addition to our professional services, we will bill the City for all disbursements and out-of-pocket expenses made or incurred. These typically include such items as document reproduction, travel expenses, long distance telephone calls, mailing charges, facsimile charges, messenger services and filing or recording fees. We may also use computerized research or other technology services, including generative technology services, to assist in handling your matters. Those services will be used when we believe that it is appropriate to do so. Expenses incurred or advanced on your behalf will be itemized on our billing invoice. Please note, if we anticipate that substantial expenses will be incurred, we will require that you pay the vendor directly and/or we may require a deposit from you in order to cover such expenses.

You will be billed periodically, usually monthly for the time incurred in the prior month. We are happy to discuss our billing invoice with you at any time and will welcome the opportunity to address any questions you may have. In the event you should disagree with or question any amount, you agree to communicate such disagreement or question to us, in writing, within thirty (30) days of the invoice date. Any disagreement you may have with a bill that is not communicated to us within that period shall be deemed waived.

Retainers

Because of our good relationship with the City, we will not request an advance Retainer for professional fees and/or costs associated with this matter.

Dispute Resolution

Should there arise any dispute concerning fees and costs earned and owed to the Firm and, if it becomes necessary for this Firm to retain an attorney or otherwise utilize the Firm's own attorneys to collect such fees and costs, the prevailing party to such dispute will be entitled to recover its attorney's fees, costs and expenses necessarily incurred. In addition, the City and the Firm each hereby waive any right to a jury trial for any controversy, dispute or claim arising out of or related to this Firm's representation of the City and/or this Agreement.

Advance Waiver

Because of the relatively large size of our Firm and our representation of many other clients, it is possible that one or more of our present or future clients have or will have matters adverse to the City. Our acceptance of your current representation will preclude us from accepting future representations adverse to the City which involve matters substantially related to the work we perform in the course of this engagement. However, as a condition to our undertaking the representation described in this letter, each agrees that our acceptance of this engagement shall not preclude us from representing other clients in the future who may have interests adverse to the City with respect to matters not substantially related to the specific matter or matters for which you have engaged our services.

We agree, however, that your consent to, and waiver of, such representation shall not apply in any instance where, as a result of our representation of the City, we have obtained proprietary or other confidential information of a non-public nature, that, if known to such other client, could be used in any such other matter by such client to a material or potential material disadvantage to the City.

No Representation of Corporate Affiliates

This will also confirm that unless we reach an explicit understanding to the contrary, we are being engaged by and will represent the City, and that we are not being engaged to represent any of your parent companies, subsidiaries, affiliated entities, officers, directors, members, partners, shareholders or employees (individually).

Termination

Unless previously terminated, our representation will terminate as follows: (1) if this is the only matter in which we represent the City, our representation will terminate upon our sending our final invoice for services rendered in this matter; and (2) if we represent the City in more than one matter, our representation of each matter will terminate upon sending the final invoice for that matter, and the attorney-client relationship will terminate completely (absent any new or subsequent engagements) upon our sending the final invoice in the last open matter.

Client Review

I am happy to answer any questions you may have regarding this engagement agreement. Likewise, you have the right to have this agreement reviewed by an outside party or other professional prior to signing. You understand that the Firm is not engaged until the signed original engagement agreement is returned to us.

Generative AI Disclosure

As part of our commitment to providing efficient and high-quality legal services, GrayRobinson may use advanced technologies, including generative artificial intelligence (AI), to assist in legal research, document drafting, and other related tasks. The use of such technologies is supervised by our qualified attorneys and is intended to enhance, not replace, the legal judgment and expertise that we bring to your case.

Please be advised of the following:

- Human Oversight: All work products generated by AI tools are carefully reviewed and validated by licensed attorneys in our firm. We do not rely on AI-generated content without human oversight.
- Confidentiality: We take your privacy and confidentiality seriously. Any information shared with or processed by AI tools is subject to the same rigorous confidentiality and data protection standards as all other information handled by our firm.

- Limitations of AI: While AI tools can assist in streamlining certain processes, they are not infallible. The final responsibility for the accuracy, relevance, and appropriateness of any legal advice, document, or strategy rests with our attorneys.
- Consent: By engaging our services, you acknowledge and consent to the use of generative AI tools as part of our legal services. If you have any concerns about the use of AI in your case, please inform us, and we will discuss alternative approaches to meet your needs.

Entire Agreement

These terms, and the attached Additional Understanding Regarding Representation, which are incorporated by reference, constitute our entire Agreement for the representation of the City. There are no other arrangements or agreements regarding our representation of you which are not expressed in this Agreement. Any modification of the Agreement must be in writing, by mail, fax or e-mail. The Agreement is binding on you and on the Firm, and the respective legal representatives and successors of each.

If the terms of this engagement as set forth in this letter meet with your approval, please indicate by signing this letter in the space provided below, and returning a copy to our offices.

We appreciate the confidence and trust you have placed in us as your special counsel, and I encourage you to communicate with me if at any time you have questions on the status or progress of your matters. I look forward to working with you and your staff on any matters you deem appropriate. If you have any questions, please do not hesitate to contact me.

Best regards,

Nikki C. Day, B.C.S.
GrayRobinson, P.A.

Enclosure

The terms of this representation are accepted
this 16th day of September, 2025

CITY OF FERNANDINA BEACH, FLORIDA

By: _____

Print Name: Teresa L. Prince, Esq.

Date: 9/16/2025

Attached: Additional Understanding Regarding Representation
Privacy Policy

GRAY | ROBINSON
ATTORNEYS AT LAW

Additional Understanding Regarding Representation

Payment of Invoices

In the event that our invoices are not timely paid, or that payment terms satisfactory to us are not established, we reserve the right to renegotiate the terms of this engagement and/or to pursue our other remedies, including the right to charge you interest of 1½% per month for any invoice which has not been paid within 30 days of the date the invoice is mailed or emailed to you. We also reserve the right to withdraw as your counsel in the event you fail to honor your agreement with respect to our legal fees or for any just reason as permitted or required under the Florida Code of Professional Responsibility or as permitted by the rules of courts of the State of Florida. In the event of our withdrawal, you will promptly pay for all services rendered by us prior to the date of withdrawal.

Electronic Data

This will serve as our disclosure that the Firm does presently and will continue to maintain confidential and privileged information in electronic form. This practice will be followed in our work on this matter. The Firm does take measures that it understands to be reasonable and consistent with current business practices to protect that information.

Outcome or Result

We will strive to do our best to meet your needs in this and other any matter we subsequently undertake for you. Either at the commencement, or during the course of our representation, we may express opinions or beliefs concerning the litigation or various courses of action and the results that might be anticipated. Any such statement made by any attorney, consultant or employee of our Firm is intended to be an expression of opinion only, based on information available to us at the time, and should not be construed as a promise or guarantee. We cannot and do not make any representations, warranties or guarantees concerning the outcome of this or any representation we undertake. We will give you our best advice, render opinions, and seek to obtain the desired result. In this regard, it is most important that we communicate regularly.

File Retention

Following the termination of the representation/engagement, any otherwise nonpublic information you have supplied to the Firm (unless previously removed or destroyed by specific request) will be retained by us and kept confidential in accordance with applicable rules of professional conduct, and the Firm reserves the right to send such materials to off-site storage at any time. Any retrieval of material once the file is closed may incur an expense for which you will be responsible. The Firm's retention policy provides that we retain stored and closed files for a period of ten (10) years after which they may be destroyed. Thus, if there are any documents which you need from those we possess, we recommend that you obtain them at the conclusion of our work on this matter. Failure to do so will waive and indemnify the Firm from any liability for the destruction of materials.

Nothing contained herein shall be construed in conflict with the Prompt Payment Act, section 218.70 et. seq., Florida Statutes, nor section 119.0701, Florida Statutes, as each may be amended from time to time. It is the intent of the parties for the Firm to provide legal advice to the City, not to act as an agent on its behalf. However, the Firm will comply with all provisions of section 119.011(2), Florida Statutes, as may be applicable.

IF THE FIRM HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE FIRM'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT:

Telephone number: (904) 310-3115
E-mail address: cbest@fbfl.org
Mailing address: Caroline Best, City Clerk, City Hall, 204 Ash Street, Fernandina Beach, Florida 32034

#64605027 v1

RESOLUTION 2025-169

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AUTHORIZING THE CITY ATTORNEY TO ENGAGE IN QUALIFIED OUTSIDE LEGAL COUNSEL FOR CONFLICTS, COMPLEX LEGAL MATTERS, BOARD REPRESENTATION, AND SPECIAL MAGISTRATE SERVICES IN FISCAL YEAR 2025/2026; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, from time to time, the City Attorney desires to consult with qualified outside legal counsel on important and sometimes controversial issues involving conflicts, complex legal matters, and labor concerns; and

WHEREAS, from time to time, the City requires legal counsel to represent the various City Boards and Commission and to serve as Special Magistrate for appeals of non-criminal penalties pursuant to civil citations and to hear complaints filed under the City's Human Relations Ordinance; and

WHEREAS, at the request of the City Attorney, the qualified legal firms listed in the attached Exhibit A submitted Engagement Agreements outlining their legal consultation services and hourly rates; and

WHEREAS, funding is budgeted and available in the Legal/Contractual account, 0011400 54934, in an amount not to exceed $85,000 in FY 2025/2026.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby authorizes the City Attorney to engage qualified outside legal counsel and legal services in an amount not to exceed $85,000 in FY 2025/2026, as outlined in Exhibit A.

SECTION 2. The City Clerk and City Manager are hereby authorized to execute the Engagement Agreements, attached hereto, upon review and approval of the City Attorney. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 3. This Resolution takes effect immediately upon passage.

ADOPTED this 16th day of September, 2025.

CITY OF FERNANDINA BEACH

JAMES ANTUN
Commissioner – Mayor

ATTEST:

CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

TERESA L. PRINCE, ESQ.
City Attorney

Resolution 2025-169
Exhibit "A"

Outside Counsel Firms List

Firm	**Area of Practice**	**Attorney (s)**
Bartlett Loeb Hinds & Thompson, PLLC	Condemnation, land use litigation/Bert Harris	Jay J. Bartlett
Carr Allison	Litigation/general	Heath Vickers Allison Sausaman C.H. Houston III
Cavendish Partners, P.A.	Land use, contract, certiorari appeals	Michael Cavendish
Gray Robinson, P.A.	Local government, board attorney, land use	Nikki Day
Nabors, Giblin & Nickerson, P.A.	Land use, local government law, revenue sources	Heather Encinosa Greg Stewart Evan Rosenthal Kirsten Mood
Poole & Poole, P.A.	Board attorney, special magistrate, special matters	Harrison W. Poole
Weiss Serota Helfman Cole & Bierman	Land use, local government law, Bert Harris	Susan Trevarthen

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-40
Lease Agreement — Take Stock in Children

ITEM TYPE: Resolution (w/ fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-40.

SYNOPSIS: Peck Center Suite 119 is currently avaliable. Take Stock in Children wishes to lease this suite.

FISCAL IMPACT: The City will collect $2,708.16 for the first four months of the lease (June 2026 through September 2026). The lease will be CPI adjusted on October 1, 2026, allowing for alignment with other Peck Center leases.

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission adopt proposed Resolution 2026-40.

Scott Mikelson, Parks and Recreation Director	03/04/2026
Kimberly Elliott-Briley, Deputy City Clerk	03/04/2026
Susan Carless, Comptroller	03/04/2026
Jeremiah Glisson, Deputy City Manager	03/09/2026
Sarah Campbell, City Manager	03/09/2026
Teresa Prince, City Attorney	03/10/2026
Katie Newton, Downtown Coordinator	03/10/2026

Date: January 23, 2026

Submitted By: Kaitlyn Rivera, Parks and Recreation Deputy Director

COMMISSION ACTION: Adopt

RESOLUTION 2026-40

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING THE TAKE STOCK IN CHILDREN LEASE AGREEMENT FOR PECK CENTER RENTAL SPACE; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Fernandina Beach is engaged in leasing rental space to non-profit tenants in the Peck Center, 516 South 10th Street; and

WHEREAS, the space referred to as Peck Center, Suite 119 is available for long-term lease; and

WHEREAS, Take Stock in Children wishes to lease the available space.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the lease agreement with Take Stock in Children, attached hereto as Exhibit A.

SECTION 2. The City Clerk and City Manager are hereby authorized to execute the Lease Agreement, upon review and approval of the City Attorney.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This Resolution shall become effective immediately upon its final passage.

ADOPTED this 17th day of March, 2026.

ATTEST:

_____
CAROLINE BEST
City Clerk

CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Mayor – Commissioner

APPROVED AS TO FORM & LEGALITY:

_____
TERESA L. PRINCE, ESQ.
City Attorney

LEASE AGREEMENT

THIS LEASE AGREEMENT hereinafter referred to as "Agreement", by and between the **CITY OF FERNANDINA BEACH, FLORIDA**, a municipal corporation, hereinafter referred to as "Lessor," and **Take Stock in Children,** a Florida Nonprofit Corporation, and its assigns, hereinafter referred to as "Lessee", or "Tenant".

WITNESSETH:

WHEREAS, the said Lessor desires to demise, lease and rent unto the Lessee, and the said Lessee desires to rent and lease from Lessor space located at 516 S. 10th Street, Suite 119, Fernandina Beach, Florida, described as Suite 119, together with all improvements thereon and appurtenant rights thereto including, without limitation, parking areas, easements, declarations and rights of way; and

WHEREAS, the Building is the structure located at 516 South 10th Street that contains approximately twenty nine thousand three hundred and eighty (29,380) rentable square feet and the leased premises shall consist of approximately nine hundred eleven (911) rentable square feet (collectively, the "Premises"), and includes without limitation, all heating, venting, air conditioning, mechanical, electrical, elevator and plumbing systems, roofs, walls, foundations, fixtures, and non-exclusive parking spaces, including legally required handicap-striped spaces, all such parking is provided by Lessor at no additional cost; and

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, the Lessor does hereby demise, lease and rent unto the said Lessee and the Lessee does hereby rent and lease from the Lessor the Premises, under and pursuant to the following terms and conditions:

NOW THEREFORE, in consideration of the mutual covenants contained in this Agreement, the parties hereby agree as follows:

1. **Term.** This Lease shall commence on June 1, 2026 (the **"Effective Date"**). The initial term shall run from the Effective Date through September 30, 2026 (the **"Initial Partial Lease Year"**). Thereafter, the Lease shall continue for one (1) full Lease Year, commencing on October 1, 2026 and expiring on September 30, 2027, unless renewed as provided herein (collectively, the **"Term"**).

Each twelve (12) month period beginning on October 1 and ending on September 30 shall be referred to as a **"Lease Year."**

2. Rent. Lessee agrees to pay as an initial annual rental rate ("Rent"), based on a $8.92 per rentable square foot, at an annual rate of eight thousand one hundred twenty four dollars and forty eight cents ($8124.48), to be paid in monthly installments as outlined in Section 2 (a). Thereafter, the Rent shall be adjusted annually in accordance with Section 3 herein below.

(a) Lessee shall pay Rent in the amount of six hundred seventy seven dollars and four cents ($677.04) per month in advance on the first day of each calendar month, such monthly installment to be prorated for any partial calendar month in which the Effective Date or Termination Date shall occur. Rent shall be payable without demand by the Lessor, and shall be subject to sales tax, unless Lessee provides Lessor with proof of tax exempt status. All amounts (unless otherwise provided herein) other than the Rent and the adjustments thereto described in Section 3 hereof owed by Lessee to Lessor hereunder shall be deemed additional rent.

(b) Except as otherwise provided in this Lease, it is the intention of the parties that the Lessor shall receive the rents, additional rents, and all sums payable by the Lessee under this Lease free of all taxes, expenses, charges, damages and deductions of any nature whatsoever (except as otherwise provided hereinafter) and the Lessee covenants and agrees to pay all sums (including rent taxes) which except for this Lease would have been chargeable against the Premises and payable by the Lessor, unless the Lessor provides Lessor with proof of tax exempt status.

3. Annual Rent Adjustments.

(a) The annual Rent shall be subject to an annual increase per Lease Year, on the anniversary of the Effective Date as set forth herein. Lessee shall automatically increase said payments, without formal notification by the Lessor that such increase is due. The rental rate shall be adjusted each lease year based on change in Consumer Price Index (CPI) – All Urban Consumers South Urban Region – All Items (base year 1982-84=100), as published by the United States Department of Labor – Bureau of Labor Statistics. Such CPI change will be computed each year using the July index prior to the Effective Date and any change will be implemented and effective with the onset of a new Lease Year.

(b) Delinquency In Payment Of Rent. Delinquency Charge. A delinquency charge of one and one-half percent (1-1/2%) per month shall be added to any rental payment, which is rendered more than ten (10) days delinquent.

(c) Place of Payment. All payments due Lessor from Lessee shall be made payable to the City of Fernandina Beach, and delivered or mailed to 1180 South 5th St. Extension, Fernandina Beach, Florida 32034, attention Utility Billing. All payments of rent shall be made when due, without any statement or specific invoice required.

4. Renewals.

(a) If the Lessee is not in default on the terms and conditions of the lease, including but not limited to the payment of rent, and has not been in default on the terms and conditions of the lease within the past year, the Lease may be renewed and extended with the written mutual agreement of both parties. The City/Lessor reserves the right to make changes to the terms and conditions of this lease including the right of Lessor to collect additional rent, and the cost for common area maintenance and operating expenses after the initial one (1) year term of this lease. The option to renew this Lease shall be for two (2) additional periods of one (1) year each, next immediately ensuing after the expiration of the initial Term of this Lease and the subsequent renewal periods by notifying Lessor in writing not less-than ninety (90) days before the expiration of the immediately preceding initial Term or subsequent renewal Term of this Lease of the Lessee's intention to exercise its option to renew, but Lessee shall have no option to extend this Lease beyond two (2) renewal periods of one (1) year each after the initial Term. In the event that Lessee so elects to extend this Lease, then, for such extended period of the Term, all of the terms, covenants and conditions of this Lease shall continue to be, and shall be, in full force and effect during such extended period of the Term hereof.

5. Condition of Premises. Lessee agrees that they have inspected the Leased Premises, and requested the following repairs: (1) patch wall nail holes; (2) paint; (3) fix kickplate on entry door; (4) replace lighting that does not work; (5) replace bad ceiling tiles; (6) replace flooring. Lessor has agreed to make said repairs. Upon completion of repairs, Lessee will inspect and accept the condition of the premises as-is.

6. Use of Premises. Lessee may occupy and use the Premises during the Term for purposes of the operation of a nonprofit corporation providing college scholarships, mentors and college preparation programs for Nassau County low-income students, and such other purposes as shall be permitted by applicable law, ordinances and regulations, provided other permitted uses do not conflict with the uses of any other tenants in the Building. Lessee may operate during such days and hours as Lessee may determine, without the imposition of minimum or maximum hours of operation by Lessor and Lessee shall have access to the Premises, and may operate, up to 24 hours per day, seven (7) days per week, and 365 days per year. Lessor represents and warrants that the Premises may be used by Lessee for the use stated hereinabove under applicable laws, ordinances, rules and regulations ("Laws") including, without limitation, zoning Laws.

7. The parties agree that this agreement shall be construed as a "Lease Agreement" and Lessee shall not engage in any business on the Premises other than those services specified in section 6 above.

8. Lessee shall comply with all federal, state, county, City and local laws, rules, codes and regulations that may apply to the conduct of the business contemplated herein.

9. Lessee shall not cause or permit to occur:

(a) Any violation of any federal, state or local law, ordinance or regulation now or later enacted, related to environmental conditions on, under, or about the Premises, or arising from Lessee's use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or

(b) The use, generation, release, manufacture, refining, production, processing or disposal of any hazardous substance on, under, or about the Premises.

10. Lessee's obligations under Section 2, 3, 14 and 15 of this Agreement shall survive the expiration or termination of this Agreement or any renewal thereof.

11. During the term of this Agreement, Lessee shall have the right, at its expense, to place in or on the Premises, a sign or signs identifying Lessee. Said sign or signs shall be of a size, shape and design, and at a location or locations, approved and permitted by Lessor and in conformance with any overall directional graphics or sign program established by Lessor. Lessee shall also comply with any sign code regulations and obtain all permits required. Lessor's approval shall not be unreasonably withheld. Notwithstanding any other provision of this Agreement, said sign(s) shall remain the property of Lessee. Lessee shall remove, at its expense, all lettering, signs and placards so erected on the Premises at the expiration of the term of this Agreement, or any extension term.

12. Leasehold Improvements. Lessee shall not make any structural changes, additions, removal or improvements to the Premises without first obtaining Lessor's written consent or approval of such changes.

(a) Any such Lessor-approved improvements made by Lessee shall remain the property of the Lessee until the expiration or termination of this Lease at which time such improvements shall become the property of Lessor. Lessee shall at all times maintain all improvements constructed on the Premises in good condition.

(b) Lessee shall not permit any mechanic's or other liens to be placed upon the Premises, at any time, in connection with any such leasehold improvements.

13. Damage to Property. Lessee shall be responsible for all damage to property, real or personal, located on, in, or about the Premises, or public use areas damaged as a result of the Lessee, its agents, clients, contractors, employees or representative's negligence, misuse, or abuse. In the event the Lessee does not promptly repair, within thirty 30 days after receipt of written notice from Lessor, where prompt repair is practicable, any damaged property, for which the Lessee is responsible, the Lessor reserves the right to make such repairs at Lessee's expense, which shall become due and payable as part of the Lessee's next monthly rental payment. Such repairs shall be charged to Lessee at 115% of cost to Lessor. Lessee shall immediately report any damage caused to the Premises to the City Manager's Office.

14. Premises Maintenance, Repair, and Upkeep. The Lessee shall maintain the Premises in a neat and orderly condition. Lessee shall not commit, nor allow to be committed, any waste on the Premises, create or allow any nuisance to exist on the Premises, or use or allow the Premises to be used for any unlawful purpose or unsafe purpose. The Lessee shall, at its sole cost and expense, maintain and keep the Premises in good repair and make all repairs necessary to keep and maintain such space of the Premises, including all improvements thereon, in good condition so as to present an attractive appearance. The Premises and all improvements thereon must be maintained in a safe, clean, and sanitary condition. The Lessor shall require maintenance and needed repairs to be made by Lessee in a timely manner.

15. Rented Premises Upkeep. Lessor will maintain the structural components of the Building and routine Building maintenance, except for routine maintenance of the Premises, without additional cost to the Lessee. Lessee is responsible for routine maintenance on the Premises, specifically the office spaces, including but not limited to walls, carpets, paint, doors, and windows.

16. Insurance. Lessee shall obtain and maintain continuously in effect at all times during the term of this Agreement, with the entire premium for said coverage's to be paid entirely by the Lessee, the following insurance:

(a) Comprehensive general liability insurance protecting Lessee and Lessor against any and all liability by reason of Lessee's conduct incident to the use of the Premises, caused by or arising out of any wrongful and/or negligent act or omission of Lessee, in the minimum amount of $1,000,000.00; and

(b) The insurance specified in Section 16(a) shall name Lessor as an additional insured. The insurance coverage specified in Section 16(a) shall not be terminated or changed without providing at least thirty (30) days written notice to Lessor. Lessee shall provide Lessor with certificates of insurance evidencing coverage. If, at any time, Lessee does not have the required insurance, or such insurance is materially modified, canceled, or not renewed, Lessor may immediately terminate this Lease Agreement without liability, fee or penalty.

(c) Lessor and Lessee mutually agree to notify each other in writing as soon as practicable of any claim, demand or action arising out of an occurrence covered hereunder of which either party has knowledge, and to cooperate with each other in the investigation and defense thereof.

17. Indemnification. Lessee agrees to assume liability for and indemnify, hold harmless, and defend the Lessor, its elected officials, officers, employees, representatives, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, except where plaintiff has comparative fault under Florida statutes. Where applicable, Lessee assumes liability for demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of Lessee, its officers, employees, agents, and representatives. Lessee's liability hereunder shall include all attorney's fees and costs incurred by the Lessor in the enforcement of this indemnification provision. This includes claims made by the employees of Lessee against the Lessor, and Lessee hereby waives its entitlement, if any, to immunity under Section 440.11, Florida Statutes. The obligations contained in this provision shall survive termination of this Agreement. Nothing contained in the foregoing indemnification shall be construed to be a waiver of any immunity or limitation of liability the Lessor may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes.

18. Independent Contractor. In conducting its operations hereunder, Lessee acts as an independent contractor and not as an agent of Lessor. The selection, retention, assignment, direction and payment of Lessee's employees shall be the sole responsibility of Lessee, and Lessor shall not attempt to exercise any control over the daily performance of duties by Lessee's employees.

19. Assignment. This Agreement, or any part thereof, may not be assigned, transferred or subleased by Lessee, except to affiliate companies, by process or operation of law or in any other manner whatsoever, without the prior written consent of Lessor, which consent will not be withheld unreasonably.

20. Non-Discrimination. Notwithstanding any other inconsistent provision of this Agreement, during the performance of this Agreement, Lessee, for itself, its heirs, personal representatives, successors in interest and assigns, as part of the consideration for this agreement, does hereby covenant and agree, as a covenant running with the land, that:

(a) No person on the grounds of race, color, religion, gender or national origin shall be excluded from participating in, denied the benefits of, or otherwise be subjected to discrimination,

in the use of the Premises; and

(b) In the furnishing of services on, over or under the Premises, no person on the grounds of race, color, religion, gender or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.

21. Termination. This Agreement shall be subject to termination by either party in the event of any one or more of the following:

(a) Notice is provided in writing, delivered by either party, three (3) months prior to the desired termination date of the Lease Agreement. Rent, taxes and insurance shall be paid by Lessee through the date of termination;

(b) The abandonment of the Premises by Lessee for activities related with such organization;

(c) The default by either party in the performance of any of the terms, covenants and conditions of this Agreement, and the failure of such defaulting party to remedy or to undertake to remedy to the other party's satisfaction such default for a period of thirty (30) days after receipt of notice from the non-defaulting party to the defaulting party to remedy same; or

(d) Damage to or destruction of all or a material part of the Premises necessary to the operation of Lessee's business or services.

(e) Other extraordinary circumstance which substantially impacts the performance of Lessee's mission and purpose from the leased premises which is not applicable to the Section 22 Force Majeure clause, shall require Notice to the Lessor provided in writing, three (3) months prior to the desired termination date. Rent and insurance shall be paid by Lessee through the date of termination;

22. Force Majeure. Neither Lessor, nor Lessee, shall be deemed to be in violation of this Agreement if either is prevented from performing any of its obligations hereunder by reasons of strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of public enemy, acts of superior governmental authority, weather conditions, floods, named storms such as tropical storms and hurricanes, tornadoes, riots, rebellions, acts of sabotage, or any other circumstances for which it is not responsible, or which are not under its control, provided; however, that this paragraph does not apply to failure by Lessee to pay the rentals, fees, taxes, and charges set forth herein. In any such case a prompt written notice shall be given to the other party of the existence of such causes and of readiness to resume performance upon the removal, or non-existence thereof.

23. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties, and as of its effective date supersedes all prior or independent contracts or agreements between the parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

24. Severability. If any substantive provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction, and such declaration results in a substantial failure of consideration for either party, the entire agreement shall be subject to termination by such party. Otherwise, such declaration shall not be cause for termination of this Agreement, but only such void or illegal provision shall be canceled or deemed to be of no effect.

25. Notice. Any notice given by one party to the other in connection with this agreement shall be in writing and shall be sent by certified mail, return receipt requested, with postage and certification fees prepaid, to the following addresses:

Lessee: Take Stock in Children
Attn: Executive Director
P.O. Box 15217
Fernandina Beach, FL 32035
Telephone: (904) 206-0122

Lessor: City of Fernandina Beach
City Manager
204 Ash Street
Fernandina Beach, FL 32034
Telephone: (904)310-3100

26. Governing Law and Venue. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Florida. Each of the parties hereto: (a) irrevocably submits itself to the exclusive jurisdiction of the Fourth Judicial Circuit Court, in and for Nassau County, Florida, and the jurisdiction of the United States District Court for the Middle District of Florida, Jacksonville Division, for the purposes of any suit, action or other proceeding arising out of, or relating to, this Agreement; (b) waives and agrees not to assert against any party hereto, by way of motion, as a defense or otherwise in any suit, action or other proceeding: (i) any claim that it is not personally subject to the jurisdiction of the above-named courts for any reason whatsoever; and (ii) to the extent permitted by applicable law, any claim that such suit, action or proceeding by any party hereto is brought in an inconvenient forum, or that the venue of such suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such courts.

27. Re-Entry. It is further understood and agreed between the parties hereto that in the event of any breach of any covenant or agreement on the part of the Lessee to be performed and provided, that if such breach is not remedied by the Lessee after reasonable notice in writing to it by the Lessor, the Lessor may re-enter and terminate this tenancy by giving the Lessee thirty (30) days written notice, to quit the Premises. Lessor shall at all times be entitled to recover by all lawful means any and all damages sustained by it through the breach of any said covenants and agreements on part of the Lessee to be performed.

28. Attorney's Fees. Should either party bring suit to enforce its rights under this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and costs of such suit, including appeals, to be paid by the non-prevailing party.

29. Obligation Upon Termination. Upon termination of this Lease, all obligations of either party hereunder to the other shall cease and terminate, and the Lessee agrees that upon the termination of this Lease, it shall quit and surrender the Premises in as good order and condition as existed at the time of the initial occupancy and only reasonable wear and tear being accepted.

30. Non-Exclusivity. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right.

31. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health department.

IN WITNESS WHEREOF, the parties have executed this Agreement on 17th day of March, 2026.

"LESSOR"
City of Fernandina Beach

By: _____

Printed Name: Sarah Campbell

Its: City Manager

"LESSEE":
Take Stock in Children

By: _____

Print Name: John Connolly

Its: Treasurer

ATTEST:

By: _____

Printed Name: Caroline Best

Its: City Clerk

ATTEST:

By: _____

Printed Name: _____

Its: _____

APPROVED AS TO FORM & LEGALITY

By: _____

Printed Name: Teresa Prince

Its: City Attorney

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-41
Easement Agreement — Nassau County School Board

ITEM TYPE: Resolution (w/o fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-41.

SYNOPSIS: The Nassau County School Board ("NCSB") owns property located at 435 Citrona Drive on which sports fields are located adjacent to City owned right-of-way on Date Street. The NCSB is renovating their sports fields, and is requesting a portion of the Date Street right-of-way be used for its new track and field facility.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission adopt proposed Resolution 2026-41.

Kimberly Elliott-Briley, Deputy City Clerk	03/02/2026
Jeremiah Glisson, Deputy City Manager	03/09/2026
Sarah Campbell, City Manager	03/09/2026
Teresa Prince, City Attorney	03/10/2026
Katie Newton, Downtown Coordinator	03/10/2026

Caroline Best

Submitted By: Caroline Best, City Clerk — Date: February 17, 2026

COMMISSION ACTION: Adopt

RESOLUTION 2026-41

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING AN EASEMENT AGREEMENT WITH THE NASSAU COUNTY SCHOOL BOARD FOR THE DATE STREET RIGHT OF WAY; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Fernandina Beach is the owner of certain real property known as the Date Street Right of Way situated within the municipal limits of the City of Fernandina Beach, Florida; and

WHEREAS, the Nassau County School Board desires a non-exclusive, revocable easement over, under, through, and across the Date Street right of way for the purpose of installing, constructing and/or maintaining a track and field facility for athletic events; and

WHEREAS, the City is willing to grant Nassau County School Board a non-exclusive, revocable easement over, under, through and across for the purpose of installing, constructing and/or maintaining a track and field facility for athletic events and that the City desires to establish an easement of record by entering into this Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the Date Street Easement Agreement, with the Nassau County School Board, for the purpose of installing, constructing and/or maintaining a track and field facility for athletic events, attached hereto as Exhibit 1.

SECTION 2. The City Clerk and City Manager are hereby authorized to execute the attached Easement Agreement, upon review and approval of the City Attorney.

SECTION 3. The City Clerk is hereby directed to record such Easement Agreement in the public records of Nassau County, Florida.

SECTION 4. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 5. This Resolution is effective immediately upon passage.

ADOPTED this 17th day of March, 2026.

CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Commissioner - Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
TERESA L. PRINCE, ESQ.
City Attorney

Prepared by and when recorded mail to:

City Attorney
City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

CITY OF FERNANDINA BEACH
DATE STREET RIGHT OF WAY EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT ("Agreement") is made and entered into this 17th day of March, 20 26, by and between **City of Fernandina Beach, Florida**, a municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 ("Grantor"), and the Nassau County School Board, a Florida school district, whose address is 1201 Atlantic Avenue, Fernandina Beach, FL 32034 ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of certain real property known as the Date Street Right of Way situated within the municipal limits of the City of Fernandina Beach, Florida ("Grantor's Property"), more particularly described in Exhibit "A", and

WHEREAS, the Grantee desires a non-exclusive, revocable easement over, under, through, and across the Grantor's Property for the purpose of installing, constructing and/or maintaining a track and field facility for Grantee athletic events; and

WHEREAS, the Grantor is willing to grant to Grantee a non-exclusive, revocable easement over, under, through and across Grantor's Property for the purpose of installing, constructing and/or maintaining a track and field facility for Grantee athletic events and that the Grantor desires to establish an easement of record by entering into this Agreement; and

WHEREAS, Grantor is willing and able to grant to Grantee such easement and appurtenant rights as are hereinafter set forth; and

WHEREAS, Grantee desires to accept said easement rights, and is willing to perform the affirmative covenants hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of $1.00 the affirmative covenants assumed by Grantee herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Grantor, and the affirmative covenants assumed by Grantee herein, the parties agree as follows:

AGREEMENT

1. Recitals; Exhibits. The above recitals and all Exhibits attached to this Agreement are true and correct and are incorporated herein by this reference.

2. Easement. Grantor hereby grants to Grantee, its successors and assigns, a non-exclusive, revocable easement ("Easement") over, under, through, and across that certain real property situated in Nassau County, Florida, more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference ("Easement Area") for the purpose of installing, constructing and/or maintaining a track and field facility for Grantee athletic events. Included in this Easement, Grantee shall at all times have the right of ingress and egress and the right to enter upon the Easement Area at any time it deems necessary for the purpose of exercising the easement rights granted hereby.

3. Grantor's Representations and Warranties. Grantor hereby represents and warrants to Grantee as follows:

3.1 Ownership. Grantor is the owner in fee simple of the certain parcel of real estate situated in Nassau County, Florida, more particularly described on Exhibit "A" on which Grantee intends to install, construct and/or maintain a track and field facility for Grantee athletic events.

3.2 Right to Convey Easement. Grantor warrants and represents that Grantor has the right to convey a non-exclusive, revocable Easement over, under, through, and across the property, more particularly described on Exhibit "B" and will defend the same easement against the lawful claims of all persons whomsoever.

3.3. Authority. Grantor does hereby fully warrant and represent that the party signing the Agreement on behalf of Grantor has the authority to bind Grantor to the Agreement.

4. Use of Easement Area. Notwithstanding the foregoing grants of easements, Grantor retains the right to use the Easement Area for any lawful purpose other than for a permanent building, structure, foundation, or other use inconsistent with the grants made herein.

5. Binding Effect. The foregoing grants of easements and rights appurtenant thereto, shall be and constitute covenants running with the land, benefitting the public at large and burdening the Easement Area, and shall be binding upon the heirs, successors, and assigns of the parties.

6. Governing Law, Venue and Attorneys' Fees. This Agreement is to be construed in accordance with the laws of the State of Florida, with venue in Nassau County, Florida. In the event of any litigation between the parties regarding the breach and/or enforcement of this Agreement, each party shall bear its own attorneys' fees, including presuit and at the appellate court level.

7. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the matters set forth in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written,

are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

8. Counterparts. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

9. Restoration. In the event the easement is terminated, Grantee is required to restore the ground surface area of the Easement Area by replacing any pre-existing landscaping to as near a preconstruction condition as is practicable in the reasonable judgment of Grantor.

10. Insurance. Grantee shall obtain and maintain continuously in effect at all times during the term of this Agreement, at Grantee's sole expense, the following insurance:

a. Comprehensive general liability insurance with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars sufficient to protect Grantor against any and all liability by reason of Grantee's conduct incident to the use of the Premises, caused by or arising out of any wrongful act or omission of Grantee. If Grantor's insurer for liability insurance allows, then Grantee shall designate Grantor as additionally insured on its insurance policies. In the event Grantee obtains insurance coverage in the future from a different carrier, Grantee shall name Grantor as an additional insured on the policy unless prohibited from doing so by the carrier.

b. Copy of annual insurance certificate(s) shall be provided to Grantor annually.

11. Indemnification. Grantee agrees to assume liability for and indemnify, hold harmless, and defend the Grantor, its superintendent, elected board members, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of Grantee, its commissioners, mayor, officers, employees, volunteers, contractors, agents, and representatives. Grantee 's liability hereunder shall include all attorney's fees and costs incurred by the Grantor in the enforcement of this indemnification provision. This includes claims made by the employees of Grantee against the Grantor. The obligations contained in this provision shall survive termination of this Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this instrument on the date first above written.

"GRANTOR"
CITY OF FERNANDINA BEACH, FLORIDA

By: _____
Sarah Campbell, City Manager

APPROVED AS TO FORM AND LEGALITY:

Teresa L. Prince, City Attorney

ATTEST:

Caroline Best, City Clerk

STATE OF FLORIDA
COUNTY OF NASSAU

The foregoing instrument was acknowledged before me by means of __physical presence or __ online notarization this _____ day of _____, 202__, by _____, as City Manager, of the City of Fernandina Beach, Florida, a municipal corporation, on behalf of the City. She is personally known to me or has produced _____ (type of identification) as identification.

_____
Signature of Notary Public

(NOTARY SEAL)

"GRANTEE"

By: Kathy K. Burns
Print Name: KATHY K. BURNS

WITNESS:
_____
Print Name: BRETT L. STEGER
Address: 1201 Atlantic Ave.
Fernandina, FL 32034

WITNESS:
Gail G Cook
Print Name: GAIL G. COOK
Address: 1201 Atlantic Ave., Fernandina, FL 32034

STATE OF FLORIDA
COUNTY OF NASSAU

The foregoing instrument was acknowledged before me of ✓physical presence or __ online notarization this 24th day of February, 2026, by Kathy K. Burns. He/She/They is/are personally known to me or has/have produced — as identification.

(NOTARY SEAL)

_____
Signature of Notary Public

Notary Public State of Florida
Brett Lee Steger
My Commission HH 595726
Expires 9/23/2028

EXHIBIT "A"
DATE STREET RIGHT-OF-WAY

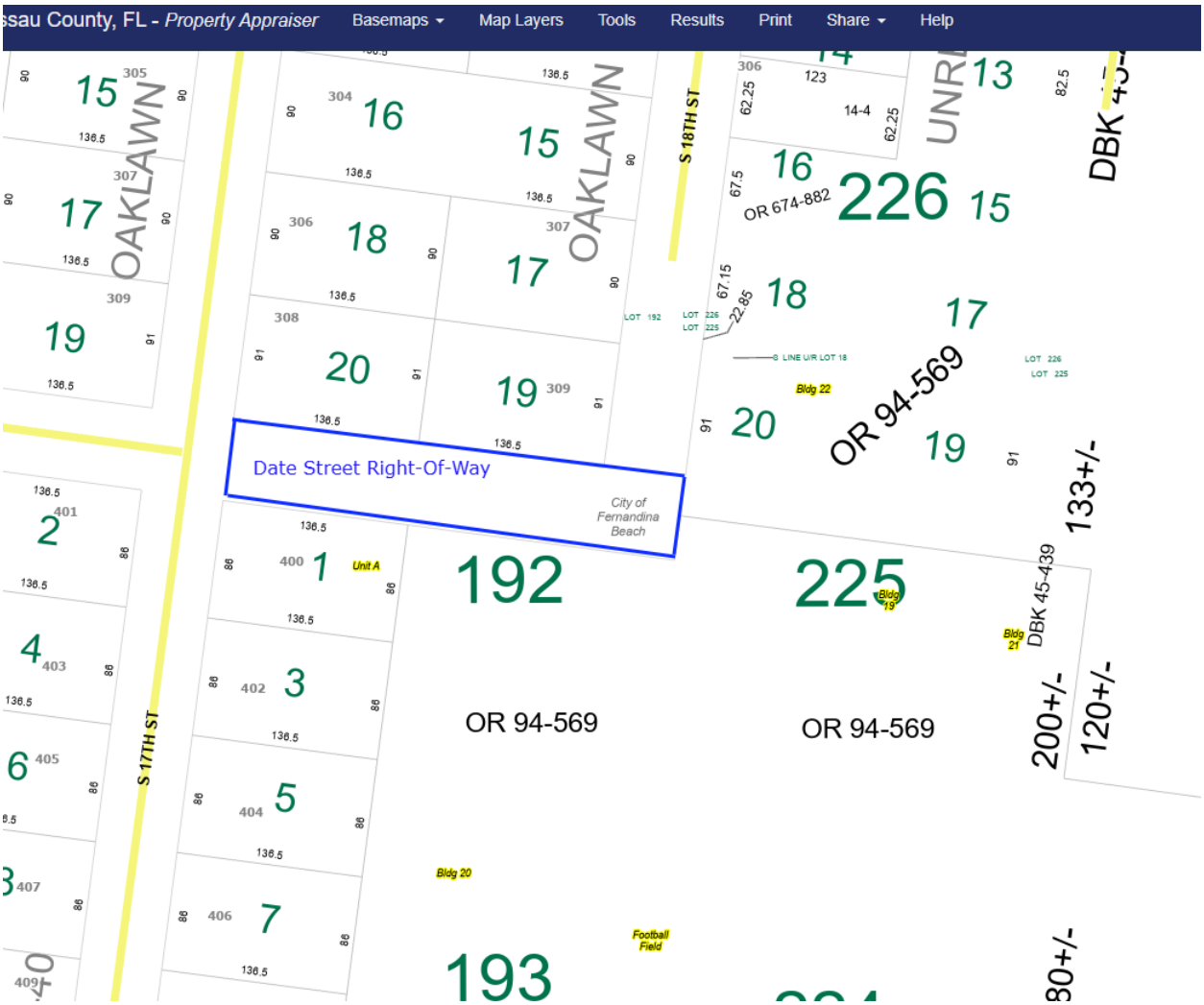
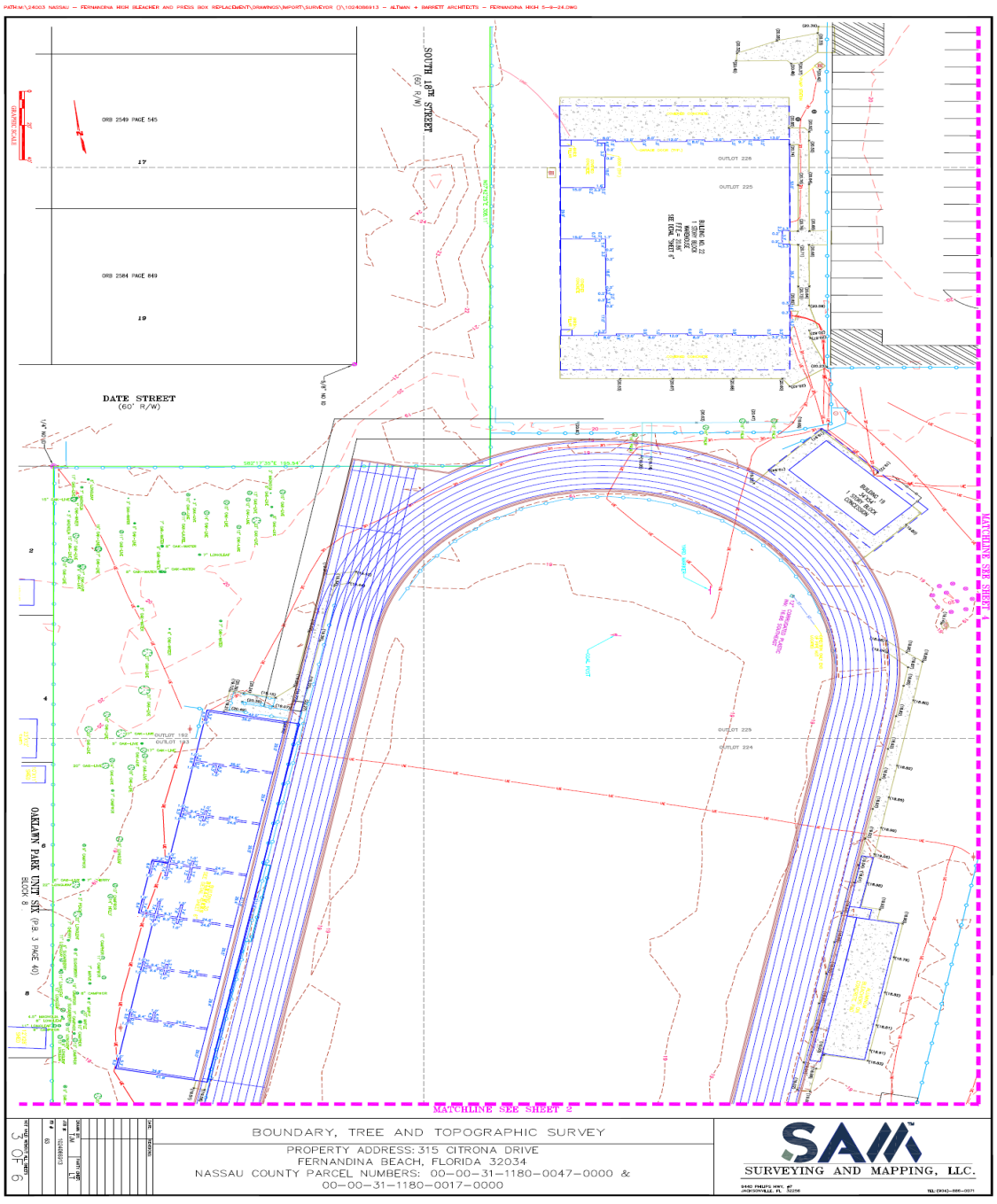


EXHIBIT "B"
SKETCH AND LEGAL DESCRIPTION WITH PROPOSED IMPROVEMENTS

From the southern School Board property line which abuts the right of way known as Date Street, the easement area shall traverse 30 feet to the north and then traverse 70 feet to the east at the intersection of the right of way known as S 18th Street and Date Street and terminates at the northeast boundary line of School Board property as depicted on the Sketch.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 6/25/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Arthur J. Gallagher Risk Management Services, LLC
200 South Orange Avenue
Orlando FL 32801

CONTACT NAME: Ann M
PHONE (A/C, No, Ext): **FAX (A/C, No):**
E-MAIL ADDRESS: Ann_Mullen@ajg.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Safety National Casualty Corporation	15105
INSURER B : Underwriters at Lloyd's, London	32727
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED
Nassau County School District
c/o NEFEC
3841 Reid Street
Palatka FL 32177

COVERAGES **CERTIFICATE NUMBER:** 1819377124 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	X **COMMERCIAL GENERAL LIABILITY** [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY [ ] PRO-JECT [ ] LOC X OTHER: School Board	Y		PK1000524	7/1/2024	7/1/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG Inclusive of SIR	$ 2,000,000 $ Included $ 5,000 $ Included $ 3,000,000 $ Included $ 300,000
B	**AUTOMOBILE LIABILITY** X ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY			PK1000524	7/1/2024	7/1/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) Inclusive of SIR	$ 2,000,000 $ $ $ $ 300,000
	[ ] **UMBRELLA LIAB** [ ] OCCUR [ ] **EXCESS LIAB** [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE 	$ $ $
A	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **(Mandatory in NH)** Y / N: N If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		SP 4066662	7/1/2024	7/1/2025	X PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	SIR $750K $ 2,000,000 $ 2,000,000 $ 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

NEFEC's decision to purchase commercial insurance or self-insure above the sovereign immunity limits provided by Section 768.28, Florida Statutes, does not constitute a waiver of the provisions of Section 768.28, Florida Statutes. WC is exclusive of SIR of $750,000.

RE: Yulee Elementary 5K Run "Hornet Hustle". All dates within the term shown. Certificate Holder is included as Additional Insured under the General Liability coverage shown only insofar as permitted by Florida Statute 768.28 and otherwise allowed by law. Additional Insured status is provided as required by written contract and with respect to operations by or on behalf of the Named Insured.

CERTIFICATE HOLDER

Nassau County Board of County Commissioners
96135 Nassau Place
Yulee, FL 32097

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-42
Temporary Work Easements - United States Army Corps of Engineers

ITEM TYPE: Resolution (w/o fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-42.

SYNOPSIS: The U.S. Army Corps of Engineers ("USACE") will be conducting a project for the United States Navy to dredge the entrance channel of Naval Submarine Base Kings Bay. The U.S. Navy and State of Florida agreed that all beach-quality sand recovered in the dredging project is to be placed on State of Florida beaches, including beaches within the City of Fernandina Beach ("City").

The USACE requests temporary work easements at the following publicly-owned beach area for construction access and equipment staging near the intersection of Dolphin Street and South Fletcher Avenue. The City granted the USACE temporary easements in 2025 to conduct beach renourishment work via Resolution 2025-77. These temporary work easements cover staging and mobilization through June 2027.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission adopt proposed Resolution 2026-42.

Jeremiah Glisson, Deputy City Manager	03/09/2026
Sarah Campbell, City Manager	03/09/2026
Teresa Prince, City Attorney	03/10/2026
Katie Newton, Downtown Coordinator	03/10/2026

Kimberly Elliott Briley

Date: March 06, 2026

Submitted By: Kimberly Elliott-Briley, Deputy City Clerk

COMMISSION ACTION: Adopt

RESOLUTION 2026-42

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING UNITED STATES ARMY CORPS OF ENGINEERS TEMPORARY WORK EASEMENTS FOR BEACH RENOURISHMENT STAGING AND MOBILIZATION THROUGH JUNE 2027; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the U.S. Army Corps of Engineers ("USACE") will be conducting a project for the United States Navy to dredge the entrance channel of Naval Submarine Base Kings Bay; and

WHEREAS, the U.S. Navy and State of Florida agreed that all beach-quality sand recovered in the dredging project is to be placed on State of Florida beaches, including beaches within the City of Fernandina Beach ("City"); and

WHEREAS, the USACE requests temporary work easements at the following publicly owned beach areas for beach renourishment staging and mobilization: near the intersection of Dolphin Street, Ocean Avenue, and South Fletcher Avenue; and

WHEREAS, the City granted the USACE temporary work easements in 2023, 2024 and 2025 to conduct beach renourishment work via Resolutions 2023-76, 2024-104 and 2025-77; and

WHEREAS, the City now wishes to grant temporary work easements for beach renourishment staging and mobilization through June 2027.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, THAT**:**

SECTION 1. The City Commission hereby grants the United States Army Corps of Engineers temporary work easements for beach renourishment staging and mobilization through June 2027.

SECTION 2. The City Clerk and City Manager are hereby authorized to execute the United States Army Corps of Engineers temporary work easements, attached hereto as Exhibit 1, upon review and approval of the City Attorney.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This Resolution shall become effective immediately upon passage.

ADOPTED this 17th day of March, 2026.

CITY OF FERNANDINA BEACH

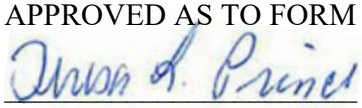
_____

JAMES ANTUN
Commissioner – Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:



TERESA L. PRINCE, ESQ.
City Attorney

TEMPORARY EASEMENT AGREEMENT
DOLPHIN STREET AND NORTH FLETCHER AVENUE

THIS EASEMENT AGREEMENT ("Agreement") is made and entered into this 17th day of March, 2026, by and between the City of Fernandina Beach, Florida, a municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 ("Grantor"), and United States Army Corps of Engineers, a department of the U.S. Army, Jacksonville District whose address is 701 San Marco Boulevard, Jacksonville, FL 32207-8175 ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of certain real property situated within the municipal limits of the City of Fernandina Beach, Florida ("Grantor's Property"), more particularly described in Exhibit "A", and

WHEREAS, the Grantee desires an unrestricted temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area; and

WHEREAS, the Grantor is willing to grant to Grantee an unrestricted, temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area and temporary access area for the use and benefit of the Grantee; and

WHEREAS, Grantor is willing and able to grant to Grantee such temporary easement and appurtenant rights as are hereinafter set forth; and

WHEREAS, Grantee desires to accept said easement rights, and is willing to perform the affirmative covenants hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of $10.00 the affirmative covenants assumed by Grantee herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Grantor, and the affirmative covenants assumed by Grantee herein, the parties agree as follows:

AGREEMENT

1. Recitals; Exhibits. The above recitals and all Exhibits attached to this Agreement are true and correct and are incorporated herein by this reference.

2. Temporary Easement. Grantor hereby grants to Grantee, its successors and assigns, a temporary, non- exclusive easement and right-of-way ("Easement") in, over and across that certain real property situated in the City of Fernandina Beach, Nassau County, Florida, more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference ("Easement Area") for a period not to exceed twelve (12) months, beginning with the date of possession of the land is granted to the United States, its representatives, agents, and contractors as a work area, for use by the United States, its representatives, agents, and contractors as a work area, including the right to move, store and remove equipment and supplies, and erect and remove temporary structures on the land and to perform any other work necessary and incident to the construction of the Naval Submarine Base Kings Bay Entrance Channel Dredging Project, together with the right to trim, cut, fell and remove therefrom all trees, underbrush, obstructions, and any other vegetation, structures, or obstacles within the limits of the right-of-way; reserving, however, to the landowners, their heirs and assigns, all such rights and privileges as may be used without interfering with or abridging the rights and easement hereby acquired; subject, however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

3. Grantor's Representations and Warranties. Grantor hereby represents and warrants to Grantee as follows:

3.1 Ownership. Grantor is the owner in fee simple of the certain parcel of real estate situated in Nassau County, Florida, more particularly described on Exhibit "A" on which Grantee intends to use as a staging area and access area.

3.2 Right to Convey Easement. Grantor warrants and represents that Grantor has the right to convey a permanent Easement in, on, over and across the property, more particularly described on Exhibit "B" and will defend the same easement against the lawful claims of all persons whomsoever.

3.3. Authority. Grantor does hereby fully warrant and represent that the party signing the Agreement on behalf of Grantor has the authority to bind Grantor to the Agreement.

4. Use of Easement Area. Notwithstanding the foregoing grants of easements, Grantor retains the right to use the Easement Area for any lawful purpose other than for a permanent building, structure, foundation, or other use inconsistent with the grants made herein.

5. Binding Effect. The foregoing grants of easements and rights appurtenant thereto, shall be and constitute covenants running with the land, benefitting the public at large and burdening the Easement Area, and shall be binding upon the heirs, successors, and assigns of the parties.

6. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the matters set forth in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

7. Counterparts. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

8. Restoration. In the event of construction, maintenance or repair in the Easement Area by Grantee, Grantee hereby agrees and understands that Grantee is required to restore the ground surface area of the Easement Area by replacing any pre-existing landscaping, fencing, concrete and/or asphalt to as near a preconstruction condition as is practicable in the reasonable judgment of the Grantee.

IN WITNESS WHEREOF, the parties have executed this instrument on the date first above written.

"GRANTOR"
City of Fernandina Beach, a Florida municipal corporation

ATTEST:

Caroline Best
City Clerk

James Antun
Mayor- Commissioner

APPROVED AS TO FORM AND LEGALITY:

Teresa L. Prince, Esq., City Attorney

“GRANTEE"

United States Army Corps of Engineers

By:_____

ATTEST: Print Name:_____

_____

_____

EXHIBIT "A"

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

Parcel ID# 12-3N-29-0000-0003-0000
Parcel ID# 00-00-31-1100-000C-0010

The rights-of-way known as Dolphin Street at intersection of North Fletcher Avenue including North Fletcher Avenue including North Fletcher Avenue south of Dolphin Street, and Dolphin Street at the intersection of Ocean Avenue along with Block C, Lot 1, West Port Beach Casino Tract in Plat Book 2, Page 74, public records of Nassau County, Florida, and that certain parcel recorded in Deed Book 151, Page 51 (less Beach Casino Tract) Ex Parcels 3-1 & 3-2.

EXHIBIT "B"

SKETCH OF EASEMENT AREA
(SEE AREA MAP ATTACHED)

Resolution 2026-42
Exhibit "A-1"

Enclosure 1



N

Legend

- Erosion Control Line
- Temporary Work Area Easement Required for Access
- Temporary Work Area Easement Required for Staging
- Nassau County Parcel Data
- Coastal Range Monument

0 100 200 300 400

Feet

1 inch = 200 feet

Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers

REAL ESTATE

Lands Request Map
Kings Bay Entrance Channel Project
Temporary Work Area Easement Required
for Staging and Construction Access
Dolphin Avenue, Nassau County, Florida
10 March 2025

Mapper: D. DeVane Realty Specialist: A. Huggins

DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS, JACKSONVILLE DISTRICT
701 SAN MARCO BOULEVARD
JACKSONVILLE, FLORIDA 32207-8175

February 5, 2026

Ms. Sarah Campbell
City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, Florida 32034
Sent via email to scampbell@fbfl.org

Dear Ms. Campbell:

The U.S. Army Corps of Engineers (Corps) will be conducting a project on behalf of the Department of the Navy to dredge the entrance channel of Naval Submarine Base Kings Bay (NSB Kings Bay). As agreed between the Navy and the State of Florida in the Memorandum of Understanding Concerning Dredging of the St. Mary's Inlet Channel dated December 18, 1986, all beach-quality sand recovered from NSB Kings Bay dredging operations are to be placed on State of Florida beaches. Consequently, part of the dredge disposal plan involves placing sand on beaches within the City of Fernandina Beach, Florida, which positively augments the re-nourishment efforts for the Nassau County Shore Protection Project.

In order to conduct the disposal/re-nourishment aspect of the dredging project, the Corps is requesting that the City provide certain temporary real estate interests as described below:

a. A Temporary Work Area Easement for the access areas shown in pink in the enclosed map (Enclosure 1, Exhibit A-1). The term of the easement should begin the date of easement execution and should expire no earlier than May 31, 2027.

b. A Temporary Work Area Easement for the staging areas shown in blue in the enclosed map (Enclosure 1, Exhibit A-1). The term of the easement should begin the date of easement execution and should expire no earlier than May 31, 2027.

I understand there is now a lock on the gate for the beach access from Dolphin Road. Please let us know whom the contractor should get in touch with to gain access.

Enclosed for your convenience are templates for the Certification of Lands (Enclosure 2), the Attorney's Certificate of Authority (Enclosure 3), and the required language for temporary work area easements (Enclosure 4). Also enclosed is the City of Fernandina Beach's Resolution 2025-77 (Enclosure 5), for your reference. Please provide the signed land certification and all supporting documentation by May 15, 2026, via email to angela.f.huggins@usace.army.mil.

If you have any questions or require additional information, please contact Angela Huggins by email: angela.f.huggins@usace.army.mil or by telephone: 904-232-1939.

Sincerely,

Timothy H. McQuillen

Timothy H. McQuillen
Chief, Real Estate Division

Enclosures

cc: Agnes White via email: awhite@fbfl.org
Harrison Poole via email: hpoole@fbfl.org

RESOLUTION 2025-77

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING A TEMPORARY EASEMENT AGREEMENT BETWEEN THE CITY OF FERNANDINA BEACH AND THE UNITED STATES ARMY CORPS OF ENGINEERS FOR BEACH RENOURISHMENT STAGING AND MOBILIZATION; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the U.S. Army Corps of Engineers (USACE) will be conducting a project for the United States Navy to dredge the entrance channel of Naval Submarine Base Kings Bay; and

WHEREAS, the U.S. Navy and State of Florida have agreed that all beach-quality sand recovered in the dredging project is to be placed on State of Florida beaches, including beaches within the City of Fernandina Beach; and

WHEREAS, the USACE requests twelve-month temporary work easements at the following publicly-owned beach area for construction access and equipment staging: near the intersection of Dolphin Street and South Fletcher Avenue; and

WHEREAS, the City of Fernandina Beach granted the USACE temporary easements in 2023 and 2024 to conduct beach renourishment work via Resolutions 2023-76 and 2024-104; and

WHEREAS, the City now wishes to grant temporary easements for beach renourishment over the next twelve months through June 2026.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, THAT**:**

SECTION 1. The City Commission hereby grants these temporary easements to USACE and directs the City Clerk and City Manager to execute the temporary easement agreement with the USACE upon review and approval of the City Attorney Pro Tem, attached hereto as Exhibit 1.

SECTION 2. This Resolution shall become effective immediately upon passage.

ADOPTED this 6th day of May, 2025.

CITY OF FERNANDINA BEACH

JAMES ANTUN
Commissioner – Mayor

ATTEST:

CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

HARRISON W. POOLE, ESQ
City Attorney Pro Tem

TEMPORARY EASEMENT AGREEMENT
DOLPHIN STREET AND NORTH FLETCHER AVENUE

THIS EASEMENT AGREEMENT (“Agreement”) is made and entered into this 6th day of May, 2025, by and between the City of Fernandina Beach, Florida, a municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 ("Grantor"), and United States Army Corps of Engineers, a department of the U.S. Army, Jacksonville District whose address is 701 San Marco Boulevard, Jacksonville, FL 32207-8175 ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of certain real property situated within the municipal limits of the City of Fernandina Beach, Florida ("Grantor's Property"), more particularly described in Exhibit “A”, and

WHEREAS, the Grantee desires an unrestricted temporary easement and right-of-way in, over and across Grantor’s property for a period of 12 months and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area; and

WHEREAS, the Grantor is willing to grant to Grantee an unrestricted, temporary easement and right-of-way in, over and across Grantor’s property for a period of 12 months and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area and temporary access area for the use and benefit of the Grantee; and

WHEREAS, Grantor is willing and able to grant to Grantee such temporary easement and appurtenant rights as are hereinafter set forth; and

WHEREAS, Grantee desires to accept said easement rights, and is willing to perform the affirmative covenants hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of $10.00 the affirmative covenants assumed by Grantee herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Grantor, and the affirmative covenants assumed by Grantee herein, the parties agree as follows:

AGREEMENT

1. Recitals; Exhibits. The above recitals and all Exhibits attached to this Agreement are true and correct and are incorporated herein by this reference.

2. Temporary Easement. Grantor hereby grants to Grantee, its successors and assigns, a temporary, non-exclusive easement and right-of-way ("Easement") in, over and across that certain real property situated in the City of Fernandina Beach, Nassau County, Florida, more particularly described on Exhibit “B” attached hereto and incorporated herein by this reference ("Easement Area") for a period not to exceed twelve (12) months, beginning with the date of possession of the land is granted to the United States, its representatives, agents, and contractors as a work area, for use by the United States, its representatives, agents, and contractors as a work area, including the right to move, store and remove equipment and supplies, and erect and remove temporary structures on the land and to perform any other work necessary and incident to the construction of the Naval Submarine Base Kings Bay Entrance Channel Dredging Project, together with the right to trim, cut, fell and remove therefrom all trees, underbrush, obstructions, and any other vegetation, structures, or obstacles within the limits of the right-of-way; reserving, however, to the landowners, their heirs and assigns, all such rights and privileges as may be used without interfering with or abridging the rights and easement hereby acquired; subject, however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

3. Grantor's Representations and Warranties. Grantor hereby represents and warrants to Grantee as follows:

3.1 Ownership. Grantor is the owner in fee simple of the certain parcel of real estate situated in Nassau County, Florida, more particularly described on Exhibit "A" on which Grantee intends to use as a staging area and access area.

3.2 Right to Convey Easement. Grantor warrants and represents that Grantor has the right to convey a permanent Easement in, on, over and across the property, more particularly described on Exhibit "B" and will defend the same easement against the lawful claims of all persons whomsoever.

3.3. Authority. Grantor does hereby fully warrant and represent that the party signing the Agreement on behalf of Grantor has the authority to bind Grantor to the Agreement.

4. Use of Easement Area. Notwithstanding the foregoing grants of easements, Grantor retains the right to use the Easement Area for any lawful purpose other than for a permanent building, structure, foundation, or other use inconsistent with the grants made herein.

5. Binding Effect. The foregoing grants of easements and rights appurtenant thereto, shall be and constitute covenants running with the land, benefitting the public at large and burdening the Easement Area, and shall be binding upon the heirs, successors, and assigns of the parties.

6. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the matters set forth in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

7. Counterparts. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

8. Restoration. In the event of construction, maintenance or repair in the Easement Area by Grantee, Grantee hereby agrees and understands that Grantee is required to restore the ground surface area of the Easement Area by replacing any pre-existing landscaping, fencing, concrete and/or asphalt to as near a preconstruction condition as is practicable in the reasonable judgment of the Grantee.

IN WITNESS WHEREOF, the parties have executed this instrument on the date first above written.

"GRANTOR"
City of Fernandina Beach, a Florida municipal corporation

ATTEST:

Caroline Best

Caroline Best, City Clerk

James Antun
Mayor-Commissioner

APPROVED AS TO FORM AND LEGALITY:

Harrison W. Poole, Esq., City Attorney Pro Tem

"GRANTEE"

United States Army Corps of Engineers

By:_____

ATTEST: Print Name:_____

_____

_____

EXHIBIT "A"

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

Parcel ID# 12-3N-29-0000-0003-0000
Parcel ID# 00-00-31-1100-000C-0010

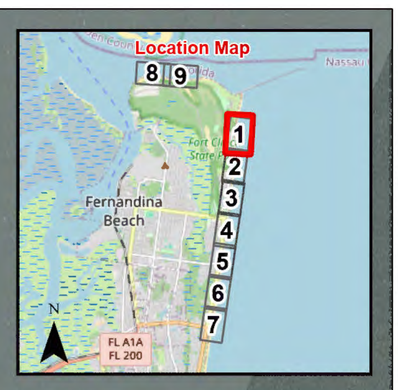
The rights-of-way known as Dolphin Street at intersection of North Fletcher Avenue including North Fletcher Avenue including North Fletcher Avenue south of Dolphin Street, and Dolphin Street at the intersection of Ocean Avenue along with Block C, Lot 1, West Port Beach Casino Tract in Plat Book 2, Page 74, public records of Nassau County, Florida, and that certain parcel recorded in Deed Book 151, Page 51 (less Beach Casino Tract) Ex Parcels 3-1 & 3-2.

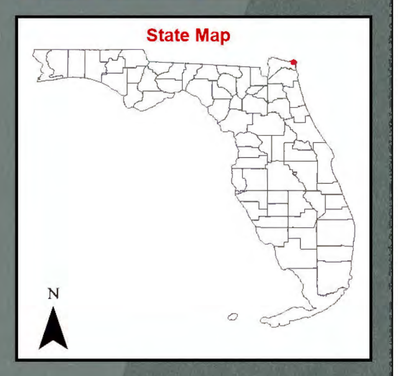
EXHIBIT "B"

SKETCH OF EASEMENT AREA
(SEE AREA MAP ATTACHED)

Resolution 2025-77
Exhibit "A" to Exhibit 1

Enclosure 1





R-012

STATE OF FLORIDA TIITF
083N29000000010000

Kimberly

Leslie

Irene

Elizabeth

Ferreira

Lisa

Susan

Fletcher

Lowenstine

Cooper

R-013

R-014

ARRIBBA INC
000031156000090021

KAUFFMAN EARL S TRUSTEE
000031156000090022

MCGUIRE THOMAS J
000031140000040020

N

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Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
- Temporary Work Area Easement (Access)
- Temporary Work Area Easement (Staging)
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Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers

REAL ESTATE

Kings Bay EC O&M FY2025
Fort Clinch & North Beach Placement Areas
Nassau County, FL

Mapper: B. Price
Reviewer: Draft
Map Date: 3/1/2024

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Feet

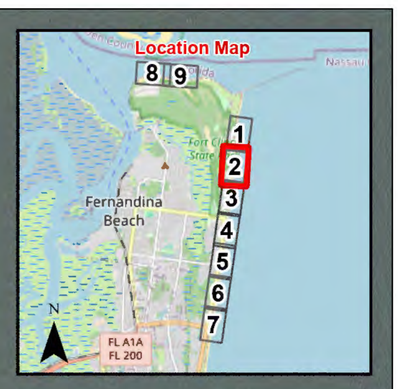
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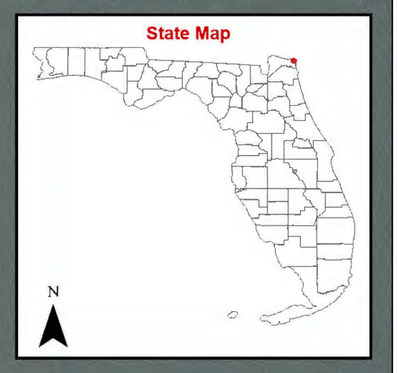
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Location Map- ESRI OpenStreetMap

MAP SIZE: 24 X 36

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Enclosure 1





Lowenstine
Lisa
Cooper
R-015
MCGUIRE THOMAS J
000031140000040020
TROTTI GIROLAMO J & LISA
W 000031156000070010
10th
DONOVAN SUSAN H & JAMES
M JR 000031156000060010
TIITF/LEASED TO CITY
OF 000031126A00150020
R-016
9th
NASSAU COUNTY
000031126A00130000
TILIAKOS LOUIE M
000031126A00120000
FERREIRA FAMILY REAL
ESTATE 000031126A00110000
NASSAU COUNTY
000031126A00100000
WILCOX ROBERT E JR
000031126A00090000
LOYALTY HOME LOANS
000031126A00080000
Mary
Fletcher
8th
NASSAU COUNTY
000031126A00070010
BARRON WILLIAM (EST)
000031126A00060000
GOODMAN SHAUN
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PEACOCK RONALD L & CLADDIE
W 000031126A00040000
SAPP FLORENCE SAPP &
000031126A00030000
GOODMAN SHAUN
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HURST JULIA S MRS
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7th
NASSAU COUNTY
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HARDESTY JIM & AMBER
000031134A00620000
R-017
Ocean
CITY OF FERNANDINA BEACH
000031134A00580000
BANCO FORECLOSURES SALE
LLC 000031134A00560000
GRAY JOSEPH F
000031134A00550000
WEST GREGORY
000031134A00540000
NASSAU COUNTY
000031134A00530000
6th
Mary
Tarpon
BANCO FORECLOSURES SALE
LLC 000031134A00490000
KALOF MORRIS EST
000031134A00470000
5th
BRESNAHAN JOHN MRS
000031134A00460000
CAPLES SUSAN L
000031134A00450000
GOODMAN SHAUN
000031134A00440000
CAPLES SUSAN L
000031134A00430000
MCCALL HARRY
000031134A00420000
R-018
WATKINS ADRIENNE P & JACK M JR 000031134A00410000

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Department of the Army South Atlantic Division
Jacksouville District, Corps of Engineers

REAL ESTATE

Kings Bay EC O&M FY2025
Fort Clinch & North Beach Placement Areas
Nassau County, FL

Mapper: B. Price Reviewer: Draft Map Date: 3/1/2024	1:1,300 0 40 80 120 Feet

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Sheet: 2 of 9

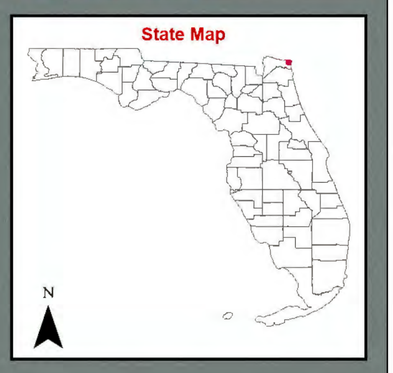
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MAP SIZE: 24 X 36

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Enclosure 1





R-021
R-022
R-023
R-024
Fort Clinch
Trout
Tarpon
Tarpon
Fletcher
200 SR
Atlantic
Gregor Mcgregor
Blackbeard
Countess Of Egmont
Nassaua
Amelia
A1a SR
Ohio
Georgia
Portside
Laguna
Atlantic View
Alabama

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Mapper: B. Price
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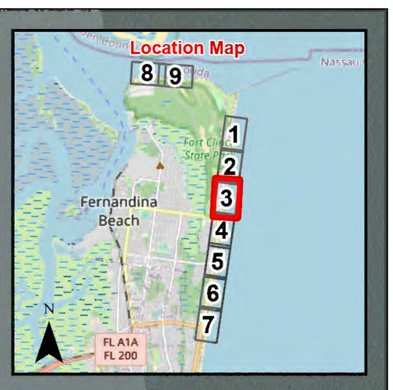
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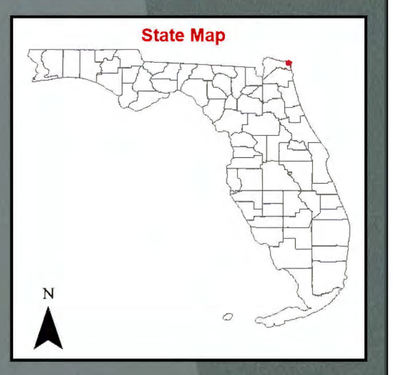
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Enclosure 1





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NASSAU COUNTY 000031134A00530000
BANCO FORECLOSURES SALE LLC 000031134A00490000
KALOF MORRIS EST 000031134A00470000
BRESNAHAN JOHN MRS 000031134A00460000
CAPLES SUSAN L 000031134A00450000
GOODMAN SHAUN 000031134A00440000
CAPLES SUSAN L 000031134A00430000
MCCALL HARRY 000031134A00420000
WATKINS ADRIENNE P & JACK M JR 000031134A00410000
LINDSEY WILLIAM C & JAMES T & 000031134A00400000
LINDSEY WILLIAM C & JAMES T & 000031134A00390000
NASSAU COUNTY BOCC 000031134A00380000
LUDWIG BERNARD & SUSAN K 000031134A00370000
NASSAU COUNTY 000031134A00360000
NASSAU COUNTY 000031134A00350000
LINDSEY WILLIAM C & JAMES T & 000031134A00340000
LINDSEY WILLIAM C & JAMES T & 000031134A00330000
LINDSEY WILLIAM C & JAMES T & 000031134A00320000
SAMHOUN CAROL 000031134A00310000
CAPLES SUSAN L 000031134A00300000
GIBSON J D 000031134A00290000
HALL MILES & COLETTE 000031134A00280000
CAPLES SUSAN L 000031134A00270000
NASSAU COUNTY 000031134A00260000
NASSAU COUNTY 000031134A00240000
NASSAU COUNTY 000031134A00220000
GEHLHARDT JUANITA WALDEN 000031134A00210000
CAPLES SUSAN L 000031134A00200000
BOISSIER INVESTOR LLC 000031134A00190000
BANCO FORECLOSURES SALE LLC 000031134A00180000
BROOKER BROWNE INC 000031134A00170000
SINTES STEPHEN 000031134A00160000
LOTT DONALD & ELAINE 000031134A00140010
SAMHOUN CAROL 000031134A00130010
BANCO FORECLOSURES SALE LLC 000031134A00120000
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BENNETT H K & L V & O L 000031134A00080000
NASSAU COUNTY 000031134A00060000
NASSAU COUNTY BOCC 000031134A00050000
CAPLES SUSAN L 000031134A00030000
CAPLES SUSAN L 000031134A00020000
LINDSEY WILLIAM & JAMES T & 000031134A00010000

R-018
R-019
R-020
R-021

Ellen
Mary
5th
4th
3rd
2nd
1st
Sea Island
Ocean
Tarpon
Dolphin
Fletcher
Trout
Atlantic

N

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Department of the Army South Atlantic Division
Jacksouville District, Corps of Engineers

REAL ESTATE

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Nassau County, FL

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Reviewer: Draft
Map Date: 3/1/2024

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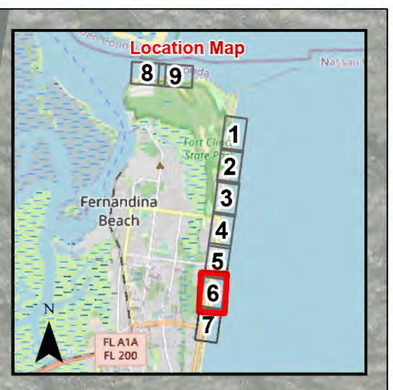
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Sheet: 3 of 9

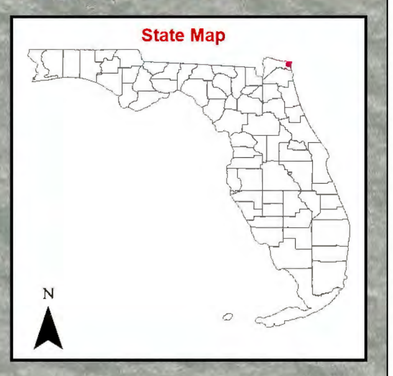
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Location Map- ESRI OpenStreetMap

MAP SIZE: 24 X 36

Document Path:P:\Geomatics\RealEstate\Beach\O&M\KingsBay\2025\Mxds\KingsBayBeach_2025\KingsBayBeach_2025.aprx

Enclosure 1





Jean Lafette
Kentucky
Colorado
R-028
1st
Jefferson
R-029
Jefferson
A1a SR
R-030
Madison
Racheal
1st
Cleveland
R-031

N

DRAFT

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Jacksonville District, Corps of Engineers

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Nassau County, FL

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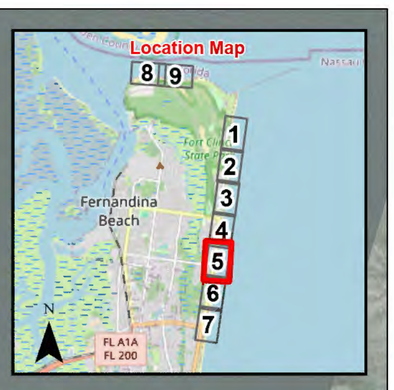
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Sheet: 6 of 9

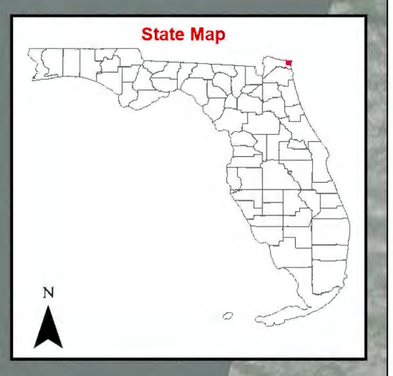
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Location Map- ESRI OpenStreetMap

MAP SIZE: 24 X 36

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Enclosure 1





R-024
R-025
R-026
R-027
Laguna
Alabama
New York
Maryland
Louisana
Wisconsin
Kentucky
Colorado
Jean Lafitte
Atlantic View
Ocean Mist
Ocean Overlook
Ocean Bluff
Ocean Sound
Jasmine
Oceanwalk
Oceanview
Island Plantation
Magnolia Woods
1st
A1a SR

N

DRAFT

Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
- Temporary Work Area Easement (Access)
- Temporary Work Area Easement (Staging)
- Sovereign Submerged Lands Authorization (Beach Fill)
- FDOR Parcels 2023

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Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers

REAL ESTATE

Kings Bay EC O&M FY2025
Fort Clinch & North Beach Placement Areas
Nassau County, FL

Mapper: B. Price Reviewer: Draft Map Date: 3/1/2024	1:1,310 0 40 80 120 Feet

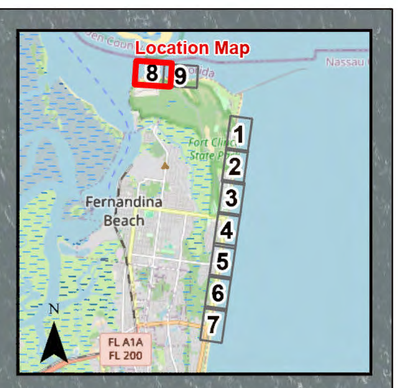
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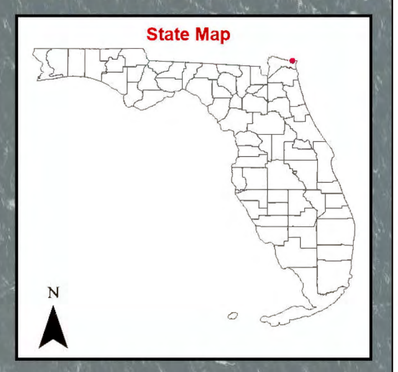
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Enclosure 1





Fort Clinch State

STATE OF FLORIDA TIITF
103N28000000010000

Fort Clinch State

Fort Clinch State

R-001

R-002

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DRAFT

Legend

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Jacksonville District, Corps of Engineers

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Nassau County, FL

Mapper: B. Price Reviewer: Draft Map Date: 3/1/2024	1:1,190 0 40 80 120 Feet

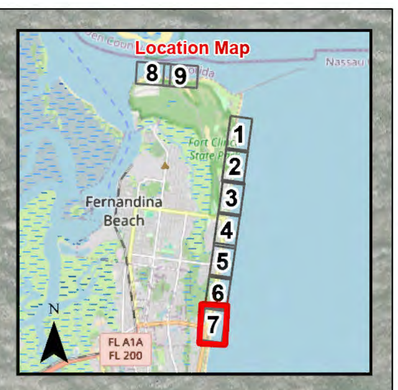
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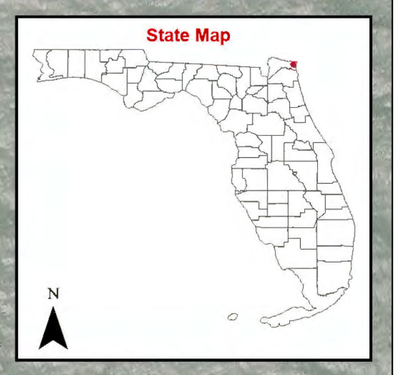
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Enclosure 1





Racheal
2nd
Cleveland
R-031
Roosevelt
R-032
1st
A1a SR
108 SR
Beaugnet
R-033
A
B
C
D
R-034
Long Boat

N

DRAFT

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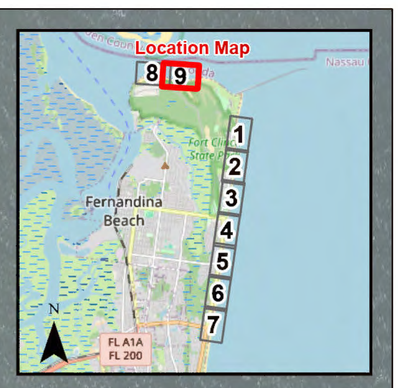
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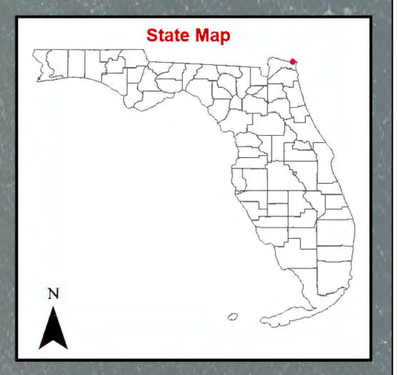
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Enclosure 1





Fort Clinch State

Fort Clinch

STATE OF FLORIDA TIITF
103N28000000010000

R-002

R-003

R-004

STATE OF FLORIDA TIITF
083N29000000010000

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DRAFT

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Sheet: 9 of 9

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RESOLUTION 2024-104

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING A TEMPORARY EASEMENT AGREEMENT BETWEEN THE CITY OF FERNANDINA BEACH AND THE UNITED STATES ARMY CORPS OF ENGINEERS FOR BEACH RENOURISHMENT STAGING AND MOBILIZATION; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the U.S. Army Corps of Engineers (USACE) will be conducting a project for the United States Navy to dredge the entrance channel of Naval Submarine Base Kings Bay; and

WHEREAS, the U.S. Navy and State of Florida have agreed that all beach-quality sand recovered in the dredging project is to be placed on State of Florida beaches, including beaches within the City of Fernandina Beach; and

WHEREAS, the USACE requests twelve-month temporary work easements at the following publicly-owned beach area for construction access and equipment staging: near the intersection of Dolphin Street and South Fletcher Avenue; and

WHEREAS, the City of Fernandina Beach granted the USACE temporary easements in 2023 to conduct beach renourishment work via Resolution 2023-76; and

WHEREAS, the City now wishes to grant temporary easements for beach renourishment over the next twelve months through June 2025.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, THAT**:**

SECTION 1. The City Commission hereby grants these temporary easements to USACE and directs the City Clerk and Interim City Manager to execute the temporary easement agreement with the USACE upon review and approval of the City Attorney, attached hereto as Exhibit 1.

SECTION 2. This Resolution shall become effective immediately upon passage.

ADOPTED this 4th day of June, 2024.

CITY OF FERNANDINA BEACH

Bradley M. Bean
_____
BRADLEY M. BEAN
Commissioner – Mayor

ATTEST:

Caroline Best
_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
TAMMI E. BACH
City Attorney

TEMPORARY EASEMENT AGREEMENT
DOLPHIN STREET AND NORTH FLETCHER AVENUE

THIS EASEMENT AGREEMENT ("Agreement") is made and entered into this 4th day of June, 2024, by and between the City of Fernandina Beach, Florida, a municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 ("Grantor"), and United States Army Corps of Engineers, a department of the U.S. Army, Jacksonville District whose address is 701 San Marco Boulevard, Jacksonville, FL 32207-8175 ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of certain real property situated within the municipal limits of the City of Fernandina Beach, Florida ("Grantor's Property"), more particularly described in Exhibit "A", and

WHEREAS, the Grantee desires an unrestricted temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area; and

WHEREAS, the Grantor is willing to grant to Grantee an unrestricted, temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area and temporary access area for the use and benefit of the Grantee; and

WHEREAS, Grantor is willing and able to grant to Grantee such temporary easement and appurtenant rights as are hereinafter set forth; and

WHEREAS, Grantee desires to accept said easement rights, and is willing to perform the affirmative covenants hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of $10.00 the affirmative covenants assumed by Grantee herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Grantor, and the affirmative covenants assumed by Grantee herein, the parties agree as follows:

AGREEMENT

1. Recitals; Exhibits. The above recitals and all Exhibits attached to this Agreement are true and correct and are incorporated herein by this reference.

2. Temporary Easement. Grantor hereby grants to Grantee, its successors and assigns, a temporary, non-exclusive easement and right-of-way ("Easement") in, over and across that certain real property situated in the City of Fernandina Beach, Nassau County, Florida, more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference ("Easement Area") for a period not to exceed twelve (12) months, beginning with the date of possession of the land is granted to the United States, its representatives, agents, and contractors as a work area, for use by the United States, its representatives, agents, and contractors as a work area, including the right to move, store and remove equipment and supplies, and erect and remove temporary structures on the land and to perform any other work necessary and incident to the construction of the Naval Submarine Base Kings Bay Entrance Channel Dredging Project, together with the right to trim, cut, fell and remove therefrom all trees, underbrush, obstructions, and any other vegetation, structures, or obstacles within the limits of the right-of-way; reserving, however, to the landowners, their heirs and assigns, all such rights and privileges as may be used without interfering with or abridging the rights and easement hereby acquired; subject, however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

3. Grantor's Representations and Warranties. Grantor hereby represents and warrants to Grantee as follows:

3.1 Ownership. Grantor is the owner in fee simple of the certain parcel of real estate situated in Nassau County, Florida, more particularly described on Exhibit "A" on which Grantee intends to use as a staging area and access area.

3.2 Right to Convey Easement. Grantor warrants and represents that Grantor has the right to convey a permanent Easement in, on, over and across the property, more particularly described on Exhibit "B" and will defend the same easement against the lawful claims of all persons whomsoever.

3.3. Authority. Grantor does hereby fully warrant and represent that the party signing the Agreement on behalf of Grantor has the authority to bind Grantor to the Agreement.

4. Use of Easement Area. Notwithstanding the foregoing grants of easements, Grantor retains the right to use the Easement Area for any lawful purpose other than for a permanent building, structure, foundation, or other use inconsistent with the grants made herein.

5. Binding Effect. The foregoing grants of easements and rights appurtenant thereto, shall be and constitute covenants running with the land, benefitting the public at large and burdening the Easement Area, and shall be binding upon the heirs, successors, and assigns of the parties.

6. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the matters set forth in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

7. Counterparts. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

8. Restoration. In the event of construction, maintenance or repair in the Easement Area by Grantee, Grantee hereby agrees and understands that Grantee is required to restore the ground surface area of the Easement Area by replacing any pre-existing landscaping, fencing, concrete and/or asphalt to as near a preconstruction condition as is practicable in the reasonable judgment of the Grantee.

IN WITNESS WHEREOF, the parties have executed this instrument on the date first above written.

"GRANTOR"
City of Fernandina Beach, a Florida municipal corporation

ATTEST:

Caroline Best
Caroline Best, City Clerk

Bradley M. Bean
Bradley M. Bean
Mayor-Commissioner

APPROVED AS TO FORM AND LEGALITY:

Tammi E. Bach, City Attorney

"GRANTEE"

United States Army Corps of Engineers

By: Timothy H. McQuillen

Print Name: Timothy H. McQuillen

ATTEST:

Hansler A Bealyer

EXHIBITS “A” & “B”

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

Parcel ID# 00-00-31-1100-000C-0010
Parcel ID# 12-3N-29-0000-0003-0000

The rights-of-way known as Dolphin Street at intersection of North Fletcher Avenue including North Fletcher Avenue south of Dolphin Street, and Dolphin Street at intersection of Ocean Avenue along with Block C, Lot 1, West Port Beach Casino Tract in Plat Book 2, Page 74, public records of Nassau County, Florida and that certain parcel recorded in Deed Book 151, Page 51 (less Beach Casino Tract) Ex Parcels 3-1 & 3-2.

EXHIBIT “A”

SKETCH OF EASEMENT AREA

SEE AREA MAP ATTACHED



A. Michael Hickox, CFA
Cert. Res. RD1941

NASSAU COUNTY
PROPERTY APPRAISER

Change of Address

FAQ

APP

PROPERTY INFORMATION

Parcel Number 00-00-31-1100-000C-0010

Owner Name	CITY OF FERNANDINA BEACH
Mailing Address	204 ASH STREET
	FERNANDINA BEACH, FL 32034
Location Address	0 TARPON & DOPHIN ST
	FERNANDINA BEACH 32034
Tax District	002 - FERNANDINA BEACH
Millage	18.3806
Homestead	Yes
Property Usage	VAC GOVERNMENTAL 008000
Deed Acres	0
Short Legal	BLOCK C LOT 1 W PORT BEACH CASINO TRACT PB2/74

2023 Certified Values

Land Value	$476,068
(+) Improved Value	$0
(=) Market Value	**$476,068**
(-) Agricultural Classification	$0
(-) SOH or Non-Hx⁴ Capped Savings	$0
(=) Assessed Value	**$476,068**
(-) Homestead	$0
(-) Additional Exemptions	$476,068
(=) School Taxable Value	$0
(-) Non-School HX & Other Exempt Value	$0
(=) County Taxable Value	**$0**

Note - 10% Cap does not apply to School Taxable Value

Property Search

Map This Parcel

GIS Report

Property Record Card

Print Friendly Page

PARCEL MAP



2023 AERIAL MAP



EXHIBIT “B”

SKETCH OF EASEMENT AREA

SEE AREA MAP ATTACHED



Change of Address

FAQ

PROPERTY INFORMATION

Parcel Number 12-3N-29-0000-0003-0000

Owner Name	CITY OF FERNANDINA BEACH
Mailing Address	204 ASH STR
	FERNANDINA BEACH, FL 32034
Location Address	32 N FLETCHER AV
	FERNANDINA BEACH 32034
Tax District	002 - FERNANDINA BEACH
Millage	18.3806
Homestead	Yes
Property Usage	MUNICIPAL 008900
Deed Acres	0
Short Legal	DB 151/51 (LESS BEACH CASINO TRACT) EX PARCELS 3-1 & 3-2

2023 Certified Values

Land Value	$7,257,575
(+) Improved Value	$210,041
(=) Market Value	**$7,467,616**
(-) Agricultural Classification	$0
(-) SOH or Non-Hx* Capped Savings	$48,926
(=) Assessed Value	**$7,418,690**
(-) Homestead	$0
(-) Additional Exemptions	$7,418,690
(=) School Taxable Value	$0
(-) Non-School HX & Other Exempt Value	$0
(=) County Taxable Value	**$0**

Note - *10% Cap does not apply to School Taxable Value

Property Search

Map This Parcel

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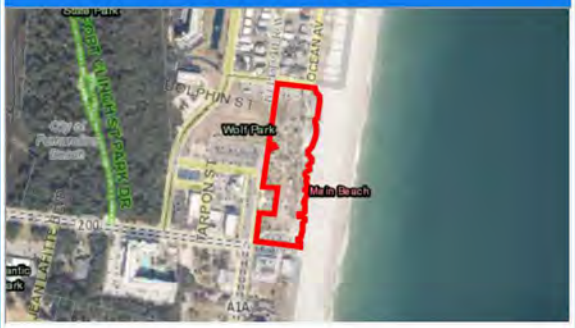
Property Record Card

Print Friendly Page

PARCEL MAP



2023 AERIAL MAP



DOLPHIN & NORTH FLETCHER AVE.

EXHIBIT B



August 3, 2021

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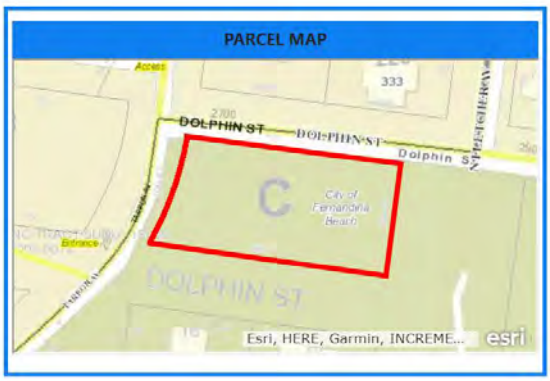
DOLPHIN & NORTH FLETCHER AVE.

EXHIBIT B



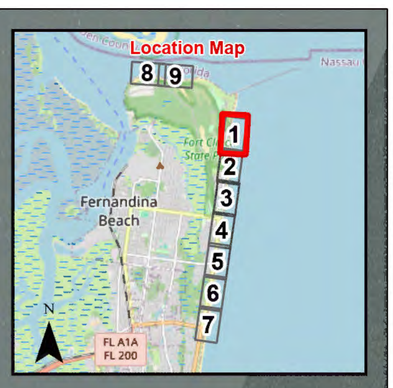
August 3, 2021

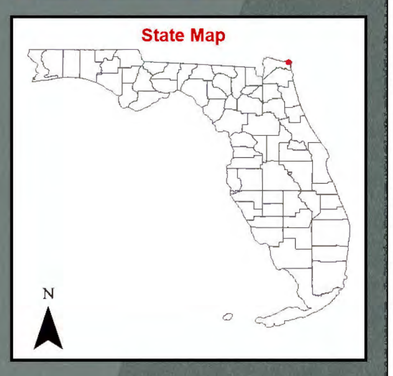
1:2,257





Enclosure 1





R-012

STATE OF FLORIDA TIITF
083N29000000010000

Kimberly

Leslie

Irene

Elizabeth

Ferreira

Lisa

Susan

Fletcher

Lowenstine

Cooper

R-013

R-014

ARRIBBA INC
000031156000090021

KAUFFMAN EARL S TRUSTEE
000031156000090022

MCGUIRE THOMAS J
000031140000040020

N

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Nassau County, FL

Mapper: B. Price
Reviewer: Draft
Map Date: 3/1/2024

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0 40 80 120
Feet

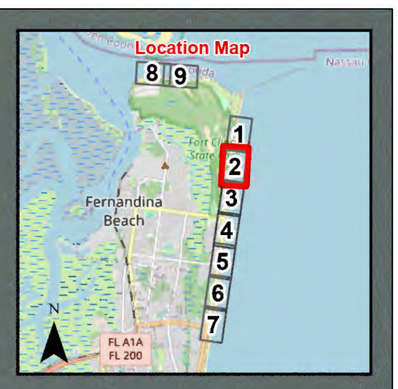
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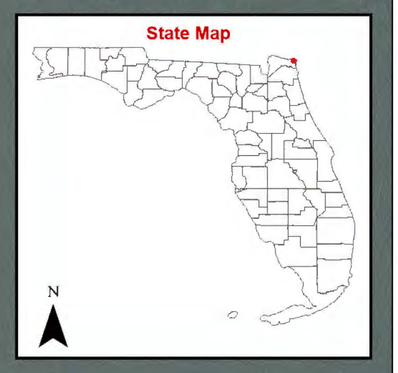
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Enclosure 1





Lowenstine
Lisa
Cooper
R-015
MCGUIRE THOMAS J
000031140000040020
TROTTI GIROLAMO J & LISA
W 000031156000070010
10th
DONOVAN SUSAN H & JAMES
M JR 000031156000060010
TIITF/LEASED TO CITY
OF 000031126A00150020
R-016
9th
NASSAU COUNTY
000031126A00130000
TILIAKOS LOUIE M
000031126A00120000
FERREIRA FAMILY REAL
ESTATE 000031126A00110000
NASSAU COUNTY
000031126A00100000
WILCOX ROBERT E JR
000031126A00090000
LOYALTY HOME LOANS
000031126A00080000
Mary
Fletcher
8th
NASSAU COUNTY
000031126A00070010
BARRON WILLIAM (EST)
000031126A00060000
GOODMAN SHAUN
000031126A00050000
PEACOCK RONALD L & CLADDIE
W 000031126A00040000
SAPP FLORENCE SAPP &
000031126A00030000
GOODMAN SHAUN
000031126A00020010
HURST JULIA S MRS
000031126A00010000
7th
NASSAU COUNTY
000031134A00630000
HARDESTY JIM & AMBER
000031134A00620000
R-017
Ocean
CITY OF FERNANDINA BEACH
000031134A00580000
BANCO FORECLOSURES SALE
LLC 000031134A00560000
GRAY JOSEPH F
000031134A00550000
WEST GREGORY
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NASSAU COUNTY
000031134A00530000
6th
Mary
Tarpon
BANCO FORECLOSURES SALE
LLC 000031134A00490000
KALOF MORRIS EST
000031134A00470000
5th
BRESNAHAN JOHN MRS
000031134A00460000
CAPLES SUSAN L
000031134A00450000
GOODMAN SHAUN
000031134A00440000
CAPLES SUSAN L
000031134A00430000
MCCALL HARRY
000031134A00420000
R-018
WATKINS ADRIENNE P & JACK M JR 000031134A00410000

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Department of the Army South Atlantic Division
Jacksouville District, Corps of Engineers

REAL ESTATE

Kings Bay EC O&M FY2025
Fort Clinch & North Beach Placement Areas
Nassau County, FL

Mapper: B. Price Reviewer: Draft Map Date: 3/1/2024	1:1,300 0 40 80 120 Feet

Document Name: KingsBayBeach_2025
Sheet: 2 of 9

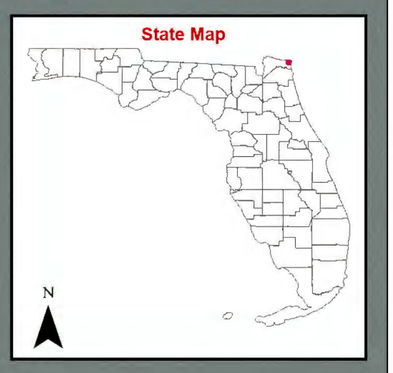
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MAP SIZE: 24 X 36

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Enclosure 1





R-021
R-022
R-023
R-024
Fort Clinch
Trout
Tarpon
Tarpon
Fletcher
200 SR
Atlantic
Gregor Mcgregor
Blackbeard
Countess Of Egmont
Nassaua
Amelia
A1a SR
Ohio
Georgia
Portside
Laguna
Atlantic View
Alabama

N

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Legend

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Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers

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Nassau County, FL

Mapper: B. Price
Reviewer: Draft
Map Date: 3/1/2024

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0 40 80 120
Feet

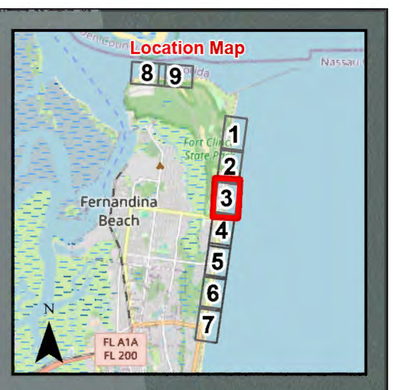
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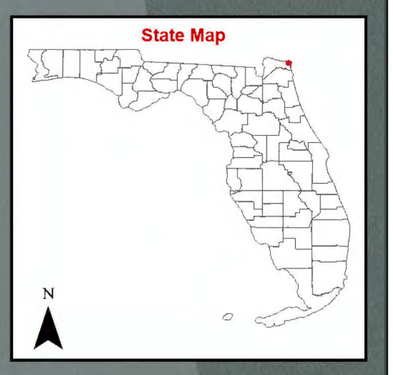
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Enclosure 1





WEST GREGORY 000031134A00540000
NASSAU COUNTY 000031134A00530000
BANCO FORECLOSURES SALE LLC 000031134A00490000
KALOF MORRIS EST 000031134A00470000
BRESNAHAN JOHN MRS 000031134A00460000
CAPLES SUSAN L 000031134A00450000
GOODMAN SHAUN 000031134A00440000
CAPLES SUSAN L 000031134A00430000
MCCALL HARRY 000031134A00420000
WATKINS ADRIENNE P & JACK M JR 000031134A00410000
LINDSEY WILLIAM C & JAMES T & 000031134A00400000
LINDSEY WILLIAM C & JAMES T & 000031134A00390000
NASSAU COUNTY BOCC 000031134A00380000
LUDWIG BERNARD & SUSAN K 000031134A00370000
NASSAU COUNTY 000031134A00360000
NASSAU COUNTY 000031134A00350000
LINDSEY WILLIAM C & JAMES T & 000031134A00340000
LINDSEY WILLIAM C & JAMES T & 000031134A00330000
LINDSEY WILLIAM C & JAMES T & 000031134A00320000
SAMHOUN CAROL 000031134A00310000
CAPLES SUSAN L 000031134A00300000
GIBSON J D 000031134A00290000
HALL MILES & COLETTE 000031134A00280000
CAPLES SUSAN L 000031134A00270000
NASSAU COUNTY 000031134A00260000
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NASSAU COUNTY 000031134A00220000
GEHLHARDT JUANITA WALDEN 000031134A00210000
CAPLES SUSAN L 000031134A00200000
BOISSIER INVESTOR LLC 000031134A00190000
BANCO FORECLOSURES SALE LLC 000031134A00180000
BROOKER BROWNE INC 000031134A00170000
SINTES STEPHEN 000031134A00160000
LOTT DONALD & ELAINE 000031134A00140010
SAMHOUN CAROL 000031134A00130010
BANCO FORECLOSURES SALE LLC 000031134A00120000
NASSAU COUNTY 000031134A00110000
NASSAU COUNTY 000031134A00100000
HOPKINS J T EST 000031134A00090000
BENNETT H K & L V & O L 000031134A00080000
NASSAU COUNTY 000031134A00060000
NASSAU COUNTY BOCC 000031134A00050000
CAPLES SUSAN L 000031134A00030000
CAPLES SUSAN L 000031134A00020000
LINDSEY WILLIAM & JAMES T & 000031134A00010000

R-018
R-019
R-020
R-021

Ellen
Mary
5th
4th
3rd
2nd
1st
Sea Island
Ocean
Tarpon
Dolphin
Fletcher
Trout
Atlantic

N

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Legend

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Department of the Army South Atlantic Division
Jacksouville District, Corps of Engineers

REAL ESTATE

Kings Bay EC O&M FY2025
Fort Clinch & North Beach Placement Areas
Nassau County, FL

Mapper: B. Price
Reviewer: Draft
Map Date: 3/1/2024

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Feet

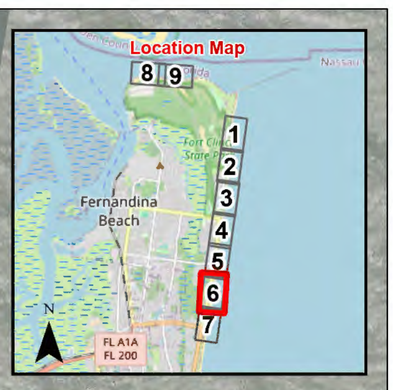
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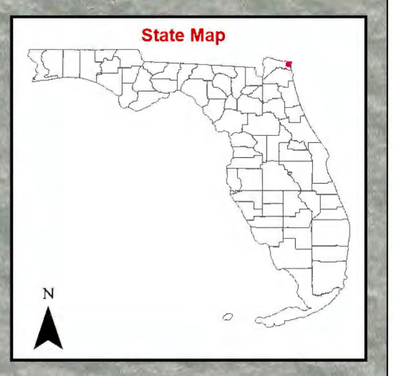
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Location Map- ESRI OpenStreetMap

MAP SIZE: 24 X 36

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Enclosure 1





Jean Lafette
Kentucky
Colorado
R-028
1st
Jefferson
R-029
Jefferson
A1a SR
R-030
Madison
Racheal
1st
Cleveland
R-031

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Jacksonville District, Corps of Engineers

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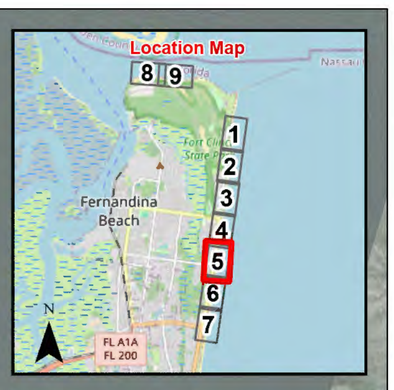
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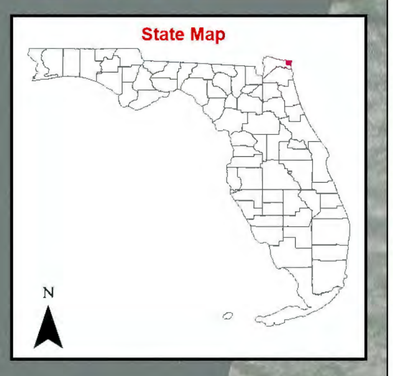
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Enclosure 1





R-024
R-025
R-026
R-027
Laguna
Alabama
New York
Maryland
Louisana
Wisconsin
Kentucky
Colorado
Jean Lafitte
Atlantic View
Ocean Mist
Ocean Overlook
Ocean Bluff
Ocean Sound
Jasmine
Oceanwalk
Oceanview
Island Plantation
Magnolia Woods
1st
A1a SR

N

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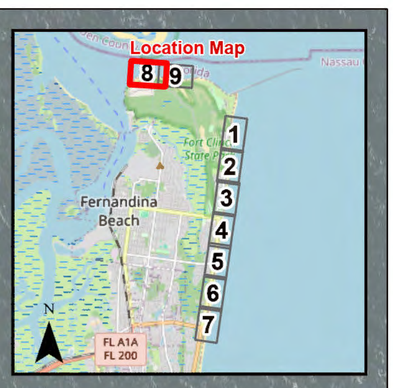
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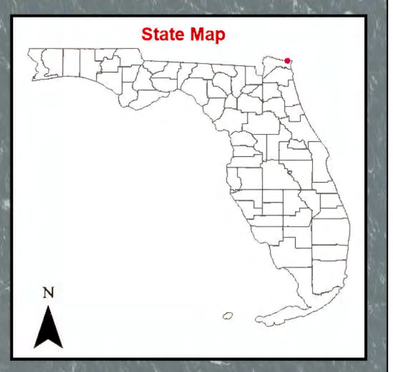
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Enclosure 1





Fort Clinch State

STATE OF FLORIDA TIITF
103N28000000010000

Fort Clinch State

Fort Clinch State

R-001

R-002

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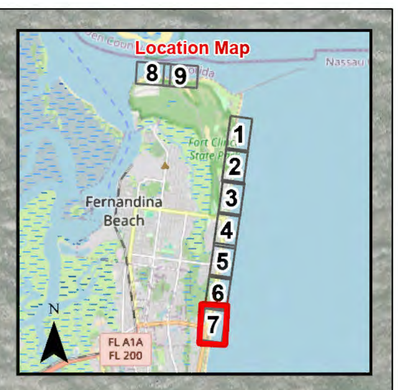
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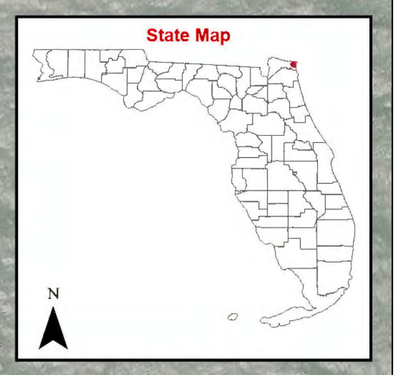
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Enclosure 1





Racheal
2nd
Cleveland
R-031
Roosevelt
R-032
1st
A1a SR
108 SR
Beaugnet
R-033
A
B
C
D
R-034
Long Boat

N

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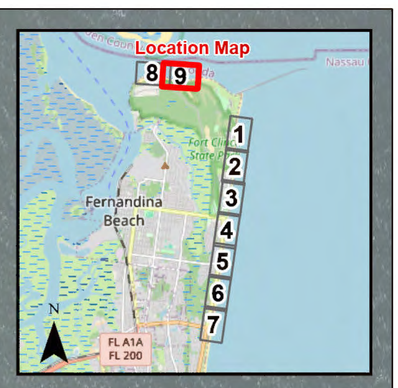
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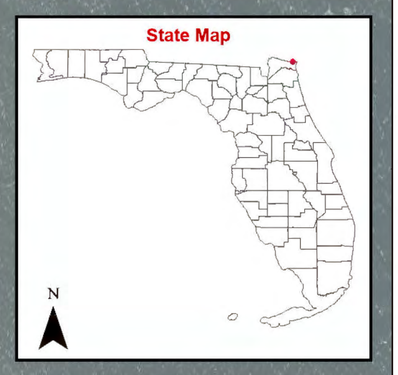
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Enclosure 1





Fort Clinch State

Fort Clinch

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R-003

R-004

STATE OF FLORIDA TIITF
083N29000000010000

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Jacksonville District, Corps of Engineers

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RESOLUTION 2023-76

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING A TEMPORARY EASEMENT AGREEMENT BETWEEN THE CITY OF FERNANDINA BEACH AND THE UNITED STATES ARMY CORPS OF ENGINEERS FOR BEACH RENOURISHMENT STAGING AND MOBILIZATION; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the U.S. Army Corps of Engineers (USACE) will be conducting a project for the United States Navy to dredge the entrance channel of Naval Submarine Base Kings Bay; and

WHEREAS, the U.S. Navy and State of Florida have agreed that all beach-quality sand recovered in the dredging project is to be placed on State of Florida beaches, including beaches within the City of Fernandina Beach; and

WHEREAS, the USACE requests twelve-month temporary work easements at the following publicly-owned beach area for construction access and equipment staging: near the intersection of near the intersection of Dolphin Street and South Fletcher Avenue; and

WHEREAS, the City of Fernandina Beach originally granted the USACE temporary easements to conduct beach renourishment work via Resolution 2022-74; and

WHEREAS, the City wishes to grant easements through May 2024.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, THAT**:**

SECTION 1. The City Commission hereby grants this temporary easement to USACE and directs the City Clerk and Interim City Manager to execute the temporary easement agreement with the USACE upon review and approval of the City Attorney, attached hereto as Exhibit 1.

SECTION 2. This Resolution shall become effective immediately upon passage.

ADOPTED this 16th day of May, 2023.

CITY OF FERNANDINA BEACH

Bradley M. Bean

BRADLEY M. BEAN
Commissioner – Mayor

ATTEST:

Caroline Best

CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

TAMMI E. BACH
City Attorney

TEMPORARY EASEMENT AGREEMENT
DOLPHIN STREET AND NORTH FLETCHER AVENUE

THIS EASEMENT AGREEMENT ("Agreement") is made and entered into this 16th day of May, 2023, by and between the City of Fernandina Beach, Florida, a municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 ("Grantor"), and United States Army Corps of Engineers, a department of the U.S. Army, Jacksonville District whose address is 701 San Marco Boulevard, Jacksonville, FL 32207-8175 ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of certain real property situated within the municipal limits of the City of Fernandina Beach, Florida ("Grantor's Property"), more particularly described in Exhibit "A", and

WHEREAS, the Grantee desires an unrestricted temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area; and

WHEREAS, the Grantor is willing to grant to Grantee an unrestricted, temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months beginning November 2023 and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area and temporary access area for the use and benefit of the Grantee; and

WHEREAS, Grantor is willing and able to grant to Grantee such temporary easement and appurtenant rights as are hereinafter set forth; and

WHEREAS, Grantee desires to accept said easement rights, and is willing to perform the affirmative covenants hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of $10.00 the affirmative covenants assumed by Grantee herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Grantor, and the affirmative covenants assumed by Grantee herein, the parties agree as follows:

AGREEMENT

1. Recitals; Exhibits. The above recitals and all Exhibits attached to this Agreement are true and correct and are incorporated herein by this reference.

2. Temporary Easement. Grantor hereby grants to Grantee, its successors and assigns, a temporary, non-exclusive easement and right-of-way ("Easement") in, over and across that certain real property situated in the City of Fernandina Beach, Nassau County, Florida, more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference ("Easement Area") for a period not to exceed twelve (12) months, beginning with the date of possession of the land is granted to the United States, its representatives, agents, and contractors as a work area, for use by the United States, its representatives, agents, and contractors as a work area, including the right to move, store and remove equipment and supplies, and erect and remove temporary structures on the land and to perform any other work necessary and incident to the construction of the Naval Submarine Base Kings Bay Entrance Channel Dredging Project, together with the right to trim, cut, fell and remove therefrom all trees, underbrush, obstructions, and any other vegetation, structures, or obstacles within the limits of the right-of-way; reserving, however, to the landowners, their heirs and assigns, all such rights and privileges as may be used without interfering with or abridging the rights and easement hereby acquired; subject, however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

3. Grantor's Representations and Warranties. Grantor hereby represents and warrants to Grantee as follows:

3.1 Ownership. Grantor is the owner in fee simple of the certain parcel of real estate situated in Nassau County, Florida, more particularly described on Exhibit "A" on which Grantee intends to use as a staging area and access area.

3.2 Right to Convey Easement. Grantor warrants and represents that Grantor has the right to convey a permanent Easement in, on, over and across the property, more particularly described on Exhibit "B" and will defend the same easement against the lawful claims of all persons whomsoever.

3.3. Authority. Grantor does hereby fully warrant and represent that the party signing the Agreement on behalf of Grantor has the authority to bind Grantor to the Agreement.

4. Use of Easement Area. Notwithstanding the foregoing grants of easements, Grantor retains the right to use the Easement Area for any lawful purpose other than for a permanent building, structure, foundation, or other use inconsistent with the grants made herein.

5. Binding Effect. The foregoing grants of easements and rights appurtenant thereto, shall be and constitute covenants running with the land, benefitting the public at large and burdening the Easement Area, and shall be binding upon the heirs, successors, and assigns of the parties.

6. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the matters set forth in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

7. Counterparts. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

8. Restoration. In the event of construction, maintenance or repair in the Easement Area by Grantee, Grantee hereby agrees and understands that Grantee is required to restore the ground surface area of the Easement Area by replacing any pre-existing landscaping, fencing, concrete and/or asphalt to as near a preconstruction condition as is practicable in the reasonable judgment of the Grantee.

IN WITNESS WHEREOF, the parties have executed this instrument on the date first above written.

"GRANTOR"
City of Fernandina Beach, a Florida municipal corporation

ATTEST:

Caroline Best
Caroline Best, City Clerk

Bradley M. Bean
Bradley M. Bean
Mayor-Commissioner

APPROVED AS TO FORM AND LEGALITY:

JEBR
Tammi E. Bach, City Attorney

"GRANTEE"

United States Army Corps of Engineers

By: Timothy H. McQuillen

Print Name: Timothy H. McQuillen
Chief, Real Estate Division
Real Estate Contracting Officer

ATTEST:

BEALYER.HANSLER.AMOS.1230707436 Digitally signed by BEALYER.HANSLER.AMOS.1230707436 Date: 2023.05.04 13:37:05 -04'00'

_____

EXHIBIT "A"

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

Parcel ID# 12-3N-29-0000-0003-0000
Parcel ID# 00-00-31-1100-000C-0010

The rights-of-way known as Dolphin Street at intersection of North Fletcher Avenue including North Fletcher Avenue including North Fletcher Avenue south of Dolphin Street, and Dolphin Street at the intersection of Ocean Avenue along with Block C, Lot 1, West Port Beach Casino Tract in Plat Book 2, Page 74, public records of Nassau County, Florida, and that certain parcel recorded in Deed Book 151, Page 51 (less Beach Casino Tract) Ex Parcels 3-1 & 3-2.

EXHIBIT "B"

SKETCH OF EASEMENT AREA
(SEE AREA MAP ATTACHED)

DOLPHIN & NORTH FLETCHER AVE.

EXHIBIT B



August 3, 2021

1:2,257

0 0.0175 0.035 0.07 mi

0 0.03 0.06 0.12 km

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

2021



A. Michael Hickox, CFA
Cert. ~~Res.~~ RD1941

NASSAU COUNTY
PROPERTY APPRAISER

PROPERTY INFORMATION

Parcel Number 00-00-31-1100-000C-0010

Owner Name	CITY OF FERNANDINA BEACH
Mailing Address	204 ASH STREET
	FERNANDINA BEACH, FL 32034
	TARPON & DOPH N ST
	FERNANDINA BEACH 32034
Tax District	FERNANDINA BEACH
Village	19 5053
Homestead	Yes
Property Usage	VAC GOVERN 008000
Deed Acres	2
Short Legal	BLOCK C LOT 1 W PORT BEACH CASINO TRACT PB2/74

2020 Final Values

Land Value	$476,067
(+) Improved Value	$0
(=) Market Value	$476,067
(-) Agricultural Classification	$0
(-) SOH or Non-Hx Capped Savings	$0
(=) Assessed Value	$476,067
(-) Homestead	$0
(-) Additional Exemptions	$0
(=) School Taxable Value	$476,067
(-) Non-School Hx & Other Exempt Value	$0
(=) County Taxable Value	$0

Property Search
Map This Parcel
GIS Report
Property Record Card

PARCEL MAP



2019 AERIAL MAP



PROPERTY PHOTO

LOCATION MAP

DOLPHIN & NORTH FLETCHER AVE.

EXHIBIT B



August 3, 2021

1:2,257

0 0.0175 0.035 0.07 mi

0 0.03 0.06 0.12 km

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

2021

DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS, JACKSONVILLE DISTRICT
701 SAN MARCO BOULEVARD
JACKSONVILLE, FLORIDA 32207-8175

May 2, 2023

Mr. Charles L. George
City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, Florida 32034
Sent via email to cgeorge@fbfl.org

Dear Mr. George:

The U.S. Army Corps of Engineers (Corps) will be conducting a project on behalf of the Department of the Navy to dredge the entrance channel of Naval Submarine Base Kings Bay (NSB Kings Bay). As agreed between the Navy and the State of Florida in the Memorandum of Understanding Concerning Dredging of the St. Mary's Inlet Channel dated December 18, 1986, all beach-quality sand recovered from NSB Kings Bay dredging operations are to be placed on State of Florida beaches. Consequently, part of the dredge disposal plan involves placing sand on beaches within the City of Fernandina Beach, Florida, which positively augments the re-nourishment efforts for the Nassau County Shore Protection Project.

In order to conduct the disposal/re-nourishment aspect of the dredging project, the Corps is requesting that the City provide certain temporary real estate interests as described below:

a. A Temporary Work Area Easement for the access areas shown in pink in the enclosed map (Enclosure 1). The term of the easement should begin the date of easement execution and should expire no earlier than May 31, 2024.

b. A Temporary Work Area Easement for the staging areas shown in blue in the enclosed map (Enclosure 1). The term of the easement should begin the date of easement execution and should expire no earlier than May 31, 2024.

The language for the Temporary Work Area Easements is enclosed (Enclosure 2). Please provide the signed easements by May 31, 2023 via email to angela.f.huggins@usace.army.mil. For your convenience, also enclosed is the City Commission of the City of Fernandina Beach's Resolution 2022-74 (Enclosure 3) approving the temporary easements for last year's disposal/beach re-nourishment.

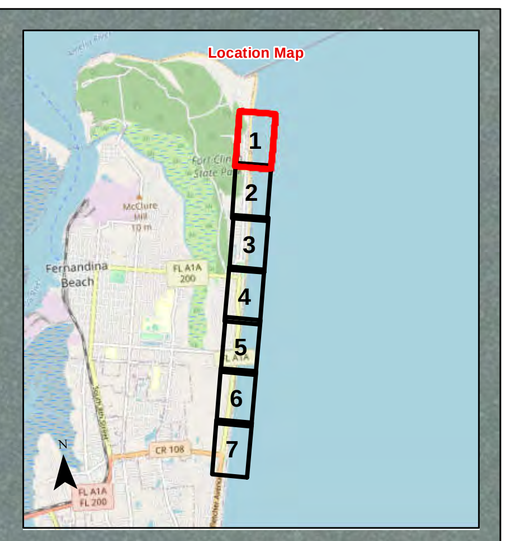
If you have any questions or require additional information, please contact Angela Huggins by email: angela.f.huggins@usace.army.mil or by telephone: 904-232-1939.

Sincerely,

Timothy H. McQuillen
Chief, Real Estate Division

Enclosures

cc: Agnes White via email: awhite@fbfl.org



R-012

R-013

R-014

Kimberly

Leslie

Irene

Fletcher

Elizabeth

Lisa

Susan

Lowenstine

ARRIBBA INC
00-00-31-1560-0009-0021

KAUFFMAN EARL S TRUSTEE
00-00-31-1560-0009-0022

MUSLEH L J &
00-00-31-1560-0009-0010

CITY OF FERNANDINA BEACH
00-00-31-1400-0003-0060

PARRISH LAURA
00-00-31-1400-0003-0050

ALBRIGHT JOHN
00-00-31-1400-0003-0040

FORD ALFRED B & SHARMILA B 00-00-31-1400-0003-0030

WEATHERS BEVERLY
00-00-31-1400-0003-0020

PARRISH LAURA A
00-00-31-1560-0008-0011

SMITH JAMES R & ELIZABETH E 00-00-31-1560-0008-0012

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0040

N

DRAFT

Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
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- Temporary Work Area Easement (Staging)
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Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers

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North Beach Placement Area
Nassau County, FL

Mapper: B. Price
Reviewer: Draft
Map Date: 3/10/2022

1:1,130

0 40 80 120
Feet

Document Name: KingsBay_BeachFill2023b
Sheet: 1 of 7

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Location Map- ESRI OpenStreetMap

Document Path:D:\Z_offline_work_data\KingsBay\2023\Mxds\KingsBay_BeachFill2023b.mxd

PARRISH LAURA A
00-00-31-1560-0008-0011

WEATHERS BEVERLY
00-00-31-1400-0003-0020

SMITH JAMES R & ELIZABETH E 00-00-31-1560-0008-0012

Lisa

Cooper

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0040

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0030

PORTER ALLEN B & GLORIA R
00-00-31-1400-0004-0020

R-015

TROTTI GIROLAMO J & LISA W 00-00-31-1560-0007-0010

LANGLEY SHIRLEY
00-00-31-1400-0005-0070

1340 LLC
00-00-31-1400-0005-0060

BOAZ STEVEN A & PAMELA R
00-00-31-1400-0005-0051

WIRSING KENT MCD & BONNIE B 00-00-31-1400-0005-0050

BENNETT LAWRENCE R & CAROLYN J 00-00-31-1400-0005-0041

LEISY WILLIAM D & LYNN M
00-00-31-1400-0005-0042

DIAZ DANIEL J &
00-00-31-1400-0005-0030

DADD TISHA
00-00-31-1560-0006-0010

10th

CITY OF FERNANDINA BEACH
00-00-31-126A-0018-0010

TIITF/LEASED TO CITY OF
00-00-31-126A-0015-0020

CITY OF FERNANDINA BEACH
00-00-31-126A-0014-0000

R-016

9th

NASSAU COUNTY
00-00-31-126A-0013-0000

TILIAKOS LOUIE M
00-00-31-126A-0012-0000

FERREIRA FAMILY REAL ESTATE
00-00-31-126A-0011-0000

NASSAU COUNTY
00-00-31-126A-0010-0000

WILCOX ROBERT E JR
00-00-31-126A-0009-0000

BANCO FORECLOSURES SALE LLC
00-00-31-126A-0008-0000

Mary

Fletcher

BARRON WILLIAM (EST)
00-00-31-126A-0006-0000

NASSAU COUNTY
00-00-31-126A-0007-0010

8th

GOODMAN SHAUN
00-00-31-126A-0005-0000

COOPER L J JR ESTATE
00-00-31-126A-0002-0020

PEACOCK RONALD L & CLADDIE W 00-00-31-126A-0004-0000

GOODMAN SHAUN
00-00-31-126A-0002-0010

SAPP FLORENCE SAPP &
00-00-31-126A-0003-0000

7th

HURST JULIA S MRS
00-00-31-126A-0001-0000

NASSAU COUNTY
00-00-31-134A-0063-0000

HARDESTY JIM & AMBER
00-00-31-134A-0062-0000

R-017

Ocean

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0056-0000

CITY OF FERNANDINA BEACH
00-00-31-134A-0058-0000

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0056-0000

GRAY JOSEPH F
00-00-31-134A-0055-0000

6th

Tarpon

6th

WEST GREGORY
00-00-31-134A-0054-0000

NASSAU COUNTY
00-00-31-134A-0053-0000

Mary

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0049-0000

KALOF MORRIS EST
00-00-31-134A-0047-0000

BRESNAHAN JOHN MRS
00-00-31-134A-0046-0000

Location Map

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6
7

Fernandina Beach
McClure Mtn 10 m
FL A1A 200
CR 108
FL A1A FL 200
N

N

DRAFT

Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
- Temporary Work Area Easement (Access)
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Jacksonville District, Corps of Engineers

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North Beach Placement Area
Nassau County, FL

Mapper: B. Price
Reviewer: Draft
Map Date: 3/10/2022

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0 40 80 120
Feet

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Sheet: 2 of 7

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Location Map
1
2
3
4
5
6
7
Fernandina Beach
McClure
Fort Clinch State Park
FL A1A
200
CR 108
N
Mary
5th
4th
Sea Island
3rd
2nd
1st
Tarpon
Fletcher
Ocean
Dolphin
Trout
R-018
R-019
R-020
R-021
BANCO FORECLOSURES SALE LLC
00-00-31-134A-0049-0000
KALOF MORRIS EST
00-00-31-134A-0047-0000
BRESNAHAN JOHN MRS
00-00-31-134A-0046-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0045-0000
GOODMAN SHAUN
00-00-31-134A-0044-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0043-0000
MCCALL HARRY
00-00-31-134A-0042-0000
WATKINS ADRIENNE P & JACK M JR
00-00-31-134A-0041-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0040-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0039-0000
NASSAU COUNTY BOCC
00-00-31-134A-0038-0000
LUDWIG BERNARD & SUSAN K
00-00-31-134A-0037-0000
NASSAU COUNTY
00-00-31-134A-0036-0000
NASSAU COUNTY
00-00-31-134A-0035-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0034-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0033-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0032-0000
BOYKIN ALBERT
00-00-31-134A-0031-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0030-0000
GIBSON J D
00-00-31-134A-0029-0000
HALL MILES & COLETTE
00-00-31-134A-0028-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0027-0000
NASSAU COUNTY
00-00-31-134A-0025-0000
NASSAU COUNTY
00-00-31-134A-0024-0000
NASSAU COUNTY
00-00-31-134A-0022-0000
GEHLHARDT JUANITA WALDEN
00-00-31-134A-0021-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0020-0000
BOISSIER INVESTOR LLC
00-00-31-134A-0019-0000
BANCO FORECLOSURES SALE LLC
00-00-31-134A-0018-0000
BROOKER BROWNE INC
00-00-31-134A-0017-0000
SINTES HELEN O
00-00-31-134A-0016-0000
LOTT DONALD & ELAINE
00-00-31-134A-0014-0010
BOYKIN ALBERT
00-00-31-134A-0013-0010
BANCO FORECLOSURES SALE LLC
00-00-31-134A-0012-0000
NASSAU COUNTY
00-00-31-134A-0011-0000
NASSAU COUNTY
00-00-31-134A-0010-0000
NASSAU COUNTY
00-00-31-134A-0006-0000
HOPKINS J T EST
00-00-31-134A-0009-0000
BENNETT H K & L V & O L
00-00-31-134A-0008-0000
NASSAU COUNTY BOCC
00-00-31-134A-0005-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0003-0000
LINDSEY WILLIAM & JAMES T & 00-00-31-134A-0001-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0002-0000
CITY OF FERNANDINA BEACH
12-3N-29-0000-0003-0000
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Legend
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ECL
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Feet
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Fernandina Beach
FL A1A
200
CR 108
N
CITY OF FERNANDINA BEACH
12-3N-29-0000-0003-0000
Trout
Tarpon
Tarpon
Fletcher
200 SR
Atlantic
R-022
Nassaua
Gregor Mcgregor
Countess Of Egmont
Amelia
A1a SR
R-023
Ohio
Georgia
R-024
Laguna
Atlantic View
Alabama
N
DRAFT
Legend
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Location Map
1
2
3
4
5
6
7
Fernandina Beach
FL A1A 200
CR 108
FL A1A FL 200
N
Alabama
New York
Laguna
Atlantic View
R-025
Maryland
Ocean Mist
Ocean Overlook
A1a SR
R-026
Ocean Sound
Jasmine
Louisana
Oceanwalk
Oceanview
R-027
Island Plantation
Wisconsin
Magnolia Woods
Kentucky
1st
N
DRAFT
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Kentucky

Colorado

R-028

Jefferson

R-029

A1a SR

1st

Jefferson

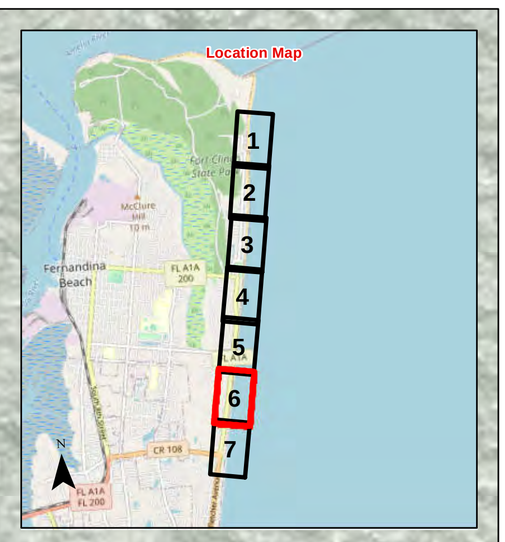
R-030

Madison

1st

Racheal

Cleveland



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Jacksonville District, Corps of Engineers

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Racheal

Cleveland

R-031

Roosevelt

R-032

1st

A1a SR

108 SR

Beaugnet

R-033

A

B

C



N

DRAFT

Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
- Temporary Work Area Easement (Access)
- Temporary Work Area Easement (Staging)
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Jacksonville District, Corps of Engineers

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Document Path:D:\Z_offline_work_data\KingsBay\2023\Mxds\KingsBay_BeachFill2023b.mxd

RESOLUTION 2022-74

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING TEMPORARY EASEMENT AGREEMENTS BETWEEN THE CITY OF FERNANDINA BEACH AND THE UNITED STATES ARMY CORPS OF ENGINEERS FOR BEACH RENOURISHMENT STAGING AND MOBILIZATION; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the U.S. Army Corps of Engineers (USACE) will be conducting a project for the United States Navy to dredge the entrance channel of Naval Submarine Base Kings Bay; and

WHEREAS, the U.S. Navy and State of Florida have agreed that all beach-quality sand recovered in the dredging project is to be placed on State of Florida beaches, including beaches within the City of Fernandina Beach; and

WHEREAS, the USACE requests twelve-month temporary work easements at the following publicly owned beach areas for construction access and equipment staging: near the intersection of Dolphin Street and Ocean Avenue; near the intersection of Dolphin Street and South Fletcher Avenue; and the City owned right of way near the end of Sadler Road/Seaside Park; and

WHEREAS, the City of Fernandina Beach wishes to grant the USACE temporary easements to conduct beach renourishment work.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, THAT**:**

SECTION 1. The City Commission hereby grants these temporary easements to USACE and directs the City Clerk and City Manager to execute temporary easement agreements with the USACE upon review and approval of the City Attorney, attached hereto as Exhibit "1" and Exhibit "2".

SECTION 2. This Resolution shall become effective immediately upon passage.

ADOPTED this 3rd day of May, 2022.

CITY OF FERNANDINA BEACH

_____
MICHAEL A. LEDNOVICH
Commissioner – Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
TAMMI E. BACH
City Attorney

TEMPORARY EASEMENT AGREEMENT
DOLPHIN STREET AND NORTH FLETCHER AVENUE

THIS TEMPORARY EASEMENT AGREEMENT ("Agreement") is made and entered into this 3rd day of May, 2022, by and between the City of Fernandina Beach, Florida, a municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 ("Grantor"), and United States Army Corps of Engineers, a department of the U.S. Army, Jacksonville District whose address is 701 San Marco Boulevard, Jacksonville, FL 32207-8175 ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of certain real property situated within the municipal limits of the City of Fernandina Beach, Florida ("Grantor's Property"), more particularly described in Exhibit "A", and

WHEREAS, the Grantee desires an unrestricted temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months beginning in November 2022 and for the purpose of a temporary staging area to store equipment, , erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area; and temporary access area.

WHEREAS, the Grantor is willing to grant to Grantee an unrestricted, temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months beginning in November 2022 and for the purpose of a temporary staging area to store equipment, , erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area and temporary access area for the use and benefit of the Grantee; and

WHEREAS, Grantor is willing and able to grant to Grantee such temporary easement and appurtenant rights as are hereinafter set forth; and

WHEREAS, Grantee desires to accept said easement rights, and is willing to perform the affirmative covenants hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of $10.00 the affirmative covenants assumed by Grantee herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Grantor, and the affirmative covenants assumed by Grantee herein, the parties agree as follows:

AGREEMENT

1. Recitals: Exhibits. The above recitals and all Exhibits attached to this Agreement are true and correct and are incorporated herein by this reference.

2. Temporary Easement. Grantor hereby grants to Grantee, its successors and assigns, a temporary, non-exclusive easement and right-of-way ("Easement") in, over and across that certain real property situated in the City of Fernandina Beach, Nassau County, Florida, more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference ("Easement Area") for a period not to exceed twelve (12) months, beginning with the date possession of the land

is granted to the United States, its representatives, agents, and contractors as a work area, including the right to (move, store and remove equipment and supplies, and erect and remove temporary structures on the land and to perform any other work necessary and incident to the construction of the Kings Bay Entrance Channel O&M Project, together with the right to trim, cut, fell and remove therefrom all trees, underbrush, obstructions, and any other vegetation, structures, or obstacles within the limits of the right-of-way; reserving, however, to the landowners, their heirs and assigns, all such rights and privileges as may be used without interfering with or abridging the rights and easement hereby acquired; subject, however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

3. Grantor's Representations and Warranties. Grantor hereby represents and warrants to Grantee as follows:

3.1 Ownership. Grantor is the owner in fee simple of the certain parcel of real estate situated in Nassau County, Florida, more particularly described on Exhibit "A" on which Grantee intends to use as a staging area and access area.

3.2 Right to Convey Easement. Grantor warrants and represents that Grantor has the right to convey a temporary Easement in, on, over and across the property, more particularly described on Exhibit "B" and will defend the same easement against the lawful claims of all persons whomsoever.

3.3. Authority. Grantor does hereby fully warrant and represent that the party signing the Agreement on behalf of Grantor has the authority to bind Grantor to the Agreement.

4. Use of Easement Area. Notwithstanding the foregoing grants of easements, Grantor retains the right to use the Easement Area for any lawful purpose other than for a permanent building, structure, foundation, or other use inconsistent with the grants made herein.

5. Binding Effect. The foregoing grants of easements and rights appurtenant thereto, shall be and constitute covenants running with the land, benefitting the public at large and burdening the Easement Area, and shall be binding upon the heirs, successors, and assigns of the parties.

6. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the matters set forth in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

7. Counterparts. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

8. Restoration. In the event of construction, maintenance or repair in the Easement Area by Grantee, Grantee hereby agrees and understands that Grantee is required to restore the ground surface area of the Easement Area by replacing any pre-existing landscaping, fencing, concrete and/or asphalt to as near a preconstruction condition as is practicable in the reasonable judgment of the Grantee.

IN WITNESS WHEREOF, the parties have executed this instrument on the date first above written.

"GRANTOR"
City of Fernandina Beach, a Florida municipal corporation

ATTEST:

Caroline Best
Caroline Best, City Clerk

MICHAEL A. LEDNOVICH
Mayor-Commissioner

APPROVED AS TO FORM AND LEGALITY:

Tammi E. Bach, City Attorney

"GRANTEE"

United States Army Corps of Engineers

By: Timothy H. McQuillen

Print Name: Timothy H. McQuillen
Chief, Real Estate Division
Jacksonville District
Real Estate Contracting Officer

ATTEST:

BEALYER.HANSLER.AMOS.1230707436 Digitally signed by BEALYER.HANSLER.AMOS.1230707436 Date: 2022.04.22 12:43:21 -04'00'

FREEMAN.EMMANUEL.JOSEPH.1068891813 Digitally signed by FREEMAN.EMMANUEL.JOSEPH.1068891813 Date: 2022.04.22 14:46:51 -04'00'

EXHIBIT "A"

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

Parcel ID# 12-3N-29-0000-0003-0000
Parcel ID# 00-00-31-1100-000C-0010

The rights-of-way known as Dolphin Street at intersection of North Fletcher Avenue including North Fletcher Avenue south of Dolphin Street, and Dolphin Street at intersection of Ocean Avenue along with Block C, Lot 1, West Port Beach Casino Tract in Plat Book 2, Page 74, public records of Nassau County, Florida and that certain parcel recorded in Deed Book 151, Page 51 (less Beach Casino Tract) Ex Parcels 3-1 & 3-2.

EXHIBIT "B"

SKETCH OF EASEMENT AREA

SEE AREA MAP ATTACHED

DOLPHIN & NORTH FLETCHER AVE.

EXHIBIT B



August 3, 2021

1:2,257

0 0.0175 0.035 0.07 mi

0 0.03 0.06 0.12 km

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

2021



A. Michael Hickox, CFA
Cert. Res. RD1941

NASSAU COUNT
PROPERTY APPRAISER

PROPERTY INFORMATION

Parcel Number 00-00-31-1100-000C-0010

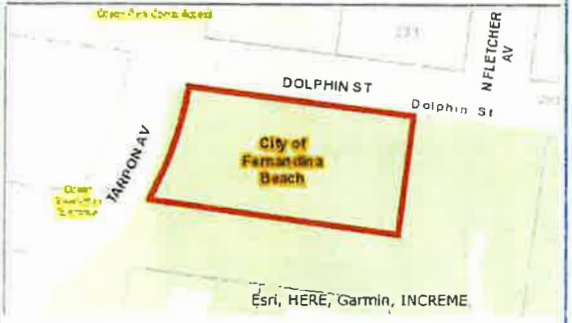
Owner Name	CITY OF FERNANDINA BEACH
Mailing Address	204 ASH STREET
	FERNANDINA BEACH, FL 32034
	TARPON & DOPH N ST
	FERNANDINA BEACH 32034
Tax District	FERNANDINA BEACH
Village	19 5052
Homestead	Yes
Property Usage	VAC GOVERN 008000
Deed Acres	0
Short Legal	BLOCK C LOT 1 W PORT BEACH CASINO TRACT PB2/74

2020 Final Values

Land Value	$476,067
Improved Value	$0
(=) Market Value	$476,067
(-) Agricultural Classification	$0
(-) SOH or Non-Hx Capped Savings	$0
(=) Assessed Value	$476,067
Homestead	$0
Additional Exemptions	$0
(=) School Taxable Value	$476,067
Non-School Hx & Other Exempt Value	$0
(=) County Taxable Value	$0

Property Search
Map This Parcel
GIS Report
Property Record Card

PARCEL MAP



2019 AERIAL MAP



PROPERTY PHOTO

LOCATION MAP

DOLPHIN & NORTH FLETCHER AVE.

EXHIBIT B



August 3, 2021

1:2,257

0 0.0175 0.035 0.07 mi

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2021

TEMPORARY EASEMENT AGREEMENT OF THE CITY OWNED RIGHT OF WAY AT THE END OF SADLER ROAD/SEASIDE PARK

THIS TEMPORARY EASEMENT AGREEMENT ("Agreement") is made and entered into this 3rd day of May, 2022, by and between the City of Fernandina Beach, Florida, a municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 ("Grantor"), and United States Army Corps of Engineers, a department of the U.S. Army, Jacksonville District whose address is 701 San Marco Boulevard, Jacksonville, FL 32207-8175 ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of certain real property situated within the municipal limits of the City of Fernandina Beach, Florida ("Grantor's Property"), more particularly described in Exhibit "A", and

WHEREAS, the Grantee desires an unrestricted temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months beginning in November 2022 and for the purpose of a temporary staging area to store equipment, , erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area; and temporary access area.

WHEREAS, the Grantor is willing to grant to Grantee an unrestricted, temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months beginning in November 2022 and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area and temporary access area for the use and benefit of the Grantee; and

WHEREAS, Grantor is willing and able to grant to Grantee such temporary easement and appurtenant rights as are hereinafter set forth; and

WHEREAS, Grantee desires to accept said easement rights, and is willing to perform the affirmative covenants hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of $10.00 the affirmative covenants assumed by Grantee herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Grantor, and the affirmative covenants assumed by Grantee herein, the parties agree as follows:

AGREEMENT

1. Recitals; Exhibits. The above recitals and all Exhibits attached to this Agreement are true and correct and are incorporated herein by this reference.

2. Temporary Easement. Grantor hereby grants to Grantee, its successors and assigns, a temporary, non-exclusive easement and right-of-way ("Easement") in, over and across that certain

real property situated in the City of Fernandina Beach, Nassau County, Florida, more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference ("Easement Area") for a period not to exceed twelve (12) months, beginning with the date possession of the land is granted to the United States, its representatives, agents, and contractors as a work area, including the right to (move, store and remove equipment and supplies, and erect and remove temporary structures on the land and to perform any other work necessary and incident to the construction of the Kings Bay Entrance Channel O&M Project, together with the right to trim, cut, fell and remove therefrom all trees, underbrush, obstructions, and any other vegetation, structures, or obstacles within the limits of the right-of-way; reserving, however, to the landowners, their heirs and assigns, all such rights and privileges as may be used without interfering with or abridging the rights and easement hereby acquired; subject, however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

3. Grantor's Representations and Warranties. Grantor hereby represents and warrants to Grantee as follows:

3.1 Ownership. Grantor is the owner in fee simple of the certain parcel of real estate situated in Nassau County, Florida, more particularly described on Exhibit "A" on which Grantee intends to use as a staging area and access area.

3.2 Right to Convey Easement. Grantor warrants and represents that Grantor has the right to convey a temporary Easement in, on, over and across the property, more particularly described on Exhibit "B" and will defend the same easement against the lawful claims of all persons whomsoever.

3.3. Authority. Grantor does hereby fully warrant and represent that the party signing the Agreement on behalf of Grantor has the authority to bind Grantor to the Agreement.

4. Use of Easement Area. Notwithstanding the foregoing grants of easements, Grantor retains the right to use the Easement Area for any lawful purpose other than for a permanent building, structure, foundation, or other use inconsistent with the grants made herein.

5. Binding Effect. The foregoing grants of easements and rights appurtenant thereto, shall be and constitute covenants running with the land, benefitting the public at large and burdening the Easement Area, and shall be binding upon the heirs, successors, and assigns of the parties.

6. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the matters set forth in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

7. Counterparts. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

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IN WITNESS WHEREOF, the parties have executed this instrument on the date first above written.

"GRANTOR"
City of Fernandina Beach, a Florida municipal corporation

ATTEST:

Caroline Best
Caroline Best, City Clerk

MICHAEL A. LEDNOVICH
Mayor-Commissioner

APPROVED AS TO FORM AND LEGALITY:

Tammi E. Bach, City Attorney

"GRANTEE"

United States Army Corps of Engineers

By: Timothy H. McQuillen

Print Name: Timothy H. McQuillen
Chief, Real Estate Division
Jacksonville District
Real Estate Contracting Officer

ATTEST:

BEALYER.HANSLER.AMOS.1230707436 Digitally signed by BEALYER.HANSLER.AMOS.1230707436 Date: 2022.04.22 12:44:44 -04'00'

FREEMAN.EMMANUEL.JOSEPH.1068891813 Digitally signed by FREEMAN.EMMANUEL.JOSEPH.1068891813 Date: 2022.04.22 14:45:16 -04'00'

EXHIBIT "A"

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

The 80 foot right-of-way named "Ocean Street" as part of "Section one of Hamby's Addition to Fernandina Beach," Plat Book 2 Page 32.

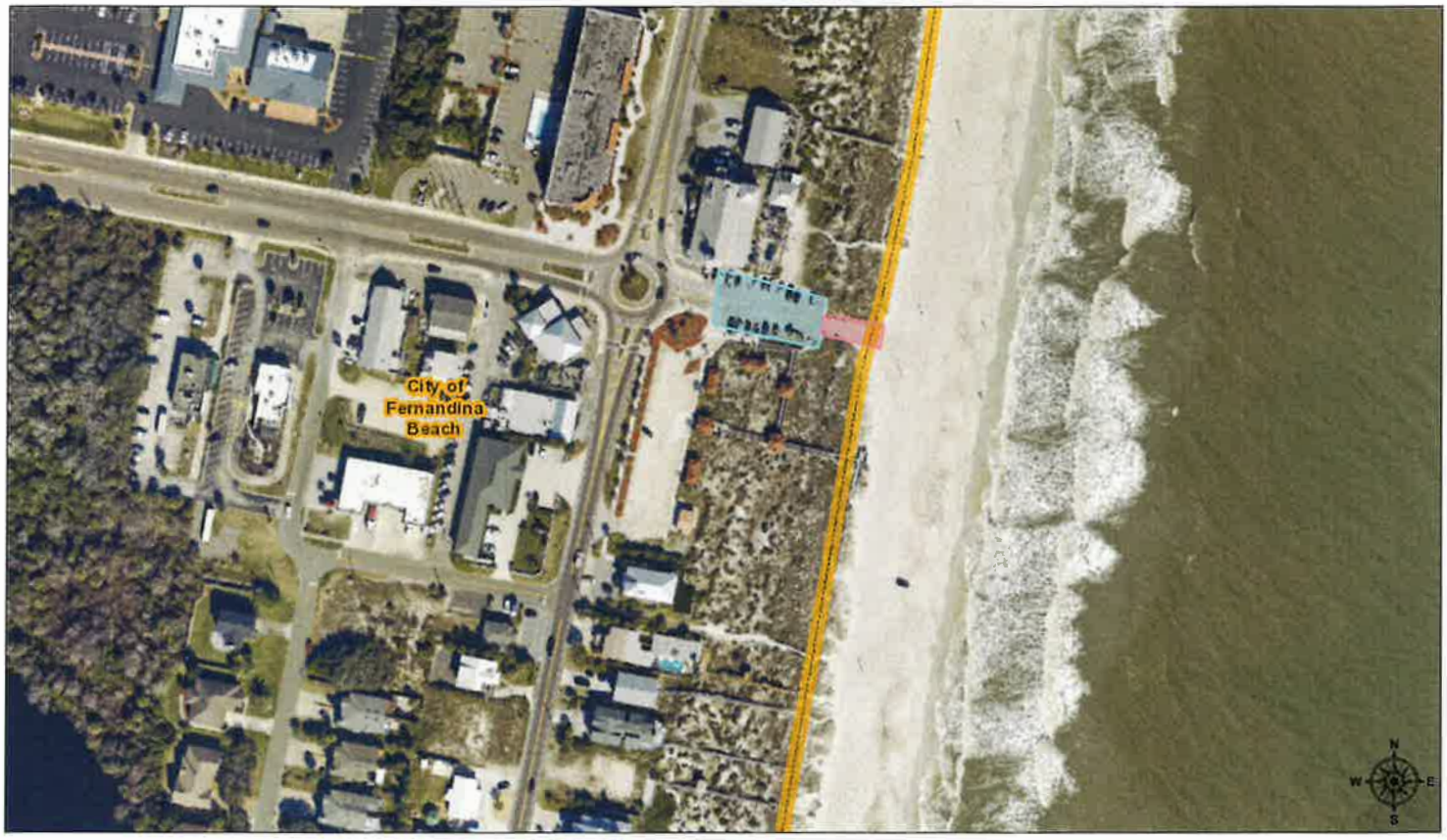
EXHIBIT "B"

SKETCH OF EASEMENT AREA

SEE AREA MAP ATTACHED

SADLER ROAD - SEASIDE PARK

EXHIBIT B



August 3, 2021

1:2,257

0 0.0175 0.035 0.07 mi

0 0.03 0.06 0.12 km

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

2021

DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS, JACKSONVILLE DISTRICT
701 SAN MARCO BOULEVARD
JACKSONVILLE, FLORIDA 32207-8175

April 14, 2022

Mr. Dale L. Martin, City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, Florida 32034
Sent via email to dmartin@fbfl.org

Dear Mr. Martin:

The U.S. Army Corps of Engineers (Corps) will be conducting a project on behalf of the Department of the Navy to dredge the entrance channel of Naval Submarine Base Kings Bay (NSB Kings Bay). As agreed between the Navy and the State of Florida in the Memorandum of Understanding Concerning Dredging of the St. Mary's Inlet Channel dated December 18, 1986, all beach-quality sand recovered from NSB Kings Bay dredging operations are to be placed on State of Florida beaches. Consequently, part of the dredge disposal plan involves placing sand on beaches within the City of Fernandina Beach, Florida, which positively augments the re-nourishment efforts for the Nassau County Shore Protection Project.

In order to conduct the disposal/re-nourishment aspect of the dredging project, the Corps is requesting that the City provide certain temporary real estate interests as described below:

a. A Temporary Work Area Easement for the access areas shown in pink in the enclosed map (Enclosure 1). The term of the easement should begin the date of easement execution and should expire no earlier than May 1, 2023.

b. A Temporary Work Area Easement for the staging areas shown in blue in the enclosed map (Enclosure 1). The term of the easement should begin the date of easement execution and should expire no earlier than May 1, 2023.

The language for the Temporary Work Area Easements is enclosed (Enclosure 2). Please provide the signed easements by May 27, 2022 via email to angela.f.huggins@usace.army.mil. For your convenience, also enclosed is the City Commission of the City of Fernandina Beach's Resolution 2021-98 (Enclosure 3) approving the temporary easements for last year's disposal/beach re-nourishment.

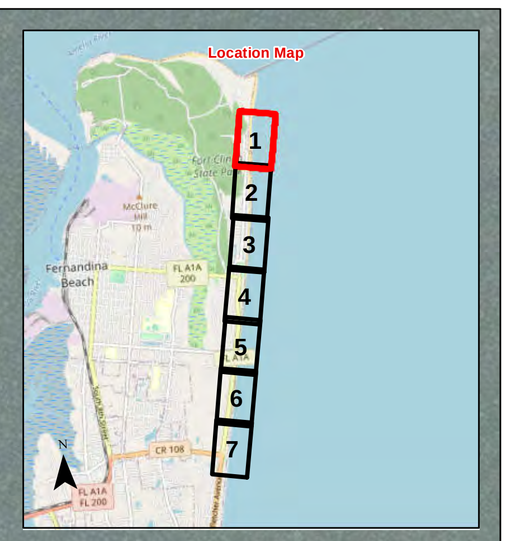
If you have any questions or require additional information, please contact Angela Huggins by email: angela.f.huggins@usace.army.mil or by telephone: 904-232-1939.

Sincerely,

Timothy H. McQuillen

Timothy H. McQuillen
Chief, Real Estate Division

Enclosures



R-012

R-013

R-014

Kimberly

Leslie

Irene

Fletcher

Elizabeth

Lisa

Susan

Lowenstine

ARRIBBA INC
00-00-31-1560-0009-0021

KAUFFMAN EARL S TRUSTEE
00-00-31-1560-0009-0022

MUSLEH L J &
00-00-31-1560-0009-0010

CITY OF FERNANDINA BEACH
00-00-31-1400-0003-0060

PARRISH LAURA
00-00-31-1400-0003-0050

ALBRIGHT JOHN
00-00-31-1400-0003-0040

FORD ALFRED B & SHARMILA B 00-00-31-1400-0003-0030

WEATHERS BEVERLY
00-00-31-1400-0003-0020

PARRISH LAURA A
00-00-31-1560-0008-0011

SMITH JAMES R & ELIZABETH E 00-00-31-1560-0008-0012

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0040

N

DRAFT

Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
- Temporary Work Area Easement (Access)
- Temporary Work Area Easement (Staging)
- Sovereign Submerged Lands Authorization (Beach Fill)
- FDOR Parcels 2021

Data Note 1:
This is a sketch of legal descriptions. For reference purposes only.
This is not a boundary survey.

Data Note 2:
The MHW line is approximately 2.4 ft NAVD88 (not shown on this map) while the landward edge of beach fill is at 8.6 ft NAVD88 (fill area is shown). Therefore, the MHW line is seaward of the approximate vegetation line since the landward edge of fill is seaward of the approximate vegetation line, and the MHW line is seaward of the landward edge of fill.

Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers

REAL ESTATE

Kings Bay EC O&M FY2023
North Beach Placement Area
Nassau County, FL

Mapper: B. Price
Reviewer: Draft
Map Date: 3/10/2022

1:1,130

0 40 80 120
Feet

Document Name: KingsBay_BeachFill2023b
Sheet: 1 of 7

Document Size 24 by 36

IMAGERY:
Main Frame- ESRI World Imagery
Location Map- ESRI OpenStreetMap

Document Path:D:\Z_offline_work_data\KingsBay\2023\Mxds\KingsBay_BeachFill2023b.mxd

PARRISH LAURA A
00-00-31-1560-0008-0011

WEATHERS BEVERLY
00-00-31-1400-0003-0020

SMITH JAMES R & ELIZABETH E 00-00-31-1560-0008-0012

Lisa

Cooper

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0040

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0030

PORTER ALLEN B & GLORIA R
00-00-31-1400-0004-0020

R-015

TROTTI GIROLAMO J & LISA W 00-00-31-1560-0007-0010

LANGLEY SHIRLEY
00-00-31-1400-0005-0070

1340 LLC
00-00-31-1400-0005-0060

BOAZ STEVEN A & PAMELA R
00-00-31-1400-0005-0051

WIRSING KENT MCD & BONNIE B 00-00-31-1400-0005-0050

BENNETT LAWRENCE R & CAROLYN J 00-00-31-1400-0005-0041

LEISY WILLIAM D & LYNN M
00-00-31-1400-0005-0042

DIAZ DANIEL J &
00-00-31-1400-0005-0030

DADD TISHA
00-00-31-1560-0006-0010

10th

CITY OF FERNANDINA BEACH
00-00-31-126A-0018-0010

TIITF/LEASED TO CITY OF
00-00-31-126A-0015-0020

CITY OF FERNANDINA BEACH
00-00-31-126A-0014-0000

R-016

9th

NASSAU COUNTY
00-00-31-126A-0013-0000

TILIAKOS LOUIE M
00-00-31-126A-0012-0000

FERREIRA FAMILY REAL ESTATE
00-00-31-126A-0011-0000

NASSAU COUNTY
00-00-31-126A-0010-0000

WILCOX ROBERT E JR
00-00-31-126A-0009-0000

BANCO FORECLOSURES SALE LLC
00-00-31-126A-0008-0000

Mary

Fletcher

BARRON WILLIAM (EST)
00-00-31-126A-0006-0000

NASSAU COUNTY
00-00-31-126A-0007-0010

8th

GOODMAN SHAUN
00-00-31-126A-0005-0000

COOPER L J JR ESTATE
00-00-31-126A-0002-0020

PEACOCK RONALD L & CLADDIE W 00-00-31-126A-0004-0000

GOODMAN SHAUN
00-00-31-126A-0002-0010

SAPP FLORENCE SAPP &
00-00-31-126A-0003-0000

7th

HURST JULIA S MRS
00-00-31-126A-0001-0000

NASSAU COUNTY
00-00-31-134A-0063-0000

HARDESTY JIM & AMBER
00-00-31-134A-0062-0000

R-017

Ocean

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0056-0000

CITY OF FERNANDINA BEACH
00-00-31-134A-0058-0000

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0056-0000

GRAY JOSEPH F
00-00-31-134A-0055-0000

6th

Tarpon

6th

WEST GREGORY
00-00-31-134A-0054-0000

NASSAU COUNTY
00-00-31-134A-0053-0000

Mary

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0049-0000

KALOF MORRIS EST
00-00-31-134A-0047-0000

BRESNAHAN JOHN MRS
00-00-31-134A-0046-0000

Location Map

1
2
3
4
5
6
7

Fernandina Beach
McClure Mtn 10 m
FL A1A 200
CR 108
FL A1A FL 200
N

N

DRAFT

Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
- Temporary Work Area Easement (Access)
- Temporary Work Area Easement (Staging)
- Sovereign Submerged Lands Authorization (Beach Fill)
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Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers

REAL ESTATE

Kings Bay EC O&M FY2023
North Beach Placement Area
Nassau County, FL

Mapper: B. Price
Reviewer: Draft
Map Date: 3/10/2022

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IMAGERY:
Main Frame- ESRI World Imagery
Location Map- ESRI OpenStreetMap

Document Path:D:\Z_offline_work_data\KingsBay\2023\Mxds\KingsBay_BeachFill2023b.mxd


Location Map
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7
Fernandina Beach
McClure
Fort Clinch State Park
FL A1A
200
CR 108
N
Mary
5th
4th
Sea Island
3rd
2nd
1st
Tarpon
Fletcher
Ocean
Dolphin
Trout
R-018
R-019
R-020
R-021
BANCO FORECLOSURES SALE LLC
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KALOF MORRIS EST
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BRESNAHAN JOHN MRS
00-00-31-134A-0046-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0045-0000
GOODMAN SHAUN
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CAPLES DAVID J & SUSAN L
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MCCALL HARRY
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WATKINS ADRIENNE P & JACK M JR
00-00-31-134A-0041-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0040-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0039-0000
NASSAU COUNTY BOCC
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LUDWIG BERNARD & SUSAN K
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NASSAU COUNTY
00-00-31-134A-0036-0000
NASSAU COUNTY
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LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0033-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0032-0000
BOYKIN ALBERT
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CAPLES DAVID J & SUSAN L
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GIBSON J D
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HALL MILES & COLETTE
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CAPLES DAVID J & SUSAN L
00-00-31-134A-0027-0000
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BANCO FORECLOSURES SALE LLC
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BROOKER BROWNE INC
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SINTES HELEN O
00-00-31-134A-0016-0000
LOTT DONALD & ELAINE
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BOYKIN ALBERT
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BANCO FORECLOSURES SALE LLC
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NASSAU COUNTY
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HOPKINS J T EST
00-00-31-134A-0009-0000
BENNETT H K & L V & O L
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NASSAU COUNTY BOCC
00-00-31-134A-0005-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0003-0000
LINDSEY WILLIAM & JAMES T & 00-00-31-134A-0001-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0002-0000
CITY OF FERNANDINA BEACH
12-3N-29-0000-0003-0000
N
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Legend
Coastal Range Monuments
ECL
Approximate Vegetation Line
Temporary Work Area Easement (Access)
Temporary Work Area Easement (Staging)
Sovereign Submerged Lands Authorization (Beach Fill)
FDOR Parcels 2021
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Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers
REAL ESTATE
Kings Bay EC O&M FY2023
North Beach Placement Area
Nassau County, FL
Mapper: B. Price
Reviewer: Draft
Map Date: 3/10/2022
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0 40 80 120
Feet
Document Name: KingsBay_BeachFill2023b
Sheet: 3 of 7
Document Size 24 by 36
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Location Map- ESRI OpenStreetMap
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Location Map
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Fernandina Beach
FL A1A
200
CR 108
N
CITY OF FERNANDINA BEACH
12-3N-29-0000-0003-0000
Trout
Tarpon
Tarpon
Fletcher
200 SR
Atlantic
R-022
Nassaua
Gregor Mcgregor
Countess Of Egmont
Amelia
A1a SR
R-023
Ohio
Georgia
R-024
Laguna
Atlantic View
Alabama
N
DRAFT
Legend
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2
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7
Fernandina Beach
FL A1A 200
CR 108
FL A1A FL 200
N
Alabama
New York
Laguna
Atlantic View
R-025
Maryland
Ocean Mist
Ocean Overlook
A1a SR
R-026
Ocean Sound
Jasmine
Louisana
Oceanwalk
Oceanview
R-027
Island Plantation
Wisconsin
Magnolia Woods
Kentucky
1st
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Kentucky

Colorado

R-028

Jefferson

R-029

A1a SR

1st

Jefferson

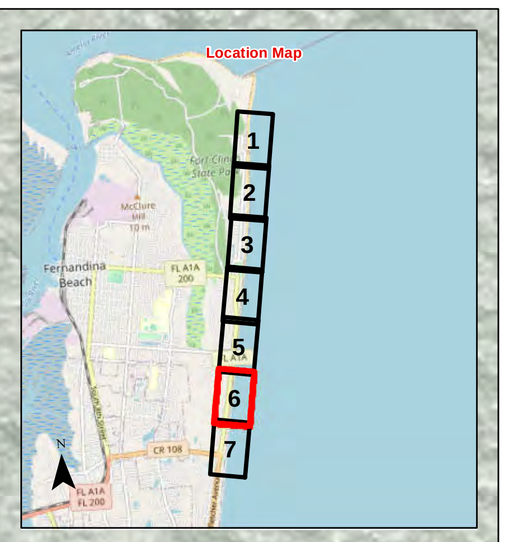
R-030

Madison

1st

Racheal

Cleveland



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Legend

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Jacksonville District, Corps of Engineers

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Racheal

Cleveland

R-031

Roosevelt

R-032

1st

A1a SR

108 SR

Beaugnet

R-033

A

B

C



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Legend

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RESOLUTION 2023-76

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING A TEMPORARY EASEMENT AGREEMENT BETWEEN THE CITY OF FERNANDINA BEACH AND THE UNITED STATES ARMY CORPS OF ENGINEERS FOR BEACH RENOURISHMENT STAGING AND MOBILIZATION; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the U.S. Army Corps of Engineers (USACE) will be conducting a project for the United States Navy to dredge the entrance channel of Naval Submarine Base Kings Bay; and

WHEREAS, the U.S. Navy and State of Florida have agreed that all beach-quality sand recovered in the dredging project is to be placed on State of Florida beaches, including beaches within the City of Fernandina Beach; and

WHEREAS, the USACE requests twelve-month temporary work easements at the following publicly-owned beach area for construction access and equipment staging: near the intersection of near the intersection of Dolphin Street and South Fletcher Avenue; and

WHEREAS, the City of Fernandina Beach originally granted the USACE temporary easements to conduct beach renourishment work via Resolution 2022-74; and

WHEREAS, the City wishes to grant easements through May 2024.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, THAT**:**

SECTION 1. The City Commission hereby grants this temporary easement to USACE and directs the City Clerk and Interim City Manager to execute the temporary easement agreement with the USACE upon review and approval of the City Attorney, attached hereto as Exhibit 1.

SECTION 2. This Resolution shall become effective immediately upon passage.

ADOPTED this 16th day of May, 2023.

CITY OF FERNANDINA BEACH

Bradley M. Bean

BRADLEY M. BEAN
Commissioner – Mayor

ATTEST:

Caroline Best

CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

TAMMI E. BACH
City Attorney

TEMPORARY EASEMENT AGREEMENT
DOLPHIN STREET AND NORTH FLETCHER AVENUE

THIS EASEMENT AGREEMENT ("Agreement") is made and entered into this 16th day of May, 2023, by and between the City of Fernandina Beach, Florida, a municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 ("Grantor"), and United States Army Corps of Engineers, a department of the U.S. Army, Jacksonville District whose address is 701 San Marco Boulevard, Jacksonville, FL 32207-8175 ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of certain real property situated within the municipal limits of the City of Fernandina Beach, Florida ("Grantor's Property"), more particularly described in Exhibit "A", and

WHEREAS, the Grantee desires an unrestricted temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area; and

WHEREAS, the Grantor is willing to grant to Grantee an unrestricted, temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months beginning November 2023 and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area and temporary access area for the use and benefit of the Grantee; and

WHEREAS, Grantor is willing and able to grant to Grantee such temporary easement and appurtenant rights as are hereinafter set forth; and

WHEREAS, Grantee desires to accept said easement rights, and is willing to perform the affirmative covenants hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of $10.00 the affirmative covenants assumed by Grantee herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Grantor, and the affirmative covenants assumed by Grantee herein, the parties agree as follows:

AGREEMENT

1. Recitals; Exhibits. The above recitals and all Exhibits attached to this Agreement are true and correct and are incorporated herein by this reference.

2. Temporary Easement. Grantor hereby grants to Grantee, its successors and assigns, a temporary, non-exclusive easement and right-of-way ("Easement") in, over and across that certain real property situated in the City of Fernandina Beach, Nassau County, Florida, more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference ("Easement Area") for a period not to exceed twelve (12) months, beginning with the date of possession of the land is granted to the United States, its representatives, agents, and contractors as a work area, for use by the United States, its representatives, agents, and contractors as a work area, including the right to move, store and remove equipment and supplies, and erect and remove temporary structures on the land and to perform any other work necessary and incident to the construction of the Naval Submarine Base Kings Bay Entrance Channel Dredging Project, together with the right to trim, cut, fell and remove therefrom all trees, underbrush, obstructions, and any other vegetation, structures, or obstacles within the limits of the right-of-way; reserving, however, to the landowners, their heirs and assigns, all such rights and privileges as may be used without interfering with or abridging the rights and easement hereby acquired; subject, however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

3. Grantor's Representations and Warranties. Grantor hereby represents and warrants to Grantee as follows:

3.1 Ownership. Grantor is the owner in fee simple of the certain parcel of real estate situated in Nassau County, Florida, more particularly described on Exhibit "A" on which Grantee intends to use as a staging area and access area.

3.2 Right to Convey Easement. Grantor warrants and represents that Grantor has the right to convey a permanent Easement in, on, over and across the property, more particularly described on Exhibit "B" and will defend the same easement against the lawful claims of all persons whomsoever.

3.3. Authority. Grantor does hereby fully warrant and represent that the party signing the Agreement on behalf of Grantor has the authority to bind Grantor to the Agreement.

4. Use of Easement Area. Notwithstanding the foregoing grants of easements, Grantor retains the right to use the Easement Area for any lawful purpose other than for a permanent building, structure, foundation, or other use inconsistent with the grants made herein.

5. Binding Effect. The foregoing grants of easements and rights appurtenant thereto, shall be and constitute covenants running with the land, benefitting the public at large and burdening the Easement Area, and shall be binding upon the heirs, successors, and assigns of the parties.

6. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the matters set forth in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

7. Counterparts. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

8. Restoration. In the event of construction, maintenance or repair in the Easement Area by Grantee, Grantee hereby agrees and understands that Grantee is required to restore the ground surface area of the Easement Area by replacing any pre-existing landscaping, fencing, concrete and/or asphalt to as near a preconstruction condition as is practicable in the reasonable judgment of the Grantee.

IN WITNESS WHEREOF, the parties have executed this instrument on the date first above written.

"GRANTOR"
City of Fernandina Beach, a Florida municipal corporation

ATTEST:

Caroline Best
Caroline Best, City Clerk

Bradley M. Bean
Bradley M. Bean
Mayor-Commissioner

APPROVED AS TO FORM AND LEGALITY:

JEBR
Tammi E. Bach, City Attorney

"GRANTEE"

United States Army Corps of Engineers

By: Timothy H. McQuillen

Print Name: Timothy H. McQuillen
Chief, Real Estate Division
Real Estate Contracting Officer

ATTEST:

BEALYER.HANSLER.AMOS.1230707436 Digitally signed by BEALYER.HANSLER.AMOS.1230707436 Date: 2023.05.04 13:37:05 -04'00'

_____

EXHIBIT "A"

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

Parcel ID# 12-3N-29-0000-0003-0000
Parcel ID# 00-00-31-1100-000C-0010

The rights-of-way known as Dolphin Street at intersection of North Fletcher Avenue including North Fletcher Avenue including North Fletcher Avenue south of Dolphin Street, and Dolphin Street at the intersection of Ocean Avenue along with Block C, Lot 1, West Port Beach Casino Tract in Plat Book 2, Page 74, public records of Nassau County, Florida, and that certain parcel recorded in Deed Book 151, Page 51 (less Beach Casino Tract) Ex Parcels 3-1 & 3-2.

EXHIBIT "B"

SKETCH OF EASEMENT AREA
(SEE AREA MAP ATTACHED)

DOLPHIN & NORTH FLETCHER AVE.

EXHIBIT B



August 3, 2021

1:2,257

0 0.0175 0.035 0.07 mi

0 0.03 0.06 0.12 km

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

2021



A. Michael Hickox, CFA
Cert. ~~Res.~~ RD1941

NASSAU COUNTY
PROPERTY APPRAISER

PROPERTY INFORMATION

Parcel Number 00-00-31-1100-000C-0010

Owner Name	CITY OF FERNANDINA BEACH
Mailing Address	204 ASH STREET
	FERNANDINA BEACH, FL 32034
	TARPON & DOPH N ST
	FERNANDINA BEACH 32034
Tax District	FERNANDINA BEACH
Village	19 5053
Homestead	Yes
Property Usage	VAC GOVERN 008000
Deed Acres	2
Short Legal	BLOCK C LOT 1 W PORT BEACH CASINO TRACT PB2/74

2020 Final Values

Land Value	$476,067
(+) Improved Value	$0
(=) Market Value	$476,067
(-) Agricultural Classification	$0
(-) SOH or Non-Hx Capped Savings	$0
(=) Assessed Value	$476,067
(-) Homestead	$0
(-) Additional Exemptions	$0
(=) School Taxable Value	$476,067
(-) Non-School Hx & Other Exempt Value	$0
(=) County Taxable Value	$0

Property Search
Map This Parcel
GIS Report
Property Record Card

PARCEL MAP



2019 AERIAL MAP



PROPERTY PHOTO

LOCATION MAP

DOLPHIN & NORTH FLETCHER AVE.

EXHIBIT B



August 3, 2021

1:2,257

0 0.0175 0.035 0.07 mi

0 0.03 0.06 0.12 km

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

2021

DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS, JACKSONVILLE DISTRICT
701 SAN MARCO BOULEVARD
JACKSONVILLE, FLORIDA 32207-8175

May 2, 2023

Mr. Charles L. George
City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, Florida 32034
Sent via email to cgeorge@fbfl.org

Dear Mr. George:

The U.S. Army Corps of Engineers (Corps) will be conducting a project on behalf of the Department of the Navy to dredge the entrance channel of Naval Submarine Base Kings Bay (NSB Kings Bay). As agreed between the Navy and the State of Florida in the Memorandum of Understanding Concerning Dredging of the St. Mary's Inlet Channel dated December 18, 1986, all beach-quality sand recovered from NSB Kings Bay dredging operations are to be placed on State of Florida beaches. Consequently, part of the dredge disposal plan involves placing sand on beaches within the City of Fernandina Beach, Florida, which positively augments the re-nourishment efforts for the Nassau County Shore Protection Project.

In order to conduct the disposal/re-nourishment aspect of the dredging project, the Corps is requesting that the City provide certain temporary real estate interests as described below:

a. A Temporary Work Area Easement for the access areas shown in pink in the enclosed map (Enclosure 1). The term of the easement should begin the date of easement execution and should expire no earlier than May 31, 2024.

b. A Temporary Work Area Easement for the staging areas shown in blue in the enclosed map (Enclosure 1). The term of the easement should begin the date of easement execution and should expire no earlier than May 31, 2024.

The language for the Temporary Work Area Easements is enclosed (Enclosure 2). Please provide the signed easements by May 31, 2023 via email to angela.f.huggins@usace.army.mil. For your convenience, also enclosed is the City Commission of the City of Fernandina Beach's Resolution 2022-74 (Enclosure 3) approving the temporary easements for last year's disposal/beach re-nourishment.

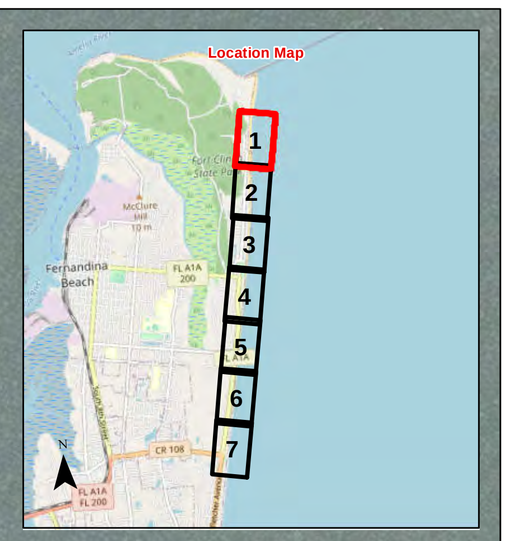
If you have any questions or require additional information, please contact Angela Huggins by email: angela.f.huggins@usace.army.mil or by telephone: 904-232-1939.

Sincerely,

Timothy H. McQuillen
Chief, Real Estate Division

Enclosures

cc: Agnes White via email: awhite@fbfl.org



R-012

R-013

R-014

Kimberly

Leslie

Irene

Fletcher

Elizabeth

Lisa

Susan

Lowenstine

ARRIBBA INC
00-00-31-1560-0009-0021

KAUFFMAN EARL S TRUSTEE
00-00-31-1560-0009-0022

MUSLEH L J &
00-00-31-1560-0009-0010

CITY OF FERNANDINA BEACH
00-00-31-1400-0003-0060

PARRISH LAURA
00-00-31-1400-0003-0050

ALBRIGHT JOHN
00-00-31-1400-0003-0040

FORD ALFRED B & SHARMILA B 00-00-31-1400-0003-0030

WEATHERS BEVERLY
00-00-31-1400-0003-0020

PARRISH LAURA A
00-00-31-1560-0008-0011

SMITH JAMES R & ELIZABETH E 00-00-31-1560-0008-0012

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0040

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Legend

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Jacksonville District, Corps of Engineers

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Nassau County, FL

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PARRISH LAURA A
00-00-31-1560-0008-0011

WEATHERS BEVERLY
00-00-31-1400-0003-0020

SMITH JAMES R & ELIZABETH E 00-00-31-1560-0008-0012

Lisa

Cooper

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0040

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0030

PORTER ALLEN B & GLORIA R
00-00-31-1400-0004-0020

R-015

TROTTI GIROLAMO J & LISA W 00-00-31-1560-0007-0010

LANGLEY SHIRLEY
00-00-31-1400-0005-0070

1340 LLC
00-00-31-1400-0005-0060

BOAZ STEVEN A & PAMELA R
00-00-31-1400-0005-0051

WIRSING KENT MCD & BONNIE B 00-00-31-1400-0005-0050

BENNETT LAWRENCE R & CAROLYN J 00-00-31-1400-0005-0041

LEISY WILLIAM D & LYNN M
00-00-31-1400-0005-0042

DIAZ DANIEL J &
00-00-31-1400-0005-0030

DADD TISHA
00-00-31-1560-0006-0010

10th

CITY OF FERNANDINA BEACH
00-00-31-126A-0018-0010

TIITF/LEASED TO CITY OF
00-00-31-126A-0015-0020

CITY OF FERNANDINA BEACH
00-00-31-126A-0014-0000

R-016

9th

NASSAU COUNTY
00-00-31-126A-0013-0000

TILIAKOS LOUIE M
00-00-31-126A-0012-0000

FERREIRA FAMILY REAL ESTATE
00-00-31-126A-0011-0000

NASSAU COUNTY
00-00-31-126A-0010-0000

WILCOX ROBERT E JR
00-00-31-126A-0009-0000

BANCO FORECLOSURES SALE LLC
00-00-31-126A-0008-0000

Mary

Fletcher

BARRON WILLIAM (EST)
00-00-31-126A-0006-0000

NASSAU COUNTY
00-00-31-126A-0007-0010

8th

GOODMAN SHAUN
00-00-31-126A-0005-0000

COOPER L J JR ESTATE
00-00-31-126A-0002-0020

PEACOCK RONALD L & CLADDIE W 00-00-31-126A-0004-0000

GOODMAN SHAUN
00-00-31-126A-0002-0010

SAPP FLORENCE SAPP &
00-00-31-126A-0003-0000

7th

HURST JULIA S MRS
00-00-31-126A-0001-0000

NASSAU COUNTY
00-00-31-134A-0063-0000

HARDESTY JIM & AMBER
00-00-31-134A-0062-0000

R-017

Ocean

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0056-0000

CITY OF FERNANDINA BEACH
00-00-31-134A-0058-0000

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0056-0000

GRAY JOSEPH F
00-00-31-134A-0055-0000

6th

Tarpon

6th

WEST GREGORY
00-00-31-134A-0054-0000

NASSAU COUNTY
00-00-31-134A-0053-0000

Mary

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0049-0000

KALOF MORRIS EST
00-00-31-134A-0047-0000

BRESNAHAN JOHN MRS
00-00-31-134A-0046-0000

Location Map

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Fernandina Beach
McClure Mtn 10 m
FL A1A 200
CR 108
FL A1A FL 200
N

N

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Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
- Temporary Work Area Easement (Access)
- Temporary Work Area Easement (Staging)
- Sovereign Submerged Lands Authorization (Beach Fill)
- FDOR Parcels 2021

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Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers

REAL ESTATE

Kings Bay EC O&M FY2023
North Beach Placement Area
Nassau County, FL

Mapper: B. Price
Reviewer: Draft
Map Date: 3/10/2022

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Feet

Document Name: KingsBay_BeachFill2023b
Sheet: 2 of 7

Document Size 24 by 36

IMAGERY:
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Location Map- ESRI OpenStreetMap

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Location Map
1
2
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7
Fernandina Beach
McClure
Fort Clinch State Park
FL A1A
200
CR 108
N
Mary
5th
4th
Sea Island
3rd
2nd
1st
Tarpon
Fletcher
Ocean
Dolphin
Trout
R-018
R-019
R-020
R-021
BANCO FORECLOSURES SALE LLC
00-00-31-134A-0049-0000
KALOF MORRIS EST
00-00-31-134A-0047-0000
BRESNAHAN JOHN MRS
00-00-31-134A-0046-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0045-0000
GOODMAN SHAUN
00-00-31-134A-0044-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0043-0000
MCCALL HARRY
00-00-31-134A-0042-0000
WATKINS ADRIENNE P & JACK M JR
00-00-31-134A-0041-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0040-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0039-0000
NASSAU COUNTY BOCC
00-00-31-134A-0038-0000
LUDWIG BERNARD & SUSAN K
00-00-31-134A-0037-0000
NASSAU COUNTY
00-00-31-134A-0036-0000
NASSAU COUNTY
00-00-31-134A-0035-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0034-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0033-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0032-0000
BOYKIN ALBERT
00-00-31-134A-0031-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0030-0000
GIBSON J D
00-00-31-134A-0029-0000
HALL MILES & COLETTE
00-00-31-134A-0028-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0027-0000
NASSAU COUNTY
00-00-31-134A-0025-0000
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GEHLHARDT JUANITA WALDEN
00-00-31-134A-0021-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0020-0000
BOISSIER INVESTOR LLC
00-00-31-134A-0019-0000
BANCO FORECLOSURES SALE LLC
00-00-31-134A-0018-0000
BROOKER BROWNE INC
00-00-31-134A-0017-0000
SINTES HELEN O
00-00-31-134A-0016-0000
LOTT DONALD & ELAINE
00-00-31-134A-0014-0010
BOYKIN ALBERT
00-00-31-134A-0013-0010
BANCO FORECLOSURES SALE LLC
00-00-31-134A-0012-0000
NASSAU COUNTY
00-00-31-134A-0011-0000
NASSAU COUNTY
00-00-31-134A-0010-0000
NASSAU COUNTY
00-00-31-134A-0006-0000
HOPKINS J T EST
00-00-31-134A-0009-0000
BENNETT H K & L V & O L
00-00-31-134A-0008-0000
NASSAU COUNTY BOCC
00-00-31-134A-0005-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0003-0000
LINDSEY WILLIAM & JAMES T & 00-00-31-134A-0001-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0002-0000
CITY OF FERNANDINA BEACH
12-3N-29-0000-0003-0000
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Legend
Coastal Range Monuments
ECL
Approximate Vegetation Line
Temporary Work Area Easement (Access)
Temporary Work Area Easement (Staging)
Sovereign Submerged Lands Authorization (Beach Fill)
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Jacksonville District, Corps of Engineers
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Nassau County, FL
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Reviewer: Draft
Map Date: 3/10/2022
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0 40 80 120
Feet
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Sheet: 3 of 7
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Location Map- ESRI OpenStreetMap
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Location Map
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7
Fernandina Beach
FL A1A
200
CR 108
N
CITY OF FERNANDINA BEACH
12-3N-29-0000-0003-0000
Trout
Tarpon
Tarpon
Fletcher
200 SR
Atlantic
R-022
Nassaua
Gregor Mcgregor
Countess Of Egmont
Amelia
A1a SR
R-023
Ohio
Georgia
R-024
Laguna
Atlantic View
Alabama
N
DRAFT
Legend
Coastal Range Monuments
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Approximate Vegetation Line
Temporary Work Area Easement (Access)
Temporary Work Area Easement (Staging)
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Location Map
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2
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4
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6
7
Fernandina Beach
FL A1A 200
CR 108
FL A1A FL 200
N
Alabama
New York
Laguna
Atlantic View
R-025
Maryland
Ocean Mist
Ocean Overlook
A1a SR
R-026
Ocean Sound
Jasmine
Louisana
Oceanwalk
Oceanview
R-027
Island Plantation
Wisconsin
Magnolia Woods
Kentucky
1st
N
DRAFT
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Kentucky

Colorado

R-028

Jefferson

R-029

A1a SR

1st

Jefferson

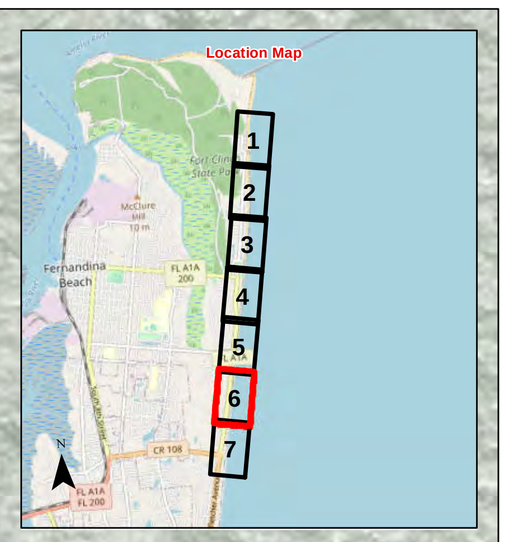
R-030

Madison

1st

Racheal

Cleveland



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Legend

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Jacksonville District, Corps of Engineers

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Racheal

Cleveland

R-031

Roosevelt

R-032

1st

A1a SR

108 SR

Beaugnet

R-033

A

B

C



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DRAFT

Legend

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- ECL
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RESOLUTION 2022-74

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING TEMPORARY EASEMENT AGREEMENTS BETWEEN THE CITY OF FERNANDINA BEACH AND THE UNITED STATES ARMY CORPS OF ENGINEERS FOR BEACH RENOURISHMENT STAGING AND MOBILIZATION; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the U.S. Army Corps of Engineers (USACE) will be conducting a project for the United States Navy to dredge the entrance channel of Naval Submarine Base Kings Bay; and

WHEREAS, the U.S. Navy and State of Florida have agreed that all beach-quality sand recovered in the dredging project is to be placed on State of Florida beaches, including beaches within the City of Fernandina Beach; and

WHEREAS, the USACE requests twelve-month temporary work easements at the following publicly owned beach areas for construction access and equipment staging: near the intersection of Dolphin Street and Ocean Avenue; near the intersection of Dolphin Street and South Fletcher Avenue; and the City owned right of way near the end of Sadler Road/Seaside Park; and

WHEREAS, the City of Fernandina Beach wishes to grant the USACE temporary easements to conduct beach renourishment work.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, THAT**:**

SECTION 1. The City Commission hereby grants these temporary easements to USACE and directs the City Clerk and City Manager to execute temporary easement agreements with the USACE upon review and approval of the City Attorney, attached hereto as Exhibit "1" and Exhibit "2".

SECTION 2. This Resolution shall become effective immediately upon passage.

ADOPTED this 3rd day of May, 2022.

CITY OF FERNANDINA BEACH

_____
MICHAEL A. LEDNOVICH
Commissioner – Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
TAMMI E. BACH
City Attorney

TEMPORARY EASEMENT AGREEMENT
DOLPHIN STREET AND NORTH FLETCHER AVENUE

THIS TEMPORARY EASEMENT AGREEMENT ("Agreement") is made and entered into this 3rd day of May, 2022, by and between the City of Fernandina Beach, Florida, a municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 ("Grantor"), and United States Army Corps of Engineers, a department of the U.S. Army, Jacksonville District whose address is 701 San Marco Boulevard, Jacksonville, FL 32207-8175 ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of certain real property situated within the municipal limits of the City of Fernandina Beach, Florida ("Grantor's Property"), more particularly described in Exhibit "A", and

WHEREAS, the Grantee desires an unrestricted temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months beginning in November 2022 and for the purpose of a temporary staging area to store equipment, , erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area; and temporary access area.

WHEREAS, the Grantor is willing to grant to Grantee an unrestricted, temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months beginning in November 2022 and for the purpose of a temporary staging area to store equipment, , erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area and temporary access area for the use and benefit of the Grantee; and

WHEREAS, Grantor is willing and able to grant to Grantee such temporary easement and appurtenant rights as are hereinafter set forth; and

WHEREAS, Grantee desires to accept said easement rights, and is willing to perform the affirmative covenants hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of $10.00 the affirmative covenants assumed by Grantee herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Grantor, and the affirmative covenants assumed by Grantee herein, the parties agree as follows:

AGREEMENT

1. Recitals: Exhibits. The above recitals and all Exhibits attached to this Agreement are true and correct and are incorporated herein by this reference.

2. Temporary Easement. Grantor hereby grants to Grantee, its successors and assigns, a temporary, non-exclusive easement and right-of-way ("Easement") in, over and across that certain real property situated in the City of Fernandina Beach, Nassau County, Florida, more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference ("Easement Area") for a period not to exceed twelve (12) months, beginning with the date possession of the land

is granted to the United States, its representatives, agents, and contractors as a work area, including the right to (move, store and remove equipment and supplies, and erect and remove temporary structures on the land and to perform any other work necessary and incident to the construction of the Kings Bay Entrance Channel O&M Project, together with the right to trim, cut, fell and remove therefrom all trees, underbrush, obstructions, and any other vegetation, structures, or obstacles within the limits of the right-of-way; reserving, however, to the landowners, their heirs and assigns, all such rights and privileges as may be used without interfering with or abridging the rights and easement hereby acquired; subject, however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

3. Grantor's Representations and Warranties. Grantor hereby represents and warrants to Grantee as follows:

3.1 Ownership. Grantor is the owner in fee simple of the certain parcel of real estate situated in Nassau County, Florida, more particularly described on Exhibit "A" on which Grantee intends to use as a staging area and access area.

3.2 Right to Convey Easement. Grantor warrants and represents that Grantor has the right to convey a temporary Easement in, on, over and across the property, more particularly described on Exhibit "B" and will defend the same easement against the lawful claims of all persons whomsoever.

3.3. Authority. Grantor does hereby fully warrant and represent that the party signing the Agreement on behalf of Grantor has the authority to bind Grantor to the Agreement.

4. Use of Easement Area. Notwithstanding the foregoing grants of easements, Grantor retains the right to use the Easement Area for any lawful purpose other than for a permanent building, structure, foundation, or other use inconsistent with the grants made herein.

5. Binding Effect. The foregoing grants of easements and rights appurtenant thereto, shall be and constitute covenants running with the land, benefitting the public at large and burdening the Easement Area, and shall be binding upon the heirs, successors, and assigns of the parties.

6. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the matters set forth in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

7. Counterparts. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

8. Restoration. In the event of construction, maintenance or repair in the Easement Area by Grantee, Grantee hereby agrees and understands that Grantee is required to restore the ground surface area of the Easement Area by replacing any pre-existing landscaping, fencing, concrete and/or asphalt to as near a preconstruction condition as is practicable in the reasonable judgment of the Grantee.

IN WITNESS WHEREOF, the parties have executed this instrument on the date first above written.

"GRANTOR"
City of Fernandina Beach, a Florida municipal corporation

ATTEST:

Caroline Best
Caroline Best, City Clerk

MICHAEL A. LEDNOVICH
Mayor-Commissioner

APPROVED AS TO FORM AND LEGALITY:

Tammi E. Bach, City Attorney

"GRANTEE"

United States Army Corps of Engineers

By: Timothy H. McQuillen

Print Name: Timothy H. McQuillen
Chief, Real Estate Division
Jacksonville District
Real Estate Contracting Officer

ATTEST:

BEALYER.HANSLER.AMOS.1230707436 Digitally signed by BEALYER.HANSLER.AMOS.1230707436 Date: 2022.04.22 12:43:21 -04'00'

FREEMAN.EMMANUEL.JOSEPH.1068891813 Digitally signed by FREEMAN.EMMANUEL.JOSEPH.1068891813 Date: 2022.04.22 14:46:51 -04'00'

EXHIBIT "A"

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

Parcel ID# 12-3N-29-0000-0003-0000
Parcel ID# 00-00-31-1100-000C-0010

The rights-of-way known as Dolphin Street at intersection of North Fletcher Avenue including North Fletcher Avenue south of Dolphin Street, and Dolphin Street at intersection of Ocean Avenue along with Block C, Lot 1, West Port Beach Casino Tract in Plat Book 2, Page 74, public records of Nassau County, Florida and that certain parcel recorded in Deed Book 151, Page 51 (less Beach Casino Tract) Ex Parcels 3-1 & 3-2.

EXHIBIT "B"

SKETCH OF EASEMENT AREA

SEE AREA MAP ATTACHED

DOLPHIN & NORTH FLETCHER AVE.

EXHIBIT B



August 3, 2021

1:2,257

0 0.0175 0.035 0.07 mi

0 0.03 0.06 0.12 km

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

2021



A. Michael Hickox, CFA
Cert. Res. RD1941

NASSAU COUNT
PROPERTY APPRAISER

PROPERTY INFORMATION

Parcel Number 00-00-31-1100-000C-0010

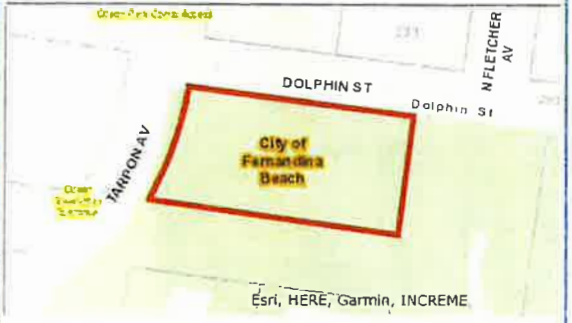
Owner Name	CITY OF FERNANDINA BEACH
Mailing Address	204 ASH STREET
	FERNANDINA BEACH, FL 32034
	TARPON & DOPH N ST
	FERNANDINA BEACH 32034
Tax District	FERNANDINA BEACH
Village	19 5052
Homestead	Yes
Property Usage	VAC GOVERN 008000
Deed Acres	0
Short Legal	BLOCK C LOT 1 W PORT BEACH CASINO TRACT PB2/74

2020 Final Values

Land Value	$476,067
Improved Value	$0
(=) Market Value	$476,067
(-) Agricultural Classification	$0
(-) SOH or Non-Hx Capped Savings	$0
(=) Assessed Value	$476,067
Homestead	$0
Additional Exemptions	$0
(=) School Taxable Value	$476,067
Non-School Hx & Other Exempt Value	$0
(=) County Taxable Value	$0

Property Search
Map This Parcel
GIS Report
Property Record Card

PARCEL MAP



2019 AERIAL MAP



PROPERTY PHOTO

LOCATION MAP

DOLPHIN & NORTH FLETCHER AVE.

EXHIBIT B



August 3, 2021

1:2,257

0 0.0175 0.035 0.07 mi

0 0.03 0.06 0.12 km

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

2021

TEMPORARY EASEMENT AGREEMENT OF THE CITY OWNED RIGHT OF WAY AT THE END OF SADLER ROAD/SEASIDE PARK

THIS TEMPORARY EASEMENT AGREEMENT ("Agreement") is made and entered into this 3rd day of May, 2022, by and between the City of Fernandina Beach, Florida, a municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 ("Grantor"), and United States Army Corps of Engineers, a department of the U.S. Army, Jacksonville District whose address is 701 San Marco Boulevard, Jacksonville, FL 32207-8175 ("Grantee").

RECITALS

WHEREAS, Grantor is the owner of certain real property situated within the municipal limits of the City of Fernandina Beach, Florida ("Grantor's Property"), more particularly described in Exhibit "A", and

WHEREAS, the Grantee desires an unrestricted temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months beginning in November 2022 and for the purpose of a temporary staging area to store equipment, , erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area; and temporary access area.

WHEREAS, the Grantor is willing to grant to Grantee an unrestricted, temporary easement and right-of-way in, over and across Grantor's property for a period of 12 months beginning in November 2022 and for the purpose of a temporary staging area to store equipment, erect and remove temporary structures, and trim, cut and remove obstructions such as vegetation and structures within the easement area and temporary access area for the use and benefit of the Grantee; and

WHEREAS, Grantor is willing and able to grant to Grantee such temporary easement and appurtenant rights as are hereinafter set forth; and

WHEREAS, Grantee desires to accept said easement rights, and is willing to perform the affirmative covenants hereinafter set forth;

NOW, THEREFORE, for and in consideration of the sum of $10.00 the affirmative covenants assumed by Grantee herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Grantor, and the affirmative covenants assumed by Grantee herein, the parties agree as follows:

AGREEMENT

1. Recitals; Exhibits. The above recitals and all Exhibits attached to this Agreement are true and correct and are incorporated herein by this reference.

2. Temporary Easement. Grantor hereby grants to Grantee, its successors and assigns, a temporary, non-exclusive easement and right-of-way ("Easement") in, over and across that certain

real property situated in the City of Fernandina Beach, Nassau County, Florida, more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference ("Easement Area") for a period not to exceed twelve (12) months, beginning with the date possession of the land is granted to the United States, its representatives, agents, and contractors as a work area, including the right to (move, store and remove equipment and supplies, and erect and remove temporary structures on the land and to perform any other work necessary and incident to the construction of the Kings Bay Entrance Channel O&M Project, together with the right to trim, cut, fell and remove therefrom all trees, underbrush, obstructions, and any other vegetation, structures, or obstacles within the limits of the right-of-way; reserving, however, to the landowners, their heirs and assigns, all such rights and privileges as may be used without interfering with or abridging the rights and easement hereby acquired; subject, however, to existing easements for public roads and highways, public utilities, railroads and pipelines.

3. Grantor's Representations and Warranties. Grantor hereby represents and warrants to Grantee as follows:

3.1 Ownership. Grantor is the owner in fee simple of the certain parcel of real estate situated in Nassau County, Florida, more particularly described on Exhibit "A" on which Grantee intends to use as a staging area and access area.

3.2 Right to Convey Easement. Grantor warrants and represents that Grantor has the right to convey a temporary Easement in, on, over and across the property, more particularly described on Exhibit "B" and will defend the same easement against the lawful claims of all persons whomsoever.

3.3. Authority. Grantor does hereby fully warrant and represent that the party signing the Agreement on behalf of Grantor has the authority to bind Grantor to the Agreement.

4. Use of Easement Area. Notwithstanding the foregoing grants of easements, Grantor retains the right to use the Easement Area for any lawful purpose other than for a permanent building, structure, foundation, or other use inconsistent with the grants made herein.

5. Binding Effect. The foregoing grants of easements and rights appurtenant thereto, shall be and constitute covenants running with the land, benefitting the public at large and burdening the Easement Area, and shall be binding upon the heirs, successors, and assigns of the parties.

6. Entire Agreement. This Agreement embodies and constitutes the entire understanding between the parties with respect to the matters set forth in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge or termination is sought, and then only to the extent set forth in such instrument.

7. Counterparts. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

8. Restoration. In the event of construction, maintenance or repair in the Easement Area by Grantee, Grantee hereby agrees and understands that Grantee is required to restore the ground surface area of the Easement Area by replacing any pre-existing landscaping, fencing, concrete and/or asphalt to as near a preconstruction condition as is practicable in the reasonable judgment of the Grantee.

IN WITNESS WHEREOF, the parties have executed this instrument on the date first above written.

"GRANTOR"
City of Fernandina Beach, a Florida municipal corporation

ATTEST:

Caroline Best
Caroline Best, City Clerk

MICHAEL A. LEDNOVICH
Mayor-Commissioner

APPROVED AS TO FORM AND LEGALITY:

Tammi E. Bach, City Attorney

"GRANTEE"

United States Army Corps of Engineers

By: Timothy H. McQuillen

Print Name: Timothy H. McQuillen
Chief, Real Estate Division
Jacksonville District
Real Estate Contracting Officer

ATTEST:

BEALYER.HANSLER.AMOS.1230707436 Digitally signed by BEALYER.HANSLER.AMOS.1230707436 Date: 2022.04.22 12:44:44 -04'00'

FREEMAN.EMMANUEL.JOSEPH.1068891813 Digitally signed by FREEMAN.EMMANUEL.JOSEPH.1068891813 Date: 2022.04.22 14:45:16 -04'00'

EXHIBIT "A"

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

The 80 foot right-of-way named "Ocean Street" as part of "Section one of Hamby's Addition to Fernandina Beach," Plat Book 2 Page 32.

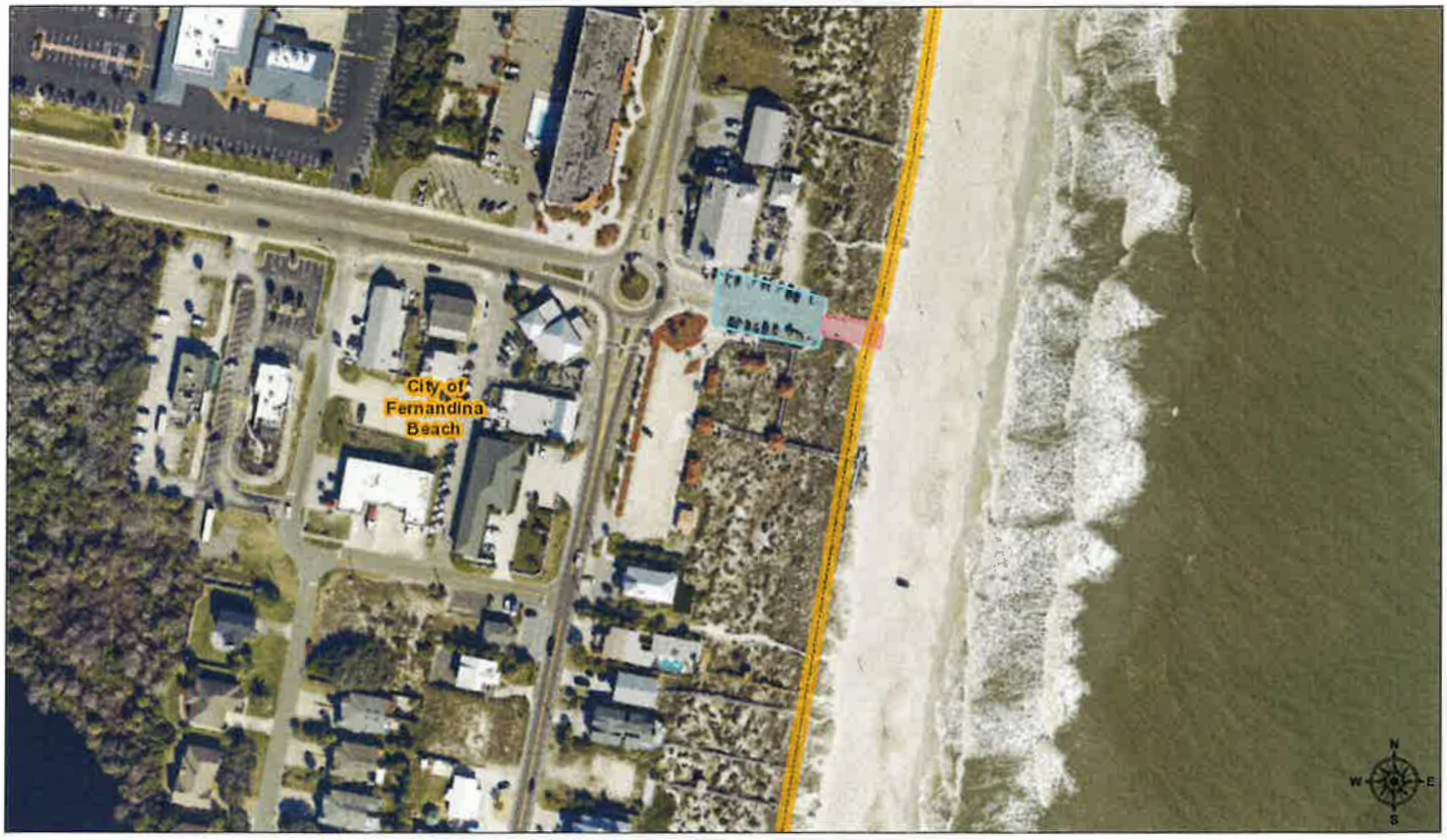
EXHIBIT "B"

SKETCH OF EASEMENT AREA

SEE AREA MAP ATTACHED

SADLER ROAD - SEASIDE PARK

EXHIBIT B



August 3, 2021

1:2,257

0 0.0175 0.035 0.07 mi

0 0.03 0.06 0.12 km

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2021

DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS, JACKSONVILLE DISTRICT
701 SAN MARCO BOULEVARD
JACKSONVILLE, FLORIDA 32207-8175

April 14, 2022

Mr. Dale L. Martin, City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, Florida 32034
Sent via email to dmartin@fbfl.org

Dear Mr. Martin:

The U.S. Army Corps of Engineers (Corps) will be conducting a project on behalf of the Department of the Navy to dredge the entrance channel of Naval Submarine Base Kings Bay (NSB Kings Bay). As agreed between the Navy and the State of Florida in the Memorandum of Understanding Concerning Dredging of the St. Mary's Inlet Channel dated December 18, 1986, all beach-quality sand recovered from NSB Kings Bay dredging operations are to be placed on State of Florida beaches. Consequently, part of the dredge disposal plan involves placing sand on beaches within the City of Fernandina Beach, Florida, which positively augments the re-nourishment efforts for the Nassau County Shore Protection Project.

In order to conduct the disposal/re-nourishment aspect of the dredging project, the Corps is requesting that the City provide certain temporary real estate interests as described below:

a. A Temporary Work Area Easement for the access areas shown in pink in the enclosed map (Enclosure 1). The term of the easement should begin the date of easement execution and should expire no earlier than May 1, 2023.

b. A Temporary Work Area Easement for the staging areas shown in blue in the enclosed map (Enclosure 1). The term of the easement should begin the date of easement execution and should expire no earlier than May 1, 2023.

The language for the Temporary Work Area Easements is enclosed (Enclosure 2). Please provide the signed easements by May 27, 2022 via email to angela.f.huggins@usace.army.mil. For your convenience, also enclosed is the City Commission of the City of Fernandina Beach's Resolution 2021-98 (Enclosure 3) approving the temporary easements for last year's disposal/beach re-nourishment.

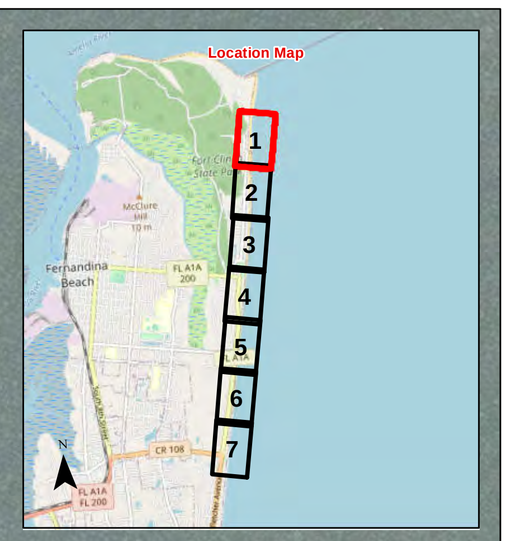
If you have any questions or require additional information, please contact Angela Huggins by email: angela.f.huggins@usace.army.mil or by telephone: 904-232-1939.

Sincerely,

Timothy H. McQuillen

Timothy H. McQuillen
Chief, Real Estate Division

Enclosures



R-012

R-013

R-014

Kimberly

Leslie

Irene

Fletcher

Elizabeth

Lisa

Susan

Lowenstine

ARRIBBA INC
00-00-31-1560-0009-0021

KAUFFMAN EARL S TRUSTEE
00-00-31-1560-0009-0022

MUSLEH L J &
00-00-31-1560-0009-0010

CITY OF FERNANDINA BEACH
00-00-31-1400-0003-0060

PARRISH LAURA
00-00-31-1400-0003-0050

ALBRIGHT JOHN
00-00-31-1400-0003-0040

FORD ALFRED B & SHARMILA B 00-00-31-1400-0003-0030

WEATHERS BEVERLY
00-00-31-1400-0003-0020

PARRISH LAURA A
00-00-31-1560-0008-0011

SMITH JAMES R & ELIZABETH E 00-00-31-1560-0008-0012

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0040

N

DRAFT

Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
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- Temporary Work Area Easement (Staging)
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Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers

REAL ESTATE

Kings Bay EC O&M FY2023
North Beach Placement Area
Nassau County, FL

Mapper: B. Price
Reviewer: Draft
Map Date: 3/10/2022

1:1,130

0 40 80 120
Feet

Document Name: KingsBay_BeachFill2023b
Sheet: 1 of 7

Document Size 24 by 36

IMAGERY:
Main Frame- ESRI World Imagery
Location Map- ESRI OpenStreetMap

Document Path:D:\Z_offline_work_data\KingsBay\2023\Mxds\KingsBay_BeachFill2023b.mxd

PARRISH LAURA A
00-00-31-1560-0008-0011

WEATHERS BEVERLY
00-00-31-1400-0003-0020

SMITH JAMES R & ELIZABETH E 00-00-31-1560-0008-0012

Lisa

Cooper

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0040

SMITH LIVING TRUST ET AL
00-00-31-1400-0004-0030

PORTER ALLEN B & GLORIA R
00-00-31-1400-0004-0020

R-015

TROTTI GIROLAMO J & LISA W 00-00-31-1560-0007-0010

LANGLEY SHIRLEY
00-00-31-1400-0005-0070

1340 LLC
00-00-31-1400-0005-0060

BOAZ STEVEN A & PAMELA R
00-00-31-1400-0005-0051

WIRSING KENT MCD & BONNIE B 00-00-31-1400-0005-0050

BENNETT LAWRENCE R & CAROLYN J 00-00-31-1400-0005-0041

LEISY WILLIAM D & LYNN M
00-00-31-1400-0005-0042

DIAZ DANIEL J &
00-00-31-1400-0005-0030

DADD TISHA
00-00-31-1560-0006-0010

10th

CITY OF FERNANDINA BEACH
00-00-31-126A-0018-0010

TIITF/LEASED TO CITY OF
00-00-31-126A-0015-0020

CITY OF FERNANDINA BEACH
00-00-31-126A-0014-0000

R-016

9th

NASSAU COUNTY
00-00-31-126A-0013-0000

TILIAKOS LOUIE M
00-00-31-126A-0012-0000

FERREIRA FAMILY REAL ESTATE
00-00-31-126A-0011-0000

NASSAU COUNTY
00-00-31-126A-0010-0000

WILCOX ROBERT E JR
00-00-31-126A-0009-0000

BANCO FORECLOSURES SALE LLC
00-00-31-126A-0008-0000

Mary

Fletcher

BARRON WILLIAM (EST)
00-00-31-126A-0006-0000

NASSAU COUNTY
00-00-31-126A-0007-0010

8th

GOODMAN SHAUN
00-00-31-126A-0005-0000

COOPER L J JR ESTATE
00-00-31-126A-0002-0020

PEACOCK RONALD L & CLADDIE W 00-00-31-126A-0004-0000

GOODMAN SHAUN
00-00-31-126A-0002-0010

SAPP FLORENCE SAPP &
00-00-31-126A-0003-0000

7th

HURST JULIA S MRS
00-00-31-126A-0001-0000

NASSAU COUNTY
00-00-31-134A-0063-0000

HARDESTY JIM & AMBER
00-00-31-134A-0062-0000

R-017

Ocean

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0056-0000

CITY OF FERNANDINA BEACH
00-00-31-134A-0058-0000

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0056-0000

GRAY JOSEPH F
00-00-31-134A-0055-0000

6th

Tarpon

6th

WEST GREGORY
00-00-31-134A-0054-0000

NASSAU COUNTY
00-00-31-134A-0053-0000

Mary

BANCO FORECLOSURES SALE LLC
00-00-31-134A-0049-0000

KALOF MORRIS EST
00-00-31-134A-0047-0000

BRESNAHAN JOHN MRS
00-00-31-134A-0046-0000

Location Map

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7

Fernandina Beach
McClure Mtn 10 m
FL A1A 200
CR 108
FL A1A FL 200
N

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DRAFT

Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
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Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers

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Kings Bay EC O&M FY2023
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Feet

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Fernandina Beach
McClure
Fort Clinch State Park
FL A1A
200
CR 108
N
Mary
5th
4th
Sea Island
3rd
2nd
1st
Tarpon
Fletcher
Ocean
Dolphin
Trout
R-018
R-019
R-020
R-021
BANCO FORECLOSURES SALE LLC
00-00-31-134A-0049-0000
KALOF MORRIS EST
00-00-31-134A-0047-0000
BRESNAHAN JOHN MRS
00-00-31-134A-0046-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0045-0000
GOODMAN SHAUN
00-00-31-134A-0044-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0043-0000
MCCALL HARRY
00-00-31-134A-0042-0000
WATKINS ADRIENNE P & JACK M JR
00-00-31-134A-0041-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0040-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0039-0000
NASSAU COUNTY BOCC
00-00-31-134A-0038-0000
LUDWIG BERNARD & SUSAN K
00-00-31-134A-0037-0000
NASSAU COUNTY
00-00-31-134A-0036-0000
NASSAU COUNTY
00-00-31-134A-0035-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0034-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0033-0000
LINDSEY WILLIAM C & JAMES T & 00-00-31-134A-0032-0000
BOYKIN ALBERT
00-00-31-134A-0031-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0030-0000
GIBSON J D
00-00-31-134A-0029-0000
HALL MILES & COLETTE
00-00-31-134A-0028-0000
CAPLES DAVID J & SUSAN L
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00-00-31-134A-0025-0000
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GEHLHARDT JUANITA WALDEN
00-00-31-134A-0021-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0020-0000
BOISSIER INVESTOR LLC
00-00-31-134A-0019-0000
BANCO FORECLOSURES SALE LLC
00-00-31-134A-0018-0000
BROOKER BROWNE INC
00-00-31-134A-0017-0000
SINTES HELEN O
00-00-31-134A-0016-0000
LOTT DONALD & ELAINE
00-00-31-134A-0014-0010
BOYKIN ALBERT
00-00-31-134A-0013-0010
BANCO FORECLOSURES SALE LLC
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BENNETT H K & L V & O L
00-00-31-134A-0008-0000
NASSAU COUNTY BOCC
00-00-31-134A-0005-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0003-0000
LINDSEY WILLIAM & JAMES T & 00-00-31-134A-0001-0000
CAPLES DAVID J & SUSAN L
00-00-31-134A-0002-0000
CITY OF FERNANDINA BEACH
12-3N-29-0000-0003-0000
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North Beach Placement Area
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Reviewer: Draft
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Feet
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Fernandina Beach
FL A1A
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CR 108
N
CITY OF FERNANDINA BEACH
12-3N-29-0000-0003-0000
Trout
Tarpon
Tarpon
Fletcher
200 SR
Atlantic
R-022
Nassaua
Gregor Mcgregor
Countess Of Egmont
Amelia
A1a SR
R-023
Ohio
Georgia
R-024
Laguna
Atlantic View
Alabama
N
DRAFT
Legend
Coastal Range Monuments
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Nassau County, FL
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Location Map
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2
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6
7
Fernandina Beach
FL A1A 200
CR 108
FL A1A FL 200
N
Alabama
New York
Laguna
Atlantic View
R-025
Maryland
Ocean Mist
Ocean Overlook
A1a SR
R-026
Ocean Sound
Jasmine
Louisana
Oceanwalk
Oceanview
R-027
Island Plantation
Wisconsin
Magnolia Woods
Kentucky
1st
N
DRAFT
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Kentucky

Colorado

R-028

Jefferson

R-029

A1a SR

1st

Jefferson

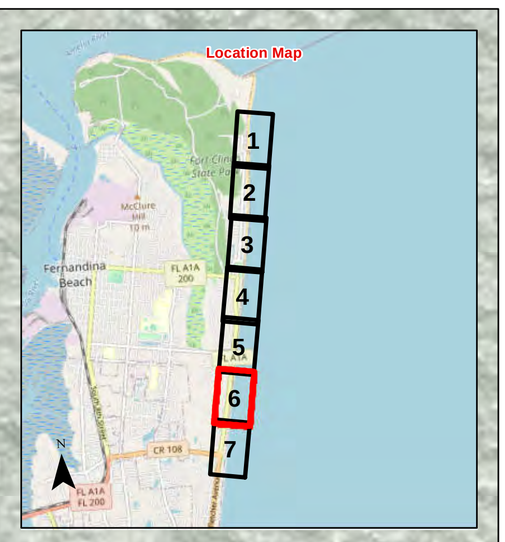
R-030

Madison

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Racheal

Cleveland



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DRAFT

Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
- Temporary Work Area Easement (Access)
- Temporary Work Area Easement (Staging)
- Sovereign Submerged Lands Authorization (Beach Fill)
- FDOR Parcels 2021

Data Note 1:
This is a sketch of legal descriptions. For reference purposes only.
This is not a boundary survey.

Data Note 2:
The MHW line is approximately 2.4 ft NAVD88 (not shown on this map) while the landward edge of beach fill is at 8.6 ft NAVD88 (fill area is shown). Therefore, the MHW line is seaward of the approximate vegetation line since the landward edge of fill is seaward of the approximate vegetation line, and the MHW line is seaward of the landward edge of fill.

Department of the Army South Atlantic Division
Jacksonville District, Corps of Engineers

REAL ESTATE

Kings Bay EC O&M FY2023
North Beach Placement Area
Nassau County, FL

Mapper: B. Price
Reviewer: Draft
Map Date: 3/10/2022

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Document Name: KingsBay_BeachFill2023b
Sheet: 6 of 7

Document Size 24 by 36

IMAGERY:
Main Frame- ESRI World Imagery
Location Map- ESRI OpenStreetMap

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R-031

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DRAFT

Legend

- Coastal Range Monuments
- ECL
- Approximate Vegetation Line
- Temporary Work Area Easement (Access)
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CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-43
Award of Request for Proposal 26-04 - Management Banking Services

ITEM TYPE: Resolution (w/ fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-43.

SYNOPSIS: The City's existing banking services contract expires May 14, 2026. As such, City staff developed and issued Request for Proposal ("RFP") 25-04 in December 2025, and established a Management Banking Services RFP Evaluation Committee who unanimously recommended First Federal Bank which was presented to the City Commission, via Resolution 2026-14, at their February 3, 2026, regular meeting.

The City Commission, at their February 3, 2026, regular meeting, determined the City's best interests would be served to fail Resolution 2026-14, rejecting the RFP 25-04 submittals. Staff was directed to reissue a Management Banking Services RFP with refined evaluation criteria weights, standardized interest earnings calculations, and expanded to include all Qualified Public Depositories in Nassau County.

RFP 26-04 for Management Banking Services was subsequently issued on February 26, 2026, which received four responses. The Management Banking Services RFP Evaluation Committee thoroughly and carefully reviewed RFP 26-04 submittals on March 5, 2026, and unanimously recommends awarding RFP 26-04 to First Federal Bank for a period of five (5) years with two (2) one-year renewal options, attached hereto as Exhibit A.

FISCAL IMPACT: If approved, the City will move to a contract where more interest earnings are realized.

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): At the pleasure of the City Commission.

Susan Carless, Comptroller	03/08/2026
Kimberly Elliott-Briley, Deputy City Clerk	03/09/2026
Alisha Brown, Budget Analyst	03/09/2026
Jeremiah Glisson, Deputy City Manager	03/09/2026
Sarah Campbell, City Manager	03/09/2026
Teresa Prince, City Attorney	03/10/2026
Katie Newton, Downtown Coordinator	03/10/2026

Susan Carless

Date: February 05, 2026

Submitted By: Susan Carless, Comptroller

COMMISSION ACTION: Adopt

RESOLUTION 2026-43

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AWARDING RFP 26-04 FOR MANAGEMENT BANKING SERVICES TO FIRST FEDERAL BANK FOR A PERIOD OF FIVE (5) YEARS WITH TWO (2) ONE-YEAR RENEWAL OPTIONS; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City's existing banking services contract expires May 14, 2026. As such, City staff developed and issued Request for Proposal ("RFP") 25-04 in December 2025, and established a Management Banking Services RFP Evaluation Committee who unanimously recommended First Federal Bank which was presented to the City Commission, via Resolution 2026-14, at their February 3, 2026, regular meeting; and

WHEREAS, the City Commission, at their February 3, 2026, regular meeting, determined the City's best interests would be served to fail Resolution 2026-14, rejecting the RFP 25-04 submittals. Staff was directed to reissue a Management Banking Services RFP with refined evaluation criteria weights, standardized interest earnings calculations, and expanded to include all Qualified Public Depositories in Nassau County; and

WHEREAS, RFP 26-04 for Management Banking Services was subsequently issued on February 26, 2026, which received four responses. The Management Banking Services RFP Evaluation Committee thoroughly and carefully reviewed RFP 26-04 submittals on March 5, 2026, and unanimously recommends awarding RFP 26-04 to First Federal Bank for a period of five (5) years with two (2) one-year renewal options, attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby awards RFP 26-04 for Management Banking Services to First Federal Bank, for a period of five (5) years with two (2) one-year renewal options, attached hereto as Exhibit A.

SECTION 2. The City Clerk and City Manager are hereby authorized to execute all pertinent agreements with First Federal Bank, upon review and approval of the City Attorney.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This resolution shall take effect on the first business day following its adoption.

ADOPTED this 17th day of March, 2026.

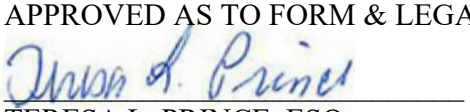
ATTEST:

_____
CAROLINE BEST
City Clerk

CITY OF FERNANDINA BEACH:

_____
JAMES ANTUN
Mayor-Commissioner

APPROVED AS TO FORM & LEGALITY:



_____
TERESA L. PRINCE, ESQ.
City Attorney

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

BID RESPONSE CONTENTS

DESCRIPTION

Bank Information Response Form "Attachment A"
"Attachment B" Proposal Summary with Responses
Proforma Account Analysis Response Form "Attachment C";
Approach and Methodology – Account Analysis; Effective Fed Fund Historical Data; Analysis Model, Description of Products
Proposer's Warranty "Attachment D"
Implementation Schedule – Not Applicable
Evidence of status as a Qualified Public Depository
Statement Regarding Bank Ranking
Deposit Deadline Schedules and Methodology for Computing Deposit Float
Funds Availability Policy
Proforma copies of Business Relationship Application and Agreement; Wire Transfer Agreement; Business Online Banking Master Agreement; Business Online Banking Disclosure; ACH Origination Agreement; Remote Deposit Capture Agreement; Stop Payment Agreement
Overnight sweep facility and basis point reduction – Not Applicable
Management Profiles; Designated Account Executives and Service Providers; Branch Locations and Hours; Background Information; Community Involvement
Privacy Policy
Public Fund References
Bank Exceptions – Not Applicable
Proforma of Depository Services Master Agreement

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "A"
BANK INFORMATION
RESPONSE FORM

Bank Name: First Federal Bank

Federal Taxpayer ID: 59-0969721

Authorized Representative Signature: Pam Hitt

Printed Name: Pam Hitt **Title:** Sr. Exec. Vice President/ Chief Operating Officer

Email Address: hittp@ffbf.com

Mailing Address: Po Box 2029

City, State, & Zip Code: Lake City, FL 32056

Telephone: 386-755-0600 Ext 3138 **Fax:** 386-754-7163

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES
ATTACHMENT "B"
PROPOSAL SUMMARY

1. Type of Bank (Federal or Florida State Charter): Federal
2. Is your Bank a member of the Federal Reserve System? Yes
3. Is your Bank a Qualified Public Depository? Yes
4. Is there a branch located within the city limits of the City of Fernandina Beach? Yes
5. Is your Bank a member of the Federal Depository Insurance Corp? Yes
6. Deposits Federally insured up to: $250,000 per Depositor
7. Hours and location of Local Branch closest to the City of Fernandina Beach City Hall (204 Ash Street, Fernandina Beach, Florida 32034):
   1891 S. 14th Street, Fernandina Beach, FL 32034
   Lobby: Monday – Thursday 9:00 AM to 4:00 PM; Friday 9:00 AM to 5:00 PM
   Drive Thru: Monday – Friday 8:00 AM to 5:00 PM
8. Location of home office: 4705 W. US Hwy 90, Lake City, FL 32055
9. Attach a list that includes location and business hours for each branch within Nassau County. Is the list attached? Yes, this information can be found in the main proposal document.
10. List the locations with Night Drop facilities. All Nassau County locations have night depository.
11. Attach a copy of your audited financial statements for the last two years, and recent credit rating reports. Are copies attached? Yes
12. Provide a summary of any litigation filed against the respondent bank in the past three years which is related to the services that respondent provides in the regular course of business.
    The only action related to an individual claiming the Proposer appropriated funds from her when we declined to allow her to deposit a fraudulent check. The matter was dismissed by the Court as having no merit and the individual is currently incarcerated on an unrelated matter.
13. Provide biographical information on the personnel that will be directly involved in the management of accounts, who the primary contact will be and what, if any, experience these individuals have in working with governmental clients.
    Please see biographical information in main proposal document included in response.
14. Will a customer service representative or a customer service department be assigned to handle day-to-day transactions? Yes
15. What are the hours of operation of the customer service unit involved in supporting the proposed areas?
    First Federal has provided emergency contact information for account representatives assigned to the City's relationship who can be reached at any time should the need arise. In addition to normal branch hours, the Customer Care Center is available from 7AM to 7PM Monday through Friday.
16. If an error is discovered by the City, how would you propose to resolve it (i.e. who should the City contact first, etc.)?
    As in the past, The City would contact Jim Weaver, the Market President, or Ryan McCarthy, Retail Market Manager, who will identify the appropriate department to resolve the issue. First Federal will promptly research and resolve any issue.

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

17. Will the Proposer cash checks drawn on a City disbursement account without charge to either the City or the check payee? Yes
18. Will the Proposer offer free checking to all City employees?
    Yes. Please see Employee Advantage Checking information provided in the main proposal document.
19. Would the Proposer be interested in offering a package of banking services, education programs and/or special rates to employees?
    Yes, please see the Employee Advantage Checking information provided in the proposal document. First Federal is available to provide educational presentations on a variety of topics if requested.
20. Provide a copy of the most recent security audit(s) of internet transactional sites and information regarding in-house systems and security hacking controls.
    We are unable to include security audit reports as part of this RFP process. Notably, our audits have excellent ratings, but these reports are confidential and not something than can be shared in these processes. In lieu, We are attaching a high-level overview/summary of the information security program (ISP) that we often provide regarding similar requests. We are open to having a call to discuss our information security posture to address any concerns.
21. How many times in the last three years has the Proposer's system been accessed by an unauthorized user? How was the access discovered? What action was taken in each instance?
    First Federal's system has not been accessed by an unauthorized user
22. How many times in the past three years has the Proposer's web access been down for routine maintenance, and he average down-time per year for these activities?
    Routine maintenance that requires downtime is scheduled for once a quarter on a Sunday morning at 2:00 AM EST. Downtime to complete this maintenance typically lasts for an hour or two per occurrence. Average overall downtime for these maintenance activities for the entire year is 6 hours. Notably, advance notice is always provided for any scheduled maintenance and the 2:00 AM timeslot was identified as the least impactful window based on customer login activity trends.
23. How many times in the past three years has the Proposer's web access been unavailable to users, not counting corporate take downs for routine maintenance, and he average amount of time the system was offline in each of the three years?
    We have not had an occurrence of an unplanned web access outage for online business banking in the past three years. Accordingly, the average amount of time the system was offline in each of the three years outside of routine maintenance is 0 (zero/none).
24. Will the Proposer provide a bank credit card with this Banking Services agreement, free of charge, to approximately 35 designated employees (this number can vary) with a monthly limit of $150,000.00.
    Yes, this service is currently provided to the City in the amounts stated.
25. Will the Proposer provide the City with a dedicated team of client service officers as well as a technical support staff familiar with treasury services for government entities?
    These services are currently provided to the City and First Federal continuously endeavors to improve and expand the services we provide.

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

26. In event of deposit corrections caused by either the City or the Proposer, no transaction fees shall be incurred for either debit or credit memos required for said correction. Is this agreeable? Yes
27. If the City needs additional bank accounts or expanded service during the term of the contract for banking services, will the Proposer provide such services at the rates already set forth in the contract? Yes.
28. Describe, in detail, the investment options and how interest on bank balances or an overnight sweep investment will be calculated and credited on all accounts.

    Please see the Approach and Methodology section of proposal response.
29. Quote the interest rate the Proposer is offering the City on funds remaining in the interest-bearing accounts overnight in terms of the Effective Federal Funds Rate.

    Please see the Approach and Methodology section of the proposal response.
30. Describe the method used to calculate the Earnings Credit Rate (ECR) and quote the interest rate the Proposer is offering the City on ECR funds in terms of the Effective Funds Rate. Please include the Proposer's explanation the impact of the bank formula for converting service charges to balance require3ments and list of the banks earnings credits for the last twelve months. Describe how interest on the excess balances is calculated and quote the interest rate the Proposer is offering the City on excess balances in terms of the Effective Federal Funds Rate.

    First Federal is proposing to provide all services at no charge to the City so an Earnings Credit Rate would not be applicable. Please see the Approach and Methodology section of the proposal response for a complete breakdown of the interest rates offered to the City
31. Describe the Proposer's overnight sweep investment options. Provide earnings history for the overnight sweep investment agreement(s) for the last twelve month. What (if any) fee is charged to sweep funds into the proposed investment vehicles(s)? How is the fee calculated? What time of day is the sweep deadline (end-of-day or new-day)?

    Please see the Approach and Methodology section of the proposal response for a complete breakdown of interest rates offered to the City. Daily sweeps to investment accounts are not necessary as the rates offered are on all collected balances.
32. What are the beginning and ending cut-off times in EST for initiating wire transfers to ensure same-day execution?

    Wire transfers can be initiated through Business Online Banking at any time. The outgoing wire cut-off time is 4:00 PM on business days.
33. What are the beginning and ending cut-off times in EST for receiving domestic wire transfers to ensure same-day credit?

    All wires received by 4:00 PM will be credited the same day. If a wire is received after 4:00 PM and the wire desk is still open, it will also be credited the same day.
34. Describe when and how a wire can be cancelled after the City releases it into the system. What is the latest time in the day to cancel? Is there a charge? If so, how much? How does this differ for wire transfers initiated by phone?

    A wire can be cancelled at any time prior to it being sent out to the Federal Reserve. Once a wire has gone out, a service message can be sent requesting a reversal. The receiving bank is not required to honor the reversal if the funds are not available. There is no charge to cancel a wire or request a reversal. For security reasons, First Federal does not permit wire transfers to be initiated by phone.

35. How and when is the City notified of a failed wire transfer?
    The City would be contacted immediately upon our notification of the failed wire.
36. Describe how the City can track wires through the system (input, approved and released).
    When submitted through Business Online banking, the status of wires can be viewed on the online system.
37. Describe the incoming wire notification process.
    Incoming wires will appear as a memo-post entry to the account upon receipt prior to 4:00 PM. Wires received after the wire desk closes will post the following business day. Customer may elect to receive email notification of account credits through the Notifi system as more particularly described in the proposal document.
38. What is the total amount of dollars that can be wired out across all accounts in a single day?
    The collected balance in any account can be wired out with proper City authorization.
39. What is the total amount of dollars that can be wired out of a single account per day?
    The collected balance in any account can be wired out with proper City authorization.
40. List any other wire fees not specifically covered under Banking Service Charges.
    None. First Federal is offering all services to the City at no charge.
41. Can wire transfer payments be originated online through the Proposer's online banking system? If so, are these initiated freeform or can templates be established?
    Yes. Wire initiation through Business Online banking is the preferred method. Wires can be initiated freeform for one-time use situations, or templates can be created for recurring wires, as needed.
42. Are wire templates user defined or can they be shared by other users?
    The can be shared by other City users with wire transfer authority.
43. What are the beginning and ending cut-off times in EST for initiating ACH transfers to ensure next-day execution?
    Credit and Debit deadlines are 7:00 PM EST one (1) business day prior to Effective Date
44. What are the beginning and ending cut-off times in EST for receiving ACH transfers to ensure next-day execution?
    Credit and Debit deadlines are 7:00 PM EST one (1) business day prior to Effective Date
45. Describe when and how an ACH can be cancelled after the City releases it into the system. What is the latest time in the day to cancel? Is there a charge? If so, how much? How does this differ for ACH transfers initiated by phone?
    An ACH can be cancelled up until the time it is processed to the Federal Reserve. ACH files are processed to the Fed at 10:00 AM, 2:00 PM, 4:00 PM and 7:00 PM EST. After processing a reversal would have to be requested through the Federal Reserve. The other institution may deny the reversal if no funds are available for return. There is no charge for a cancellation or requesting a reversal. For security reasons, First Federal does not process phone initiated ACH transfers.
46. How and when is the City notified of a failed ACH transfer?
    The status of an ACH transfer can be tracked through Business Online banking.
47. Describe how the City can track ACHs through the system (input, approved and released)?
    All ACH transactions submitted via Business Online Banking can be tracked via the website. A status of Pending approval, Pending origination or Processed will be assigned.

48. Describe the incoming ACH notification process.

    Incoming ACH entries will memo-post to the account when they are received. The City utilizes an ACH Debit block which prevents posting of ACH Debit entries to City accounts.

49. List any other ACH fees not specifically covered under the Banking Services Charges. None

50. Describe the file options for processing ACH payments. What ACH file transmission options are available?

    The City is currently originating ACH files utilizing the bank's Business Online (eCorp) system. This would continue to be the process utilized for ACH origination.

51. Can ACH payments be origination online through the Proposer's online banking system? If so, are these initiated in freeform or can templates be established?

    The City is currently originating ACH files utilizing the Proposer's Business Online (eCorp) system. This would continue to be the process utilized for ACH origination. Depending on the circumstances, transactions can be initiated free form for one-time use, or templates created for recurring transactions.

52. Are ACH templates user defined or can they be shared by other users?

    Templates can be utilized by all ACH authorized users/

53. The City currently transmits input files for ACH payments (direct deposits). City payroll direct deposits are bi-weekly (1 upload with approximately 325 employees) paid on Friday. When does the Proposer need the payroll file from the City for payments to be credited to the employee's account?

    The City is currently processing its payroll files through First Federal's Business Online banking solution. There would be no changes to the current process.

54. What is the total amount of dollars that can be sent ACH across all accounts in a single day?

    The City currently has established daily and monthly limits for ACH Credit and Debit transactions. Files exceeding established limits must be approved by an authorized bank officer. Requests to increase limits must be approved by the bank.

55. What is the total amount of dollars that can be sent via ACH out of a single account per day?

    The City currently has established daily and monthly limits for ACH Credit and Debit transactions. Files exceeding established limits must be approved by an authorized bank officer. Requests to increase limits must be approved by the bank.

56. What is the total amount of dollars that can be sent out by wire and ACH across all accounts in a single day?

    Wire transfers and ACH origination have separate limits. Wire transfers may be completed up to the total of collected balances based upon authorized approval processes. ACH origination is based on established daily limits following authorized approval. Collected balances would be reduced by any pending transactions.

57. What is the total amount of dollars that can be sent out by wire and Ach out of a single account per day?

    Wire transfers and ACH origination have separate limits. Wire transfers may be completed up to the total of collected balances based upon authorized approval processes. ACH origination is based on established daily limits following authorized approval. Collected balances would be reduced by any pending transactions.

58. Does the Proposer provide ACH blocking. If yes, what level of filtering can be applied (originator, originator and dollar amount, etc.)?

    The City currently maintains an ACH debit block on its accounts. In the first quarter of 2026, First Federal will begin offering ACH Positive Pay which will allow the City to establish and modify its own filters to allow or deny posting as it deems necessary.

59. What are the security measures that are in place for wire and ACH transfers?

    Utilizing the Business Online system, wire transfers must be inputted by one authorized user and approved by a second authorized user. Wire transfers exceeding $500,000 require the bank to perform a call back to the City to obtain wire verification from an authorized account signer before releasing it to the wire desk for processing. Upon reaching the wire desk a further review is performed before releasing the wire to the Federal Reserve.

    ACH origination completed through the Business Online system requires two authorized users, one to input the file and a second to approve the file before submitting to the bank for processing. ACH originations that exceed the approved daily/monthly limits must be approved by authorized bank personnel before Federal Reserve processing.

60. The City currently uses Positive Pay. Please provide information on the Proposer's Positive Pay services and explain when unmatched items (exceptions) are available to view and when decisions to pay or to not pay need to be sent to the Proposer.

    The City is currently using First Federal's check positive pay system. In the first quarter of 2026, First Federal will be adding ACH Positive Pay which will allow the City to establish and modify filters to pay or return incoming ACH transactions at their discretion.

61. There may be several days in a year when the City's office is closed, but the Proposer's office is open. Please describe the recommended solution for handling these situations as it pertains to an unmatched item (exception).

    The City is currently utilizing First Federal's check positive pay system. The procedures would remain unchanged going forward.

62. Can individual items, such as voided checks, be cancelled from the outstanding issue records? Describe the process.

    Voided checks cannot be removed from the issued checks file. Should a voided check be presented for payment it would be treated as an exception item requiring approval. This would alert the City if a voided check were presented as a fraudulent item.

63. What is the Proposer's policy on stale dated checks? How does the Proposer's Positive Pay system treat stale dated items?

    The Positive Pay system will flag any check issued more than 180 days previously for review by the City.

64. How will the City be notified of exceptions? If the City is notified by email, will an image of the exception item be available for viewing in the email?

    Notification is by email with the check number, amount and, if enabled, payee. The check image is not included.

65. Does the Proposer require Positive Pay services on all demand deposit accounts, even on accounts with no check writing function? Can accounts be designated as "post no check" to prevent potential fraud? What is the cost to make this account designation?

    If Positive Pay is declined by the City on accounts with check activity, Proposer requires that a waiver and indemnity be signed acknowledging their agreement to be liable for any check loss that could have been prevented had Positive Pay been in place. Accounts with no check activity can be set to block all checks at no charge.

66. Describe the Stop Payment process.

    Stop Payments can be placed by the City through Business Online at no charge to the City.

67. Describe the security features to include user identification and password maintenance. Include any other features that may be useful to the City.

    The City is currently using the Proposer's Business Online (eCorp) solution which is a scalable system allowing the City to assign user authorizations for various functions (view, transfer, wires, ACH, etc.) as required. Requests for new authorization or modifications to existing authorizations must be approved by an account signer.

68. Describe the Proposer's data retention features.

    The Proposer maintains account data in the manner and for the periods required by applicable Federal regulation.

69. Describe the Proposer's Safekeeping.

    The Proposer does not offer Safekeeping services. With regard to securities pledged as collateral for public deposits, pursuant to Florida Statutes Chapter 280 these are pledged to the State of Florida and controlled by them for the benefit of public entities. If further information is required we are happy to respond to any inquiries.

70. Include a sample of any service agreements your bank requires.

    Samples of agreements are attached as a part of the proposal documents.

71. Include samples of a monthly bank statement and analysis statement.

    Copies of Proposer's bank statements are attached as a part of the RFP documentation. Because services are being offered to the City at no charge, analysis statements would not be generated.

72. In addition to the services described, proposals for optional services may be submitted for other services that the Proposer feels may be of interest to the City.



First Federal Bank of Florida addresses Information Security in accordance with the Financial Services Modernization Act of 1999, better known as the Gramm-Leach-Bliley Act (GLBA) to appropriately protect customer information. Our policy follows best practices and standards set forth by GLBA, the Federal Financial Institutions Examination Council (FFIEC) Information Security IT Examination Handbook, Part 364 Appendix B, and other regulatory requirements published by regulatory agencies such as the FDIC and OCC.

The availability and integrity of information is critical to providing quality service, but FFBF recognizes that its most important asset is the trust of its customers. The confidentiality and protection of customer information is one of First Federal's fundamental commitments. An Information Security Program is one of the tools used to maintain information security compliance and customer trust. First Federal maintains an Information Security Program that contains forceful and enforceable language to establish clear requirements.

Key topics in the program include, but are not limited to:

- Information Security Strategy
- Coordination with Regulatory Guidance
- Risk Assessments
- Collection and Maintenance of Customer Information
- Security Objectives including the implementation, monitoring and testing of controls
- Encryption
- Data Classification
- Passwords and other access controls
- Network Access and Usage
- Employee Training and Security Awareness
- Retention and Destruction of Information Assets

First Federal protects information by instituting a security process that identifies risks, forms a strategy to manage the risks, implements the strategy, tests the implementation, and monitors the environment to control the risks. FFBF maintains effective security programs adequate for its operational complexity. First Federal policy continuously integrates processes, people, and technology to mitigate risk in accordance with risk assessments and acceptable risk tolerance levels. These security programs require integration of security activities and controls throughout the organization's business processes and set clear accountability for carrying out security responsibilities.

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "C"
PROFORMA ACCOUNT ANALYSIS
RESPONSE FORM

Proposing Bank:

Service Rendered	Estimated Monthly Volume	Unit Cost	Annual Cost
Account Maintenance	10	$10	$1,080.00
Zero Balance Accounts			
Master Account	1	.00	.00
Subsidiary Accounts	4	.00	.00
Regular Deposits	250	.00	.00
Deposited Item Rejects	1	.00	.00
Positive Pay AP File	17	4.00	48.00
Items Paid	625	.11	825.00
Wire Transfer Services			
Outgoing Domestic Wire Transfer	1	$16	.00
Incoming Domestic Wire Transfer	1	$16	.00
ACH Services			
ACH Monthly maintenance	1	$30	360.00
ACH Return item	1	.00	.00
ACH Debits originated	50	.00	.00
ACH Credits originated	300	.00	.00
Payroll			
ACH file	2	.00	.00
ACH transactions per item	325	.11	.00
Transfer between accounts not including sweep	10	.00	.00
Transfer between accounts sweep	80	.00	.00
Returned deposits	1	11.00	132.00
Returned items - represented	1	.00	.00

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

Service Rendered	Estimated Monthly Volume	Unit Cost	Annual Cost
Stop payments - Manual	1	$32	$32.00
Stop payments - Electronic	1	$32	$32.00
FDIC Expense	1	.00	.00
Web access for minimum of 6 users	1	6.00	.00
Sweep Services			
Automated sweep account	1	.00	.00
Change requests	25	.00	.00
Courier (7 locations 6 daily/1 weekly)	124	.00	.00
Info report BAI	1	.00	.00
Please list additional fees required below:			

Supplies and Equipment	Estimated Monthly Volume	Unit Cost	Annual Cost
Tamper Proof Deposit Bags	350	N/A	N/A
Endorsement Stamps	0.2	N/A	N/A
Deposit Slips	300	N/A	N/A
Check Scanners	6	N/A	N/A
Earnings Calculation			
Balance Required to Offset Fees:	N/A		N/A
Earnings Credit Rate:	N/A		N/A
Projected Net Earnings/ (Fees)	**Monthly**		**Annually**
Monthly Earnings Credit	N/A		N/A
Less: Monthly Fees	N/A		N/A
Net projected earnings/(fees)			

All services provided at no charge.

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

APPROACH AND METHODOLOGY – ACCOUNT ANALYSIS

First Federal has been proud to serve the City since 2019 and looks forward to continuing our relationship. After reviewing all aspects of our existing relationship, First Federal proposes the following for the City's consideration:

Contract Term:	5 Years (may be extended upon mutual agreement for two additional 1-year terms)
Initial 5-Year Term:	First Federal will pay interest on all collected funds at a rate equal to 90% of the Effective Federal Funds Rate (Current Effective Funds Rate – 3.64%), with a floor of .25%. Interest is compounded daily and credited monthly.
Analysis Fees:	First Federal will provide all services to the City at no charge provided combined ledger balances are maintained at $4,000,000 or more. First Federal reserves the right to charge analysis fees in accordance with the Proforma Account Analysis provided if combined ledger balances of $4,000,000 are not consistently maintained.

Throughout the Contract Term, the interest rate will be subject to change on the first business day of each month based on the Effective Federal Funds rate on the last business day of the previous month. City funds will be fully collateralized with eligible securities as described in the Florida statutes or placed in an Insured Cash Sweep with full FDIC coverage.

More information regarding the effective Federal Funds rate is shown on the following page and at https://apps.newyorkfed.org/markets/autorates/fed%20funds.

FEDERAL FUNDS DATA

Chart | Historical Search

Export To: Excel | XML

DATE	RATE (%)	1ST PERCENTILE (%)	25TH PERCENTILE (%)	75TH PERCENTILE (%)	99TH PERCENTILE (%)	VOLUME ($Billions)	TARGET RATE/RANGE (%)
02/17	3.64	3.60	3.63	3.64	3.68	97	3.50 - 3.75
02/13	3.64	3.60	3.63	3.64	3.68	90	3.50 - 3.75
02/12	3.64	3.60	3.63	3.64	3.68	97	3.50 - 3.75
02/11	3.64	3.60	3.63	3.64	3.68	101	3.50 - 3.75
02/10	3.64	3.60	3.63	3.64	3.66	104	3.50 - 3.75
02/09	3.64	3.60	3.63	3.64	3.68	92	3.50 - 3.75
02/06	3.64	3.60	3.63	3.64	3.68	106	3.50 - 3.75
02/05	3.64	3.60	3.63	3.64	3.66	110	3.50 - 3.75
02/04	3.64	3.60	3.63	3.64	3.66	109	3.50 - 3.75
02/03	3.64	3.60	3.63	3.64	3.68	107	3.50 - 3.75
02/02	3.64	3.60	3.63	3.64	3.68	93	3.50 - 3.75
01/30	3.64	3.60	3.63	3.64	3.68	101	3.50 - 3.75
01/29	3.64	3.60	3.63	3.64	3.68	104	3.50 - 3.75
01/28	3.64	3.60	3.63	3.64	3.68	89	3.50 - 3.75
01/27	3.64	3.60	3.63	3.64	3.68	88	3.50 - 3.75
01/26	3.64	3.60	3.63	3.64	3.68	83	3.50 - 3.75

First Federal would also offer for the City's consideration one or more Certificates of Deposit each in the minimum amount of $5,000,000 at the following rates and terms:

182-Day CD	3.34%
12 Month CD	3.18%
24 Month CD	3.35%
36 Month CD	3.60%

Interest on Certificates of Deposit is compounded and credited quarterly. The penalty for early withdrawal is forfeiture of all interest earned through the date of withdrawal.

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ELITE BUSINESS ANALYSIS MODEL

ACTIVITY SUMMARY

ACTIVITY DESCRIPTION		NUMBER OF UNITS	COST PER UNIT	TOTAL COST	AVAIL BAL NEEDED
CHECKS WRITTEN		561	0.11	61.71	329,120.00
DEPOSITED ITEMS		2,002	0.11	220.22	1,174,506.67
ELECTRONIC DR/CR		504	0.11	55.44	295,680.00
DEPOSIT CORRECTIONS		0	5.00	0.00	0.00
RETURN DEPOSITED ITEMS		11	11.00	121.00	645,333.33
COURIER FEE		0	89.00	0.00	0.00
COIN WRAPPING		0	0.25	0.00	0.00
CURRENCY STRAP		0	0.78	0.00	0.00
E-CORP BUNDLE		1	94.00	94.00	501,333.33
TRANSFERS	E-CORP SVCS.	0	7.00	0.00	0.00
ACH ORIGINATION	E-CORP SVCS.	0	30.00	0.00	0.00
REMOTE DEPOSIT CAPTURE	E-CORP SVCS.	0	39.00	0.00	0.00
POSITIVE PAY	E-CORP SVCS.	0	4.00	0.00	0.00
WIRE TRANSFER	E-CORP SVCS.	0	14.00	0.00	0.00
SWEEP FEE		0	50.00	0.00	0.00
MONTHLY WIRE TRANSFERS - E-CORP		0	16.00	0.00	0.00
MONTHLY WIRE TRANSFERS - INCOMING		3	16.00	48.00	256,000.00
MAINTENANCE FEE		9	10.00	90.00	480,000.00
TOTAL OF ACTIVITY CHARGES:				690.37	3,681,973.33

BALANCE INFORMATION

AVERAGE LEDGER BALANCE:				1,000,000.00
AVERAGE FLOAT:		@	0.00%	0.00
AVERAGE AVAILABLE BALANCE:				1,000,000.00

EARNINGS CREDIT SUMMARY

AVERAGE POSITIVE AVAILABLE BALANCE:				1,000,000.00
RESERVES ON:	1,000,000.00	@	10.00%	100,000.00
INVESTABLE BALANCE:				900,000.00
EARNINGS CREDIT	900,000.00	@	0.25%	184.93
LESS INTEREST EARNED				
NET EARNINGS CREDIT				184.93
LOAN RELATIONSHIP	0.00	@	0.10%	0.00

ANALYSIS SUMMARY

EARNINGS CREDIT:	184.93
LOAN CREDIT	0.00
LESS NET ACTIVITY CHARGES:	690.37
NET ANALYSIS (LOSS):	(505.44)

PREPARED FOR:	CITY OF FERNANDINA BEACH - JAN. 2026
DATE PREPARED:	2/23/2026

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

DESCRIPTION OF PRODUCTS

First Federal operates our own in-house data processing computers utilizing the latest in item processing technology. This means you will have multiple access methods to account information. First Federal has the flexibility to fulfill even the most unique banking needs.

Rest assured we fully support all of the traditional and electronic banking services you need to run an efficient business office and our staff is dedicated to providing the finest personal service. We are confident that you will be pleased with the complete suite of products and services designed to meet your financial and business needs.

DEPOSIT ACCOUNTS

Public Funds Checking

- ✓ Operating account designed for businesses that process a large number of items per month and/or use multiple services.
- ✓ Customers pay only for the services they use.
- ✓ Analysis fees may be partially or fully offset through an earnings credit on collected balances and a loan credit on outstanding commercial loan/LOC balances.
- ✓ Monthly account statements are produced and include images of all paid items.

Business Interest Checking Negotiated – Public Funds

- ✓ Business interest checking allows the City to earn negotiated interest rates on all collected funds with no transaction limitations.
- ✓ Included with this account is processing of cash and check deposits, returned checks, deposit corrections, night depository, internal transfer, electronic funds transfer.
- ✓ Monthly account statements are produced and include images of all paid items.

Insured Cash Sweep (ICS)

- ✓ Member of Intrafi which allows First Federal to offer access to additional FDIC insurance and a return on funds.
- ✓ Insured Cash Sweep (ICS) offered through Intrafi is a demand account with unlimited withdrawals providing access to multi-million dollar FDIC insurance.
- ✓ Work exclusively with First Federal and receive one First Federal statement while accessing FDIC coverage from many institutions.

Certificate of Deposit Account

- ✓ Terms ranging from 91 days to 60 months.
- ✓ Interest is compounded and credited quarterly.
- ✓ Current rates available upon request.

CDARS – FDIC Insured Certificates of Deposit

- ✓ Member of the CDARS Network allowing large deposits to be placed into CD's with full FDIC insurance coverage.
- ✓ Terms ranging from 4 weeks to 5 years.
- ✓ Work exclusively with First Federal and receive on First Federal statement.

Business Online Banking

First Federal's Business Online Banking solution provides a full suite of services to meet your needs. A description of the available services is set forth below. The system is also able to provide downloads in various formats, including .csv, for reporting purposes.

- ✓ All technical support and training necessary to implement eCorp services will be provided at no charge.
- ✓ Monthly access charges for various services are charged through analysis.
- ✓ Scalable security allows varying levels of access to be established ranging from inquiry only to global access

Transfer Services

- Real time account information – check balances, move funds, create stop payments
- View paid checks and statement histories
- Complete internal transfers on a one-time basis or set up repeat transfers using recurring templates

Positive Pay Services (Transaction Authorization System)

- Electronically upload a daily list of issued checks to the bank. Daily reports identify any check presented for payment that is not on the authorized list.
- Protects against internal fraud as well as counterfeit checks which lowers staff productivity.
- ACH Positive Pay (available first quarter 2026) allows you to establish your own policy for approval and payment of ACH debit items. A full ACH block is also available.

Wire Transfer Services

- Enter one time transfers or set up templates for recurring wire transfers.
- Outgoing wire fee is discounted 50% when you initiate wire transfers through Business Online Banking.

- Scalable security facilitates separation of duties so user access can be set to so that no one person has the ability to initiate and send funds without secondary review and authorization.

Remote Deposit Capture

- Remote Deposit Capture utilizes a desktop scanner provided by the bank that connects to your PC and the Internet.
- Scan checks and make deposits electronically anytime, day or night.
- Remote Deposit Capture is subject to approval.

Payroll/Direct Deposit Services

- Payroll direct deposit files are created and transmitted to First Federal using your payroll software or software provided by First Federal.
- Payroll files are further processed by First Federal through the automated clearing house (ACH) system. ACH origination is subject to approval.
- First Federal staff will provide on-site presentations for staff if needed.

Electronic Event Notice Service (Notifi)

- Set up automatic notifications when events occur using Notifi.
- Title or Nicknames are used to identify the account to which the message pertains – no account numbers are used for added privacy and security.
- Event examples include check paid, deposit amount, low balance alert or balance notification.

Visa uChoose Rewards Credit Card and Debit Card – Business

- Earn uChoose points for every dollar spent with no cap on the amount of points that can be earned.
- Redeem points for merchandise, gift cards, travel and cash back.
- Visa Credit Card – Business bears interest on unpaid balances at 11.9% APY (17.9% for payments over 60 days past due).
- Visa Credit Card can be issued to senior staff subject to underwriting approval.
- Visa Debit Cards can be issued the appropriate personnel and linked to your primary operating account or to a separate account created for this purpose.
- See Schedule of Fees for additional fees associated with Visa Credit and Debit cards.

Merchant Services

For many years, First Federal has utilized Fiserv (formerly FirstData), a third party vendor for merchant services. We will be pleased to provide contact information and an introduction to our relationship manager upon request. Fiserv has the resources to provide a merchant services program to meet your needs.

Special Employee Benefits

If permitted, First Federal staff will hold group meetings to explain the benefits of Enhanced Employee Advantage Checking, a special account that will be offered to your employees providing unlimited check writing, no monthly service charge and a free Visa Check Card.

Enhanced Employee Advantage Checking

- ✓ A non-interest bearing checking account specifically designed for employees of business entities who bank with First Federal
- ✓ Low minimum opening balance of $50
- ✓ Free – one box of standard checks per year
- ✓ 24 hour access to account information through Internet and Tele-bank
- ✓ Free online banking with bill pay
- ✓ Free instant issue Visa debit card with access to more than 55,000 surcharge-free Allpoint Network ATM's nationwide.

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "D"

PROPOSER'S WARRANTY

The proposer warranties that the responsible officer has fully read and understands the RFP. The proposer warranties that the responsible officer has full knowledge of the scope, nature, quantity and quality of work to be performed; full knowledge of the detailed requirements of the services to be provided; and full knowledge of the conditions under which services are to be performed. The proposer warranties the unit costs, extended costs, and total estimated annual costs are complete and accurate and will be honored for the term of the initial contract.

Each proposer guarantees in writing that the Comptroller and the City Commission will receive the services specified and at the unit costs or prices quoted for the entire term of the agreement, including the option of two one-year renewals.

Bank Name: First Federal Bank

Federal Taxpayer ID: 59-0969721

Authorized Representative Signature: Pam Hitt

Printed Name: Pam Hitt Title: Sr. Exec Vice President / Chief Operating Officer

Email Address: hittp@ffbf.com

Mailing Address: PO Box 2029

City, State, & Zip Code: Lake City, FL 32056

Telephone: 386-755-0600 Ext 3138 Fax: 386-754-7163

STATE OF FLORIDA
COUNTY OF Columbia

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 24th day of February 20 26 by Pam Hitt,

Kathryn E. Baird
Notary Public

Kathryn E. Baird
Printed Name

My Commission Expires 9-7-2027

KATHRYN E. BAIRD
Notary Public - State of Florida
Commission # HH 438010
My Comm. Expires Sep 7, 2027

Personally Known ✓ OR Produced Identification _____ ID Produced _____

DEPARTMENT OF FINANCIAL SERVICES
Division of Treasury – Bureau of Collateral Management

CERTIFICATE OF QUALIFIED PUBLIC DEPOSITORY
UNDER THE FLORIDA SECURITY FOR
PUBLIC DEPOSITS ACT

This is to certify that

First Federal Bank
4705 US Highway 90 W
Lake City, FL 32055

has fully qualified as a public depository pursuant to Chapter 280, Florida Statutes, otherwise known as the Florida Security for Public Deposits Act. As such, said bank or savings association is hereby designated to receive public deposits, as defined in Subsection 280.02(23), Florida Statutes.

Given under my hand this 29th day of April, 2025.

Director of Treasury

CHIEF FINANCIAL OFFICER, STATE OF FLORIDA

DFS-J1-1002
Rev. 3/92

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

STATEMENT REGARDING BANK RANKING

First Federal Bank is federally chartered and regulated savings bank that elected under recent legislation to be regulated as a national bank, as opposed to a savings bank . As such, we are a member bank of the Federal Reserve system. Our deposits are guaranteed by the FDIC to the fullest amount allowed by law. The Federal Reserve ranks only commercial banks, not savings banks. However, we are ranked by asset size we are the 807th largest bank in the United States, and by deposits we are the 17th largest in Florida as ranked by S&P Global as of December, 2024. According to the FDIC statistics we are the bank with the most deposits in the Nassau County Florida market.

First Federal does not subscribe to Bankrate.com and therefore does not receive a rating. We have been ranked "5 Star, Superior" by BauerFinancial since 2000. A copy of the rating page is attached. In 2024, First Federal was named "Best Small Bank in Florida" by Newsweek magazine for the fourth straight year. Also in 2021, First Federal was named Top Midtier Bank in Florida by American Banker magazine. Most recently, First Federal was recognized by USA Today in America's Best Customer Service 2026 and America's Best Customer Service Financial Services 2026.

Tell Me More

« Go back | Bank and Credit Union Star Ratings | CD Rates | Home

First Federal Bank - Lake City, FL

Certificate # 31313

is rated: 5 ★★★★★ STARS

Star ratings are current as of 11/24/2025 .

Bank star ratings are based on 06/30/2025 financial data; credit union star ratings are based on 06/30/2025 financial data.

Star-ratings are assigned on a scale of Zero-Stars to 5-Stars with 5-Stars being the Strongest

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

IMPLEMENTATION SCHEDULE

NOT APPLICABLE

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

DEPOSIT PROCESSING SCHEDULES

DEPOSITS MADE IN BRANCH OR DRIVE-THRU:

Monday – Thursday	5:00 PM EST– Close of Business
Friday	6:00 PM EST– Close of Business

REMOTE DEPOSITS THROUGH BUSINESS ONLINE BANKING:

Monday – Friday	7:00 PM EST

METHODOLOGY FOR DETERMINING FLOAT

Cash, First Federal Bank checks, and electronic credits – Same day availability

Non-First Federal Bank checks deposited – Next day availability

FIRST FEDERAL BANK
P O Box 2029 * 4705 U S Hwy 90 West * Lake City, FL 32056
386-755-0600 * www.ffbf.com

FUNDS AVAILABILITY POLICY DISCLOSURE

PURPOSE OF THIS DISCLOSURE

The information here describes our policy of holding deposited items in an account before funds are made available to you for withdrawal. This is our Funds Availability Policy. In summary our policy is to make your funds available on the first Business Day after the day of deposit. Please refer to the section DETERMINING THE AVAILABILITY OF YOUR DEPOSIT for the complete policy.

For purposes of this disclosure, the terms "you"/"your" refer to the customer and the terms "our"/"we"/"us" refer to FIRST FEDERAL BANK. The term "account" includes any demand deposit, negotiable order of withdrawal account, savings deposit, money market account or other non-time deposit account.

DETERMINING THE AVAILABILITY OF YOUR DEPOSIT

The length of the delay varies depending on the type of deposit and is explained below. When we delay your ability to withdraw funds from a deposit, you may not withdraw the funds in cash, and we will not pay checks you have written on your account by using these funds. Even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.
When we delay your ability to withdraw funds, the length of the delay is counted in Business Days from the day of your deposit. The term "Business Day" means any day other than a Saturday, Sunday or federally declared legal holiday, and the term "Banking Day" means that part of any Business Day on which we are open to the public for carrying on substantially all of our banking functions.
If you make a deposit before the close of business on a Business Day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after the close of business or on a day that we are not open, we will consider the deposit made on the next Business Day we are open.

AVAILABILITY SCHEDULE

Our policy is to make funds from your cash and check deposits available to you on the first Business Day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use them to pay checks that you have written.

Cash Withdrawal Limitation. We place certain limitations on withdrawals in cash. In general, $275 of a deposit of checks is available for withdrawal in cash on the first Business Day after the day of deposit. In addition, a total of $550 of other funds becoming available on a given day is available for withdrawal in cash at or after 5:00 pm on that day. Any remaining funds will be available for withdrawal in cash on the following Business Day.

For example, if you deposit a check of $700 on a Monday, $275 of the deposit is available to withdraw in cash on Tuesday. You may withdraw another $550 of the deposit in cash at or after 5:00 pm on Wednesday. You may withdraw the rest in cash on Thursday.

HOLDS ON OTHER FUNDS FOR CHECK CASHING

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it and we decided to delay availability on the deposit.

HOLDS ON OTHER FUNDS IN ANOTHER ACCOUNT

If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited and we decided to delay availability on the deposit.

LONGER DELAYS MAY APPLY

In some cases, we will not make all of the funds that you deposit by check available to you according to the previously stated availability schedule. Depending on the type of check that you deposit, funds may not be available until the second Business Day after the day of your deposit to pay checks you have written to others and for cash withdrawal not until the third Business Day after the day of your deposit. The first $275 of your deposits, however, may be available on the day of deposit.

If we are not going to make all of the funds from your deposit available to you according to the previously stated availability schedule, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

Funds you deposit by check may be delayed for a longer period under the following circumstances: (a) if we believe a check you deposit will not be paid; (b) if you deposit checks totaling more than $6,725 on any one day; (c) if you redeposit a check that has been returned unpaid; (d) if you have overdrawn your account repeatedly in the last six months; or (e) if an emergency condition arises that would not enable us to make the funds available to you, such as the failure of computer or communications equipment.

We will notify you if we delay your availability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh Business Day after the day of your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new customer, the following special rules may apply during the first 30 days your account is opened.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first $6,725 of a day's total deposits of cashier's, certified, teller's, travelers, and federal, state and local government checks will be available on the first Business Day after the day of deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over $6,725 will be available on the ninth Business Day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first $6,725 will not be available until the second Business Day after the day of deposit.

Funds from all other check deposits will be available on the eleventh Business Day after the day of your deposit.

DEPOSITS AT AUTOMATED TELLER MACHINES

If you make a deposit at an automated teller machine (ATM) that is owned and operated by us before 7:00 pm on a Business Day that we are open, we will consider the deposit made that day. However, if you make a deposit at an ATM that is owned and operated by us after 7:00 pm or on a day that we are not open, we will consider the deposit made on the next Business Day we are open.

We only allow deposits to be made at ATMs that we own or operate. All ATMs that we own or operate are identified as our machines.

ADDITIONAL ATM INFORMATION

In some cases, a deposit at an ATM will not be available according to the previously stated availability schedule. Depending on the type of check you deposit, funds may not be available until the second Business Day after the day of your deposit to pay checks you have written to others and for cash withdrawal not until the third Business Day after the day of your deposit. If we are not going to make all of the funds from your deposit available to you according to the previously stated availability schedule, we will mail you a notice the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

Important Information About Your Account

Substitute Checks and Your Rights *What Is a Substitute Check?*

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

What Are My Rights Regarding Substitute Checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to $2,500.00 of your refund (plus interest if your account earns interest) within 10 Business Days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim. We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

How Do I Make a Claim for a Refund? If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please

call us at: (386)755-0600
or write to us at:
First Federal Bank
Attn: Check Processing
P O Box 2029
Lake City, FL 32056
You may also email us at: firstfederal@ffbf.com

You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances. Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and/or the following information to help us identify the substitute check such as the check number, - the name of the person to whom you wrote the check, the amount of the check.

An expedited recredit claim must be submitted in writing. When a claim has been submitted orally, we must receive that written claim within 10 Business Days of the oral claim.

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

CONTINUOUS SERVICE, EMERGENCY SERVICES AND BUSINESS CONTINUITY STATEMENT

First Federal Bank addresses Business Continuity in accordance with the Federal Financial Institutions Examination Council (FFIEC) Business Continuity Planning February 2015 Handbook.

First Federal recognizes that a significant threat exists to its ability to continue normal business operations following a serious unexpected disruptive incident. The organization further recognizes that it needs to recover from disruptive incidents in the minimum possible time and that this necessity to ensure a speedy restoration of services requires a significant level of advance planning and preparation. For this reason, the Bank has a separate Business Continuity & Testing Policy which governs the Business Contingency Planning Process and Business Continuity Plan. First Federal has a primary hot site with generator power located in Lake City, Florida as well as a secondary hot site located in Fernandina Beach, Florida. Additionally, we have IT back up locations in both Texas and Georgia, as well as a contract with Agility to provide temporary mobile offices/branches if necessary. This service was used effectively in Panama City for several months following Hurricane Michael. There is virtually no time limit on our ability to continue operations from these sites.

In accordance with the Handbook, a Business Contingency Planning Process is in place to assist the organization in the maintenance or recovery of operations; including services to customers, when confronted with adverse events including, but not limited to, natural disasters, technological failures, human errors, or terrorism. The resulting Business Continuity Plan (BCP) is a bank-wide, process-oriented approach that considers technology, business processes, testing, and communication strategies. It also takes into account the potential for wide-area disasters that impact an entire region, and the resulting loss or inaccessibility of staff. It contains information on emergency contact details, strategies to mitigate impact, procedures to be implemented and communication processes to be followed in response to a serious disruptive event. In order to maintain the Plan's viability, the business contingency planning process includes updating the Plan to reflect changing business processes and new threat scenarios.

Although closely related and may involve a BCP effort, the bank does maintain a separate Incident Response and Notification Policy with guidelines for ensuring a rapid, coordinated response to incidents that threaten the confidentiality, integrity and availability of information, information systems, networks, facilities and employees, as well as the protection of the financial institution's assets, reputation, and customer information.

Like many financial institutions First Federal depends on third-party service providers to perform or support many of its critical operations. First Federal relies upon these third parties to have sufficient recovery capabilities for the specific services they perform/systems they provide on behalf of the bank. First Federal realizes it is the responsibility of the bank to properly oversee its outsourced relationships and demonstrate the ability to recover critical IT systems and resume normal business operations regardless of whether the process is supported in-house or at a third party service provider for all types of adverse events (e.g., natural disaster, infrastructure failure, technology failure, availability of staff, or cyberattack).

The bank retains a comprehensive Third Party Relationship Management Policy and separate third party specific Oversight policies that encompass business continuity of the vendor. This includes but is not limited to controlling the business continuity risks associated with the third party and their subcontractors, third party capacity and ability to restore services to multiple clients, testing with third party to validate their business continuity plans and cyber resilience.

24/7 EMERGENCY CONTACT INFORMATION

Jim Weaver, Sr. Vice President
Market President
1891 S 14th Street
Fernandina Beach, FL 32034
Office: (904) 321-0400 Ext 3572
Mobile: (904) 321-1228
weaverj@ffbf.com

Chris Stalvey, Vice Pres.
Corporate Services Manager
804 S. Ohio Avenue
Live Oak, FL 32064
Off: (386) 755-0600, Ext. 3957
Mobile: (386) 208-1950
stalveyc@ffbf.com

Jenny Laubenheimer, Vice Pres.
Deposit Operations Officer
4705 W. US Hwy 90
Lake City, FL 32055
Off: (386) 755-0600, Ext. 3912
Mobile: (386) 628-1316
laubenheimerj@ffbf.com

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

PRO-FORMA DOCUMENTATIN

1. Business Relationship Application and Agreement
2. Wire Transfer Agreement
3. Business Online Banking Master Agreement
4. Business Online Banking Disclosure
5. ACH Origination Agreement
6. Remote Deposit Capture Agreement
7. Stop Payment Request Order for Checks and ACH Entries

FIRST FEDERAL BANK

Business Relationship Application and Agreement

Prepared by:	Portfolio Number:	Account Number:	Date

CONSUMER INFORMATION

SIGNATURE(S) - The undersigned agree to the terms stated on every page of this form and acknowledge receipt of a completed copy. The undersigned further authorize the financial institution to verify credit and employment history and/or have a credit reporting agency prepare a credit report on the undersigned, as individuals. The undersigned also acknowledge the receipt of a copy and agree to the terms of the following disclosures(s); Business Deposit Account Terms and Conditions; Truth in Savings; Funds Availability; Privacy; Electronic Funds Transfer; and Courtesy Overdraft Privilege Policy.

TAX IDENTIFICATION INFORMATION: The Tax ID Number (Social Security Number or FEI Number) of the person or entity whose information appears below will be used for reporting interest earnings to the IRS. For business, formal trust, or fiduciary accounts, copies of official documents certifying the registration of the business, trust or fiduciary appointment will be required for opening the account.

I/we understand that my/our account is bound by the Terms and Conditions specified in the Deposit Account Agreement and Disclosures that will be given to me upon opening of my account. The undersigned further authorize the financial institution to verify the above information with Onboard Advisor and/or have a credit reporting agency prepare a report for the purposes of account acceptance.

Owner Name	Tax ID Number	**Name of Joint**	Tax ID Number
Physical (Street) Address City	State Zip	Physical (Street) Address City	State Zip
Mailing Address (If different from above) City	State Zip	Mailing Address (If different from above) City	State Zip
I certify under penalties of perjury that _X_ **the Taxpayer Identification Number shown above is my correct taxpayer identification number;** _X_ **I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding;** ___ **I am an exempt recipient under the Internal Revenue Service Regulations;** _X_ **I am a U.S. Person (including a U.S. resident alien).**		**I certify under penalties of perjury that** ___ **the Taxpayer Identification Number shown above is my correct taxpayer identification number;** ___ **I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding;** ___ **I am an exempt recipient under the Internal Revenue Service Regulations;** ___ **I am a U.S. Person (including a U.S. resident alien).**	
X _____, Authorized Signer		X _____	
Name of Joint	Tax ID Number	**Name of Joint**	Tax ID Number
Physical (Street) Address City State Zip		Physical (Street) Address City State Zip	
Mailing Address (If different from above) City State Zip		Mailing Address (If different from above) City State Zip	
I certify under penalties of perjury that ___ **the Taxpayer Identification Number shown above is my correct taxpayer identification number;** ___ **I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding;** ___ **I am an exempt recipient under the Internal Revenue Service Regulations;** ___ **I am a U.S. Person (including a U.S. resident alien).**		**I certify under penalties of perjury that** ___ **the Taxpayer Identification Number shown above is my correct taxpayer identification number;** ___ **I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding;** ___ **I am an exempt recipient under the Internal Revenue Service Regulations;** ___ **I am a U.S. Person (including a U.S. resident alien).**	
X _____		X _____	

I/we hereby certify, to the best of my knowledge, that the information provided regarding beneficial ownership information during the account opening process is complete and correct and agree to notify First Federal Bank of any changes in the ownership information provided above.

REVOCABLE PROXY - I, being a member of FIRST FEDERAL BANCORP, MHC (the "Mutual Holding Company"), the federally chartered mutual holding company of First Federal Bank, located at 4706 W US HWY 90, Lake City, Florida 32055, by my signature to this Agreement, hereby appoint the members of the Official Proxy Committee ("Committee") as my proxy. I authorize a majority of the members of such Committee in my absence, to cast any vote on any and all matters I would be entitled to cast if personally present, or to designate a person or persons to cast my vote in my absence at any regular or special meeting of the members of the Mutual Holding Company, provided such designation complies with the applicable regulations issued by the Office of Thrift Supervision and the laws and regulations of the state in which this proxy is exercised. It is understood that this proxy shall remain in force from year to year, but that I can revoke or cancel it at any time by delivering notice in writing, including a subsequently issued proxy, to the Mutual Holding Company at the address listed above.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens the account. What this means for you: When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying information. This information verification is required by Section 326 of the USA PATRIOT Act.

ACCOUNT TYPE

- ☐ Corporation
- ☐ Limited Liability Company (LLC)
- ☐ Sole Proprietor
- ☐ Partnership (General / Limited / LLP)
- ☐ Public Funds
- ☐ Non-Profit
- ☐ Association
- ☐ IOTA
- ☐ Trust / Estate
- ☐ HOA / Lockbox

DEPOSIT ACCOUNT TYPE

CHECKING

☐ Product: _____
Account #: _____

☐ Product: _____
Account #:

SAVINGS

☐ Product: _____
Account #: _____

☐ Product: _____
Account #:

OVERDRAFT PROTECTION AGREEMENT

☐ I want overdraft protection on my Checking Account No. _____. If I do not have enough funds in my account, I authorize you to automatically transfer funds to cover my overdraft amount from Account Number _____ and deposit the transferred funds to my overdrawn account. You may continue to make such transfers to cover overdrafts until I notify you in writing to stop.

AUTOMATIC TRANSFER AUTHORIZATION

☐ I authorize and direct the financial institution to make the following transfer of funds:

Amount to be transferred: $_____ Frequency ☐ Weekly ☐ Monthly ☐ _____

_____ Effective Date _____ Termination Date _____

From (Debited) Account:	To (Credited) Account:
Account No. _____	Account/Loan No. _____
Account Type _____	Account Type _____

Please see page 2 and 3 for your Deposit Account Terms and Conditions.

Business Deposit Account Terms and Conditions

This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully. If you sign the customer relationship agreement or open or continue to have your account with us, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us.

This agreement is subject to applicable federal laws and the laws of the State of Florida (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

(1) summarize some laws that apply to common transactions;

(2) establish rules to cover transactions or events which the law does not regulate;

(3) establish rules for certain transactions or events which the law regulates but permits variation by agreement, and

(4) give your disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing.

As used in this document the words "we," "our," and "us" mean the financial institution and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular. "Party" means a person who, by the terms of an account, has a present right, subject to request, to payment from the account other than as a beneficiary or agent.

ARBITRATION - You agree that~your sole remedy for all claims and disputes arising under or relating to your account(s) or this agreement will be settled by binding arbitration in the State of Florida.~ The arbitration shall be conducted by an experienced arbitrator on a confidential basis pursuant to the Commercial Arbitration Rules of the American Arbitration Association.~ Any decision or award of such arbitration shall be binding upon all parties, in writing~and~shall include the assessment of costs, expenses and reasonable attorney's fees.~ An award of arbitration may be confirmed~by a court of competent jurisdiction.

LIABILITY - You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft. This includes liability for our costs to collect the deficit including, to the extent permitted by law, our reasonable attorneys' fees.

DEPOSITS - We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after the close of business (7:30 am for night depository) on a business day we are open, or received on Saturday or a day we are not open for business, as if initiated on the next following business day that we are open.

WITHDRAWALS - Unless clearly indicated otherwise on the account records, any of you acting alone who signs in the space designated for signatures on the customer relationship agreement may withdraw or transfer all or any part of the account balance at any time, regardless of the type of ownership chosen. Each of you authorizes each other person signing the customer relationship agreement to endorse any item payable to you or your order for deposit to this account or any other transaction with us. We may charge your account for a check even though payment was made before the date of the check. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us, by any method we do not specifically permit, which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. Even if we honor a nonconforming request, we may treat continued abuse of the stated limitations (if any) as your act of closing the account. We will use the date the transaction is completed by us (as apposed to the date you initiate it) to apply the frequency limitations. The fact that we may honor withdrawal requests that overdraw the available account balance does not obligate us to do so later. See the funds availability policy disclosure for information about when you can withdraw funds you deposit. For those accounts for which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal.

We may require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D. Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

BUSINESS ACCOUNTS - Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. We may require the governing body of the legal entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the legal entity.

AUTHORIZED SIGNATURES - The authorized signatures for an account are those reflected on the customer relationship agreement, any resolution or other separate written authorization relating to the account received by us. For the payment of funds and for other purposes relating to any account you have with us, we are authorized to recognize those signatures, but we will not be liable to you for refusing to honor a check or other signed instructions if we believe, in good faith, that the signature appearing on such checks or instructions is not genuine. If the customer relationship agreement is not returned, you agree that we will not be liable to you for honoring checks or other signed instructions if we believe in good faith that the signature appearing on such checks or instructions is authorized. When your account is established, you may indicate your desire for more than one authorized signature on a check or other item drawn against the account by designating a specific number of desired signatures on the customer relationship agreement, a resolution or in a separate written authorization that is received by us. However, we do not offer accounts that require two or more signatures. Any such designation is solely for your convenience and internal control purposes and not binding on us. As a result, you agree that we may pay checks against your account without regard to the number of desired signatures. You may also give another person authority over your account by your conduct or failure to act and, although we may recognize such authorization, we may refuse to do so without liability to you. For example, if you voluntarily give information about your account (such as our routing and transit numbers and/or your account number) to a party who is seeking to sell you goods or services, and you do not physically deliver a check to that party, any item presented against your account by the party to whom you gave the information is deemed to have been authorized by you. Moreover, you guarantee and warrant that any unsigned draft that you deposit into your account is authorized.

FACSIMILE SIGNATURES - We are not liable for and reserve the right to reject any item drawn against any account that bears or appears to bear a signature or endorsement made by use of a facsimile signature stamp, machine or any method other than an original handwritten signature or endorsement, whether or not genuine. If you use, place or make a facsimile signature or endorsement on any item, you bear the risk of any unauthorized use of your facsimile method or the use of fake facsimiles and you agree that we may pay and charge your account for such item, regardless of by whom or by what means the actual or purported facsimile signature or endorsement may have been affixed (whether or not authorized) and regardless of by whom or by what means the item was created (whether or not authorized). As a result, you should maintain close control over your facsimile signature or endorsement device and promptly review your statements for unauthorized use of the device.

STOP PAYMENTS - You must make any stop-payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. To be effective, your stop-payment order must precisely identify the number, date, and amount of the item, and the payee.

You may stop payment on any item drawn on your account whether you signed the item or not, if you have an equal or greater right to withdraw from this account than the person who signed the item. A release of the stop-payment request may be made only by the person who initiated the stop payment order.

Our stop-payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

STATEMENTS - You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, or any other errors in your account within 30 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 30-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

Your duty to report other errors - In addition to your duty to review your statements for unauthorized signatures, alterations, and forgeries, you agree to examine your statement with reasonable promptness for any other error - such as an encoding error. You agree that the time you have to examine your statement and report to us will depend on the circumstances. However, such time period shall not exceed 30 days. Failure to examine your statement and report any such errors to us within 30 days of when we first send or make the statement available precludes you from asserting a claim against us for any such errors on items identified in that statement and as between you and us the loss will be entirely yours.

CHECK FRAUD LIABILITY - First Federal (Bank) offers a check fraud detection system which allows customers to transmit check information to the Bank on a daily basis about every check they issue. When checks are presented for payment, discrepancies are flagged for review and payment decision by the Customer. If the Customer fails to implement the fraud detection service offered by Bank or fails to transmit the required daily check information, the Bank will not be liable for any subsequent check fraud loss, unless we fail to act in good faith or exercise ordinary care.

DIRECT DEPOSITS - If, in connection with a direct deposit plan, we deposit any amount in an account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

ACCOUNT TRANSFER - This account may not be transferred or assigned without our prior written consent.

Business Deposit Account Terms and Conditions

TEMPORARY ACCOUNT AGREEMENT - If this option is selected, this is a temporary account agreement. Each person who signs in the space designated for signatures on the customer relationship agreement may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

SETOFF - We may (without prior notice and when permitted by law) set off funds in this account against any due and payable debt you owe us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we set off, including any balance the due date for which we properly accelerate under the note.

This right of setoff does not apply to this account if: (a) it is an IRA or other tax-deferred retirement account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal only arises in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

RESTRICTIVE LEGENDS - We are not required to honor any restrictive legend on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends are "must be presented within 90 days" or "not valid for more than $1,000.00."

CHECK PROCESSING - We may process items mechanically by relying on the information encoded along the bottom of the items. This means that we may not individually examine all of your items to determine if the item is properly completed, signed and indorsed. You agree that we have not failed to exercise ordinary care solely because we use an automated system to process items and do not inspect all items processed in such a manner. We reserve the right not to inspect each item because using an automated process helps us keep costs down for you and all account holders. We may determine the amount of available funds in your account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the account balance at the subsequent time will determine whether there are insufficient available funds.

CHECK CASHING - We may charge a fee for anyone that does not have an account with us who is cashing a check, draft, or other instrument written on your account. We may also require reasonable identification to cash such a check, draft, or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint.

ACH AND WIRE TRANSFERS - This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. This agreement is also subject to the additional terms and conditions found in the Wire Transfer Agreement which is by reference incorporated herein. If you originate a fund transfer for which Fedwire is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. If we receive a credit to an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

TRANSACTION ACCOUNT ORGANIZATION - We have organized your transaction account in a nontraditional way. Your transaction account consists of two subaccounts. One of these is a transaction subaccount (e.g., a checking subaccount). You will transact business on this subaccount. The other is a nontransaction subaccount (e.g., a savings subaccount). You cannot directly access the nontransaction subaccount, but you agree that we may automatically, and without a specific request from you, initiate individual transfers of funds between subaccounts from time to time at no cost to you. This account organization will not change the amount of federal deposit insurance available to you, your available balance, the information on your periodic statements, or the interest calculation, if this is an interest-bearing account. You will not see any difference between the way your transaction account operates and the way a traditionally organized transaction account operates, but this organization makes us more efficient and helps to keep costs down.

UNLAWFUL INTERNET GAMBLING NOTICE - Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling.

ACCOUNT INSTRUCTIONS - By signing this agreement, you authorize First Federal, now or in the future, to accept and act upon instructions from any authorized signer on the account(s) to do the following with regard to your account(s):

1. To open deposit accounts with First Federal

2. To transfer all or any portion of the balance of our accounts to any other account with First Federal. Unless a different limitation is disclosed in writing, we restrict the number of transfers from a savings account or money market account to another account or to third parties to a maximum of six per month (less the number of "preauthorized transfers" during the month). Other account transfer restrictions may be described elsewhere.

3. To close deposit accounts, process changes of account information or account type, otherwise service any of my First Federal accounts;

4. To obtain related services offered by First Federal.

You may give instructions orally or in writing, in person, by mail, messenger, telephone, facsimile, computer terminal, wire service, automated teller machine, or by any other reasonable method. We may accept and act upon such instructions which do not contain your signature with the same effect as if such instructions were signed by you. However, you acknowledge that we may, at our option, require your original signature or any other documentation before accepting and acting upon any instructions.

OVERDRAFT PROTECTION AGREEMENT - Unless we have agreed otherwise in writing, we are under no obligation to pay a check that exceeds the balance in your account. If, however, you have authorized overdraft protection, we may pay the overdraft by transferring funds to your checking account from the account(s) indicated by you on page two of the Customer Relationship Agreement. We may charge a service charge for the transfer. We will pay the overdraft if the check is signed by you or by the joint account holder.

We may make the transfer from the account(s) as specified on page two of the Customer Relationship Agreement, even though the transfer may reduce the balance in the debited account below any minimum balance requirement for that account.

If we have a written loan agreement with you, we may pay the overdraft by increasing the outstanding loan balance on the loan account(s) indicated by you on page two of the Customer Relationship Agreement. Overdraft protection provided by increasing your loan account balance requires a prior approved line of credit in accordance with the financial institution's loan policy and is subject to various additional disclosures

AUTOMATIC TRANSFER AUTHORIZATION - The accounts listed on page two of the Customer Relationship Agreement are covered by their individual terms and conditions, unless modified by this Authorization. If a transfer is made from a savings account or an interest bearing checking account, we may require 7 days' written notice of withdrawal. If no termination date is specified on page two of the Customer Relationship Agreement, this Authorization will remain in effect until terminated by the depositor in writing.

You agree to keep enough money in your Debited Account to cover the transfers you request by this Authorization. If your Debited Account balance is insufficient to cover the transfers you authorize, we may cancel this Authorization immediately without notice. We may use our rights and remedies under applicable law and our rules and regulations governing these types of accounts. These may include returning your checks or drafts unpaid and closing your account(s) by mailing a proper notice to you with a check equal to the balance in the account.

You agree, in consideration of this service rendered by us, to indemnify (repay us for any loss) and hold us harmless (release us from any responsibility) from any liability or loss due to the dishonor of any check presented. The liability or loss covered may include both a charge made or refused to be made by us under this Authorization. You agree to follow the rules that govern your account(s) as stated on your account agreement and as amended from time to time. We may take any security measures that we believe are necessary without notice to you.

Loan Payment Authorization - If the Credited Account listed on page two of the Customer Relationship Agreement is a debt you owe us (e.g., a mortgage or installment loan), you agree that we may continue to charge the Debited Account until the loan is paid or until you provide us with written notice of termination.

If your Debited Account does not have a sufficient balance on a day that a payment is to be debited, we may stop further efforts to debit your Debited Account. We may require you to make the payment and all subsequent payments until all payments under the loan are current. We will not use the availability of any credit line you may have with us to determine whether your Debited Account has a sufficient balance. At our option and discretion, we may resume charging the Debited Account without further instruction from you once all payments are current. If we do not resume charging your Debited Account, we will notify you in writing that we have terminated this Authorization. Termination of this Authorization does not excuse you from making timely payment under the terms of the loan.

AMENDMENTS AND TERMINATION - We may change any term of this agreement. Rules governing changes in interest rates are provided separately. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Notice from us to any one of you is notice to all of you.

If you would like further information on FDIC insurance, please visit the FDIC's website at https://www.fdic.gov/edie/index.html

Wire Transfer Agreement

Effective 12/01/24

This Wire Transfer Agreement (this "Agreement") sets forth the terms and conditions that apply to the wire transfer of funds from the account(s) of any Accountholder ("Accountholder"), sometimes referred to herein as "you" or "your", and First Federal Bank ("Bank"), sometimes referred to herein as "we", "our" or "us". This Agreement is by reference incorporated in and made a part of the Consumer Relationship Application and Agreement signed by Accountholder. By initiating a wire transfer transaction Payment Order, Accountholder hereby agrees to the terms and conditions contained in this Agreement. All terms used in this Agreement shall have the meanings given them by Section 4 of the applicable State Uniform Commercial Code, unless otherwise indicated.

PLEASE READ THIS AGREEMENT CAREFULLY. IT CONTAINS AN ARBITRATION PROVISION.

A. Authorization to Transfer Funds.

Subject to the terms of this Agreement, we are hereby authorized to honor, execute and charge to your account(s) any and all payment orders for wire transfers of funds, whether received by telephone, facsimile transmission, telegraphic means, written instructions, or computer communications device, from Accountholder, which term includes any authorized signers with the authority to deposit, withdraw or exercise control over the funds in the account(s), until we receive written notice revoking or modifying such authorization. You will notify us in written, authorized form, of any change, addition or deletion to the Accountholder or authorized signers listed in the Consumer Relationship Application and Agreement. We are further authorized to honor, execute and charge to your account(s) any and all requests for reverse wire or drawdown initiated under any agreement between the Accountholder and a third- party processor, payroll or otherwise. All wire transfer instructions received from Accountholder, either directly or by request for reverse wire or drawdown, are herein collectively referred to as the "Payment Orders".

B. Accounts Subject to this Agreement.

Subject to the terms of the Consumer Relationship Application and Agreement, and in accordance with this Agreement, accounts eligible to become subject to this Agreement and send and receive wire transfers are:

- Checking Accounts
- Savings Accounts
- Money Market Accounts

No wire transfer may be made from time deposits, i.e. Certificates of Deposit (CDs), Individual Retirement Accounts (IRAs) or other accounts that may be restricted by their own terms.

You must have sufficient collected funds in your account to cover the wire transfer. You may initiate a wire transfer only if the offsetting debit to your account will not cause you to exceed the account balance according to our records. However, we may, at our option, create an overdraft in your account and complete the wire transfer. If we do so, we will not be liable to you for damages to you for creating the overdraft. You agree to repay us immediately for any overdraft created by a wire transfer, together with our costs of collection and reasonable attorney's fees. We may offset the amount of the overdraft against the balance of any of your accounts with us and may exercise any rights that we may have under any agreements granting us security for the payment of liabilities or obligations of Accountholder to Bank.

C. Payment Orders and Wire Transfers

We will accept Payment Orders from you during regular business hours on regular banking business days (Monday through Friday, except Federal Reserve holidays). We may establish a cut-off time (or times) on business days for the receipt and processing of Payment Orders (and communications canceling or amending Payment Orders). Any Payment Order or communication received after such cut-off time, or on a Saturday, Sunday, or bank holiday shall be deemed received on the next business day.

At our sole discretion, we may handle your Payment Orders and those that we may receive from other customers in any order we select. We may use any means or routes that we, in our sole discretion, consider suitable to executing a Payment Order.

We reserve the right to record electronically any telephone conversations between you and us. By signing the Consumer Relationship Application and Agreement, you consent to our recording such conversations. However, the decision to record is totally within our discretion and we will not be liable for the failure to record any conversation whether intentional or otherwise.

You agree to provide us with all the information we are required to obtain under the Bank Secrecy Act and any other applicable federal or state laws and regulations. If you fail to provide us with all the information required by law regarding any wire transfer, you agree that the bank is not obligated to complete such transfers and is not liable for any losses or damages resulting from our refusal to execute any such wire transfer.

We are under no obligation to comply with any Payment Order or make any wire transfer which would result in an overdraft of your account(s) based on available collected balance(s) on deposit as determined by us or which would result in us violating any of our legal obligations.

We, and any subsequent receiving bank, may execute Payment Orders initiated by you for the wire transfer of funds to a beneficiary in the name of the beneficiary and/or by specifying the account number of the beneficiary, which you have furnished to us. You must ensure that all account numbers are accurate. In the event of a discrepancy between the name of the beneficiary and the account number, the Payment Order may be executed by use of the account number.

Once we have accepted your Payment Order, it cannot be cancelled or amended, except by mutual agreement. In the case of an error or an otherwise irregular wire transfer, we may, on our own initiative, request that the funds previously transferred on your behalf be returned by the receiving bank, beneficiary's bank or the beneficiary. However, we are under no obligation to do so. Your Payment Order is considered paid when it is executed, when the transfer is credited to the beneficiary's account on our books, or when we have advised the beneficiary by telephone or other means of the credit, whichever occurs first.

We may, at our discretion, call you at the telephone number on file to verify that a Payment Order (or communication amending or canceling a Payment Order) is authorized. You may change this number, if necessary, by written request.

For your protection, we may elect not to act upon a Payment Order if the Payment Order is not initiated in accordance with security procedures, if we are unable to obtain proper verification of such Payment Order which is satisfactory to us, or if there is any inconsistency between a Payment Order and information previously supplied. We will not be liable for any damages in these instances, nor in the instance of circumstances beyond our reasonable control, including but not limited to any act or failure to act by a third person or entity.

D. Security Procedures.

You agree to comply with the security procedures set forth in this Agreement and that the security procedures provide a reasonable degree of protection against unauthorized transfers. The Bank and the Accountholder agree that the security procedures are designed to verify the authenticity of Payment Orders and not to detect errors contained in any Payment Order. As part of our security procedures, we may, but are not required to, request written, signed instructions delivered in person or by secure electronic signature (i.e. DocuSign; DocMagic). At our sole discretion, we may seek verification or further authorization of any transfer request or related instruction. We may contact the Accountholder by any reasonable means in order to obtain assurance of the authenticity or other correctness of a Payment Order. We shall be under no obligation to do so in any case, however. If the verification is obtained by a callback, the callback may be recorded. If, upon attempting to obtain such verification, we are unable to do so, we may, in our sole discretion, either make the transfer or decline to follow the instructions. In such event, we shall not be liable to the Accountholder for any actual loss of any kind or for any consequential, punitive or exemplary damages in any amount, provided we have acted in good faith.

E. Fees.

Wire transfers are subject to all fees, penalties and charges, including but not limited to wire transfer fees that would otherwise apply to any bank transaction as described in the Bank's Personal and Business Account Fees and Service Charges. We may deduct any fee applicable to Payment Orders or wire transfers from your account(s).

F. Cancellation or Amendment of Payment Orders.

You may ask us to amend or cancel any Payment Order or related instruction, and we will use our best efforts to comply with such request if the request is made at a time and in a manner which gives us a reasonable opportunity to act on the request before we make the funds transfer or carry out the instruction as you originally requested. If you ask us to recover funds which we have already transferred, we shall be under no obligation to do so unless and until your deposits with the bank are at an amount reasonably determined in good faith by us to approximate the costs and expenses (including attorney's fees) which we may incur in attempting to recover the funds transferred. In lieu of such a deposit, we may request you to provide a bond or other assurance. The bank will take such action as it deems reasonable under the circumstances, including, for example, sending a request to reverse the transfer to any financial institution which received such funds. In no event, however, shall we be deemed to have guarantees or otherwise assured the recovery of any portion of the amount transferred, or to have accepted responsibility for any amount transferred before we receive and have a reasonable time to act upon the request to amend or cancel the transfer request.

G. Review of Statements and Advices.

You will review promptly and reconcile statements of account(s) sent by us, and will review promptly any written confirmation of wire transfers sent by us. You shall report any discrepancies between our records and your records within a reasonable time, not to exceed sixty (60) calendar days from the earlier of: the date of the statement of account, or the date such written confirmation is sent by Bank. If Accountholder fails to notify Bank of any discrepancies within the specified time period, Bank will be relieved of any liability with respect to any compensation provided for in Section H of this Agreement.

H. Liability, Compensation and Indemnity

1. **Subject to Section G of this Agreement, compensation, if any, for the loss of interest or use of funds due Accountholder as a result of Bank's error or Bank's failure to execute a Payment Order on the date received (if such request was received prior to our stated cut-off time on a regular banking business day) will be for a period not exceeding the lesser of (i) sixty (60) days or (ii) the period between the date of the request and the date of the error correction.**
2. **Compensation will be either of the following forms at our option: (i) adjusting your account balance, or (ii) reimbursing to you an amount equal to interest at a rate not exceeding the average current rate on the account, computed on a daily basis for the period and amount in question.**
3. **We shall in no event be liable for payment or for damages arising out of or in connection with a Payment Order or wire transfer after 60 days from the date of such Payment Order or wire transfer.**
4. **We shall in no event be liable for failure to provide notice to the beneficiary of receipt of a wire transfer.**
5. **Unless specifically prevented by Section 4 of the State Uniform Commercial Code, you hereby release and hold us harmless from and indemnify the Bank, its officers, directors, agents, representatives and successors in interest from and for any and all claims, demands, expenses (including but not limited to attorney's fees and costs, loss, or damages of any nature whatsoever arising directly or indirectly from any Payment Order initiated pursuant to this Agreement or any failure to detect erroneous Payment Orders, unless such damage or loss is caused by gross negligence or willful misconduct.**
6. **In no event shall we be liable for any punitive, special consequential or incidental damages, even if we have been informed of the possibility of such damages.**
7. **In no event shall we be responsible for any loss, claim, liability, damage or other amount arising in any way, directly or indirectly from any error, failure, or delay in the performance of any of Bank's obligation under this agreement caused by natural disaster, fire, war, strike, civil unrest, error in or inoperability of communication equipment or lines, or any other circumstance beyond the reasonable control of the bank. We are liable only for our gross negligence in performing our obligations under this Agreement, and are not responsible for your acts or omissions, including without limitation the amount, accuracy, timeliness of transmittal or due authorization of any Payment Orders received from you, or those of any other person. No clearing house, financial institution, or other instrumentality used to effectuate your Payment Orders shall be deemed the Bank's agent. BANK SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE OR INDIRECT LOSS OR DAMAGE WHICH CUSTOMER SUFFERS IN CONNECTION WITH THIS AGREEMENT.**

I. Arbitration.

Any controversy or claim between or among the parties hereto including but not limited to those arising out of or relating to this Agreement, any incoming or outgoing wire transfer, or any other documents or related agreements executed in connection with an outgoing or incoming wire transfer ("Wire Transfer Documents"), including any claim based on or arising from an alleged tort, shall be determined by binding arbitration in accordance with the Federal Arbitration Act (or if not applicable, the applicable state law), and the Rules of the American Arbitration Association, unless both you and we agree in writing to mediate the dispute prior to submitting to binding arbitration. However, notwithstanding anything contained herein to the contrary, you and we agree that all controversies and claims shall be determined by binding arbitration if no resolution of the controversy or claim has been achieved through mediation within ninety (90) days of the parties' agreement to mediate or if either party does not agree to mediate. Judgment upon any arbitration award may be entered in any court having jurisdiction. Any party to this Agreement may bring an action, including a summary or expedited proceeding, to compel arbitration of any controversy or claim to which this Agreement applies in any court having jurisdiction over such action.

The arbitration shall be conducted in Columbia County, Florida and administered by the American Arbitration Association. All arbitration hearings will be commenced within ninety (90) days of the demand for arbitration; further the arbitrator shall only, upon a showing of cause, be permitted to extend the commencement of such hearing for up to an additional sixty (60) days.

Nothing in this Agreement shall be deemed to (i) limit the applicability of any otherwise applicable statutes of limitation or repose and any waivers contained in this Agreement; or (ii) be a waiver by us of the protection afforded by applicable State Uniform Commercial Code or any substantially equivalent state or federal law; or (iii) limit our rights, if any (A) to exercise self- help remedies such as (but not limited to) setoff, or (B) to obtain from a court provisional or ancillary remedies such as (but not limited to) injunctive relief or the appointment of a receiver in accordance with applicable law. We may exercise such self-help rights, or obtain such provisional or ancillary remedies at any time even while the arbitration is pending. By exercising or obtaining such remedies, neither you nor we waive the right to request that a dispute or controversy be decided by arbitration.

J. Agreement Terms.

We may at any time amend or otherwise change this Agreement upon thirty (30) days' written notice to Accountholder. If this Agreement needs to be amended because of a change in State or Federal Regulations, the change shall be effective immediately without notice. We may, in our discretion, without notice to you, terminate this Agreement at any time. You may terminate this Agreement at any time upon written notice to us. Termination of this Agreement will not otherwise affect any of the terms and conditions that apply to any account or service then in effect. Both parties will be bound by this Agreement. In the event of a conflict between this Agreement and oral communication from Bank employee(s), this Agreement controls. If any part of this Agreement is deemed invalid or unenforceable, the enforceability of the remaining provisions shall not be affected. This Agreement may not be transferred or assigned by Accountholder without the consent of Bank. Except as governed by federal law, this Agreement shall be governed by and construed with the laws of the State of Florida, and **VENUE FOR ANY ACTION BROUGHT PURSUANT TO THIS AGREEMENT SHALL BE IN COLUMBIA COUNTY, FLORIDA.**

FIRST FEDERAL BANK

Business Online Banking

Master Agreement

THIS AGREEMENT dated the _____ day of _____, 20 _____, is by and between First Federal Bank ("Bank"), having its principal place of business at 4705 US Highway 90 West, Lake City, Florida 32055, and

_____

_____

together with the related entities and individuals listed on hereto, if any, whose principal place of business is _____
(collectively, the "Customer"),

Bank has agreed to make available to Customer it's proprietary Business Online Banking service as well as related services (ACH Origination, RDC, Positive Pay and Wire Transfer) (collectively, the "Services") under terms and conditions more specifically described in the Business Online Banking Disclosure and any related schedule or agreement executed in connection with the use of Business Online Banking or the Services all of which are by reference specifically incorporated herein (collectively, the "Agreement").

By executing this Agreement, Customer warrants and acknowledges to Bank as follows:

1. Customer has received a copy of the Business Online Banking Disclosure and agrees to be bound by the terms and conditions set forth therein.
2. By using one or more of the Services, Customer agrees to the terms and conditions applicable to the Services as set forth in the Agreement.
3. Customer will promptly notify Bank of any change in business location, significant change in transaction volumes or change in financial condition as these factors may affect the availability or delivery of the Services by Bank.
4. The individual executing this Agreement on behalf of Customer is a signer on the Accounts, as that term is defined in the Business Onine Banking Disclosure, and as such is authorized to execute this Agreement.
5. Customers processing Wires will use Dual Control.

FIRST FEDERAL BANK

By: _____

Printed Name: _____

Title: _____

CUSTOMER

By: _____

Printed Name: _____

Title: _____

FIRST FEDERAL BANK

Business Online Banking Disclosure

Terms and Conditions of Your Business Online Banking Account

(Including ACH, RDC, Wire Transfers, Internal Transfers and Positive Pay System)

THIS DISCLOSURE contains terms and conditions governing First Federal Bank Business Online Banking service ("BOB"), and those additional services (ACH, RDC , Wire Transfer and Positive Pay System) more specifically described in this Disclosure (collectively, the "Services").

Customer understands that by using one or more of the Services, you agree to the terms and conditions applicable to the Services as set forth in this Disclosure. Please retain a copy of this Disclosure and refer to it for help in answering questions about the Services.

Business Online Banking

General Information

Definitions. As used in this Disclosure, the following words have the meanings given below.

"Agreement" refers, collectively, to this Disclosure, the Business Online Banking Master Agreement, any applications for Services, any and all separate agreements/addenda for specific Services, and all account documents referred to herein.

"Customer", "you" and "your(s)" refer to each business that applies to use the Services, and each person who uses one or more of the Services with the permission of an applicant.

"Business" means any corporation, partnership, limited liability company, sole proprietorship, or any other type of entity maintaining a deposit account for commercial purposes.

"We", "us", "I", "our(s)", "First Federal Bank", or "Bank" refers to First Federal Bank of Florida where your accounts are located which are to be accessed utilizing the Services.

"Authorized Representative(s)" refers to any individual authorized by Customer to access the Account(s) of customer and utilize the Services on behalf of Customer.

"Deposit Account(s)", "Loan Account(s)", or "Account(s)" means any First Federal Bank of Florida checking or savings deposit account owned by the Customer, or loan or line of credit account accessed utilizing the Services.

"First Federal Bank of Florida Business Online Banking " is an electronic banking software program licensed by First Federal Bank, including any future upgrades. The program has been customized by First Federal Bank to permit the account and transaction information downloading functions referred to in this Disclosure.

"Services" means First Federal Bank Business Online Banking and, if applicable, ACH Origination, RDC , Wire Transfer and Positive Pay System, for which the Customer has applied, as the same are more specifically described in the Agreement.

"Business Day" means Monday, Tuesday, Wednesday, Thursday and Friday between the hours of 9:00 AM EST and 4:00 PM EST Saturdays, Sundays and banking holidays are not included.

General Description of Services.

First Federal Bank Business Online Banking is an electronic banking service that permits Customer, through the use of your personal computer and special software, to (a) access your designated Deposit Account(s) and Loan Account(s) to obtain current balance and transaction information; (b) transfer funds between your Deposit Account(s) and/or Loan Account(s); (c) place stop payment orders; (d) process direct deposit of payroll utilizing ACH origination; (e) process electronic remote deposits from your designated location utilizing RDC; (f) complete transfers outside First Federal through the wire transfer service, and (g) reduce the risk of check fraud by validation of issued checks through positive pay system.

Registration; Authorization to Charge Accounts; Account Access.

Each Customer desiring to use any of the Services must complete the Business Online Banking registration process in the name of the business. Customer may use Business Online Banking to access Deposit Accounts at First Federal Bank which you own and from which you have an unrestricted right to withdraw funds. The Bank reserves the right to limit the types of accounts that may be accessed. Customer may register for ACH origination service, RDC, Wire Transfer Services and/or Positive Pay System at the time of Business Online Banking registration or at any time subsequent to execution of the Business Online Banking Master Agreement by executing the appropriate Agreement/Addenda for the requested Services, which at the time of execution will become a part of your original Agreement as if the same had been executed simultaneously therewith.

Your Deposit Account(s) accessed using the Services continue to be governed by the following First Federal Bank of Florida documents, as the same may be amended or modified from time to time: (1) Terms and Conditions of your Account, Electronic Transfers, Funds Availability and Substitute Check Disclosure; (2) Products and Service Charges Disclosure; and (3) Signature Card or Customer Relationship Agreement. Customer acknowledges that it has been provided with copies of all of the above documents.

Customer is solely responsible for all transfers made by its Authorized Representatives using the Services. Customer authorizes Bank to debit its designated Deposit Account(s) for all transactions accomplished through the use of the Services. You agree that transfer instructions may be entered by any one (1) Authorized Representative, notwithstanding any provision contained in any other documentation governing a Deposit Account purporting to require more than one (1) signature on items withdrawing funds from the Deposit Account.

If Customer permits another person to use the Services or gives them access ID and/or password information, Customer is solely responsible for payments, transfers, or advances made by such person from the Account(s) even if Customer's authorization is exceeded.

Service Availability.

You or your Authorized Representative(s) may use the Services at any time, day or night, seven days a week, by signing on to the Services and entering your access ID and password. The Services will be temporarily unavailable from time to time for scheduled maintenance. Whenever possible, we will post scheduled maintenance times on our website. There may also be unscheduled down time resulting from circumstances beyond our control, such as power or communication failure. In those instances, we will work to restore service at the earliest possible time. We are not liable for any damages or claims of any kind which may arise from such scheduled or unscheduled periods of downtime, maintenance or inaccessibility.

Unavailable or Delayed Account Information.

First Federal Bank strives to provide complete, accurate and timely account information through Business Online Banking. However, unless otherwise required by law, we will not be liable to you if any such information is unavailable, delayed or inaccurate. Additionally, the Bank is not responsible for any errors or failure arising from any malfunction of customer's computer or its software, or for any computer virus or related problems that may be associated with use of the Services.

Disclosure of Account Information

We may disclose information to third parties about Customer accounts or the payments or transfers made:

- When necessary to verify or complete payments or transfers, or to resolve a problem related to a payment or transfer;
- To verify the existence and status of Customer account(s) to a third party such as a credit bureau or merchant;
- To comply with government agency or court orders;
- If you give us your written permission (including e-mail); and
- When deemed by Bank to be in the best interest of the Bank or Customer.

Wire Transfer Service

Customer may request that Bank permit it to initiate funds transfers from its Deposit Account(s) with Bank to accounts maintained with other financial institutions through the Federal Reserve System. Bank agrees to process wire transfers

for customer in accordance with the terms and conditions of this Disclosure. Customer will provide Bank with a list in writing of Authorized Representatives permitted to initiate wire transfers from its Deposit Account(s) and the transfer limitations for each.

Customer is responsible for all transfers made by its Authorized Representatives using the Wire Transfer Service. Customer authorizes us to debit its designated Deposit Account(s) for all transactions accomplished through the use of the Wire Transfer Service. You agree that wire transfer instructions may be entered by any one person who is authorized to conduct such transactions, notwithstanding any provision contained in any other documentation governing the Deposit Account purporting to require more than one signature on items withdrawing funds from the Deposit Account.

Bank Requires customers processing External Wire Transfers to list First Federal Bank of Florida as "also insured" in insurance policies.

Fees

There is a monthly fee associated with use of Business Online Banking. The monthly fee may be waived when one or more of the other Services are utilized. Please see the most recent Products and Service Charges disclosure for the current fees associated with Business Online Banking and the other Services. Customer agrees that Bank may debit its Deposit Account(s) for the applicable monthly fee.

Changes in Terms

We will mail or deliver a written notice to customer at least 30 days before the effective date of any change in a term or condition in this Disclosure or the Agreement referred to herein, if the change would result in increased fees or charges, increased liability to Customer, or increased limitations upon use of the Services, unless prior notice is excused by law. As an Business Online Banking customer, you agree that we may send any such notice to you only via electronic mail, and you will be deemed to have received it three (3) days after transmission.

Security Procedures / Protecting Your Password

Customer agrees that Bank may send confidential mailings or password confirmations to the current address shown in our records for the primary Deposit Account, whether or not that address includes a designation for delivery to the attention of any particular individual; and Customer agrees that First Federal Bank will not be responsible or liable to you in any way in the event such properly addressed information is intercepted by an unauthorized person, either in transit or at your place of business.

Customer agrees on behalf of itself and its Authorized Representatives to: (1) keep access ID and password information secure and strictly confidential, providing them only to individuals authorized to access the Account(s); (2) instruct any Authorized Representative given an access ID and password that he or she is not to disclose them to any unauthorized person; and (3) immediately notify us in writing or by electronic mail if you believe any access ID and password may have become known to an unauthorized person. Bank shall have no liability to customer, or any other person or entity for any unauthorized payment or transfer made using the access ID and password of Customer or any Authorized Representative of Customer that occurs before you have notified us of possible unauthorized use and we have had a reasonable opportunity to act on that notice.

Customer is responsible for the security of any software program it uses, including software supplied by the Bank, for the creation and/or the transmission of wire transfers or ACH files to the Bank; whether the software resides on the Customer's network/PC or on a remote server accessed through the Internet.

Customer is solely responsible for the assignment of individuals that can access the software.

Limitation of Liability

Customer will notify the Bank of any errors, omissions, interruptions, delay or unavailability of the Services or any possible security breach as promptly as practicable, and in any event within one Business Day after the earliest discovery thereof, or the date discovery should have occurred through the exercise of reasonable care, and, in the case of any error, omission or other discrepancy, within 14 days of the date of the earliest notice to Customer which reflects the same. Your failure to timely notify the Bank of any error, omission, or other discrepancy or security breach shall relieve the Bank of any liability for such error, omission or discrepancy.

Customer acknowledges and agrees that Bank shall not be liable for any damages or loss of any kind resulting from any unintentional error or omission by Bank in performing the Services, or unintentional deviation from the terms and conditions of this Disclosure, including any additional agreements. Customer acknowledges that Bank's systems and procedures established for providing the Services are commercially reasonable. Customer will defend, indemnify and hold Bank harmless from and against all liability, damage and loss arising out of any claims, suits, or demands brought by third parties with respect to the Services, and from any and all liability, damage or loss resulting from Customer's failure to

notify Bank of any change in Authorized Representative(s), or the use of the Services by any unauthorized person utilizing the Access ID and Password of an Authorized Representative of Customer.

Bank shall not be liable for any loss, damage, liability, or claim arising directly or indirectly from any error, delay, or failure to perform hereunder which is caused by earthquake, fire, natural disaster, civil or foreign disturbance, power outage, act of government, labor dispute, communication failure, legal constraints or any other event beyond its control.

In no event will Bank be liable for any indirect, consequential, punitive, or special damages.

Bank will have no liability for failing to transmit or delay in transmitting an entry if such transmittal would result in it exceeding any limitation imposed by any governmental or regulatory body.

Representations and Warranties

Customer represents and warrants to Bank that:

None of its transactions to be processed by Bank are prohibited by any applicable law, regulation, rule, order, or judgment; and

Both it and the clients with whom it does business are reputable and are not using Bank as a conduit for money laundering or other illicit purposes;

None of Customer's employees are nationals of a designated blocked country or "Specially Designated National," "Blocked Entity," "Specially Designated Terrorist," "Specially Designated Narcotics Trafficker," or "Foreign Terrorist Organization," as defined by the United States Office of Foreign Assets Control.

Confidential Information

Customer acknowledges that the Services, any database, and any proprietary data, processes, methods, information, or documentation disclosed or made available as part of the Services (other than those which are or become part of the public domain), are the exclusive and confidential property of Bank. Customer should use the same care and discretion that it does with respect to its own confidential property, but in no event less than reasonable care. Upon termination of the Services for any reason, Customer shall return to Bank any and all copies of the Confidential Information which are in its possession and control.

Enrollment and Certification of Authority

Before using the Services, or any of them, Customer, through an authorized signor on its Account(s) must provide Bank with the names of its Authorized Representative(s), and the approved Services and transaction limitations, if any, for each Authorized Representative. A Business Online Banking set-up request must be completed with all the access requests. First Federal Bank will use the set-up request to create your Business Online Banking account and establish the appropriate access capabilities for each authorized user. Additionally, prior to using ACH Origination or RDC Services the appropriate addenda must be executed and upon execution will by reference be incorporated into the Agreement.

Customer, through an authorized signor on its accounts, may make changes to its Authorized Representative(s) for any of the Services by notifying Bank in writing (including e-mail or facsimile). The request must be signed by an authorized signer on the account that the change is affecting. Customer agrees that Bank shall not be liable for any loss resulting from Customer's failure to promptly notify Bank of changes in its Authorized Representative(s).

Termination

Customer will comply with all terms of the Agreement and with the terms of any agreement governing the Accounts which are accessed using the Services. Bank may elect to terminate the Services described in this Disclosure upon ten (10) days written notice to Customer, or without notice if (a) Customer fails to comply with the Agreement, (b) if you do not pay any required fee when due, or (c) if your Accounts are not maintained in good standing. Bank reserves the right to terminate the Agreement, or suspend or cancel your password without notice to you, and shall have no liability to you, or any other person or entity for any loss, damage, cost or expense arising out of the Agreement or the Services, if we (a) suspect a breach of security; (b) suspect your Account has been used for illegal or fraudulent purposes; (c) reasonably believe that a payment or transfer is prohibited by federal law or regulation or otherwise as provided in this Disclosure or any Addenda thereto; or (d) ownership of the funds involved or the authority of the Authorized Representative creating the entry is in question.

Entire Disclosure

The Agreement, as the same may be amended from time to time, together with any exhibits, addenda, or other documentation attached thereto or incorporated by reference, contains the entire understanding between Customer

and First Federal Bank concerning the Services and supersedes any verbal conversations, other communications, and previous agreements, if any. In the event performance of the Services described herein would result in a violation of any present or future statute, regulation, or government policy to which the Bank is subject and which governs or affects the transactions contemplated by the Agreement, then the Agreement shall be deemed amended to the extent necessary to comply with such statute, regulation, or policy, and the Bank shall incur no liability to the Customer as a result of such violation or amendment.

The Agreement shall be construed in our favor in the event of any action, proceeding, trial or hearing at which the construction of the Agreement or any terms thereof may be an issue. A true and correct photocopy of the Agreement after it has been signed by or on behalf of all parties shall be as effective as the original and may be introduced into evidence at any trial or proceeding without compliance with any evidentiary predicate. The Agreement may be executed in counterparts all of which taken together shall be deemed to constitute the entire Agreement.

Non-Assignment

The Customer may not assign the Agreement or any of the rights or duties hereunder to any person without the Bank's prior written consent.

Binding Agreement Benefit

The Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns. The Agreement is not for the benefit of any other person, and no other person shall have any rights with respect to the Bank or the Customer hereunder.

Governing Law

The Agreement shall be construed in accordance with and governed by the laws of the State of Florida and the NACHA rules. In the event of any claim or litigation regarding the rights and liabilities of the parties to the Agreement, the parties agree that the venue and jurisdiction for any such claim or litigation shall be in the Third Judicial Circuit, in and for Columbia County, Florida. In addition, the parties hereby waive their right to jury trial.

If any provision contained in the Agreement shall for any reason be held invalid, illegal, unlawful, void or unenforceable with respect to any party hereto, the remainder of the Agreement or the application of such provisions to a party other than those to whom it is held invalid, illegal, unlawful, void, or unenforceable, shall not be affected and each provision of the Agreement shall be valid and enforceable to the fullest extent permitted by law as if such invalid, illegal, unlawful, void or unenforceable provision had never been included herein.

In the event it should become necessary for us to enforce the terms of the Agreement, we shall be entitled, in addition to such damages and other relief as may be granted by the Court, to recover reasonable attorney's fees and costs, including attorney's fees incurred on any appeal.

Limitations on Transfers

Each fund transfer through Business Online Banking from your savings or money Market deposit account is subject to the same transfer limitations indicated in the Terms and Conditions of Your Account and Funds Availability disclosures in effect on the date of the transfer, and as provided in Federal Reserve Regulation D.

ACH ORIGINATION SERVICES

If ACH Origination Services are desired, Customer must apply for ACH lending limits and be approved before any ACH access will be granted. The ACH Guaranty and if applicable the ACH Third Party Agreement must be completed. If the Customer requires an increase in their ACH limits they must provide a written request for the limit increase to the ACH Coordinator at First Federal Bank for approval by the appropriate First Federal Bank Loan Officer, Loan Committee or Board of Directors. Bank reserves the right to require that all ACH transaction files be pre-funded by Customer prior to transmission.

Upon application and approval, customer will be permitted it to initiate electronic signals for paperless entries through the Bank to accounts maintained at Bank and at other financial institutions, by means of the Automated Clearing House (the "ACH"), in accordance with the terms and conditions of this Disclosure.

Customer and Bank agree that all ACH transaction files may require prefunding. Prefunded files must be submitted during normal business hours Monday through Friday between the hours of 9:00 am EST and 7:00 pm EST

Bank Requires customers processing ACH Origination to list First Federal Bank of Florida as "also insured" in insurance policies

Rules

The Customer will comply with and be bound by NACHA Rules. The Bank's obligation to inform the Customer of revisions to the NACHA Rules should be limited to those "of which the Bank has actual knowledge." This includes sanctions imposed by the Office of Foreign Asset Control blocking transactions to targeted individuals and countries.

Transmission of Entries: Security Procedures

The Customer's Authorized Representative will access the Business Online Banking ACH system by utilizing the pre-assigned Access ID and Password. The Customer will transmit all debit and credit entries to the Bank, and is responsible for ensuring that Bank receives the transmission, on or before the deadlines described in this Disclosure. Customer will conform all entries to the format, content and specifications of NACHA Rules. The Customer authorizes the Bank to transmit all entries received from it in accordance with the terms of this Disclosure, and to post credit or debit entries to the specified accounts. The Bank shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by the Authorized Representative, and any such communication shall be deemed to have been signed by such person.

Bank Obligations

In a timely manner and in accordance with NACHA Rules, the Bank will process, transmit, and settle the entries received from the Customer which complies with the terms of this Disclosure.

Customer Obligations

Compliance

Customer agrees to abide by all federal and state laws, and rules and regulations applicable to banking transactions, including those of the National Automated Clearing House Association for ACH transactions. Customer also agrees to process transactions as described in the Guides.

Authorized Representatives.

The Customer certifies that those individuals shown on the Business Online Banking Customer Enrollment as Authorized Representatives for ACH Services, as the same may be specifically limited by the ACH Authorization, are duly authorized to generate debit and credit entries on behalf of Customer and transmit the same to Bank for processing.

Warranties

The Customer warrants to Bank all warranties required by NACHA Rules to be made by Customer with respect to entries originated by Customer. Without limiting the foregoing, the Customer further warrants and agrees that (a) each entry is accurate, timely, has been authorized by the party whose account will be credited or debited and otherwise complies with NACHA Rules; (b) each debit entry is for a sum which, on the settlement date with respect to it, will be owed to Customer by the party whose account will be debited, is for a sum specified by such party to be paid to the Customer, or is a correction of a previously transmitted erroneous credit entry; (c) the Customer has complied with all pre-notification requirements of NACHA Rules; (d) the Customer will comply with the terms of the Electronic Funds Transfer Act and Uniform Commercial Code Article 4A (UCC4A), if applicable, and shall otherwise perform its obligations under this Change to Agreement in accordance with all applicable laws and regulations. The Customer will retain the original or a copy of the authorization record as required by NACHA Rules for a period of not less than two (2) years after termination or revocation of such authorization and will, upon request of Bank, furnish such original or copy to the Bank. The Customer shall indemnify Bank against any loss, liability, or expense (including attorney's fees and expenses) resulting from or arising out of any breach of any of the foregoing warranties or agreements.

Provisional Credit

The Customer acknowledges that the NACHA Rules make provisional any credit given for any entry until the financial institution crediting the account specified in the entry receives final settlement. If the financial institution does not receive final settlement, it is entitled to a refund from the credited party and the originator of the entry shall not be deemed to have paid the party.

Settlement

The Customer will maintain a Deposit Account with Bank at all times while utilizing ACH Origination Services and for a period of six months after the termination of the Agreement. The Customer will maintain immediately available funds in the Deposit Account as of the applicable settlement date sufficient to cover all credit entries initiated by it. The Customer authorizes the Bank to debit its Deposit Account on the applicable settlement date in the amount of each entry.

Cancellation or Amendment

The Customer shall have no right to cancel or amend any entry/file after its receipt by Bank. However, the Bank shall use reasonable efforts to act on a request by the Customer to cancel an entry/file before transmitting it to the ACH or crediting an on-us entry. Any such request shall comply with the security procedures set forth in Section II to the ACH section of this Disclosure. The Bank shall have no liability if it fails to effect the cancellation.

Rejection of Entries

The Bank shall reject any entry, including an on-us entry, which does not comply with NACHA rules and may reject any entry if the Customer is not otherwise in compliance with the terms of the Agreement. The Bank shall notify the Customer by any means deemed appropriate to the Bank, including telephone, facsimile transmission or e-mail, of such rejection no later than the Business Day such entry would otherwise have been transmitted by the Bank to the ACH or, in the case of an on-us entry, its effective entry date. The Bank shall have no liability to the Customer by reason of the rejection of any entry or the fact that such notice is not given at an earlier time than that provided for herein. The Bank shall retain the right to reject any on-us transactions for any valid reason such as, but not limited to, insufficient funds or revoked authorization.

Notice of Returned Entries

The Bank shall notify the Customer by telephone, e-mail or fax of the receipt of a returned ACH entry no later than one Business Day after receipt by Bank. The Bank shall have no obligation to retransmit a returned entry if Bank complied with the terms hereof with respect to the original entry. If a transaction is returned to Customer, it is the Customer's responsibility to collect any funds that are owed. The Bank has no obligation to originate a transaction where authorization has been revoked.

Reversals

The Customer may initiate a reversing entry or file of entries as permitted by the NACHA Rules.

Periodic Statement

The periodic statement issued by the Bank for the Customer's Deposit Account will reflect entries credited and debited to the Customer's Deposit Account. The Company agrees to notify the Bank within a reasonable time, not to exceed three (3) Business Days from the date the Customer reviews its accounts online or by other electronic means by which a discrepancy may be detected, and in any even no later that ten (10) Business Days after the Customer receives a periodic statement, of any discrepancy between the Customer's records and the information in the periodic statement.

Credit Information

Upon request by Bank, Customer agrees to provide Bank with current financial statements not less frequently than annually. Customer further agrees that from time to time you may obtain credit information about Customer from others, including other lenders and credit reporting agencies, and report to others (such as a credit reporting agency) regarding Customer's credit experience with Bank. I agree that you will not be liable for any claim arising from the use of information provided to you by others or for providing such information to others.

Liability

The Bank shall be responsible only for performing the Services expressly provided for in the Agreement and shall be liable only for its gross negligence in performing those Services. The Bank shall not be responsible for the Customer's acts or omissions (including without limitation the amount, accuracy, timeliness of transmittal, or due authorization of any Entry received from the Customer) or those of any other person, including without limitation any Federal Reserve Financial Institution or transmission or communications facility, any Receiver or Receiving Depository Financial Institution (including without limitation the return of an Entry by such Receiver or Receiving Depository Financial Institution), and no such person shall be deemed the Bank's agent. The Company agrees to indemnify the Bank against any loss, liability, or expense (including attorney's fees and expenses) resulting from or arising out of any claim of any person that the Bank is responsible for any act or omission of the Customer, or any other person described in this Section.

In no event shall the Bank be liable for any consequential, special, punitive, or indirect loss or damage which the Customer may incur or suffer in connection with the Agreement, including without limitation loss or damage from subsequent wrongful dishonor resulting from the Bank's acts or omissions pursuant to the Agreement.

Without limiting the generality of the foregoing provisions, the Bank shall be excused from failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure, war, emergency conditions or other circumstances beyond the Bank's control. In addition, the Bank shall be

excused from failing to transmit or delay in transmitting an Entry if such transmittal would result in the Bank's having exceeded any limitation upon its intra-day net funds position established pursuant to present or future Federal Reserve guidelines or in the Bank's otherwise violating any provision of any present or future risk control program of the Federal Reserve or any rule or regulation of any other U.S. governmental regulatory authority.

The Customer is solely responsible for the accurate creation, modification, and deletion of the account information maintained in the Customer's personal computer and used for ACH transfer. The Customer agrees to comply with written procedures provided by the Bank for the creation, maintenance, and initiation of ACH transfers. The Customer is solely responsible for access by its employees of the data files maintained on the Customer's computer. The Customer is responsible for operator security procedures on any personal computer used for Services.

Subject to the foregoing limitations, the Bank's liability for loss shall be limited to general monetary damages not to exceed the total amount paid by the Customer for the affected ACH service, as performed by the Bank under this Agreement for the preceding 30 calendar days.

Inconsistency of Name and Account Number

The Customer acknowledges that if an entry describes the receiver inconsistently by name and account number, payment of the entry may be made on the basis of the account number even if it identifies a person different from the named receiver.

Retention of File

The Customer shall retain data on file adequate to permit remaking of entries for five (5) business days following the date of their transmittal to the Bank as provided herein and shall provide such data to the Bank upon its request.

Termination

The Services described in the Agreement may be terminated by the Bank in accordance with the provisions of the Termination provision set forth on Page 4 of this Disclosure. In the event that the Customer elects to terminate the Agreement, it shall provide the Bank with thirty (30) days written notice. Bank shall have no obligation to transmit entries if the Customer is in default of any of its obligations under the Agreement, including the obligation to pay Bank for each credit entry.

Authorized Third Parties

Customer may authorize a third party representative to originate entries on its behalf. Prior to transmitting any entries through a third party representative, Customer and the third party representative must execute Third Party Agreements.

Transmission Location and Formatting Instructions

All files will be formatted in a NACHA format. Transmission specifications will be established by First Federal Bank.

Personal Computer Transmissions

The Company will transmit files to First Federal Bank, 4705 West US Hwy 90 Lake City, FL 32055.
Telephone: 386-755-0600 or 386-362-3433

ACH Processing Deadlines

Definitions:

"Business Day" is as defined in the General Information on Page 1 of this Disclosure.

"Effective Date" must be a Business Day, or the record will be processed on the first Business Day following the Effective Date.

Processing Deadlines for:

Credit Entries
Electronic File Transmission: 7:00 PM EST two (2) Business Days prior to Effective Date.
Pre-funded Files: Between 9:00 AM EST and 7:00 PM EST two (2) Business Days prior to Effective Date.

Debit Entries
Electronic File Transmission: 4:00 PM one (1) Business Day prior to Effective Date.
Pre-funded Files: Between 9:00 AM EST and 7:00 PM EST two (2) Business Days prior to Effective Date.

Holiday Schedule (Non-processing Days)

New Year's Day
Martin Luther King, Jr. Day
President's Day
Memorial Day
Juneteenth
Independence Day
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Christmas Day

* For holidays falling on Saturday, branches will be open the preceding Friday.
For Holidays falling on Sunday the branches will be closed the following Monday.

RDC SERVICES

The Bank provides certain check clearing services known as Remote Deposit Capture (eDeposit), whereby Customer uses an imager specified by Bank to scan paper checks to create an image cash letter file to be transmitted electronically to Bank. If the customer desires to use such Services, Customer must complete the RDC Remote Deposit Capture Program Application and Approval Form. If approved, Customer will be permitted to remotely submit deposits utilizing the RDC Service in accordance with the terms and conditions of this Disclosure.

Services

Provision of Services.

Subject to the terms and conditions of this Disclosure, Bank agrees to provide RDC Services to Customer. Bank shall have the right to determine, in its sole discretion, the nature and extent of the Services to be provided. The RDC Service is the sole property of Bank, and Customer has no ownership right in the Service, or any other property of Bank or its suppliers, other than those rights expressly granted under any addenda and the Agreement.

Modifications to Services

Bank reserves the right to modify the RDC Service from time to time without prior notice to Customer, provided, however, that Bank will give Customer at least 30 days' notice prior to making any modifications to the Services described herein that would materially alter their functionality, or increase any fee associated with the Service.

Equipment

Bank agrees to provide the necessary image capture equipment and software to Customer. All equipment and software will remain the property of Bank, and in the event of termination of this Service or the Agreement, all equipment and software will be returned by Customer to Bank. Customer will provide the necessary computer equipment and telecommunications services to connect to Bank's system.

Processing

Captured images utilizing Bank's equipment and software will be transmitted to Bank, processed by Bank and then sent to the Federal Reserve and/or a correspondent check clearing network, enabling Customer to clear their daily check deposits electronically as images, instead of physically transporting the checks to a local depository. When necessary, Bank will prepare "Substitute Checks" / Image Replacement Documents ("IRD"), as that term is defined in the Check Clearing for the 21st Century Act, also known as Check 21, and implemented through Reg. CC, to facilitate processing and collection of Customer's items. Once the file has been successfully received and processed by Bank, Bank will send daily settlement files to Customer's Deposit Account(s), utilizing for that purpose the Automated Clearing House system administered by the National Automated Clearing House Association ("NACHA"). Customer is responsible for ensuring that the checks scanned meet the ANSI X937 standards for image quality. Customer will cooperate with Bank in the event Bank needs assistance in the balancing of transactions, or such items will be placed in suspense by Bank pending resolution.

Fees

There is a monthly fee associated with use of RDC including the necessary equipment and software to be provided by Bank. Please see the most recent Products and Service Charges disclosure for the current fees associated with RDC and the other Services. Customer agrees that Bank may debit its Deposit Account(s) for the applicable monthly fee.

Substitute Checks

Bank represents and warrants that it has the capability to receive image files and initiate Image Replacement Documents. Bank agrees to remain the Reconverting Bank for all purposes under the Check Clearing Act for the 21st Century, and it's implementing regulations ("Check 21") and makes all warranties required there under.

Liability for Fines

Customer shall be liable for all fines levied against Bank by the National Automated Clearing House Association for any violation of the ACH Rules arising from Customer's intentional misconduct or negligence.

RDC Guides

Upon acceptance of Customer's application for use of RDC, Customer will be provided with a copy of the "RDC Customer Reference Guide". Customer will comply with all provisions and requirements contained in the Guide.

Termination of Service

Upon termination of this Service or the Agreement, all RDC equipment and software will be returned by Customer to Bank. Customer further agrees to certify in writing that all original checks remaining in its possession have been destroyed by a commercially reasonable method (e.g. shredding).

Customer Obligations

Compliance

Customer agrees to abide by all federal and state laws, and rules and regulations applicable to banking transactions, including those of the FFIEC for RDC transactions. Customer also agrees to process transactions as described in the Guides.

Training

Customer agrees to train its employees in the overall use of the RDC services, including the supervision and auditing of their employees' use of the service.

Customer's Representations and Warranties

Customer represents and warrants that all items scanned through image transport are made payable to Customer, that all signatures on each check are authentic and authorized, and that each check has not been altered.

Controls

Customer agrees to have controls in place to ensure that all checks processed through image capture equipment are destroyed within a commercially reasonable period of time, typically 14 days. No check transmitted to Bank shall be deposited into any bank causing funds to be debited twice from the account of the check writer. Customer agrees to be responsible for all consequential damages resulting from lack of proper controls over processed checks. Customer agrees that Bank may, at its discretion, conduct periodic onsite inspections of equipment and control procedures relating to processed checks.

Returns after Termination

If Bank receives a returned item for a check deposited by Customer after Customer has terminated the Agreement, then Customer agrees that Bank may debit Customer's Deposit Account, or if such Deposit Account has been closed by Customer, Bank will send a request for payment to the Customer, and Customer agrees to pay Bank within a commercially reasonable time.

Bank Obligations

Equipment

Bank agrees to provide Customer with equipment options which allow for the capture and transmission of check images and MICR information. Equipment will be owned by Bank, who will be solely responsible for its servicing and repair.

Payment of Deposits

Customer shall receive same day credit for all items processed and transmitted successfully to Bank prior to 7:00 PM EST on any Business Day. Items transmitted after 7:00 PM EST will be processed and credited on the next Business

Day. If applicable, items eligible for clearing through the ACH network will be originated by Bank on the next Business Day and credited to the Customer's Deposit Account.

Reports

Bank shall provide Customer with daily reports via the Internet, detailing items processed, return items, and deposit adjustments.

Retention of Check Images

Bank will retain the image cash letter file for 7 years.

Audit

Bank reserves the right to visit the customer site to ensure compliance with customer obligations. Bank reserves the right to require Customer to provide financial information from time to time to comply with financial monitoring.

POSITIVE PAY SYSTEM

Positive Pay System provides a method of check fraud detection for Customer utilizing a database of issued checks provided by Customer to Bank via Business Online Banking. Customer will transmit a daily listing of issued checks via Business Online Banking not later than 5:00 P.M. on the day of check issuance. Customer agrees that Bank will not be responsible for return of any item not found in the Positive Pay database resulting from Customer's failure to transmit daily issued check listings on a timely basis or failure to include any item in the daily issued check listing. The daily listings of issued checks are compiled into a Customer database and checks presented for payment through in clearings or over-the-counter are verified as issued prior to payment.

Checks Presented Through Inclearings

Customer will be provided a daily report of checks presented through inclearings which cannot be verified as issued through Positive Pay. Customer will notify Bank not later 11:00 AM EST each day whether to pay or return the reported items. Any checks not reviewed or specifically authorized to be returned by Customer will be paid.

Checks Presented Over-the-Counter

Checks presented for cash at any teller window will be verified through the Positive Pay. Any check which cannot be verified through Positive Pay will not be cashed until Customer authorization can be obtained. Customer will provide contact information for purposes of check verification on Positive Pay Agreement, and agrees that such information will be updated as necessary to insure availability of an Authorized Representative of Customer to provide check authorization information.

FIRST FEDERAL BANK
P O Box 2029 * 4705 U S Hwy 90 West * Lake City, FL 32056
386-755-0600 * www.ffbf.com

ACH ORIGINATION AGREEMENT

This agreement is made this the _____ day of _____, 20_____ between: First Federal Bank ("Financial Institution") and _____ _____("Company"). Company wishes to initiate credit and/or debit Entries through the Financial Institution to accounts maintained at Financial Institution and in other depository financial institutions by means of the Automated Clearing House Network ("ACH") pursuant to the terms of this Agreement and the rules of the National Automated Clearing House Association ("NACHA") and Financial Institution's operating rules and procedures for electronic entries, including any exhibits or appendices thereto now in effect, or as may be amended from time to time, (the "Rules"), and Financial Institution is willing to act as an Originating Depository Financial Institution ("ODFI") with respect to such Entries. This Agreement sets forth the terms and conditions pursuant to which Financial Institution will provide to Company the ACH Services outlined herein ("Services"). Company hereby requests Financial Institution to provide the Service described in this Agreement. By executing this Agreement and/or using the Services described in this Agreement, Company accepts and agrees to all terms, conditions, and provisions of this Agreement and agrees that this Agreement sets forth the terms and conditions pursuant to which Financial Institution will provide to Company the Service outlined herein. To the extent that Company transmits Entries via the Internet, Company must execute the Internet Banking System agreement which is hereby incorporated by reference and made a part hereof. In the event of inconsistency between a provision of this Agreement, the Uniform Commercial Code ("UCC"), the Internet Banking System agreement, and/or the Depository Agreement, the provisions of this Agreement shall prevail. Terms not otherwise defined in this Agreement shall have the meaning ascribed to those terms in the Rules. The term "Entry" shall have the meaning provided in the Rules and shall also mean the data received from Company hereunder from which Financial Institution initiates each Entry. First Federal will comply with standards set forth by the "Green Book Guide". For more information about the Green Book Guide please visit https://www.fiscal.treasury.gov/fsreports/ref/greenBook/introduction.htm
Therefore, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Financial Institution and Company, intending to be legally bound, do hereby agree as follows:

AGREEMENTS

1. **COMPLIANCE WITH RULES AND LAWS.** Company acknowledges it has a copy or has access to a copy of the Rules. Company may contact First Federal to borrow a NACHA rules book at any time. Company agrees to comply with and be subject to the Rules of NACHA in existence at the date of this Agreement, and any amendments to these Rules made from time to time. It shall be the responsibility of the Company that the origination of ACH transactions complies with U.S. law, including but is not limited to sanctions enforced by the Office of Foreign Assets Control ("OFAC"). It shall further be the responsibility of the Company to obtain information regarding such OFAC enforced sanctions. (This information may be obtained directly from the OFAC Compliance Hotline at 800-540-OFAC or from the OFAC's home page site at www.ustreas.gov/ofac.) Company agrees that the performance of any action by Financial Institution to debit or credit an account or transfer funds otherwise required by the Rules is excused from the performance of such action to the extent that the action is inconsistent with United States law, including the obligations of the Financial Institution under OFAC or any program administered by the United States Department of the Treasury's Financial Crimes Enforcement Network ("FinCEN"). Company agrees generally and warrants to Financial Institution that all actions by Company contemplated by this Agreement, including the preparation, transmittal, and settlement of Entries and payment orders, shall comply in all material respects with United States laws, regulations, regulatory guidelines and guidance, and official commentaries, including without limitation all such regulations, guidelines, and commentaries issued by the Board of Governors of the Federal Reserve and the Federal Financial Institutions Examination Council ("FFIEC"). Financial Institution will charge the Company with any fines or penalties imposed by OFAC, NACHA or any organization which are incurred as a result of non-compliance by the Company and the Company agrees to fully reimburse and/or indemnify Financial Institution for such charges or fines. The specific duties of the Company provided in the following paragraphs of this Agreement in no way limit the foregoing undertaking. The duties of the Company set forth in the following paragraphs of this Agreement in no way limit the requirement of complying with the Rules.

2. **UNDERWRITING.** Company approval for use of this Service may be subject to underwriting criteria established by Financial Institution from time to time. If Financial Institution requires application of underwriting criteria to Company approval for use of this Service, Financial Institution will communicate to Company the nature and content of that criteria and the information Company will be required to provide to Financial Institution. Company agrees to provide Financial Institution such financial, business and operating information as Financial Institution may reasonably request in connection with Financial Institution's underwriting and approval process. Financial Institution may require the personal guarantee of a principal or an owner of company. **Schedule F** should be executed if such a guarantee is required.

3. **SECURITY INTEREST.** To secure the payment and performance of Company's obligations set forth herein, Company grants to Financial Institution a security interest in and pledges and assigns to Financial Institution all of Company's right, title, and interest in the following described property, whether now owned or hereafter existing or acquired and wherever located: (a) all monies, instruments, savings, checking and other accounts of Company (excluding IRA, Keogh, trust accounts and other accounts subject to tax penalties if so assigned) that are now or in the future in Financial Institution's custody or control; (b) any other collateral described in any security instrument securing the obligations of Company to Financial Institution under this Agreement or any other obligation of Company to Financial Institution; and (c) all proceeds and products of the property as well as any replacements, accessions, substitutions, and additions to any of the above.

4. **DESIGNATION OF ADMINISTRATOR.** In order to originate ACH Entries, Company must designate at least one Administrator. Administrator(s) shall be responsible for designating "Users" who Company authorizes to issue Entries on its behalf. For the purposes of this Agreement, the term User shall also include the Administrator. The Financial Institution shall be entitled to rely on the designations made by the Company's Administrator(s) and shall not be responsible for matching the names of the company Users designated by the Administrator(s) to names or titles listed in Company's banking resolutions. Company agrees that any such online Entries shall comply with Financial Institution's Security Procedures, which are subject to change without notice to Company. Although Financial Institution is only required to act upon the instructions of the User(s), the Financial Institution may, in its sole discretion, execute debit or credit Entries initiated by any individuals authorized by Company to sign checks on Company accounts. The signature cards establishing the authorized signatories for Company deposit accounts are hereby incorporated by reference and made a part hereof.

5. **TRANSMISSION OF ENTRIES BY COMPANY.** User(s) shall initiate the debit or credit Entries in Schedule A hereunder on behalf of and selected by Company. Financial Institution shall be entitled to deem any person having knowledge of any Security Procedure, defined below in Section 8 of this Agreement and required to initiate Entries under this Agreement, to be a User. User(s) shall transmit Entries to Financial Institution in computer readable form in compliance with the formatting and other requirements set forth in the NACHA file specifications or as otherwise

specified by Financial Institution. Entries shall be transmitted to Financial Institution no later than the time and the number of days prior to the Effective Entry Date specified in the Processing Schedule attached hereto and made a part hereof as Schedule B. For the purposes of this Agreement, "Business Day" means Monday through Friday, excluding federal holidays and the "Settlement Date" with respect to any Entry shall be the Business Day when such Entry is debited or credited in accordance with instructions of the Company. A federal holiday calendar is attached as Schedule D. Entries received after the cut off time shall be deemed to have been received on the next Business Day. The total dollar amount of Entries transmitted by Company to Financial Institution on any one Settlement Day shall not exceed the lesser of the amount of collected funds in Company's account or the ACH Processing Limit set forth in the ACH Application and Approval form.

6. **THIRD PARTY SERVICE PROVIDERS.** Company may be using special equipment, services or software provided by a third party to assist it in processing Files hereunder ("Service Provider"). Company agrees not to use a Service Provider to transmit files to Financial Institution without first entering into Financial Institution's Third Party Service Provider Agreement. If Company uses Service Provider to transmit Files to Financial Institution and Company and Service Provider have not entered into a Third Party Service Provider Agreement, Company (a) agrees that Service Provider is acting as Company's agent in the delivery of Files to Financial Institution, and (b) agrees to assume full responsibility and liability for any failure of Service Provider to comply with the laws of the United States, the Rules and this Agreement. Financial Institution will not be liable for any losses or additional costs incurred by Company as a result of any error by Service Provider or a malfunction of equipment provided by Service Provider. Company is solely responsible for maintaining compliance with the requirements of Service Provider, including obtaining any software updates. Financial Institution's sole responsibility shall be to transmit Financial Institution approved transactions to the ACH Operator and Financial Institution shall not have any responsibility for any File handled by Service Provider until that point in time when Financial Institution accepts and approves a File from such Service Provider for processing. If Financial Institution authorizes Company to use a Service Provider, the terms and conditions governing the relationship between Company and the Service Provider shall be governed by a separate agreement between Company and Service Provider ("Service Provider Agreement"). All of Company's obligations and responsibilities under this Agreement will apply to the Service Provider, and Company's separate agreement with the Service Provider must so provide. At Financial Institution's request, Company will provide to Financial Institution a true and exact copy of such agreement. Company shall designate the Service Provider as a User and the Service Provider must also enter into a Service Provider Agreement before the Service Provider sends Files to Financial Institution. Notwithstanding the foregoing, Company hereby authorizes Financial Institution to accept any File submitted by the Service Provider even if the Service Provider has not been designated as a User or if the Third Party Service Provider has not executed the Service Provider agreement. Company hereby indemnifies and holds Financial Institution harmless for any losses, damages, fines, assessments, costs and expenses incurred or suffered by Financial Institution or any other person as a result of or arising from Company's use of Service Provider, including fines or assessments incurred under or pursuant to the Rules and attorneys' fees.

7. **SECURITY PROCEDURES.**

   (a) The Company shall comply with the "Security Procedures" described in Schedule C attached hereto and made a part hereof, and Company acknowledges and agrees that the Security Procedures, including (without limitation) any code, password, personal identification number, user identification technology, token, certificate, or other element, means, or method of authentication or identification used in connection with a Security Procedure ("Security Devices") used in connection therewith, constitute commercially reasonable security procedures under applicable law for the initiation of ACH entries. Company authorizes Financial Institution to follow any and all instructions entered and transactions initiated using applicable Security Procedures unless and until Company has notified Financial Institution, according to notification procedures prescribed by Financial Institution, that the Security Procedures or any Security Device has been stolen, compromised, or otherwise become known to persons other than User(s) and until Financial Institution has had a reasonable opportunity to act upon such notice. Company agrees that the initiation of a transaction using applicable Security Procedures constitutes sufficient authorization for Financial Institution to execute such transaction notwithstanding any particular signature requirements identified on any signature card or other documents relating to Company's deposit account maintained with Financial Institution, and Company agrees and intends that the submission of transaction orders and instructions using the Security Procedures shall be considered the same as Company's written signature in authorizing Financial Institution to execute such transaction. Company acknowledges and agrees that Company shall be bound by any and all Entries initiated through the use of such Security Procedures, whether authorized or unauthorized, and by any and all transactions and activity otherwise initiated by User(s), to the fullest extent allowed by law. Company further acknowledges and agrees that the Security Procedures are not designed to detect error in the transmission or content of communications or Entries initiated by Company and that Company bears the sole responsibility for detecting and preventing such error.

   (b) Company agrees to keep all Security Procedures and Security Devices protected, secure, and strictly confidential and to provide or make available the same only to User(s). Company agrees to instruct each User not to disclose or provide any Security Procedures or Security Devices to any unauthorized person. Financial Institution shall distribute Security Devices to the Administrator and Financial Institution shall otherwise communicate with the Administrator regarding Security Procedures. Company's Administrator shall have responsibility to distribute Security Devices to User(s) and to ensure the proper implementation and use of the Security Procedures by User(s). Where Company has the ability to change or modify a Security Device from time to time (e.g., a password or PIN), Company agrees to change Security Devices frequently in order to ensure the security of the Security Device. Company agrees to notify Financial Institution immediately, according to notification procedures prescribed by Financial Institution, if Company believes that any Security Procedures or Security Device has been stolen, compromised, or otherwise become known to persons other than User(s) or if Company believes that any ACH transaction or activity is unauthorized or in error. In the event of any actual or threatened breach of security, Financial Institution may issue Company a new Security Device or establish new Security Procedures as soon as reasonably practicable, but Financial Institution shall not be liable to Company or any third party for any delay in taking such actions.

   (c) Company agrees to notify Financial Institution immediately, according to notification procedures prescribed by Financial Institution, if the authority of any Administrator(s) shall change or be revoked. Company shall recover and return to Financial Institution any Security Devices in the possession of any User(s) whose authority to have the Security Device has been revoked.

   (d) Financial Institution reserves the right to modify, amend, supplement, or cancel any or all Security Procedures, and/or to cancel or replace any Security Device, at any time and from time to time in Financial Institution's discretion. Financial Institution will endeavor to give Company reasonable notice of any change in Security Procedures; provided that Financial Institution may make any change in Security Procedures without advance notice to Company if Financial Institution, in its judgment and discretion, believes such change to be necessary or desirable to protect the security of Financial Institution's systems and assets. Company's implementation and use of any changed Security Procedures after any change in Security Procedures shall constitute Company's agreement to the change and Company's agreement that the applicable Security Procedures, as changed, are commercially reasonable and adequate for the purposes intended.

8. **PHYSICAL AND ELECTRONIC SECURITY**

(a) Company is solely responsible for providing for and maintaining the physical, electronic, procedural, administrative, and technical security of data and systems in Company's possession or under Company's control. Financial Institution is not responsible for any computer viruses (including, without limitation, programs commonly referred to as "malware," "keystroke loggers," and/or "spyware"), problems or malfunctions resulting from any computer viruses, or any related problems that may be associated with the use of an online system or any ACH Origination services. Any material downloaded or otherwise obtained is obtained at Company's own discretion and risk, and Financial Institution is not responsible for any damage to Company's computer or operating systems or for loss of data that results from the download of any such material, whether due to any computer virus or otherwise. Company is solely responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to Company's operating systems, and for protecting, securing, and backing up any data and information stored in or on Company's operating systems. Financial Institution is not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on Company's operating systems or accessed through an Internet connection.

(b) Company acknowledges and agrees that it is Company's responsibility to protect itself and to be vigilant against e-mail fraud and other internet frauds and schemes (including, without limitation, fraud commonly referred to as "phishing" and "pharming"). Company agrees to educate User(s), agents, and employees as to the risks of such fraud and to train such persons to avoid such risks. Company acknowledges that Financial Institution will never contact Company by e-mail in order to ask for or to verify Account numbers, Security Devices, or any sensitive or confidential information. In the event Company receives an e-mail or other electronic communication that Company believes, or has reason to believe, is fraudulent, Company agrees that neither Company nor its User(s), agents, and employees shall respond to the e-mail, provide any information to the e-mail sender, click on any links in the e-mail, or otherwise comply with any instructions in the e-mail. Company agrees that Financial Institution is not responsible for any losses, injuries, or harm incurred by Company as a result of any electronic, e-mail, or Internet fraud.

(c) In the event of a breach of the Security Procedure, Company agrees to assist Financial Institution in determining the manner and source of the breach. Such assistance shall include, but shall not be limited to, providing Financial Institution or Financial Institution's agent access to Company's hard drive, storage media and devices, systems and any other equipment or device that was used in breach of the Security Procedure. Company further agrees to provide to Financial Institution any analysis of such equipment, device, or software or any report of such analysis performed by Company, Company's agents, law enforcement agencies, or any other third party. Failure of Company to assist Financial Institution shall be an admission by Company that the breach of the Security Procedure was caused by a person who obtained access to transmitting facilities of Company or who obtained information facilitating the breach of the Security Procedure from Company and not from a source controlled by Financial Institution.

9. **INTERNATIONAL ACH TRANSACTIONS ("IAT").** Company shall not initiate any IAT Entries without Financial Institution's prior approval. If approved by Financial Institution, the following provisions apply to IAT Entries originated by Company: returned IAT Entry, consumer payments will be credited to Company at the originated U.S. dollar amount; corporate payments will be credited to Company at the exchange rate determined by Financial Institution's processor at the time of return.

(a) IAT Entries are transmitted by Financial Institution in U.S. dollars and converted to the local currency for receipt in the foreign country at the exchange rate determined by Financial Institution's processor on the date determined by Financial Institution's processor. All risk of fluctuation in the applicable exchange rate is borne by Company and Company agrees and acknowledges that Financial Institution shall not be liable to Company for any loss or charge incurred by Company as the result of the application of any foreign currency exchange criteria imposed by any institution or agency located outside the United States.

(b) In the event of a returned IAT Entry, consumer payments will be credited to Company at the originated U.S. dollar amount; corporate payments will be credited to Company at the exchange rate determined by Financial Institution's processor at the time of return.

(c) In the event of an error in an Entry or duplicate entries, Company acknowledges and agrees that Company shall be liable for any and all losses caused by and a direct or indirect result from the error or duplicate Entry.

(d) Company shall originate all International ACH Transactions, as that term is defined in the Rules, with an IAT SEC code and Company hereby agrees to abide by all of the Rules related to IAT Entries.

(e) Company agrees that in the case of a non-Consumer Account, Company shall enter into an agreement with the Receiver whereby the Receiver agrees to abide by the Rules in effect from time to time.

(f) Company acknowledges that it has reviewed and understands provisions of the Rules dealing with exceptions for outbound IAT Entries and Company understands and agrees that laws, regulations, and rules of the country in which the Receiver is located shall govern the matters listed within that subsection. Company further acknowledges that Company understands how such laws, regulations and rules differ from the Rules.

(g) Company agrees and acknowledges that any assistance by Financial Institution does not in any manner obligate Financial Institution for the accuracy or enforceability of the Entry in any country outside the United States.

(h) Company bears the risk of any loss caused by any delay, tax, cost, tariff, fee, or other charge incurred on account of the Entry in any country outside the United States.

(i) If the settlement of any IAT Entry involves clearing of the Entry in more than one country outside the United States, Financial Institution shall be permitted to rely upon any advice or instruction received by Financial Institution from the financial institution or financial agency located in the first country outside the United States to which the Entry is directed.

(j) Company hereby indemnifies Financial Institution from and against any and all resulting claims, demands, losses, liabilities, or expenses, including attorneys' fees and costs, resulting directly or indirectly from Company's origination of an IAT Entry.

10. **CREDIT AND DEBIT ENTRIES; RECORDS RETENTION.** Company shall obtain an authorization ("Authorization Agreement" Schedule E) as required by the Rules from the person or entity whose account will be debited or credited as the result of a debit or credit Entry initiated by Company and Company shall retain the Authorization Agreement in original form while it is in effect and the original or a copy of each

authorization for two (2) years after termination or revocation of such authorization as stated in the Rules. Upon request, Company shall furnish the original or a copy of the authorization to any affected Participating Depository Financial Institution, as defined in the Rules.

The following table shows the proper SEC Codes to use depending on how you obtained the authorization to debit/credit an individual or company's account:

SEC Code	Debit / Credit	Authorization Method
PPD	Debit or Credit	Document signed by individual or similarly authenticated
CCD, CTX	Debit or Credit	Document signed or verbal agreement by Company
WEB, TEL	Debit	As required per NACHA rules.

11. **RECORDING AND USE OF COMMUNICATIONS.** Company and Financial Institution agree that all telephone conversations or data transmissions between them or their agents made in connection with this Agreement may be electronically recorded and retained by either party by use of any reasonable means. Financial Institution shall not be obligated to make such recordings.

12. **PROCESSING, TRANSMITTAL, AND SETTLEMENT BY FINANCIAL INSTITUTION.** Except as otherwise provided for in this Agreement and if Financial Institution elects to accept Entries, Financial Institution shall:

    (a) (i) use commercially reasonable efforts to comply with the instructions of Company, (ii) process Entries received from Company to conform with the file specifications set forth in the Rules, (iii) transmit such Entries as an ODFI to the "ACH" processor selected by Financial Institution, (iv) settle for such Entries as provided in the Rules, and (v) in the case of a credit Entry received for credit to an account with Financial Institution ("On-Us Entry"), Financial Institution shall credit the Receiver's account in the amount of such credit Entry on the Effective Entry Date contained in such credit Entry provided such credit Entry is received by Financial Institution at the time and in the form prescribed by Financial Institution in Section 5.

    (b) transmit such Entries to the ACH processor by the deposit deadline of the ACH processor, provided: (i) such Entries are completely received by Financial Institution's cut-off time at the location specified by Financial Institution to Company from time to time; (ii) the Effective Entry Date satisfies the criteria provided by Financial Institution to Company; and (iii) the ACH processor is open for business on such Business Day. Company agrees that the ACH processor selected by Financial Institution shall be considered to have been selected by and designated by Company. The Company will receive immediately available funds for any electronic debit entry initiated by it on the Settlement Date applicable thereto.

13. **SETTLEMENT OF CREDIT ENTRIES AND RETURNED DEBIT ENTRIES.** Company agrees to settle for all credit Entries issued by Company, User(s), or credit Entries otherwise made effective against Company. Company shall make settlement at such time on the date of transmittal by Financial Institution of such credit Entries as Financial Institution, in its discretion, may determine, and the amount of each On-Us Entry at such time on the Effective Date of such credit Entry as Financial Institution, in its discretion, may determine. Company shall settle with Financial Institution for the amount of each debit Entry returned by a Receiving Depository Financial Institution ("RDFI") or debit Entry dishonored by Financial Institution. Settlement shall be made by Company to Financial Institution in any manner specified by Financial Institution. Notwithstanding the foregoing, Financial Institution is hereby authorized to charge the account(s) ("Authorized Account(s)") designated in eCorp Set Up Request, as settlement for credit Entries issued by Company or returned or dishonored debit Entries. If Financial Institution requires pre-funding, Company shall maintain sufficient collected funds in the Authorized Account(s) to settle for the credit Entries at the time the credit Entries are issued by Company. In the event the Authorized Account or any other Company bank account does not have collected funds sufficient on the Settlement Date to cover the total amount of all Entries to be paid on such Settlement Date, Financial Institution may take any of the following actions:

    (a) Refuse to process all Entries, in which event Financial Institution shall return the data relating to such credit Entries to Company, whereupon Financial Institution shall have no liability to Company or to any third party as a result thereof; or

    (b) Process that portion of the credit Entries as Company has sufficient available funds in the Authorized Account to cover, in whatever order Financial Institution in its sole discretion shall elect to process, in which event Financial Institution shall return the data relating to such credit Entries as are not processed to Company, whereupon Financial Institution shall have no liability to Company or any third party as a result thereof; or

    (c) Process all credit Entries. In the event Financial Institution elects to process credit Entries initiated by Company and Company has not maintained sufficient available funds in the Authorized Account with Financial Institution to cover them, the total amount of the insufficiency advanced by Financial Institution on behalf of Company shall be immediately due and payable by Company to Financial Institution without any further demand from Financial Institution. If Financial Institution elects to pay Company's account in the overdraft on any one or more occasions, it shall not be considered a waiver of Financial Institution's rights to refuse to do so at any other time nor shall it be an agreement by Financial Institution to pay other items in the overdraft.

14. **PRE-FUNDING.** Customer will provide immediately available and collected funds sufficient to pay all ACH credit Entries initiated by Company the earlier of a) not later than 8:00 a.m. local time 2 banking days before each Settlement date; or b) when the ACH file is submitted for processing. Pre-funding is processed by holding funds sufficient to cover the full amount of the Entries initiated by Company until the Settlement date. Files

submitted more than 2 banking days before Settlement date will go through the pre-funding process 2 banking days before each Settlement date. Files initiated by Company that fail the pre-funding process as described will not be processed until funds are made available.

15. **ON-US ENTRIES.** Except as provided in Section 17, Rejection of Entries, or in the case of an Entry received for credit to an account maintained with Financial Institution (an "On-Us Entry"), the Financial Institution shall credit the Receiver's account in the amount of such Entry on the Effective Entry Date contained in such Entry, provided the requirements set forth in Section 12 (b) (i), (ii), and (iii) are met. If any of those requirements are not met, the Financial Institution shall use reasonable efforts to credit the Receiver's account in the amount of such Entry no later than the next Business Day following such Effective Entry Date.

16. **RESERVES.** From time to time, Financial Institution shall evaluate Company's transaction activity for the purpose of establishing averages for transaction frequency, amount, returns and adjustments. These evaluations will occur at least annually and may occur more frequently at Financial Institution's discretion. In connection with these evaluations, Financial Institution reserves the right to require Company to establish reserves with Financial Institution calculated by Financial Institution to cover Company's obligations to Financial Institution arising from ACH activities under this Agreement. Reserves may be expressed as a fixed dollar amount or as a "rolling reserve" calculated based on "rolling" averages determined by Financial Institution's periodic evaluations. The amount of reserves required by Financial Institution, if any, will be communicated directly to Company from time to time. Company agrees to establish reserves as required by Financial Institution within 5 banking days after receipt of a communication from Financial Institution setting forth the amount of required reserves and the basis of calculation used to determine the amount of reserves. Financial Institution may suspend ACH processing activity for Company if Company fails to establish the required amount of reserves within the time period specified by Financial Institution in its communication to Company.

17. **REJECTION OF ENTRIES.** Company agrees that Financial Institution has no obligation to accept Entries and therefore may reject any Entry issued by Company. Financial Institution has no obligation to notify Company of the rejection of an Entry but Financial Institution may do so at its option. Financial Institution shall have no liability to Company for rejection of an Entry and shall not be liable to pay interest to Company even if the amount of Company's payment order is fully covered by a withdrawable credit balance in an Authorized Account of Company or the Financial Institution has otherwise received full payment from Company. Financial Institution reserves the right to suspend/hold any originated file or transaction/transactions within the file that it deems necessary and allow originator to correct/adjust the file to the Financial Institution's approval. Financial Institution will then process the approved file, transaction/transactions for transmission.

18. **CANCELLATION OR AMENDMENT BY COMPANY.** Company shall have no right to cancel or amend any Entry after its receipt by Financial Institution. However, Financial Institution may, at its option, accept a cancellation or amendment by Company. If Financial Institution accepts a cancellation or amendment of an Entry, Company must comply with the Security Procedures provided in Section 7 of this Agreement. If such a request is received by the Financial Institution before the affected Entry has been transmitted to the ACH (or, in the case of an On Us Entry, before the Receiver's account has been credited or debited), the Financial Institution will use reasonable efforts to cancel or amend the Entry as requested, but the Financial Institution shall have no liability if the cancellation or amendment is not effected. If Financial Institution accepts a cancellation or amendment of an Entry, Company hereby agrees to indemnify, defend all claims and hold Financial Institution harmless from any loss, damages, or expenses, including but not limited to attorney's fees, incurred by Financial Institution as the result of its acceptance of the cancellation or amendment.

19. **REVERSALS OF ENTRIES.**

    (a) General Procedure. Upon proper and timely request by the Company, the Financial Institution will use reasonable efforts to effect a reversal of an Entry or File. To be "proper and timely," the request must (i) be made within five (5) Business Days of the Effective Entry Date for the Entry or File to be reversed; (ii) be made immediately, not to exceed ten (10) hours, upon discovery of the error; and (iii) be accompanied by a Reversal/Cancellation Request form and comply with all of the Rules. In addition, if the Company requests reversal of a Debit Entry or Debit File, it shall concurrently deposit into the Company Account an amount equal to that Entry or File. The Company shall notify the Receiver of any reversing Entry initiated to correct any Entry it has initiated in error. The notification to the Receiver must include the reason for the reversal and be made no later than the Settlement Date of the reversing Entry.

    (b) No Liability: Reimbursement to the Financial Institution. Under no circumstances shall the Financial Institution be liable for interest or related losses if the requested reversal of an Entry is not effected. The Company shall reimburse the Financial Institution for any expenses, losses or damages it incurs in effecting or attempting to effect the Company's request for reversal of an Entry.

20. **ERROR DETECTION.** Financial Institution has no obligation to discover and shall not be liable to Company for errors made by Company, including but not limited to errors made in identifying the Receiver, or an Intermediary or RDFI or for errors in the amount of an Entry or for errors in Settlement Dates. Financial Institution shall likewise have no duty to discover and shall not be liable for duplicate Entries issued by Company. Notwithstanding the foregoing, if the Company discovers that any Entry it has initiated was in error, it shall notify the Financial Institution of such error. If such notice is received no later than four (4) hours prior to the ACH receiving deadline, the Financial Institution will utilize reasonable efforts to initiate an adjusting Entry or stop payment of any On-Us" credit Entry within the time limits provided by the Rules. In the event that Company makes an error or issues a duplicate Entry, Company shall indemnify, defend all claims, and hold Financial Institution harmless from any loss, damages, or expenses, including but not limited to attorney's fees, incurred by Financial Institution as result of the error or issuance of duplicate Entries. Company is responsible for verifying file transmission to Financial Institution by checking for error messages and completed confirmation numbers.

21. **PROHIBITED TRANSACTIONS.** Company agrees not to use or attempt to use the Services (a) to engage in any illegal purpose or activity or to violate any applicable law, rule or regulation, (b) to breach any contract or agreement by which Company is bound, (c) to engage in any internet or online gambling transaction, whether or not gambling is legal in any applicable jurisdiction, or (d) to engage in any transaction or activity that is not specifically authorized and permitted by this Agreement. Company acknowledges and agrees that Financial Institution has no obligation to monitor Company's use of the Services for transactions and activity that is impermissible or prohibited under the terms of this Agreement; provided, however, that Financial Institution reserves the right to decline to execute any transaction or activity that Financial Institution believes violates the terms of this Agreement.

22. **PRENOTIFICATION.** Company, must send prenotification that it intends to initiate an Entry or Entries to a particular account within the time limits prescribed for such notice in the Rules. Such notice shall be provided to the Financial Institution in the format and on the medium provided in the media format section of such Rules. If Company receives notice that such prenotification has been rejected by an RDFI within the prescribed period, or that an RDFI will not receive Entries without having first received a copy of the Authorization signed by its customer, Company will not initiate any corresponding Entries to such accounts until the cause for rejection has been corrected or until providing the RDFI with such authorization within the time limits provided by the Rules.

23. **NOTICE OF RETURNED ENTRIES AND NOTIFICATIONS OF CHANGE.** Financial Institution shall notify Company by e-mail, facsimile transmission, US mail, or other means of the receipt of a returned Entry from the ACH Operator. Except for an Entry retransmitted by Company in accordance with the requirements of Section 5, Financial Institution shall have no obligation to retransmit a returned Entry to the ACH Operator if Financial Institution complied with the terms of this Agreement with respect to the original Entry. Company shall notify the Receiver by phone or electronic transmission of receipt of each return Entry no later than one Business Day after the Business Day of receiving such notification from Financial Institution. Financial Institution shall provide Company all information, as required by the Rules, with respect to each Notification of Change ("NOC") Entry or Corrected Notification of Change ("Corrected NOC") Entry received by Financial Institution relating to Entries transmitted by Company. Financial Institution must provide such information to Company within two (2) banking days of the Settlement Date of each NOC or Corrected NOC Entry. Company shall ensure that changes requested by the NOC or Corrected NOC are made within six (6) banking days of Company's receipt of the NOC information from Financial Institution or prior to initiating another Entry to the Receiver's account, whichever is later.

24. **ACCOUNT RECONCILIATION.** The Company agrees to notify the Financial Institution promptly of any discrepancy between the Company's records and the information shown on any periodic statement. If the Company fails to notify the Financial Institution within ten (10) calendar days of receipt of a periodic statement containing such information; the Company agrees that the Financial Institution shall not be liable for any other losses resulting from the Company's failure to give such notice or any loss of interest or any interest equivalent with respect to any Entry shown on such periodic statement. If the Company fails to notify the Financial Institution within thirty (30) calendar days of receipt of such periodic statement, the Company shall be precluded from asserting any discrepancy against the Financial Institution.

25. **PROVISIONAL SETTLEMENT.** Company shall be bound by and comply with the Rules as in effect from time to time, including without limitation the provision thereof making payment of an Entry by the RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such Entry; and Company acknowledges that it has received notice of that Rule and or the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Receiver of the amount credited and Company shall not be deemed to have paid the Receiver the amount of the Entry.

26. **COMPANY REPRESENTATIONS AND WARRANTIES; INDEMNITY.** With respect to each and every Entry transmitted by Company, Company represents and warrants to Financial Institution and agrees that (a) each person or entity shown as the Receiver on an Entry received by Financial Institution from Company has authorized the initiation of such Entry and the crediting or debiting of its account in the amount and on the Effective Entry Date shown on such Entry, (b) such authorization is operative at the time of transmittal or crediting or debiting by Financial Institution as provided herein, (c) Entries transmitted to Financial Institution by Company are limited to those types of credit and debit Entries set forth in Schedule A, (d) Company shall perform its obligations under this Agreement in accordance with all applicable laws, regulations, and orders, including, but not limited to, the sanctions laws, regulations, and orders administered by OFAC; laws, regulations, and orders administered FinCEN; and any state laws, regulations, or orders applicable to the providers of ACH payment services, and (e) Company shall be bound by and comply with the provision of the Rules (among other provisions of the Rules) making payment of an Entry by the RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such Entry. Company specifically acknowledges that it has received notice of the rule regarding provisional payment and of the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Receiver of the amount credited and Company shall not be deemed to have paid the Receiver the amount of the Entry. The Company shall defend, indemnify, and hold harmless the Financial Institution, and its officers, directors, agents, and employees, from and against any and all actions, costs, claims, losses, damages, or expenses, including attorney's fees and expenses, resulting from or arising out of (aa) any breach of any of the agreements, representations or warranties of the Company contained in this Agreement; or (bb) any act or omission of the Company or any other person acting on the Company's behalf.

27. **FINANCIAL INFORMATION AND AUDIT.** Financial Institution may from time to time request information from Company in order to evaluate a continuation of the Service to be provided by Financial Institution hereunder and/or adjustment of any limits set by this Agreement. Company agrees to provide the requested financial information immediately upon request by Financial Institution, in the form required by Financial Institution. Company authorizes Financial Institution to investigate or reinvestigate at any time any information provided by Company in connection with this Agreement or the Service. Upon request by Financial Institution, Company hereby authorizes Financial Institution to enter Company's business premises for the purpose of ensuring that Company is in compliance with this Agreement and Company specifically authorizes Financial Institution to perform an audit of Company's operational controls, risk management practices, staffing and the need for training and ongoing support, and information technology infrastructure. Company hereby acknowledges and agrees that Financial Institution shall have the right to mandate specific internal controls at Company's location(s) and Company shall comply with any such mandate. In addition, Company hereby agrees to allow Financial Institution to review available reports of independent audits performed at the Company location related to information technology, the Service and any associated operational processes. Company agrees that if requested by Financial Institution, Company will complete a self-assessment of Company's operations, management, staff, systems, internal controls, training and risk management practices that would otherwise be reviewed by Financial Institution in an audit of Company. If Company refuses to provide the requested financial information, or if Financial Institution concludes, in its sole discretion, that the risk of Company is unacceptable, if Company violates this Agreement or the Rules, or if Company refuses to give Financial Institution access to Company's premises, Financial Institution may terminate the Service and this Agreement according to the provisions hereof.

28. **LIMITATION OF LIABILITY.**

    (a) IN THE PERFORMANCE OF THE SERVICES REQUIRED BY THIS AGREEMENT, FINANCIAL INSTITUTION SHALL BE ENTITLED TO RELY SOLELY ON THE INFORMATION, REPRESENTATIONS, AND WARRANTIES PROVIDED BY COMPANY PURSUANT TO THIS AGREEMENT, AND SHALL NOT BE RESPONSIBLE FOR THE ACCURACY OR COMPLETENESS THEREOF. FINANCIAL INSTITUTION SHALL BE RESPONSIBLE ONLY FOR PERFORMING THE SERVICES EXPRESSLY PROVIDED FOR IN THIS AGREEMENT, AND SHALL BE LIABLE ONLY FOR ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IN PERFORMING THOSE SERVICES. FINANCIAL INSTITUTION SHALL NOT BE RESPONSIBLE FOR COMPANY'S ACTS OR OMISSIONS (INCLUDING, WITHOUT LIMITATION, THE AMOUNT, ACCURACY, TIMELINESS OF TRANSMITTAL OR AUTHORIZATION OF ANY ENTRY RECEIVED FROM COMPANY) OR THOSE OF ANY OTHER PERSON, INCLUDING, WITHOUT LIMITATION, ANY FEDERAL RESERVE BANK, ACH OPERATOR OR TRANSMISSION OR COMMUNICATIONS FACILITY, ANY RECEIVER OR RDFI (INCLUDING, WITHOUT LIMITATION, THE RETURN OF ANY ENTRY BY SUCH RECEIVER OR RDFI), AND NO SUCH PERSON SHALL BE DEEMED FINANCIAL INSTITUTION'S AGENT. COMPANY AGREES TO INDEMNIFY FINANCIAL INSTITUTION AGAINST ANY LOSS, LIABILITY OR EXPENSE (INCLUDING ATTORNEYS' FEES AND COSTS) RESULTING FROM OR ARISING OUT OF ANY CLAIM OF ANY PERSON THAT THE FINANCIAL INSTITUTION IS RESPONSIBLE FOR ANY ACT OR OMISSION OF COMPANY OR ANY OTHER PERSON DESCRIBED IN THIS SECTION 28(a).

(b) FINANCIAL INSTITUTION SHALL BE LIABLE FOR COMPANY'S ACTUAL DAMAGES DUE TO CLAIMS ARISING SOLELY FROM FINANCIAL INSTITUTION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; IN NO EVENT SHALL FINANCIAL INSTITUTION BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE OR INDIRECT LOSS OR DAMAGE WHICH COMPANY MAY INCUR OR SUFFER IN CONNECTION WITH THIS AGREEMENT, WHETHER OR NOT THE LIKELIHOOD OF SUCH DAMAGES WAS KNOWN OR CONTEMPLATED BY THE FINANCIAL INSTITUTION AND REGARDLESS OF THE LEGAL OR EQUITABLE THEORY OF LIABILITY WHICH COMPANY MAY ASSERT, INCLUDING, WITHOUT LIMITATION, LOSS OR DAMAGE FROM SUBSEQUENT WRONGFUL DISHONOR RESULTING FROM FINANCIAL INSTITUTION'S ACTS OR OMISSIONS PURSUANT TO THIS AGREEMENT.

(c) WITHOUT LIMITING THE GENERALITY OF THE FOREGOING PROVISIONS, FINANCIAL INSTITUTION SHALL BE EXCUSED FROM FAILING TO ACT OR DELAY IN ACTING IF SUCH FAILURE OR DELAY IS CAUSED BY LEGAL CONSTRAINT, INTERRUPTION OF TRANSMISSION OR COMMUNICATION FACILITIES, EQUIPMENT FAILURE, WAR, EMERGENCY CONDITIONS OR OTHER CIRCUMSTANCES BEYOND FINANCIAL INSTITUTION'S CONTROL. IN ADDITION, FINANCIAL INSTITUTION SHALL BE EXCUSED FROM FAILING TO TRANSMIT OR DELAY IN TRANSMITTING AN ENTRY IF SUCH TRANSMITTAL WOULD RESULT IN FINANCIAL INSTITUTION'S HAVING EXCEEDED ANY LIMITATION UPON ITS INTRA-DAY NET FUNDS POSITION ESTABLISHED PURSUANT TO PRESENT OR FUTURE FEDERAL RESERVE GUIDELINES OR IN FINANCIAL INSTITUTION'S REASONABLE JUDGMENT OTHERWISE WOULD VIOLATE ANY PROVISION OF ANY PRESENT OR FUTURE RISK CONTROL PROGRAM OF THE FEDERAL RESERVE OR ANY RULE OR REGULATION OF ANY OTHER U.S. GOVERNMENTAL REGULATORY AUTHORITY.

(d) SUBJECT TO THE FOREGOING LIMITATIONS, FINANCIAL INSTITUTION'S LIABILITY FOR LOSS OF INTEREST RESULTING FROM ITS ERROR OR DELAY SHALL BE CALCULATED BY USING A RATE EQUAL TO THE AVERAGE FEDERAL FUNDS RATE AT THE FEDERAL RESERVE BANK OF NEW YORK FOR THE PERIOD INVOLVED. AT FINANCIAL INSTITUTION'S OPTION, PAYMENT OF SUCH INTEREST MAY BE MADE BY CREDITING THE ACCOUNT.

29. **INCONSISTENCY OF NAME AND ACCOUNT NUMBER.** The Company acknowledges and agrees that, if an Entry describes the Receiver inconsistently by name and account number, payment of the Entry transmitted by the Financial Institution to the RDFI may be made by the RDFI (or by the Financial Institution in the case of an On-Us Entry) on the basis of the account number supplied by the Company, even if it identifies a person different from the named Receiver, and that the Company's obligation to pay the amount of the Entry to the Financial Institution is not excused in such circumstances. Company is liable for and must settle with Financial Institution for any Entry initiated by Company that identifies the Receiver by account or identifying number or by name and account or identifying number.

30. **PAYMENT FOR SERVICES.** The Company shall pay the Financial Institution the charges for the services provided in connection with this Agreement, as set forth in Annual Fee Disclosure. All fees and services are subject to change upon thirty (30) days prior written notice from the Financial Institution. Such charges do not include, and the Company shall be responsible for payment of, any sales, use, excise, value added, utility or other similar taxes relating to such services, and any fees or charges provided for in the Depository Agreement between the Financial Institution and the Company with respect to the Account.

31. **AMENDMENTS.** Except as provided in Section 30, the Financial Institution may amend this agreement from time to time upon written notice to the Company. In the event that performance of services under this Agreement would result in a violation of any present or future statute, regulation or governmental policy to which the Financial Institution is subject, then this Agreement shall be amended to the extent necessary to comply with such statute, regulation or policy. Alternatively, the Financial Institution may terminate this Agreement if it deems such action necessary or appropriate under the circumstances. The Financial Institution shall have no liability to the Company as a result of any such violation, amendment or termination. Any practices or course of dealings between the Financial Institution and the Company, or any procedures or operational alterations used by them, shall not constitute a modification of this Agreement or the Rules, nor shall they be construed as an amendment to this Agreement or the Rules.

32. **NOTICES, INSTRUCTIONS, ETC.**

(a) Except as stated herein, the Financial Institution shall not be required to act upon any notice or instruction received from the Company or any other person, or to provide any notice or advice to the Company or any other person with respect to any matter.

(b) The Financial Institution shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by an authorized representative of Company, and any such communication shall be deemed to have been signed by such person. Such notice shall be effective on the second Business Day following the day received by the Financial Institution.

(c) Except as stated herein, any written notice or other written communication required or permitted to be given under this Agreement shall be delivered or sent by US mail, if to Company, at the address of Company on the books of Financial Institution and if to Financial Institution, at the following address:

First Federal Bank of Florida
Attn: ACH Department
4705 W US Hwy
90 Lake City,
Florida 32055

unless another address is substituted by notice delivered or sent as provided heron. Except as otherwise stated herein, any such notice shall be deemed given when received.

33. **DATA RETENTION.** The Company shall retain data on file adequate to permit the remaking of Entries for six (6) Business Days following the date of their transmittal by the Financial Institution as provided herein, and shall provide such Data to the Financial Institution upon its request.

34. **DATA MEDIA AND RECORDS.** All data media, Entries, security procedures and related records used by the Financial Institution for transactions contemplated by this Agreement shall be and remain the Financial Institution's property. The Financial Institution may, at its sole discretion, make

available such information upon the Company's request. Any expenses incurred by the Financial Institution in making such information available to the Company shall be paid by the Company.

35. **COOPERATION IN LOSS RECOVERY EFFORTS.** In the event of any damages for which Financial Institution or Company may be liable to each other or to a third party pursuant to the services provided under this Agreement, Financial Institution and Company will undertake reasonable efforts to cooperate with each other, as permitted by applicable law, in performing loss recovery efforts and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a third party.

36. **TERMINATION.** Either party may terminate this Agreement upon 10 calendar days written notice to the other; provided however that Financial Institution may terminate this agreement immediately upon its determination that Company is in violation of this Agreement, the ACH Rules or applicable laws or if Company initiates any bankruptcy proceeding or is otherwise declared insolvent. Any termination of this Agreement shall not affect any of Financial Institution's rights or Company's obligations with respect to any Entries initiated by Company prior to such termination, or the payment obligations of Company with respect to services performed by Financial Institution prior to termination, or any other obligations that survive termination of this Agreement. Company's obligation with respect to any Entry shall survive.

37. **ENTIRE AGREEMENT.** This Agreement (including the Schedules attached) together with the Depository Agreement, is the complete and exclusive statement of the agreement between the Financial Institution and the Company with respect to the subject matter hereof and supersedes any prior agreement(s) between the Financial Institution with respect to such subject matter. In the event of any inconsistency between the terms of this Agreement and the Depository Agreement, the terms of this Agreement shall govern. In the event performance of the services provided herein in accordance with the terms of this Agreement would result in a violation of any present or future statute, regulation or government policy to which the Financial Institution is subject, and which governs or affects the transactions contemplated by this Agreement, then this Agreement shall be deemed amended to the extent necessary to comply with such statute, regulation or policy, and the Financial Institution shall incur no liability to the Company as a result of such violation or amendment. No course of dealing between the Financial Institution and the Company will constitute a modification of this Agreement, the Rules, or the security procedures, or constitute an agreement between the Financial Institution and the Company regardless of whatever practices and procedures the Financial Institution and the Company may use.

38. **NON-ASSIGNMENT.** The Company may not assign this Agreement or any of the rights or duties hereunder to any person without the Financial Institution's prior written consent.

39. **WAIVER.** The Financial Institution may waive enforcement of any provision of this Agreement. Any such waiver shall not affect the Financial Institution's rights with respect to any other transaction or modify the terms of this Agreement.

40. **BINDING AGREEMENT; BENEFIT.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns. This Agreement is not for the benefit of any other person, and no other person shall have any right against the Financial Institution or the Company hereunder.

41. **HEADINGS.** Headings are used for reference purposes only and shall not be deemed part of this Agreement.

42. **SEVERABILITY.** In the event that any provision of this Agreement shall be determined to be invalid, illegal, or unenforceable to any extent, the remainder of this Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

43. **GOVERNING LAW.** This Agreement shall be construed in accordance with and governed by the laws of the State of Florida, without reference to its conflict of laws, provisions, and applicable federal law.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their duly authorized officers effective the day and year first above written.

FIRST FEDERAL BANK	**COMPANY**
	_____
By:_____	By: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date Signed: _____	Date Signed: _____

SCHEDULE A
COMPANY SELECTED
STANDARD ENTRY CLASS CODE

As used in the Agreement, the following* are ACH Standard Entry Class Codes (SEC) approved for use by Company (check all that apply), subject to any specific restrictions on the types of ACH transactions that may be originated, which are identified by Financial Institution below:

☐ CCD - Corporate Credit or Debit - Either a credit or debit where funds are either distributed or consolidated between corporate entities.

☐ CTX - Corporate Trade Exchange -The transfer of funds (debit or credit) within a trading partner relationship in which payments related information is placed in multiple addenda records.

☐ PPD - Prearranged Payment and Deposit

- o Direct Deposit - The transfer of funds into a consumer's account. Funds being deposited can represent a variety of products, such as payroll, interest, pension, dividends, etc.
- o Direct Payment - Preauthorized payment is a debit application. This includes recurring bills that do not vary in amount -- insurance premiums, mortgage payments, charitable contributions, and installment loan payments or standing authorizations where the amount does vary, such as utility payments.

*The above SEC Codes are the most commonly-used and not an all-inclusive list.

☐ WEB - Debit based transaction where authorization is given via corporate website

☐ TEL – Debit based transaction where authorization is given via telephone.

SCHEDULE B
PROCESSING SCHEDULE

Delivery of ACH Files:

Internet transmissions

The Company may electronically transmit files to the Financial Institution via Internet Banking System.

Format and content of entries

All files must be submitted in NACHA format. The Company should refer to Appendix Two in the NACHA Rulebook for specific formatting details.

Timing of delivery

Processing Deadline for ACH files:

Credit Entries

Transmission of a File - until 7:00 p.m. Eastern Standard Time (Standard or Daylight) two (2) business days prior to Effective Date*

Debit Entries

Transmission of a File - until 7:00 p.m. Eastern Standard Time (Standard or Daylight) one (1) business day prior to Effective Date*

*"Effective Date" must be a Business Day or the file will be processed on the first business day following the effective date.

SCHEDULE C
SECURITY PROCEDURES

Company is responsible to strictly establish and to maintain procedures to safeguard against unauthorized transactions. Company warrants that no individual will be allowed to initiate transfers in the absence of proper supervision and safeguards, and agrees to take reasonable steps to maintain the confidentiality of the security procedures and any passwords, codes, security devices, and related instructions provided by Financial Institution. If Company believes or suspects that any such information has been accessed by an unauthorized individual, Company will verbally notify Financial Institution immediately, followed by written confirmation. The occurrence of such notification will not affect any transfers made in good faith by Financial Institution prior to the notification and within a reasonable time period to prevent unauthorized transfers.

Data Security:

Limiting access and securely storing ACH data used in the routing and settlement of ACH transactions is a critical data security precaution. Company's ability to limit access to production data can be done through commercially available software products. Access can be limited to specific programs, user IDs, or read-only or read-and-edit-only access functionality. Files can also be transmitted between ACH participants using the following data protection methods: encryption and authentication.

- Encryption is a process of scrambling data content through hardware or software in order to protect the confidentiality of a file's contents. This information should remain encrypted between all parties in the ACH Network using commercially reasonable procedures and must be transmitted using security technology that is 128-bit RC4 technology (minimum standards).

- Authentication is a process of ensuring that files and data content have not been altered between the Originator and receiving points. Like encryption, this can be done using hardware or software to ensure data integrity.

Transmittal of Files:

Company will only transmit files on the dates specified in the agreed upon transmittal schedule (see Schedule B). Changes to o this schedule must be made in writing and signed by an authorized contact of the Company.

- Company will transmit files to Financial Institution via pre-arranged access to ACH system utilizing agreed upon logon procedures and proper access identification.

- Files will be encrypted by Company before being transmitted to Financial Institution.

Should any of the above procedures not be met, the file will be rejected by Financial Institution and Company will be notified.

SCHEDULE D
HOLIDAY
SCHEDULE

~~Holiday Calendar~~:

The Financial Institution will be closed on the following standard holidays observed by the Federal Reserve Bank. The Financial Institution will not accept files for processing on the following days, as well as all Saturdays and Sundays. Likewise, entries should not be effective dated for these days.

New Year's Day (January 1)
~~Martin Luther King's Birthday~~ (Third Monday in January)
Presidents Day (Third Monday in February)
Memorial Day (Last Monday in May)
Juneteenth (June 19)
Independence Day (July 4)
Labor Day (First Monday in September)
Columbus Day (Second Monday in October)
Veterans Day (November 11)
Thanksgiving Day (Fourth Thursday in November)
Christmas Day (December 25)

Note: If January 1, June 19, July 4, November 11, or December 25 fall on a Sunday, the next following Monday is a standard Federal Reserve Bank holiday.

SCHEDULE E

AUTHORIZATION AGREEMENT FOR

DIRECT DEPOSITS (ACH CREDITS) & DIRECT DEBIT (ACH DEBITS)

Company Name _____ Company Tax ID Number _____

I (we) hereby authorize _____, hereinafter called COMPANY, to initiate ___credit entries / ___debit entries (select one) to my (our) Checking / Savings Account indicated below at the depository financial institution named below, hereafter called DEPOSITORY, and to credit / debit the same to such account. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

Depository Name_____ Branch_____

City _____ State_____ Zip_____

ACH Routing Number_____ Account Number_____

Account type: Checking _____ Savings _____

This authorization is to remain in full force and effect until COMPANY has received written notification from me (or either of us) of its termination in such time and in such manner as to afford COMPANY and DEPOSITORY a reasonable opportunity to act on it.

Name(s)_____ ID Number_____
(Please Print)

Date_____ Signature _____

FIRST FEDERAL BANK
P O Box 2029 * 4705 U S Hwy 90 West * Lake City, FL 32056
386-755-0600 * www.ffbf.com

Remote Deposit Capture Agreement

_____ (Company) has requested that First Federal Bank (Financial Institution) permit it to initiate deposits entries to Accounts maintained at Financial Institution by means of the Remote Deposit Capture (RDC) product. Capitalized terms used in this Agreement are defined in the Glossary or in the sections in which they are used. The Agreement sets out Company's rights, responsibilities and obligations and Financial Institution's rights, responsibilities and obligations with respect to this Service which Financial Institution may provide to Company from time to time.

1. **Image and Conversion Process.**

Check Imaging. Company uses an imager specified by Financial Institution to scan paper checks to create an image cash letter file to send to Financial Institution. Company agrees to purchase and configure the equipment and software according to the requirements of Financial Institution, as well as providing telecommunications services to connect to Financial Institution's system. Company is responsible for the image quality of all items transmitted to Financial Institution for processing. In the event that Company transmits an image of an item that cannot be further processed by Financial Institution due to the poor quality of the image, Financial Institution shall not be responsible for any delay in the processing or presentment of the item. Images captured will be transmitted to Financial Institution, processed by Financial Institution and then sent to the Federal Reserve Bank and/or a correspondent check clearing network, enabling Company to clear their daily check deposits electronically as images, instead of physically transporting the checks to a local depository. When necessary, Financial Institution will prepare "Substitute Checks", also known as Image Replacement Documents (IRD), to facilitate the deposit and collection of Company's items. In connection with the use of this process, images received for deposit by the daily cutoff time established by Financial Institution (see Schedule A) will be treated as same day deposits. images received for deposit after the cutoff time will be treated as next banking day deposits.

Company and Financial Institution agree as follows:

2. **Provision of Services.** Financial Institution has the right to determine, in its sole discretion, the nature and extent of the RDC Services to be provided. The RDC Services are the sole property of Financial Institution, and Company has no rights in any of them, or any other property of Financial Institution or its suppliers, other than those expressly granted under this agreement.

3. **United States Laws and Regulations.** Company shall comply in all material respects with the body of law commonly known as "Check 21." Further, Company agrees and acknowledges that it will not generate transactions that violate the laws or regulations of the United States. This includes, but is not limited to, sanction laws administered by the Office of Foreign Assets Control (OFAC). It shall be the responsibility of Company to obtain information regarding such OFAC enforced sanctions. (This information may be obtained directly from the OFAC Compliance Hotline at 800-540-OFAC or from the OFAC's home page site at www.ustreas.gov/ofac

4. **Eligible Items.** Company agrees that all items deposited are (a) drawn on a financial institution within the United States of America, excluding its territories, and (b) are properly payable in accordance with applicable law, including Articles 3 and 4 of the Uniform Commercial Code. In addition, items must not be drawn on Company or affiliates of Company. The availability of funds represented by any item and any requirements regarding final payment and collected funds shall be governed by the terms of Financial Institution's Account Agreement and applicable laws and regulations, including Federal Reserve Board Regulation CC. At Financial Institution's request, Company may be required tol maintain reserves in an account maintained at Financial Institution to cover any charges, costs, expenses, or losses incurred by Financial Institution in connection with the Services. Financial Institution shall communicate to Company from time to time the amount of reserves Financial Institution shall require, if any, in connection with the Services.

5. **Hardware and Software.** Company shall lease from Financial Institution the image scanner and related equipment (hardware and software) necessary to use the RDC product. Financial Institution makes no warranties of merchantability or fitness for a particular purpose or any other warranty, express or implied, on or regarding the equipment. Manufacturer's warranties may accompany the equipment and if the equipment fails while under these warranties, Company will contact the Financial Institution directly. Financial Institution is not responsible for any errors or failures relating to any malfunction neither of the equipment nor for any computer virus or related problems that may be associated with the use of the equipment. Financial Institution has the right, at its own discretion, from time to time to make changes to the RDC service that may result in equipment becoming no longer compatible with the Service. Financial Institution will have no obligation to update or replace any equipment purchased by Company. Financial Institution, however, will notify Company when such a change will occur in order for Company to replace the equipment in use with compatible equipment.

6. **Retention and Destruction of Items.** Company will retain any original check that has been deposited via the RDC product for a reasonable period of time in order to verify settlement and credit or to balance periodic statements, but not to exceed 45 calendar days from the date processed. After this retention period, Company will destroy and dispose of original checks. Company shall use a shredder as the preferred method of destruction. Company must establish Security Procedures reviewed by and acceptable to Financial Institution to safeguard original checks during the retention period to prevent the risk of theft; reproduction; unauthorized use; or the possibility of any fraudulent activity. Company agrees to keep confidential all information contained in any Item of a personal nonpublic nature to the same extent that Financial

Institution would be required by applicable law to keep confidential the same information. Company agrees to execute and deliver to Financial Institution, at its request, a separate Confidentiality Agreement addressing Financial Institution's requirements regarding nonpublic personal information. Financial Institution will retain Substitute Checks (IRDs) for seven (7) years. With respect to any investigation by Financial Institution involving an imaged item (a) that is illegible or of poor quality, (b) that arises from an unusual transaction, or (c) that is the subject of a dispute, Company agrees to produce either the original item or its own image of the item in order to facilitate the investigation by Financial Institution. If Company is unable to provide either the original item or its own image of the item, then Financial Institution's IRD, other image of the item, or other information related to the item shall be conclusive as to the terms of the item.

7. **Warranties and Covenants; Indemnity.** Company hereby represents, warrants and covenants to Financial Institution the following:
   a. Only acceptable items will be deposited and the Company certifies that no items have been altered;
   b. Original Items being imaged are made payable to Company;
   c. Images meet the quality standards set by Financial Institution;
   d. No duplicate items or files will be submitted for processing;
   e. The original check will not be deposited after it has been imaged for deposit;
   f. Financial Institution will not sustain a loss if Company has deposited an image;
   g. All information provided by Company to Financial Institution is accurate and true;
   h. Files submitted to Financial Institution do not contain viruses;
   i. Company has complied with all applicable rules, regulations and laws;
   j. Company indemnifies Financial Institution from any breach of the warranty provision; and
   k. All checks have been properly endorsed before scanning.
   l. Use of the Service by Company will be for business purposes only and no deposit or other transaction will bemade for consumer purposes.

   Company hereby agrees to indemnify and hold harmless Financial Institution for any loss, cost, expense, action or cause of action arising from or related to the Services described in this Agreement, whether such loss, cost, expense, action or cause of action is asserted by any customer of Company or any other third party.

8. **Monitoring Transactions.** Financial Institution will, monitor items deposited by Company for reasonable amounts based on either the initial anticipated activity of a new customer or the average activity of an established Company. Company will be contacted if Financial Institution deems a deposit to be an excessive amount, to validate the activity. Financial Institution has the right to periodically review transations for auditing purposes.

9. **Contingency.** In the event Company cannot use RDC to process its items for deposit (unable to capture or transmit items), then Company may deliver the original items to the nearest branch location of Financial Institution or send by overnight delivery at Company's expense the deposit to a branch location designated by Financial Institution for emergency conditions.

10. **Returned Items.** Financial Institution shall notify Company of the receipt of a returned item or an ACH Return Entry no later than one banking day after the banking day of such receipt. Financial Institution shall have no obligation to re-transmit a returned item or entry if Financial Institution complied with the terms of this Agreement with respect to the original item or entry. Company authorizes Financial Institution to charge back the amount of any returns to Company's designated Account. Company will promptly provide immediately available funds to indemnify Financial Institution if any deposited item or debit entry is returned after Financial Institution has permitted Company to withdraw funds in the amount thereof, or if any adjustment memorandum that relates to such item or entry is received by Financial Institution.

11. **Fees.** Company authorizes Financial Institution to debit its designated Account for Services provided under the Agreement in accordance with the schedule of fees and charges as disclosed in the Business Online Banking Disclosure. Financial Institution may change its fees from time to time upon written notice to Company.

12. **Liability.** Financial Institution shall be responsible only for performing the Services expressly provided for in the Agreement, and shall be liable only for its gross negligence or willful misconduct in performing those Services. In no event shall Financial Institution have any liability for any consequential, special, punitive, or indirect loss or damage which Company may incur or suffer in connection with this Agreement. In addition, Financial Institution shall be excused from failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communications facilities, equipment failure, war, emergency conditions, or other conditions beyond Financial Institution's control. Financial Institution shall not be held liable for any failure of a third party to process, credit, or debit any transaction, or for other acts of omission.

13. **Amendments to Agreement.** From time to time Financial Institution may amend any of the terms and conditions contained in this Agreement, including any part of Schedules A through D attached hereto. Such amendments shall become effective upon receipt of notice by Company or such later date as may be stated in Financial Institution's notice to Company.

14. **Termination of Agreement.** Either party may terminate this Agreement upon 10 calendar days written notice to the other; provided however that FI may terminate this agreement immediately upon its determination that Company is in violation of the rules, regulations or applicable laws or if Company initiates any bankruptcy proceeding or is otherwise declared insolvent. Any termination of this Agreement shall not affect any of Financial Institution's rights or Company's obligations with respect to any Entries initiated by Company prior to such termination, or the payment obligations of Company with respect to services performed by Financial Institution prior to termination, or any other obligations that

survive termination of this Agreement. Company's obligation with respect to any item shall survive termination of this Agreement until any applicable statute of limitation has elapsed. Company agrees to return all leased equipment within 2 days of termination.

15. **Performance Standards.** This Agreement, together with the Account Agreement, sets forth the performance standards under which Company agrees to process or convert items for deposit to any of Company's Accounts. Company may deviate from these standards only after consultation with Financial Institution and with Financial Institution's prior agreement. Company agrees that the laws and regulations referenced in this Agreement and in the Account Agreement, including Articles 3 and 4 of the Uniform Commercial Code, and the NACHA Rules, shall supplement the terms of this Agreement and shall establish performance standards related to presentment, collection, return and payment of items and shall be deemed to be a part of this Agreement for all purposes.

16. **Miscellaneous.** This Agreement, including the attached Schedules A and B, is an addendum of this Remote Deposit Capture Agreement between Financial Institution and Company with respect to the subject matter and supersedes any prior agreement(s) between Financial Institution and Company with respect to such subject matter. Company may not assign this Agreement or any of the rights or duties hereunder without Financial Institution's prior written consent. Financial Institution may waive enforcement of any provision of this Agreement. Any such waiver shall not affect Financial Institution's rights with respect to any other transaction or modify the terms of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns. This Agreement is not for the benefit of any other person, and no other person shall have any right against Financial Institution or Company hereunder. In the event that any provision of this Agreement shall be determined to be invalid, illegal, or unenforceable to any extent, the remainder of this Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law. Financial Institution shall be entitled to rely on any written notice believed by it in good faith to be signed by one of the authorized representatives whose names and signatures are set forth in this Agreement and the implementation process and forms. This Agreement shall be governed by and construed in accordance with the laws of the United States of America and the state in which Financial Institution maintains Company's Accounts.

Customer agrees that Financial Institution has no obligation to accept a File and, therefore, may reject any File or the Images or other information contained therein submitted by Customer. Financial Institution has no obligation to notify Customer of the rejection of a File or the Images or other information contained therein. Financial Institution shall have no liability to Customer for the rejection of a File or the Images or other information contained therein or for the failure to notify Customer of such rejection.

Customer and Financial Institution agree that the transactions contemplated in this Agreement involve "commerce" under the Federal Arbitration Act ("FAA"). EVERY CONTROVERSY OR CLAIM BETWEEN CUSTOMER AND ANY INDEMNIFIED PARTY ARISING OUT OF, OR IS IN ANY WAY RELATED TO OR RESULTING FROM, THIS AGREEMENT, THE REMOTE DEPOSIT SERVICE OR ANY OTHER SERVICES PROVIDED BY FINANCIAL INSTITUTION, WHETHER BASED IN CONTRACT, TORT OR ANY OTHER LEGAL THEORY, INCLUDING CLAIMS OF FRAUD, SUPPRESSION, MISREPRESENTATION AND FRAUD IN THE INDUCEMENT, WILL BE RESOLVED BY BINDING ARBITRATION UNDER THE FAA. The arbitration will be administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules (the "Arbitration Rules"). IF A CLAIM IS SUBMITTED TO ARBITRATION, (A) CUSTOMER WILL NOT HAVE THE RIGHT TO GO TO COURT OR TO HAVE A JURY TRIAL; (B) CUSTOMER WILL NOT HAVE THE RIGHT TO ENGAGE IN PRE-ARBITRATION DISCOVERY EXCEPT AS PROVIDED IN THE ARBITRATION RULES; (C) CUSTOMER WILL NOT HAVE THE RIGHT TO HAVE ANY CLAIM ARBITRATED AS A CLASS ACTION UNDER THE ARBITRATION RULES OR UNDER ANY OTHER RULES, WHETHER OF CIVIL PROCEDURE OR OTHERWISE AND (D) THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING WITH LIMITED RIGHTS TO APPEAL. THIS ARBITRATION PROVISION IS SUPPLEMENTAL TO, AND NOT IN LIEU OF, ANY OTHER ALTERNATIVE DISPUTE RESOLUTION PROVISION, AND, IN THE EVENT OF A CONFLICT BETWEEN THIS PROVISION AND ANY OTHER SUCH ALTERNATIVE DISPUTE RESOLUTION PROVISION, THE TERMS OF THIS PROVISION SHALL CONTROL. This agreement to arbitrate disputes will survive the closing of Customer's Accounts and the termination this Agreement.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their duly authorized officers.

_____	**FIRST FEDERAL BANK**
COMPANY	
By: _____	By: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

Glossary

"Account" means a demand deposit account or other deposit account Company has with Financial Institution that Financial Institution permits to be linked to a Service.

"Account Agreement" means any agreement executed or otherwise in effect between Company and Financial Institution covering rights, obligations, responsibilities and standards applicable to any Account or other deposits accounts owned by Company at Financial Institution.

"ACH" or "ACH Network" means the funds transfer system (network) governed by the NACHA Rules which provides for the inter-financial institution clearing of electronic entries for participating financial institutions.

"ACH Return Entry" means any item, which cannot be processed and is being returned by the RDFI to the ODFI for correction or re-initiation.

"Agreement" means the Agreement for Remote Deposit Capture, which may change from time to time. All references to Agreement include all Schedules, Addendums and User Guides Financial Institution provides to Company from time to time.

"Check 21" means The Check Clearing for the 21st Century Act (or Check 21 Act) is a a United States federal law, enacted into law October 28, 2003. It took effect one year later, on October 28, 2004. The law allows the recipient of a paper check to create a digital version, thereby eliminating the need for further handling of the physical document.

"Check Conversion" means the processes of converting a source document (a paper check) to an ACH debit or ATM (Automated Teller Machine)/POS (Point of Sale) debit. Check conversion is different from check truncation, which as facilitated by the Check 21 Act. When a check is truncated, the transaction remains subject to check law. When a check is converted to an ACH debit, the NACHA Rules apply.

"NACHA Rules" mean the National Automated Clearing House Association (NACHA) Operating Rules which provide a complete guide to the Rules and Regulations governing the ACH Network.

"ODFI or Originating Depository Financial Institution" means financial institutions that originate ACH transactions on behalf of its customers. ODFI's must abide by the NACHA Operating Rules.

"OFAC" means Office of Foreign Assets Control. The office at the Department of the Treasury that administers and enforces economic and trade sanctions against targeted foreign countries, terrorism sponsoring organizations and international narcotics traffickers based on U.S. foreign policy and national security goals. OFAC blocks assets of foreign countries subject to economic sanctions, controls participation by U.S. persons, including foreign subsidiaries, in transactions with specific countries or nationals of such countries, and administers embargoes on certain countries or areas of countries.

"Password" means confidential, unique personal numbers, codes, marks, signs, public keys or other information composed of a string of characters used as a means of authenticating and accessing a Service.

"RDFI or Receiving Depository Financial Institution" means a financial institution qualified by NACHA to receive ACH transactions.

"Regulation E" means the regulation published by the Federal Reserve Bank to implement the Electronic Fund Transfer Act mandating consumer rights and obligation with regard to electronic fund transfers.

"Security Procedures" means, unless we agree otherwise with you, the applicable security requirements and procedure for verifying the authenticity of entries.

"Service" means the Remote Deposit Capture service and features of that service which Financial Institution may provide from time to time to Financial Institution's commercial or small business customers.

'Substitute Check or Image Replacement Document (IRD)" means a paper reproduction of the original check that:

1. Contains an image of the front and back of the original check;
2. Bears a MICR line containing all the information appearing on the MICR line of the original check, except as provided under generally applicable industry standards for substitute checks to facilitate the processing of substitute checks (regulations may contain exceptions);
3. Conforms, in paper stock, dimension, and otherwise, with generally applicable industry standards for substitute checks; and
4. Is suitable for automated processing in the same manner as the original check.

"Uniform Commercial Code Article 3" means the terms and provisions of Article 3 of the Uniform Commercial Code governing the creation, transfer and payment of negotiable instruments.

Uniform Commercial Code Article 4 means the terms and provisions of Article 4 of the Uniform Commercial Code governing the relationship of a Financial Institution and its Customer regarding the collection and payment of financial items.

"Uniform Commercial Code Article 4A (UCC4A)" means the portion of the Uniform Commercial Code which deals with certain funds transfers, including ACH credit transactions not subject to the Electronic Fund Transfer Act of Regulation E. This law outlines the protections and responsibilities given to the parties to wholesale credit transactions, and sets the legal standard for commercially reasonable security procedures to be used in conjunction with those transactions.

Attached Schedules

Schedules A and B

Schedule A - Delivery Specifications

Delivery Deadline: All RDC deposit files must be received by Financial Institution no later than 7:00 p.m. EST each banking day (Monday through Friday, excluding holidays). Deposits made after the delivery deadline on any banking day will be considered made on the next banking day.

Schedule B - Holidays

Holiday Calendar: Financial Institution will be closed on the following standard holidays observed by the Federal Reserve Bank. Financial Institution will not accept files for processing on the following days, as well as all Saturdays and Sundays. Likewise, entries should not be effective dated for these days:

New Year's Day (January 1)
Martin Luther King's Birthday (Third Monday in January)
Presidents Day (Third Monday in February)
Memorial Day (Last Monday in May)
Juneteenth (June 19)
Independence Day (July 4)
Labor Day (First Monday in September)
Columbus Day (Second Monday in October)
Veterans Day (November 11)
Thanksgiving Day (Fourth Thursday in November)
Christmas Day (December 25)

Note: If January 1, June 19, July 4, November 11, or December 25 fall on a Sunday, the next following Monday is a standard Federal Reserve Bank holiday.

Remote Deposit Capture

Annual Customer Training and Certification

WHAT IS REMOTE DEPOSIT CAPTURE?

Remote deposit capture (RDC) is a service that allows companies to convert the physical checks they receive from their customers into digital images that can be electronically transmitted to their bank for deposit. The business customer is responsible for balancing the deposit dollar amount to the checks before transmitting the deposit electronically (the system will automatically recognize the check amounts, typically with a high degree of accuracy). The business customer receives an electronic acknowledgment of the deposit and the checks are retained by the customer for later destruction. A key benefit of RDC is the customer does not have to go to the bank to make a deposit; plus, they get credit same Business day (at end of day) for checks deposited later in the day.

Customer Benefit:

- Minimal investment in Technology
- Quicker investment of available funds
- Improved end of month/quarter processing
- Greater employee productivity
- Reduced time spent on deposit preparation and presentment to the financial institution
- Fewer depository accounts and reduced fees
- Faster access to information and improved decision-making capabilities
- Improved availability and enhanced cash flow
- Later deposit cutoff times and faster funds availability
- Reduced return item (NSF) risk
- On-site remittance research capability

LEGAL RISKS

While RDC can be a tremendous time-saving tool for many businesses, the service is not without risk. It is important for any business considering using this service to understand these risks, as well as the steps that can be taken to mitigate them. Banks are well-versed in the risks associated with processing checks. With RDC, many of these risks are shifted to you. You will need to take certain precautions to prevent loss to either you or your customers. The most effective loss prevention measure you can take is ensuring that your company has a strong control environment in place. Because **First Federal Bank** is relying on you to institute such controls, the RDC Agreement will shift all risk of loss associated with use of the service to you, unless caused by the bank's own negligence or willful misconduct.

HOW REMOTE DEPOSIT CAPTURE WORKS

The process is relatively simple. Once you have established a remote deposit capture relationship with **First Federal Bank**, you will be able to scan each of your deposit items (i.e., checks) into digital image files using a desktop scanner and your personal computer. The image files are then transmitted to the bank's service bureau for item processing and image exchange electronically. The scanner will be leased or purchased from the bank.

In a paper check environment, **First Federal Bank** is responsible for handling items once they have been deposited. In a RDC environment, however, the items remain with you. Your company could be exposed to monetary liability and/or reputation risks should these items fall into the wrong hands. Also, since it is not readily apparent from the face of the check that it has been deposited electronically, another risk is the intentional or unintentional redeposit of the item, either into your company bank account or to your employee's personal bank account. **By limiting access to the items and instituting strong control procedures, you can prevent these issues.**

SYSTEM CONTROL POINTS

Capture (Image): Ensure adequate controls are in place at the point where image capturing occurs (normally at your office). Poor controls over capturing can result in poor quality images, piggyback checks (two checks fed at once), high rejection and exception rates, improper indexing, and capturing incomplete or forged documents. Procedures should prevent destruction of original documents before verifying image quality, especially when the imaged information is used to process transactions. Detailed image quality standards have not been set by the industry; any party in the clearing process can return an item due to inadequate image quality.

Capture (Check): Do not destroy checks immediately because the scanned checks might not be legible. You also don't want to keep the checks too long, since it will increase the possibility of a check mistakenly being presented for payment twice. **First Federal Bank** requires you to retain the items you deposit remotely for at least **14** days, but not more than **30** days before destroying them. Keep in mind that it may become necessary to refer back to the paper check should the image file not be of sufficient quality to allow the bank to settle the item electronically. While a file may meet **First Federal Bank** image quality standards, there is no guarantee that the image quality will be up to the standards of other banks in the settlement chain.

It is possible that an item will be returned to **First Federal Bank** as a non-conforming image weeks after it was originally deposited. Enough information should be available in the image file for **First Federal Bank** to create a "substitute check," which may then be presented for collection. If however, **First Federal Bank** is unable to do this, you will need to refer back to the paper check or, if the check is not available, have your customer reissue it in order to resolve the problem.

Duplicate Item Detection: Any party who converts an original paper item into an image or an Image Replacement Document (IRD) must warrant against presenting the item more than once.

Security: Adequate security controls should be in place (i.e., physical security, device security, workstation security, secure data lines, customer privacy) to protect the imaging system and confidential customer information. Security should provide for adequate separation of duties, input/output controls and prevent unauthorized changes of imaged data or insertion of fraudulent images.

Training: Adequate employee training is important for proper system use. A lack of knowledge of imaging procedures could lead to quality control issues and misplaced or unavailable data.

Backup and Recovery: Backup and recovery planning should ensure restoration and retrieval of information within recovery time objectives per your business continuity plan. The loss of imaged files can significantly affect business operations if backup electronic or paper files are not readily available. Your business should develop the contingency plan to physically transport the items to the bank or to the bank's backup site in the event of a system disruption or disaster.

CONCLUSION

The ability to deposit checks electronically has created a new era of electronic deposit preparation and settlement. As is often the case, technology can be a two-edged sword. RDC is no exception to this rule. If used properly, it can prove to be a valuable time-saving tool for your company. However, you should remain aware of the added risks and take protective measures.

REMOTE DEPOSIT CAPTURE FAQ

Why should my company deposit this way?
You can now eliminate time-consuming manual deposit preparation and trips to the bank, improving the speed and efficiency of both collections and returns.

How does it work?
You will be able to scan each of your deposit items (i.e., checks) into digital image files using a desktop scanner and your personal computer. The image files are then transmitted to the bank's service bureau for item processing and image exchange electronically. The scanner will be leased or purchased from the bank.

Can the destination account be changed and diverted to another account?
No; the account information is set up at the bank, and is not changeable at the customer site. You and your employees will access the **Remote Deposit Capture** website through your individual Cash Management login and individual **Remote Deposit Capture** user ID and password.

When will my funds be available?
Since you can deposit every weekday, and do not have to wait for a weekly trip to the bank, your money gets into your account faster. Funds are typically available on the same Business day (at end of day) after our processing.

What is a substitute check?
A substitute check is a paper reproduction of the original check, also known as an Image Replacement Document (IRD). It contains an image of the front and back of the original check and bears the MICR line containing all of the information appearing on the original check. A substitute check or IRD bears the same legal standings as the original paper item.

Can I make deposits from outside the local area?
Absolutely! This is one of the best features of Remote Deposit Capture. Items can be scanned and deposited electronically from anywhere -- even from another state.

Can I use any kind of scanner?
No; we will provide a scanner that is compatible with our software that will meet your check volume needs.

Do I have to copy each check before I scan it?
Continue doing what you normally do, however, with each batch of checks that you scan, a deposit report can be printed giving you a detailed list of each check, all of the MICR information and as much information about the check writer as you care to enter. Keep in mind that if you are keeping photocopies of original items, they will need to be kept in a secure location along with the originals.

What do I do with the original check?
Store them in a secure location for at least 45 days. You are then responsible for shredding them in a secure manner. We recommend that you attach the original checks to a copy of the daily report until you reconcile your monthly statement. Then securely store them until ready to be destroyed within the 45 day period.

Is this the same process that I see being used by some retailers and utilities?
No, they are actually converting your check into an electronic transaction. This conversion is called an ACH (Automated Clearing House) transaction, which electronically debits your account.

What kind of checks can I scan?
You can scan any original check in US dollars drawn on banks with a valid US routing number, including personal, corporate, government checks, cashier's checks, travelers' checks and money orders. You cannot scan photocopies or fax copies of original checks. Also, foreign checks that do not contain a US routing number will not scan.

Do I need to endorse the check with my deposit stamp?
Yes; since the IRD contains the front and back of the original check, it should be properly endorsed.

Do I need to prepare a deposit ticket?
No; the system will create a virtual deposit ticket for you, encoded with your account number and the total of your deposit.

Is there a deadline for my deposits to be credited to me on the same day?
Currently, the cutoff for same day processing is **7:00 p.m.** EST Deposits made after 7:00 **p.m. EST** will post the next business day.

How do I know if the bank received my deposit?
When your file has been received by the bank after our **7:00 p.m. EST** cutoff time, you will see the batch status change from "approved" to "processed" on your screen. Your account will be credited for the deposit after our nightly processing completes and you will be able to see your deposit via the online cash management system the following day.

FIRST FEDERAL BANK

FIRST FEDERAL BANK

STOP PAYMENT REQUEST ORDER FOR CHECKS AND ACH ENTRIES

Financial Institution Name: First Federal Bank
("the Financial Institution") On the terms and conditions set out below, the undersigned accountholder hereby instructs the Financial Institution to stop payment on the transaction(s) indicated below:

☐ ACH/CONVERTED CHECK ☐ CHECK/SHARE DRAFT/PAPER DRAFT

☐ Written Request ☐ Renewal
☐ Verbal Request ☐ Cancellation (*initial below)

Today's Date: _____ Time: _____ ☐ a.m. ☐ p.m.

Account No.: _____

Account Name: _____

Account Type: ☒ Checking ☐ Savings ☐ Consumer ☐ Business

Date of Debit: _____ Amount: _____

Payable To/Originator ("the Company"): _____

Check Serial Number(s): _____

Provide check serial numbers for POP, RCK, ARC, and BOC ACH Debits, and Check/Share Drafts or Paper Drafts.

Reason for Stop Payment: _____

Select **one** of the following Stop Payment types:

☐ Stop a Single Transaction ☐ Stop Multiple Transactions ☐ Stop All Future ACH Debit Transactions

- **Stop a Single Transaction** means stopping one check or one ACH debit from settling to an account. Can be used for consumer or commercial transactions.
- **Stop Multiple Transactions** means stopping more than one check or more than one ACH debit from the same Originator (but not ALL future checks or ACH debits). Can be used for consumer or commercial transactions. Not for use when checks have been lost or stolen. Date range to stop payments: _____
- **Stop All Future ACH Debit Transactions** means stopping all future ACH debit transactions pursuant to an authorization involving a specific Originator. The RDFI may require the account holder to initial here to indicate that they have contacted the Company to revoke the authorization: _____

A fee of $_____ will be assessed to the accountholder as payment for implementing this order.

***If cancelling prior stop payment request, initial here:** _____ **Original stop payment was placed on** _____ **(date).**

BY SIGNING BELOW, I HAVE READ AND ACCEPT THE TERMS AND CONDITIONS BELOW. I FURTHER DEPOSE AND SAY THAT THE TRANSACTION(S) DESCRIBED ABOVE WAS NOT ORIGINATED WITH FRAUDULENT INTENT BY ME OR ANY PERSON ACTING IN CONCERT WITH ME, AND THAT THE SIGNATURE BELOW IS MY OWN PROPER SIGNATURE. I CERTIFY THAT THE FOREGOING IS TRUE AND CORRECT

Date	Accountholder Signature	Print Name	Phone Number

Date	Financial Institution Representative	Print Name	Extension

STOP PAYMENT TERMS AND CONDITIONS

By directing the Financial Institution to stop payment on the above transaction(s), the accountholder agrees that the Financial Institution is not obligated to honor a stop payment request that does not contain accurate information provided in a timely manner. The accountholder understands that it is necessary to provide the correct information related to the transaction, and that a failure to do so may result in the payment of the above item. The accountholder agrees to hold harmless and indemnify the Financial Institution for all expenses, costs, and damages incurred by payment of the above item if such payment is the result of failure of the accountholder to furnish any item of information requested above completely, accurately, and correctly, according to the time requirements noted below. If written confirmation is required, oral stop payment orders will cease to be binding after 14 calendar days unless written confirmation is provided to the Financial Institution by the account holder within that 14 day period.

Additional Terms and Conditions for Stop Payments of ACH/Converted Check Items Affecting Consumer Accounts

This stop payment order shall remain in effect until the earlier of (1) the withdrawal of the stop payment order by the accountholder, or (2) the return of the debit Entry, or, where a stop payment order is applied to more than one debit Entry under a specific authorization involving a specific Company, the return of all such debit Entries. For recurring entries; at least three banking days advanced notice prior to the expected receipt date of the debit entry maybe required to implement the stop payment request. If the stop payment order is received within three Banking Days of the expected receipt date, the Financial Institution will attempt to satisfy the request of the accountholder but will not be held liable if sufficient time was not provided. For ARC entries, BOC entries, POP entries, RCK entries, Single Entry, and Subsequent entries: The stop payment request must be provided to the Financial Institution in such a time and in such a manner as to allow the Financial Institution reasonable time to act on the request prior to acting on the debit Entry.

Additional Terms and Conditions for Stop Payments of ACH/Converted Check Items Affecting Business (Non-Consumer) Accounts

The stop payment order will remain in effect until the earlier of (1) the withdrawal of the stop payment order by the Receiver; (2) the return of the debit Entry; or (3) six months from the date of the stop payment order, unless it is renewed in writing. The finanicial institution may establish a longer effective period or a stop payment order. The financial institution may not require the renewal to be in writing, they would determine how to accept the renewal on the stop payment order. The stop payment order must be provided to the Financial Institution at such time and in such manner as to allow the Financial Institution a reasonable opportunity to act upon the stop payment order prior to acting on the debit Entry.

Additional Terms and Conditions for Stop Payments of Check/Share Draft/Paper Draft Items

A stop payment order is effective for six months and may be renewed for additional six-month periods by written request to the Financial Institution within the period during which the stop payment order is effective. The stop payment request must be provided to the Financial Institution in such a time and in such a manner as to allow the Financial Institution reasonable time to act on the request prior to acting on the item.

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FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ACCOUNT REPRESENTATIVE AND SERVICE PROVIDERS

Day-to-day servicing of the City's relationship will be handled by the team shown below and their very capable staff. These individuals have the experience and knowledge to provide exceptional service.

Your designated account executive will be **Jim Weaver, Sr. Vice President and Market President.** Jim began his banking career in 1985 with the Florida National Bank (later First Union) in Fernandina Beach, spending the first 17 years largely in the Consumer/Retail area in several positions from Teller, Past Due Collection Manager, Small Business Lender and Branch Manager. In 2001, he then moved to First Coast Community Bank (Synovus) as a Commercial Lender/VP. After 15 years handling Commercial and SBA Lending duties which included managing support staff, underwriting and loan origination, Jim joined First Federal Bank in 2016 in the role of Market President for Nassau County. Jim was born in Fernandina Beach and has spent his entire banking career in the local market. Jim can be reached by telephone at (904) 556-6241 and by email at weaverj@ffbf.com.

At the local Fernandina Beach office, your account representative will be **Ryan McCarthy, Vice President and Retail Market Manager** for Nassau County. Ryan has worked in the financial services industry since 2007 and has experience in branch operations, lending, and leadership roles including Service Specialist, Financial Center Manager and Market Manager. He joined First Federal Bank in 2024 and now oversees the Fernandina, Yulee, and Wildlight offices. Ryan was born and raised in Fernandina, he enjoys supporting the Nassau County community and is committed to delivering consistent, attentive, and relationship-focused service. Ryan can be reached by telephone at (604) 321-0400, Ext. 50130 and by email at mccarthyr@ffbf.com.

Jennifer Laubenheimer, Vice President and Deposit Operations Officer, manages our very experienced Deposit Operations team based in Lake City, Florida. Jenny joined First Federal in 2010 and has extensive banking experience. She and her staff are prepared to provide prompt, personal service in all areas of daily processing. She is located in our Lake City Financial Center at 4705 W. US Highway 90, Lake City, Florida. Jenny can be reached by telephone at (386) 755-0600, Ext. 3912 and by email at laubenheimerj@ffbf.com.

In addition, First Federal is proud of its very capable Corporate Services department led by **Chris Stalvey, Vice President and Corporate Services Manager.** Chris will be responsible for implementation and daily activities through our Business Online Banking solution. The Deposit Operations and Corporate Services team work hand-in-hand to provide seamless, user-friendly processing. Chris joined First Federal in 2005 as a member of our IT Department team. His background in both IT and Deposit Operations combine to make him a valuable resource as Corporate Services Manager. Chris is located at 804 South Ohio Avenue,

Live Oak, Florida and can be reached by telephone at (386) 362-3433, Ext. 3957 and by email at stalveyc@ffbf.com.

Overseeing your relationship will be **Stephanie McClendon, Executive Vice President and Chief of Retail Community Banking**. Stephanie started her banking career with First Federal in March 1999. Over the years, she has developed many talents by taking on roles such as Teller, Customer Service Representative, Branch Manager, Consumer Lender, and Mortgage Originator. In August 2006, she assumed the role of Regional Manager overseeing 11 branches in 6 counties. In 2016, Stephanie then expanded her role to Director of Retail Banking responsible for retail sales relationships covering 27 branches in 13 counties. Currently, as Chief of Retail Community Banking, she manages the retail banking department, which has over $2 billion in deposits and over $50 million in consumer loans. While directing this effort, Stephanie also maintains a customer deposit portfolio as well as maintaining relationships with the Public Funds portfolio. Stephanie's focus is building solid relationships to meet the needs of our customers. Stephanie is located at 804 South Ohio Avenue, Live Oak, Florida and can be reached by telephone at (386) 362-3433 Ext. 3801 and email is mcclendons@ffbf.com.

At the branches, the following representatives are available to assist:

BRANCH	NAME AND TITLE	ADDRESS	TELEPHONE	EMAIL
Fernandina Beach	Emiko Rocha, Teller Operations Coordinator	1891 S. 14th Street Fernandina Beach, FL 32034	904-321-0400 Ext. 12015	rochae@ffbf.com
Fernandina Beach	Nicki Pollard, Financial Center Manager	1891 S. 14th Street Fernandina Beach, FL 32034	904-321-0400 Ext. 50177	pollardo@ffbf.com

February 2024

FACTS

WHAT DOES FIRST FEDERAL BANK DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include but is not limited to:

- Social Security number and income
- account balances and transaction history
- credit history and credit scores

When you are *no longer* our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons First Federal Bank chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does First Federal Bank share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For our affiliates to market to you	No	We don't share
For non-affiliates to market to you	No	We don't share

Call 386-754-0090 or 386-362-7990 or go to www.ffbf.com

How does First Federal Bank protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We do not collect identifying information about visitors to our site; we do use standard software ("Cookies") to collect information for the strict purpose of tracking activity on our site.
How does First Federal Bank collect my personal information?	We collect your personal information, for example, when you ▪ open an account or make deposits or withdrawals from your account ▪ give us your contact information or apply for a loan ▪ use your credit or debit card We also collect your personal information from other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only ▪ sharing for affiliates' everyday business purposes—information about your creditworthiness ▪ affiliates from using your information to market to you ▪ sharing for non-affiliates to market to you State laws and individual companies may give you additional rights to limit sharing.
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. ▪ *First Federal Bank does not have any affiliates.*
Non-affiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. ▪ *First Federal Bank does not share with non-affiliates so they can market to you.*
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. ▪ *First Federal Bank does not have any joint marketing agreements between nonaffiliated financial companies.*

For California Customers: In accordance with California law, we will not share information we collect about you with companies outside of First Federal Bank, unless the law allows. For example, we may share information with your content, to service your accounts, or to provide rewards or benefits in which you are entitled. We will limit sharing among our companies to the extent required by California law. For additional information regarding your rights, please refer to the Privacy Notice for California residents (www.ffbf.com/ccpa).

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
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MANAGEMENT BANKING SERVICES

SENIOR MANAGEMENT

John Medina, President and CEO

Mr. Medina joined First Federal Bank in 2017 after a successful career with First Union National Bank/Wachovia Bank gaining extensive experience across a full spectrum of roles, including Commercial Banker, Private Banker, Corporate HR Trainer, Financial Consultant Leader and Area President and Community Banking Executive. Mr. Medina is active in Rotary, having recently completed his term as the Rotary International District 6940 Governor.

Contact Information: medinaj@ffbf.com or 386-755-0600, Ext. 3473.

Pam Hitt, Sr. Executive Vice President and Chief Operating Officer

Mrs. Hitt has served in this capacity since 1999. She joined First Federal in 1992 and has provided experience and insight throughout the last 35 years of steady bank expansion and growth. Mrs. Hitt is active in Altrusa of Lake City, serving as a past Treasurer for the largest chapter in the Southeastern United States.

Contact information: hittp@ffbf.com or 386-755-0600, Ext. 3138.

Robert Turbeville, Sr. Executive Vice President and Chief Lending Officer

Mr. Turbeville has served in this capacity since 2008. He has been involved in banking for more than 34 years, joining First Federal in 2005. He is active in the community having previously served on numerous local boards. He is a past Rotary President and Chamber of Commerce President.

Contact information: turbeviller@ffbf.com or 386-755-0600, Ext. 3925

David Brewer, Sr. Executive Vice President and Chief Financial Officer

Prior to joining First Federal in 2004, Mr. Brewer was a partner with Odom, Moses & Company, a financial services company specializing in income taxation and financial planning for small businesses and high net-worth individuals. He has served as Trustee of the Lake City Municipal Firefighters Retirement Board, Member of the Suwannee Valley United Way Allocation Committee, and Board of Directors (Treas.) of the CARC.

Contact Information: brewerd@ffbf.com or 386-755-0600, Ext. 3920.

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

CORPORATE AND NASSAU COUNTY OFFICE LOCATIONS

CORPORATE HEADQUARTERS

4705 West US Highway 90
Post Office Box 2029
Lake City, Florida 32056
(386) 755-0600

FERNANDINA BEACH BRANCH

1891 South 14th Street
Fernandina Beach, FL 32055
Telephone: 904-321-0400

Lobby Hours: Monday – Thursday 9:00 AM – 4:00 PM; Friday 9:00 AM – 5:00 PM
Drive Thru Hours: Monday – Friday 8:00 AM – 5:00 PM

YULEE BRANCH

463845 State Road 200
Yulee, FL 32097
Telephone: 904-321-2337

Lobby Hours: Monday – Thursday 9:00 AM – 4:00 PM; Friday 9:00 AM – 5:00 PM
Drive Thru Hours: Monday – Friday 8:00 AM – 5:00 PM

WILDLIGHT BRANCH

40 Floco Avenue
Yulee, FL 32097
Telephone: 904-321-2337

Lobby Hours: Monday – Thursday 9:00 AM – 4:00 PM; Friday 9:00 AM – 5:00 PM
Drive Thru Hours: Monday – Friday 9:00 AM – 5:00 PM

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

BACKGROUND INFORMATION

First Federal Bank has been serving customers since 1962 when it opened in Live Oak, Florida (Suwannee County) as First Federal Savings and Loan Association. First Federal is a federally chartered and regulated savings bank, and a member bank of the Federal Reserve System. Our deposits are guaranteed by the FDIC to the fullest amount allowed by law.

From the start, we have been equally committed to exceptional service and value. Today First Federal is a community based, mutual bank serving over 70,000 customers from 27 community banking branches, mortgage lending offices in Florida and across the Southeast and Midwest, and SBA and USDA lending offices in the Southeast. Because we are a mutual institution, we are owned by our customers and not stockholders, which allows us to be responsive to our customers' needs. First Federal prides itself on being committed to helping local communities flourish. We offer customers diversified financial services including personal and business banking, lending, mortgages, and more. We are constantly adding and improving our products and services to make banking as easy and beneficial as possible.

Ranked by asset size we are the 807th largest bank in the United States, and by deposits we are the 17th largest bank with headquarters in Florida as ranked by S&P Global. We have been ranked "5 Star, Superior" by BauerFinancial since 2000. In 2024, First Federal was named "Best Small Bank in Florida" by Newsweek magazine for the fourth straight year. In 2021, First Federal was named Top Midtier Bank in Florida by American Banker. Most recently, First Federal was recognized by USA Today in America's Best Customer Service 2026 and America's Best Customer Service Financial Services 2026.

As the bank has grown, we have kept pace with industry processing trends. We operate our own in-house data processing center utilizing the latest in item processing technology. This enables First Federal to offer our customers multiple access methods to account information, plus the flexibility to fulfill even the most unique banking needs. We fully support through prompt, personalized service, all of the traditional and electronic banking services you require to run an efficient business office.

The officers and staff of First Federal appreciate the opportunity to submit this proposal and stand ready to answer questions or provide additional information regarding the specialized services and products detailed below as well as any additional areas you may wish to explore.

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
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MANAGEMENT BANKING SERVICES

COMMUNITY ORIENTED

First Federal prides itself on being committed to helping local communities flourish. Over the years First Federal has served the residents of Northeast Florida through numerous charitable and volunteer programs. Since 2020, $264,890 in contributions have directly benefited Nassau County. Bank wide, in 2024 First Federal employees contributed more than 5,200 volunteer hours and contributed more than $92,000 through the First Federal Way program which provides a 100% match by First Federal. These funds are distributed to various charitable organizations throughout the communities we serve. More information about these programs is available at www.ffbf.com.

COMMUNITY REWARDS PROGRAM

First Federal's Community Rewards Program is a way for the Bank to partner with the communities we serve to support local organizations and activities. Every time a First Federal customer who is enrolled in the program uses their debit card to make a signature-based transaction, First Federal donates money to a participating organization. First Federal customers just need to swipe, sign and support! All money raised comes from First Federal. Thanks to our customers, we've helped with special projects for after-school programs, intellectual and developmental disability agencies, temporary housing agencies, sports programs, various school-related programs and more. More than $696,000 has been donated since 2011. Last year over $62,900 was donated to 42 local organizations.

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
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MANAGEMENT BANKING SERVICES

AUDITED FINANCIAL STATEMENTS

SEE SUPPLEMENTAL DOCUMENTS

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
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QUALIFIED PUBLIC DEPOSITORY AND PUBLIC FUND REFERENCES

First Federal is a "**Qualified Public Depository**" under Chapter 280 of the Florida Statutes. All deposits will be fully collateralized with eligible securities as described in the Florida statutes or placed in an Insured Cash Sweep with full FDIC coverage. A copy of the Certificate of Qualified Public Depository issued by the Florida Department of Financial Services is appended hereto.

REFERENCES

Since the year indicated, First Federal has continuously provided financial services to the following public fund agencies and is proud to offer these as references:

- Tax Collectors of Baker (2009), Columbia (1998), and Suwannee (1994) County
- Town of Callahan (2023), City of Panama City (2021), City of Fernandina Beach (2019), City of Macclenny (2011), City of Lake City (2000), City of Live Oak (1987), and City of Bonifay (1990)
- School Boards of Washington (2023), Lafayette (2021), Baker (2009), Columbia (2002), Suwannee (1985), Holmes (1976), Jackson (1979) and Hamilton (1995) County
- Board of County Commission of Baker (2009), Columbia (2002), Suwannee (1985), Holmes (1976), Jackson (1979) and Hamilton (1995) and Washington (2012) County
- Sheriff of Nassau (2013), Baker (2009), Columbia (2002), Suwannee (1985), Holmes (1976), Jackson (1979) and Hamilton (1995) County
- Florida Gateway College (formerly Lake City Community College) (1997)

CITY OF LAKE CITY
Angela Taylor More
Finance Director
205 N. Marion Avenue
Lake City, FL 32055
(386) 719-5844
taylora@lcfla.com

CITY OF LIVE OAK
Tammie Girard
Finance Director
101 SE White Avenue
Live Oak, FL 32064
(386) 362-2276, Ext. 207
tgirard@cityofliveoak.org

CITY OF PANAMA CITY
Janette Smith, CPA, CMC
City Clerk - Treasurer
501 Harrison Avenue
Panama City, FL 32401
(850) 872-3020
jasmith@panamacity.gov

FIRST FEDERAL BANK

CITY OF FERNANDINA BEACH
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

BANK EXCEPTIONS

NOT APPLICABLE

FIRST FEDERAL BANK

DEPOSITORY SERVICES MASTER AGREEMENT

THIS DEPOSITORY SERVICES MASTER AGREEMENT (the "Agreement") effective the _____ day of _____, 2026 by and between the **CITY OF FERNANDINA BEACH, FLORIDA** (hereinafter, the "City" or "you") and **FIRST FEDERAL BANK** (hereinafter "First Federal", "we" or "us") contains the terms and conditions (the "Terms") that apply to the depository services provided by First Federal to the City. This Agreement is to be read in conjunction with the Business Relationship Application and Agreement which contains general terms governing your deposit accounts, as well as the Business Online Banking Master Agreement and related agreements for specific Business Online Banking services which govern access to certain business services. Your request or use of any of the depository services covered by this Agreement constitutes your agreement to and acceptance of these Terms.

1) **Term.** The term of the Agreement is a five (5) year period commencing _____, 2026 to and including _____, 2031. The City shall have the option of two (1) one-year renewals of the Agreement. Written notice of the intent to renew this agreement shall be provided by the City 60 days prior to the ending date of the Agreement and shall be mutually agreed upon by the City and First Federal. In the event of default by First Federal, the City may procure banking services from other sources. Either party may terminate this Agreement upon ninety (90) days' written notice to the other party.
2) **Services.** First Federal will provide banking services (the "Services") to the City as shown on Attachment "A" hereto. The City may decide which of our services you wish to receive. Some Services may require the completion of an application, enrollment form or separate agreement. Applications, enrollments and requests are subject to our approval.
3) **Crediting Earnings and Analysis Fees**. First Federal will provide all Services to the City at no charge provided combined ledger balances are maintained at $4,000,000 or more. The City will earn interest on all balances at a per annum rate equal to 90% of the Effective Federal Funds Rate, adjusted monthly, based on the Effective Federal Funds as published on the last business day of each month, with a floor of .25%. Accrued earnings will be credited monthly. First Federal reserves the right to charge analysis fees in accordance with the fee schedule appended hereto as Attachment "B" if combined ledger balances of $4,000,000 or more are not consistently maintained. Account statements for all depository accounts will be provided to City within three (3) business days following month-end. The City has the option to open additional demand deposit accounts or certificates of deposit, as required.
4) **Public Depository.** First Federal has provided the City evidence of certification as a Qualified Public Depository and agrees to comply with the Florida Statutes as they relate to the depositories for public funds including, without limitation Chapters 17, 136, 218, 280 and 658.

5) **Banking Days and Processing Schedules/Cut-off Times.** A Banking Day is defined as Monday – Friday, excluding Federal bank holidays and any other day we are not actually open for business. Processing Schedules/Cut-off times are generally Close of Business Monday – Friday for transactions conducted at a branch or drive-thru and 7:00 PM for deposits made through remote deposit capture. We may change Processing Schedules/Cut-off times and will provide notice of any changes to you.

6) **Operating Procedures**. The City agrees to comply and to remain in compliance with all applicable federal, state and local laws, rules, regulations, ordinances and determinations of governmental authorities (referred to herein as "Requirements of Law") including, but not limited to, the Gramm-Leach-Bliley Act, Electronic Funds Transfer Act, the Bank Secrecy Act, the USA PATRIOT Act and all rules, regulations and obligations with respect to programs administered by the Office of Foreign Assets Control or the U.S. Department of Treasury's Financial Crimes Enforcement Network. You agree not to (i) re-sell or otherwise make our Services available to others; or (ii) use our Services in any way that damages or violates the rights of any third party, that violates Requirements of Law, or that will subject us or our contractors to investigation, prosecution or legal action. To the extent that the Services we provide involve the use of clearing systems (such as the Federal Reserve System) or other networks or associations, including VISA, MasterCard or the National Automated Clearing House Association (such systems, networks and associations being referred to collectively herein as "Associations") you agree that Services are provided subject to the rules, regulations and guidelines of the Associations, with which you agree to comply. You understand and agree that we are not responsible for the acts or omission of any Association, (including, for example, an Association's failure to satisfy a customary service level that affects our performance) or of any other member of any Association. Nothing in this Agreement shall be construed to diminish, restrict or otherwise reduce the obligations of any party to this Agreement under relevant Association rules.

7) **Service Availability and Standard of Care**. While we make every attempt to ensure the Services are available for your use, from time to time the Service(s) may be unavailable temporarily due to system maintenance or technical difficulties, including but not limited to, those of the given Internet service provider, cellular service provider, or Service software. We have certain obligations to you under applicable law. In addition, we agree to use ordinary care in performing Services. That obligation shall be measured by the reasonableness of banking procedures established for the transaction involved and general banking usage in the local area serviced by us.

8) **Access to Technology.** If we provide or permit you to access hardware, software, documentation, systems or other technology or intellectual property ("Technology"), you agree that we and/or or our suppliers retain all intellectual property rights in the Technology. You further agree: (i) to use the Technology solely for the purposes of accessing or using our Services; (ii) to maintain the confidentiality of the Technology and not to copy, transfer or disclose the Technology; (iii) not to attempt to circumvent any use or access limitations contained in the Technology, nor to access any system, file, software or service other than those specifically made available by us and not to translate, reverse engineer, disassemble or decompile any Technology; (iv) to limit Technology access to those of your personnel who have a need to have such access in connection with your receipt of Services from us; (v) to use the Technology in accordance with its documentation and all relevant security policies and procedures; and (vi) to return any and all copies of the Technology to us on request. Technology is provided to you on an "AS IS" basis and for purposes of this Agreement will be considered part of the "Services." You agree to be responsible for misuse of Technology by your personnel or by third parties to whom your personnel may disclose their User IDs

and/or passwords. You agree to cooperate with us in the investigation of any apparent unauthorized use of or access to our Technology by any person using a User ID or password assigned to you or who otherwise appears to have accessed our Technology through your systems.

9) **Security Procedures.** You will use user IDs and passwords to access the Services; and in some cases, additional security processes (together "logon credentials"). You agree to keep, and to require your personnel to keep, your logon credentials secret. You agree to prevent unauthorized access to your systems. You agree to notify us immediately if your logon credentials or those of your personnel are lost or stolen, if you believe someone else has discovered your logon credentials or those of your personnel, if you suspect there has been a breach of your computer system or if a device used for a Service is lost or stolen. We are authorized to provide Services to, release your account information to, and accept as authentic any instructions given to us by, any person who has entered a User ID, password or other logon credential assigned to you. You acknowledge that you are responsible for all acts and omissions of your personnel. As between you and us, you agree to accept sole responsibility for losses attributable to the acts or omission of your personnel.

10) **Assignment of Services.** First Federal will not assign any of the Services without the City's prior written approval. The City shall reserve the right to eliminate individual services if the charges associated with the services are considered by the City to be excessive.

11) **Force Majeure.** Neither party is responsible for any failure or delay in performance caused by Act of God, pandemic, natural disaster, strike, flood, fire, war, public enemy, any electrical, equipment or communications failure, third party act or omission, operation of any adverse governmental law, ruling, regulation, order or decree or any other event beyond its reasonable control.

12) **Notices.** All notices pertaining to matters in this Agreement shall be delivered to the parties via U.S. Certified Mail – Return Receipt Requested at the following addresses:

First Federal Bank
Attn: Pam Hitt, Sr. Ex. Vice Pres. & COO
4705 W. US Highway 90
Lake City, FL 32055

City of Fernandina Beach
Attn: _____
204 Ash Street
Fernandina Beach, FL 32034

13) **Entire Agreement and Governing Law.** This Agreement: (i) constitutes the entire agreement with respect to the subject matter hereof; (ii) shall be binding upon and inure to the benefit of the parties and their successors and assigns; (iii) may not be assigned by either party without the other party's written consent; and (iv) shall be governed by and construed in accordance with the laws of the State of Florida.

FIRST FEDERAL BANK

By:_____

Pam Hitt, Sr. Ex. Vice Pres. & COO

CITY OF FERNANDINA BEACH

By: _____

Print Name/Title: _____

ATTACHMENT "A"

ELITE PUBLIC FUNDS CHECKING ACCOUNT

First Federal's high volume Elite Public Funds Checking Account is designed for entities that write and deposit more than 300 items per month. Included with this account is processing of cash and check deposits, returned checks, deposit corrections, night depository, internal transfer, electronic funds transfer, monthly account statements in hard copy format, including paid item images, and electronic format, per proposal.

BUSINESS INTEREST CHECKING NEGOTIATED – PUBLIC FUNDS

Business interest checking allows the City to earn negotiated interest rates on all collected funds with no transaction limitations. Included with this account is processing of cash and check deposits, returned checks, deposit corrections, night depository, internal transfer, electronic funds transfer, monthly account statements in hard copy format, including paid item images, and electronic format, per proposal.

INSURED CASH SWEEP

Member of Intrafi which allows First Federal to offer access to additional FDIC insurance and a return on funds.

- Insured Cash Sweep (ICS) offered through Intrafi is a demand account with unlimited withdrawals providing access to multi-million dollar FDIC insurance.
- Work exclusively with First Federal and receive one First Federal statement while accessing FDIC coverage from many institutions.

OTHER RELATIONSHIP ENHANCEMENTS

Transfer Services

Business Online Banking Transfer Services provides the user with real time account information. Check account balances, move funds between accounts, and create stop payments. Users may also view paid check and statement histories. The system is flexible in that one time internal transfers can be entered or repeat internal transfers can be set up as recurring templates. Scalable security allows varying levels of access to be established ranging from inquiry only to global access. Technical support will be provided at no charge to set up and implement Business Online Banking Transfer Services.

Positive Pay Services (Transaction Authorization System)

The Positive Pay system allows businesses to electronically upload a list of issued checks to the bank. Reports are produced daily of any check presented for payment that is not on the authorized list. This service protects against internal fraud and more importantly protects against counterfeit checks that have become very prevalent. Dealing with fraudulent checks lowers staff productivity. Positive Pay automates the review process. Technical support will be provided at no charge to set up and implement Positive Pay.

Wire Transfer Services

The Wire Transfer system allows businesses to enter one time wire transfers or set up recurring templates for wires sent repeatedly. The outgoing wire fee is discounted by 50% when you initiate wire transfers using the online Wire Transfer Service. Scalable security facilitates separation of duties so you may set up user access so no one person has the ability to initiate and send funds without secondary review and authorization. Technical support will be provided at no charge to set up and implement Wire Transfers.

Remote Deposit Capture

First Federal's remote deposit capture utilizes a desktop scanner provided by the bank at no cost that connects to your PC and the Internet. With it, you can scan checks and issue deposits electronically to the bank. Make deposits anytime day or night. Save time preparing deposits. Technical support will be provided at no charge to set up and implement Remote Deposit Capture is subject to approval.

Payroll/Direct Deposit Services

Technical on site support will be provided to assist your staff in implementing direct deposit of payroll. Special presentations will be provided by bank staff to educate employees of the benefits of direct deposit. Your staff would create the direct deposit file either through your payroll software or software First Federal would provide and transmit using Premier e-Corp. The file would be further processed by First Federal through the automatic clearinghouse network (ACH). ACH origination is subject to approval.

Courier Deposit Services

Daily courier deposit pick up services with specified time for pick up.

Lock Box Services

First Federal Lock Box Services reduces the cost of processing payments through automating the crediting of customer accounts and depositing the checks into the designated bank account. The payments would be directed to a designated post office box and collected daily by authorized First Federal staff. These payments would then be processed at First Federal through a system that will capture the account information and create an electronic file that may be imported into your accounting system to credit the customer account for the payment.

Rejects are limited when a list of billings are provided to populate a lookup table to facilitate matching payments to accounts when billing stubs are not included with the check. The same information is utilized to compare the customer account information captured from billing stubs for read accuracy verification.

As the customer information is captured, the check and remittances item is imaged for future reference if needed and the checks will be credited to the designated bank account. There are also reports available for monitoring payment activity.

Visa Credit Card and Debit Card– Business

First Federal offers both Visa Debit and Credit Cards for your business needs. Visa Debit Cards can be issued to appropriate personnel and linked to your primary operating account or a separate checking account created for this purpose. Visa Credit Cards can be provided at the specifications requested in the RFP.

Electronic Event Notice Service

Notifi provides the user the ability to set up automatic notifications when various events occur. The message is sent to users without the use of account numbers for privacy and security purposes. Titles or nicknames are used to help the user identify the account to which the message pertains. Examples of events are check paid, deposited amount, low balance alert or balance notification, etc. Technical support will be provided at no charge to set up and implement Premier Messenger.

Special Employee Benefits

First Federal staff will hold group meetings to explain the benefits of Enhanced Employee Advantage Checking, a special account that will be offered to all your employees, providing unlimited check writing, no monthly service charge for 1 year, and a free Visa Check Card.

Enhanced Employee Advantage Checking is a non-interest bearing checking account designed for employees of entities with an account relationship with First Federal. Low minimum opening deposit of $50; no minimum daily account balance; Free one box of standard checks per year; Free convenient 24 hour access to account information through Internet and Tele-bank; Free eStatement and internet bill pay; Free instant image debit card with access to more than 55,000 surcharge-free Allpoint Network ATM's nationwide.

Branch Hours

Branch hours vary slightly from branch to branch depending on the needs of the market served. Branch hours are subject to change upon 30 days' notice to our customers. Currently, the First Federal Branch located at 1891 S. 14th Street, Fernandina Beach, Florida, maintains the following hours:

Lobby:	Monday – Thursday	9:00 am – 4:30 pm
	Friday	9:00 am – 6:00 pm
Drive Thru:	Monday – Thursday	8:00 am – 5:00 pm
	Friday	8:00 am – 6:00 pm

ATTACHMENT "B"
SCHEDULE OF SERVICES

Standard Monthly Analysis Fees:

Checks Written (per item)	$ .11
Deposited Items (per item)	$ .11
Deposit Corrections (two free per month)	$ 5.00
Coin Wrapping (per roll)	$ .25
Currency Strap (per strap)	$ .78
Business Online Banking Services:	
Access / Transfers	$ 7.00
Remote Deposit Capture	$39.00
ACH Origination	$30.00
Positive Pay	$ 4.00
Wire Transfer Access	$14.00
Account Maintenance Fee (per account)	$10.00

Other Per Item Services (Billed through Analysis):

NSF Charge (per item)	$37.00
Stop Payments	$32.00
Wire Transfers (incoming)	$16.00
Wire Transfers (outgoing-$16.00 using Business Online)	$32.00
Returned Deposited Items (per item)	$11.00
Same Day ACH Entries (Pass through charge from FRB per entry)	$ .05
ACH Deposited Items Returned "Unauthorized" (per item)	$11.00

Standard Lock Box Schedule of Services

Per Item Charges

Single items (per item)	0.15
Multiple items (per item)	0.20
Check only items (per item)	0.25
Rejected items (per item)	0.15
Image archival (check & remittance)	0.01
Correspondence returned (per item)	1.00
File transmission (per file)	7.50
Standard batch summary report (per report)	2.00
Post Office box rental (estimate)	45.00
RemitWeb option (per month)	150.00
One Time Set Up Fee	69.00

All fees are waived for the City based upon maintenance of collected balances of $4,000,000 or more.

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

GENERAL INFORMATION

The City of Fernandina Beach, Florida (City) is accepting competitive sealed proposals for **Management Banking Services** from qualified financial institutions capable of providing banking services best suited to the City.

The City of Fernandina Beach will receive sealed proposals from qualifying banks through **Demandstar.com** (www.demandstar.com). Proposals must be uploaded to Demandstar.com E-Bidding System prior to **10:00AM, February 27, 2026**.

Hand-delivery, mailed, faxed or emailed submissions will **not** be accepted.

The City seeks to establish a banking relationship with a qualified financial institution for its banking needs. The City is looking for a single bank to provide all the services outlined below for the duration of the contract. The banking range of services includes **collection and deposit, cash concentration and disbursement (CCD), account maintenance, and overnight investment services**. Maintaining open and frequent two-way communication between the successful bank and the City is essential. Both parties will establish services and service levels through contract or written agreement, ensure receiving timely responses, establishing fair pricing and compensation, and upholding the highest ethical standards.

Instructions, Exhibits A-H and Response Forms (Attachments A-D) to this Request for Proposal are required as part of the submittal.

CONTACT

Specification questions during the proposal period shall be submitted in writing to Purchasing Specialist, Wanda Weaks, wweaks@fbfl.org. **Respondents are hereby put on notice that no contact shall be made with any of the City Commission members, City Manager other City staff, or others that may be involved in the selection process to discuss this request or to influence the outcome of the selection.**

Responses to questions considered material to the solicitation shall be distributed via formal addenda and posted to the City of Fernandina Beach's website; www.fbfl.us/bids, Bid Posting web page and to DemandStar website www.demandstar.com. It is the Responder's responsibility to check the City's website for Addenda prior to submitting their proposal.

Any interpretations, clarifications, or changes will be made in the form of written addenda issued by the Purchasing Specialist and posted on the City Website at www.fbfl.us/bids and to DemandStar website at www.demandstar.com. Any oral communications will not be authoritative and will not be binding on the City. It is the sole responsibility of the proposer to visit the City's website prior to submitting a proposal to ascertain if any addenda have been issued, to obtain all such addenda, and to return Acknowledged Addenda with each proposal.

If there is an Addendum it becomes part of the original RFP and shall be acknowledged by attaching a copy of the Addendum, signed by an authorized representative of the person or company submitting the proposal. Failure to do so may disqualify the submittal. All Responders are advised that under Chapter 119, Florida Statutes, all responses are deemed a public record and open to the public as provided for in said statute.

CONTRACT PERIOD

All services shall be provided for a **five-year period**, with **two one-year renewals** by mutual agreement with negotiated changes, **for a total potential contract length of seven years**. If the selected bank shall not be the current provider of banking services, **FIRST FEDERAL BANK**, then the selected bank shall begin transition, conversion and implementation operations no later than **April 06, 2026** to be fully operational by **May 11, 2026**. A proposing bank other than **FIRST FEDERAL BANK** shall submit its implementation schedule as part of its response.

BANK QUALIFICATIONS

1. Qualified Public Depository:
   Only banks meeting the criteria set forth in Chapter 280, Florida Statutes, and the Florida Security for Public Deposits Act (Act) shall be considered. The selected bank must be a qualified public depository as set forth in the Act at the time of proposal and maintain this status throughout the life of the contract. A proposing bank shall provide evidence of its status as a qualified public depository.

2. Bank Financial Strength:
   A proposing bank shall provide evidence of its strength by showing its rank with the Federal Reserve Board and the amount of consolidated assets, submit audited financial statements for the past two years and provide a printout from Bankrate.com, or an equivalent rating agency.

3. Bank Location:
   The bank must have a full-service branch located within Nassau County, FL.

4. Relationship Manager, City Representative:
   A proposing bank shall provide the names, contact info, and functions of the Relationship Managers. The City shall have the right to meet with this proposed Relationship Manager at the Principal Contact Office and to approve the person so designated or their successor liaison. Should the City object to the person so designated, the bank will replace them with a qualified person, acceptable to the City, forthwith. The City Comptroller will identify one or more persons in the Finance Department office to represent the City.

5. Designated Account Executive:
   The City requests that the Respondent provide the name of a designated account executive, as well as an alternate. The designated account executive must have the authority to make timely decisions in the normal course of business and serve as the point of contact and liaison between the City and other people within the bank.

6. Continuous Services:
   The bank will have and maintain sufficient staff to support these requirements on a continuing basis without interruption of services. Repeated disruptions to services, regardless of the reason, will be just cause for cancellation of the Agreement by the City. The Relationship Manager will act as a liaison with the City, at no cost, for matters regarding the City's accounts.

CONTRACT STRUCTURE

The City expects to enter into a Master Banking Services agreement. The City expects the master agreement to be supplemented by other agreements including but not limited to wire transfer, positive pay services, stop payment, ACH, lock box, remote deposit, electronic banking agreements, and courier service. The selected bank's proposal shall become an integral part of the master agreement.

SCOPE OF SERIVCES

Account Structure:

1. The City currently maintains **nine accounts**. The City anticipates depositing a minimum of $8million and a maximum of $10million. The account balance is projected to fluctuate by up to $4million during the month. **No minimum balance requirement above $4million will be accepted.** The City requires the same structure currently in place and described below. The Comptroller may open new accounts or close existing accounts to facilitate the efficient and legally required flow of funds at the costs, terms and conditions to be contracted.

Collection and Deposit Accounts:

1. General Fund: This account receives most of the general government revenues of the City. Deposits may be in the form of cash, checks, credit and debit card, Fedwire, ACH and book transfers. Disbursements are generally check and EFT. This account should be set up to sweep overnight balances.

2. Payroll: Bi-weekly, Friday payroll direct deposit disbursements are charged to this account. This is a Zero Balance Account (ZBA) in which the money used to cover the payroll is drafted from the General Fund Account. Currently, the Payroll Department processes approximately **325** direct deposit transactions bi-weekly.

3. Cemetery: This is **NOT** a ZBA account. This is an account established for restricted purposes. It is a checking account with a minimal number of transactions each year.

4. FSA: This is a Zero Balance Account (ZBA) set up to track the payments for our Flexible Spending Program offered to employees.

5. AP Solutions: This is a Zero Balance Account (ZBA) used to pay vendors via check and ACH.

6. Golf: This is a Zero Balance Account (ZBA) used for Golf Operations and includes deposits via cash, check, ACH, wire transfer, vendor debit for purchases and credit card processing.

7. Marina: This account is **NOT** a ZBA account. This account is used for Marina Operations and includes deposits via cash, check, e-check, credit cards, vendor payments via auto pay

and Bill.com.

8. E-bay: This account is **NOT** a ZBA account. This account maintains a minimum account balance established for unusual or infrequent purchases or online auction transactions.

9. Fire – Ambulance: This account is **NOT** a ZBA account. The City's Emergency Services billing provider uses this account. It includes a lock box.

COLLECTION AND DEPOSIT SERVICES

Courier Service:

The City uses a courier service for deposits, 5 days per week, provided by the current provider at no extra cost to the City. The courier must be able to collect and deliver change orders. A proposing bank should include the cost of such service in their proposal on the **Proforma Account Analysis Response Form – Attachment C**. The specific locations for courier pickup include at least **7** different locations within the City; City Hall (2 Desks), Marina, Utility Billing, Parks & Recreation, Finance, Golf and Police. If alternate deposit methods are offered, proposers must state whether or not courier service is available and provide a solution for change orders.

Deposit Deadline/Ledger Cutoff Time:

A proposing bank shall provide deposit deadline schedules for each of its branches that will service the City.

ACH, EFT's, and Wire Transfers Incoming:

The RFP should include a wire transfer agreement. The agreement shall reflect that the selected bank agrees to the standard of 'simple negligence'. The City receives receipts through the ACH, EFT's, and Fedwire systems in its accounts on a regular basis. Receipts are received from payment card settlements, various customers, federal and state agencies, and from maturing investments. A proposing bank shall report ACH payment messages on the bank statements. The bank shall be capable of reporting ACH payment, EFT, and Fedwire messages in total on its web-based banking system. The bank shall report transaction confirmation numbers on its web-based banking system. The bank shall provide book transfer capability on its web-based banking system to transfer money between accounts at the bank.

ACH Debit Block:

The bank must be able to provide ACH Debit Block service to prevent unauthorized persons or companies from electronically debiting out bank accounts.

Returned Items:

All returned items shall be automatically redeposited a second time. Items returned a second time shall be forwarded to the Finance Department.

Overdraft Account Remediation:

It is not the intention of the City to overdraw any accounts. In the event of an overdraft, all checks presented for payment shall be paid. The City Comptroller or designee shall confirm wires or ACH transfers that will remedy such overdraft. The bank shall complete the wire/ACH transfer after confirmation. Any service fee to be charged to the City for overdrafts shall be

provided on the **Pro Forma Account Analysis Response Form, Attachment C** and the instrument shall be honored.

Deposit Reconciliation:
Only banks with the capability of providing deposit reconciliation services on a web-based banking system shall be considered. Each deposit ticket shall bear the department name and number.

Lock Box:
Proposals should include a Lock Box agreement. The City currently utilizes this feature to process payments for EMS billings.

Remote Deposit:
Proposals should include an Express Deposit agreement. Several of the City departments/locations currently use this service.

DISBURSEMENT SERVICES

Positive Pay Services:
As additional fraud protection over the City's checks, the City desires to negotiate a positive pay services agreement with a no-pay default option. The agreement shall reflect that the selected bank's positive pay system be implemented at its teller lines. The bank shall report discrepancies electronically through its web-based banking system. The City shall provide an affirmative or negative response for each 'exception check'.

Check Reconciliation:
Only banks with the capability of providing partial and full check reconciliation services on a web-based banking system shall be considered. Check reconciliation services may be part of a proposing bank's positive pay service.

Stop Payment and Date Legend:
The RFP should include a stop payment agreement. The agreement shall reflect a lifetime stop payment order.

The City shall imprint its checks with the following date legend, "This check must be cashed within 180 days pursuant to the Uniform Commercial Code", or other similar language agreed to by the City and selected bank. The stop payment agreement shall reflect the bank agrees to the standard of 'reasonable care' in honoring date legended checks.

ACH and Wire Transfers Outgoing:
The RFP should include a wire transfer agreement. The agreement shall reflect that the selected bank agrees to the standard of 'simple negligence'. The City disburses vendor payments electronically through ACH and wire transfers on a regular basis. Electronic payments are made for payroll direct deposit, federal and state tax liabilities, debt service, purchases of investment securities, and others. The bank shall memo-post ACH transfers immediately for later settlement and execute wire transfers within **15** minutes after placement. The bank shall promptly notify, by telephone, the Comptroller's designated contact of any wire failures. The bank shall report ACH payment messages on the bank statements. The bank shall be capable of

reporting ACH payment and wire transactions on its web-based banking system. The bank shall report transaction confirmation numbers on its web-based banking system.

ACCOUNT MAINTENANCE - web based

Electronic Banking:

Only banks capable of providing full-service web-based banking shall be considered. Web-based banking services are required to run on a secure internet browser and be hosted at the banking facility. Electronic banking services shall include but not be limited to detail and summary balance reporting of balances at the end of the previous banking day, stop payments, checks paid, wire transfers, positive pay, ACH transactions, EFT transactions, check reconciliation, deposit reconciliation, monthly account statements, and monthly account analysis. Proposers shall provide information on security measures used to protect the safety and access to City accounts.

Account Analysis:

The selected bank shall provide a monthly pro-forma account analysis statement for the City's accounts. The bank shall prepare account analysis statements in the Association for Financial Professionals' standard format using the standard set of service codes or standard service descriptions. The analysis will report at a minimum: services rendered, service volumes, unit costs, extended costs, and the calculation of the earnings credit. A proposing bank should provide its calculation of earnings credit or fee for the month of January 2026 data and using a combined collected balance equal to $1,000,000 as the City's proposed reserve requirement. The proposed Earnings Credit Rate (ECR) should be clearly identified. The proposing bank shall also prepare a pro-forma account analysis for January 2026 as per their rate structure included in their proposal. This shall include interest income, service fees extended, include a total fees amount and articulate compensating balances requirements. This should be provided on the **Proforma Account Analysis Form, Attachment C**, attach and additional page if needed.

Monthly Account Statements, Debit and Credit Memos:

A proposing bank shall prepare and render individual monthly account statements. The reporting period shall be the full calendar month. Statements shall be available to download no later than the **3rd** day of the following month. The bank shall allow a period of **60** days or more in which the City may notify the bank of account statement errors. The bank shall provide explanation of debit and credit adjustments to the City within **five** days from the day the bank posts the adjustments to the City's accounts. Via e-mail to the Finance Department at FinanceDept@fbfl.city.

INVESTMENT SERVICES

The City's desire is to maximize its interest earnings on all funds in all accounts.

The City requires all accounts and investments be secured in accordance with the Florida Statutes, Chapter 280.01, Security for Public Deposits and by the City's investment policy and section 218.45 Florida Statutes. Interest earnings shall be tied to the Effective Federal Funds Rate. Proposers should specify a floor and ceiling on the earnings rate, if applicable. If no floor or ceiling applies indicate "none".

The interest calculation on excess funds shall be completed after all regular demand deposit activity has been posted. Interest earnings can be posted daily, but no less than once a month.

The City may choose to invest additional funds through structured Certificates of Deposit (CDs). Proposers should also provide interest rates for the following:

6-month CD of $5 million
12-month CD of $5 million
24-month CD of $5 million
36-month CD of $5 million

In addition, a proposer may choose to provide additional investment recommendations to the City for any funds over the minimum balance that balance the City's need for security of funds, liquidity of funds, and interest earnings pursuant to Florida Statutes and the City's Investment policy as amended from time to time.

Master agreement with the City Requirements:
A proposing bank shall provide the following: daily receipts or trade tickets for all overnight investment transactions that include a thorough description of any collateral securities.

1. Automated daily balance reporting with detailed transactions and summary account information.
2. Monthly collateral reports from the custodian, including:
    a. Name, type/description, CUSIP
    b. Par value, market value, maturity date
    c. Credit ratings (Moody's/S&P)
3. Safekeeping receipts for pledged collateral sent directly to the City.
4. Monthly account analysis and billing statements.

OTHER SERVICES

Commercial Credit Cards:
The bank will provide a commercial credit card account with the banking services with online reporting and management. There shall be no annual fee assigned to this service. City credit cards are issued to approximately 35 employees. Each employee credit card carries a different monthly limit. The City will pay the balance in full on a monthly basis.

Cost of Services:
The intent of the City is to obtain the most cost-effective and efficient services. Banking services and documents not detailed on the proposal form will be provided to the City at no cost. The City will provide check stock. The bank shall provide other banking supplies such as tamperproof deposit bags, coin wrappers and deposit slips. The bank will prepare a monthly detailed analysis of the cost of services and shall have the authority to debit the General Account for the total applicable service charges. The bank should specify other services it can provide with a brief description and anticipated cost of these optional services.

Workplace Banking:
To facilitate employee use of payroll direct deposit, the City would prefer a proposing bank provide a workplace banking program and make available to City employees a checking account with no maintenance fees, no minimum balance requirements, and a no fee debit and ATM card.

Imaging Services:
To facilitate timely access and reduced record storage requirements, only banks with the capability to provide electronic imaging services shall be considered. The City currently utilizes web banking services for all cleared checks and bank statements. Images and statements shall be downloadable from its web-based banking system to the City's servers. Imaged items shall include but not be limited to paid checks (front and back), positive pay exception checks (front and back), deposit items, and debit and credit memos. The bank shall provide its timetable for availability of imaged documents and web-based access time limit.

Most Favored Customer:
State whether or not your bank is willing to provide the City price protection during the term of the contract. Specifically, subsequent to the execution of a contract with the City, if proposer enters into a contract with, or submits a written proposal to, another Florida public entity of comparable size and deposit profile that provides for a lower cost of services or higher interest earnings than those provided to the City under a similar pricing structure, proposer acknowledges and agrees to extend such more favorable pricing terms to the City for the remainder of the contract term.

Non-Exclusive:
The City reserves the right to establish additional accounts in other banks or provide for additional services from other banks, if the City so deems necessary. If the City elects to exercise this right, the contract covered by this Proposal shall remain in effect as regards all terms, agreements and conditions without penalty or diminution of ongoing banking services as contained therein and previously provided by the successful bank in this proposal.

Disaster Preparedness Availability:
In the event of a natural disaster or other disaster, the selected Respondent must have in effect a plan to accommodate the City with funds and a plan to accommodate the City with electronic banking services. Describe your disaster recovery plan to include specific plans related to servicing the City in the event of a disaster. Provide information regarding your ability to provide uninterrupted service.

PROSPECTIVE SERVICES

The City, subject to its future needs, reserves the right to request the selected bank to provide any additional banking services not covered by this RFP, at such cost, and under such terms as may be agreed upon, in writing by the Parties, and such additional services shall then be subject to all the terms and conditions of the Contract awarded under this RFP. The Comptroller may desire to consider additional or enhanced services not currently provided to the City. Proposing banks should provide a list of additional services they offer.

PROPOSAL TERMS AND CONDITIONS

Proposing banks must use the response forms to Request for Proposals. The response forms include separate sections for **Bank Information, Attachment "A", Proposal Summary, Attachment "B", Pro-forma Account Analysis, Attachment "C**" and other information. Proposals must be executed by authorized representatives of the proposing banks. Proposing banks must execute the **Proposer's Warranty**, **Attachment "D"** and include it with the proposal. Also include **copies** of audited financial statements for each of the **two most recent years**.

SELECTION PROCESS

The criteria for making an award recommendation are as follows:

1.	Financial Strength in Government Accounts	30%
2.	Quality of Scope of Conversion Plan and Implementation	15%
3.	Qualifications of Professional Personnel Assigned to City Accounts	15%
4.	Proposed Fees/Compensation/Interest Income Formula	30%
5.	Breadth of Services/Innovation/Additional Services	10%

TENTATIVE SCHEDULE

The City will attempt to adhere to the following schedule:

Feb 16, 2026	Issue Request for Proposal (RFP)
Feb 27, 2026	Bank Proposals Due Prior to 10:00AM EST
Mar 05, 2026	Evaluation Committee Makes Preliminary Decision
Mar 17, 2026	Recommend to Commission

Proposers may be asked to make an oral presentation of their proposals to the committee.

Evaluation of proposals will be made by an Evaluation Committee consisting of two City Employees and a Consultant approved by the City Manager. The Committee will conduct an evaluation of the information included in the response form and its attachments. A recommendation to award a contract will be made based on the criteria set forth in the Selection Process.

The City observes a "cone of silence" and policies for ethical and professional behavior on all advertised solicitations. After issuance of the solicitation, banks or their representatives shall refrain from contacting any member of the evaluation committee, the City Manager or the City Commission regarding this proposal until the Commission approves the successful proposer.

Costs of preparation of a response to this RFP are solely those of the proposer. The City assumes no responsibility for any such costs incurred by the proposer.

Proposal Submission:
Proposals must be received no later than the time and date and at the location specified in the request. No proposals shall be received later or at any other location than specified. Any response received later or at any other location than specified shall not be considered. It shall be the respondent's sole responsibility to ensure that their proposal reaches the specified time and place for receipt of proposals.

Proposal Opening:
Proposals shall be opened publicly in the presence of one or more witnesses at the time and place designated in the notice. The name of each proposer shall be listed on the RFP Opening Tally which will be posted on the City's website within twenty-four hours of RFP opening.

Cancellation or Postponement:
The City may, prior to proposal opening, elect to cancel the request or postpone the date and/or time of submission or opening. In the event this occurs, notification will be communicated on the City's website and demandstar.com.

Corrections, Additions to and Withdrawal of Proposals: -
The following shall govern the correction of Information submitted in a proposal when that information is a determinant to the responsiveness of the proposal:

1. Errors in the extension of unit prices stated in a submission or in multiplication, division, addition, or subtraction in a submission may be corrected by the Committee prior to an award. In such cases, the unit prices shall not be changed. When quoting in words and in figures on items, and the words and figures do not agree, the words shall govern and the figures shall be disregarded.

2. No respondent shall be permitted to correct an error after an opening that would cause such respondent to have the low proposal, except that any respondent may correct errors in extension of unit prices stated in the submission, or in multiplication, division, addition or subtraction. In such cases, unit price submissions shall not be changed, and such errors must be readily apparent on the face of the form.

3. Nothing herein is intended to prohibit the acceptance of a voluntary reduction in price from a low respondent after opening and prior to commencement of work, provided such reduction is not conditioned upon, or does not result in the modification or deletion of any specification or conditions contained in the request.

Acceptance:
Proposals shall be accepted without alteration or correction, except that the City of Fernandina Beach reserves the right to accept or reject any and all submissions.

Applicant Qualifications:
The evaluation committee will recommend an award to the most responsive and responsible proposer whose submission meets the requirements and criteria set forth in the request and whose award will, in the opinion of the evaluation committee, be in the best interest of and most advantageous to the City. Criteria set forth in the Request for Proposal shall be used in the evaluations.

Factors to be considered in determining whether the standard of responsibility has been met include whether, in the City of Fernandina Beach's determination, a prospective respondent has:

1. Appropriate financial resources, materials, equipment, facilities, personal resources, experience, knowledge and expertise, or the ability to obtain them in a manner necessary to indicate its capability to meet all contractual requirements.

2. A satisfactory record of performance as a full-service bank for other local government entities.

3. A record of integrity.

4. Legal qualifications to contract with the City.

5. Supplied all necessary information in connection with the inquiry concerning responsibility including, but not limited to, any licenses, permits, insurance, or organization papers required.

6. A proposal that successfully demonstrates the respondents' accuracy and attention to detail.

Information in a submission, which concerns the responsibility of the respondent, shall not necessarily be considered conclusive at the time of opening, except when the request unequivocally states that the submission shall not be considered responsive unless the particular information has not been so declared as a determinant of responsiveness of the submission:

1. The City may determine that the information submitted concerning the responsibility of the respondent is so administratively inadequate as to warrant a recommendation of rejection of the submission based on a lack of demonstrated respondent responsibility.

2. The City may, after a proposal opening, request additional information from the respondent concerning their responsibility to perform; and the respondent may voluntarily, after the opening, provide additional information or corrective information concerning their responsibility.

3. The City shall consider this and all other information gained prior to the time of award or rejection in making determinations and recommendations concerning the acceptance and award.

4. A proposal shall be considered responsive only if it conforms to the requirements of the request concerning pricing, specifications of the services requested, and any other matter unequivocally stated in the request as a determinant of responsiveness. A lack of conformity on these matters which is not substantive in nature may be considered a technicality or irregularity which may be waived by the City.

The prospective bank shall supply information requested by the City concerning the responsibility of the prospective bank. If such prospective bank fails to supply the requested information, the City shall base the determination of responsibility upon any available information or may find the prospective bank not responsive, if such information is not submitted within the time specified.

Award:
The award shall be made to the most responsive and responsible bank whose proposal meets the requirements and criteria set forth in the request and shall be effective upon the

approval of the City Commission. The City reserves the right, in its sole discretion, to accept or reject any and all proposals, to waive any irregularities or informalities, and to accept or reject any items or combination of items. In the event only one submission is received, the contract may be awarded to the sole proposer, or the City may elect to re-advertise the proposal, at the sole discretion of the City.

Termination:
The City may terminate the contract in whole or part with a **ninety-day written notice**, unless otherwise stated in the contract documents. If terminated, the City will be liable only for payment in accordance with the payment provisions of the Contract for those services rendered prior to termination.

GENERAL CONDITIONS REQUEST FOR PROPOSAL

1. **PREPARATION OF PROPOSAL –** REQUEST FOR PROPOSAL will be prepared in accordance with the following:
   a. The enclosed Contact Sheet/Proposal Form, attached hereto as "Exhibit A", must be used when submitting your REQUEST FOR PROPOSAL.
   b. All information required by the Contact Sheet/Proposal Form must be furnished. The Proposer must print or type his/her name and manually sign the Form and any continuation sheet on which an entry is made.
   c. Unit prices must be shown and where there is an error in extension of price, the unit price will govern.
   d. Alternate Proposals will not be considered unless authorized by the Request for Proposal.
   e. Proposers will **not** include federal taxes nor State of Florida sales, excise, and use taxes in prices, as the City is exempt from payment of such taxes. An exemption certificate will be signed where applicable upon request.
   f. Proposers must make all investigations necessary to thoroughly inform themselves about any and all conditions related to the performance of the contract. Plea of ignorance by the Proposer of conditions that exists or may hereafter exist as a result of failure or omission on the part of the Proposer to make the necessary examinations and investigations, or failure to fulfill in every detail the requirements provided for in the Purchasing Policy, Purchasing Ordinance and/or State and Federal Statutes. The City's Purchasing Ordinance is set forth in Chapter 2-420, *et seq*.
   g. Prices quoted must be FOB City of Fernandina Beach, Florida with all transportation charges prepaid unless otherwise specified in the Request for Proposal.
   h. Deliveries are to be FOB Destination unless otherwise specified in the Request for Proposal.
   i. Deliveries are to be made during regular business hours.
   j. Proposals and Proposal prices must be valid for a minimum of ninety (90) days, unless otherwise stated on the REQUEST FOR PROPOSAL.

2. **SUBMISSION OF PROPOSAL**
   a. The City of Fernandina Beach has partnered with **DemandStar using their E-bidding platform**. All submittals will be received through the **DemandStar E-bidding platform**. To register and submit through DemandStar go to www.demandstar.com/registration.

3. **REJECTION OF PROPOSAL**
   a. The City reserves the right to accept or reject any or all Proposals, to waive irregularities and technicalities, and to request resubmission or to re-advertise for the services. The City will be the sole judge of the submittals. The City's decision will be final.

4. WITHDRAWAL OF PROPOSAL

a. Proposals may not be withdrawn after the time set for the opening for a period of time as specified.
b. Proposals may be withdrawn prior to the time set for the opening. Such request must be in writing.

5. LATE PROPOSAL

a. REQUEST FOR PROPOSAL and modifications received after the time set for the opening will not be considered.
b. Modifications in writing received prior to the time set for the opening will be accepted.

6. LOCAL, STATE, AND FEDERAL COMPLIANCE

a. Proposers must comply with all local, state, and federal directives, orders and laws as applicable to the REQUEST FOR PROPOSAL and subsequent contract(s) in accordance with the requirements as stated in CFR 200.321, including but not limited to Equal Employment Opportunity (EEO), Minority Business Enterprise (MBE), and Occupational Safety and Health Administration (OSHA) as applicable to this contract.
b. A “Public Entity Crimes Statement”, in accordance with Florida Statutes, Section 287.133 (3) (a), on Public Entity Crimes, attached hereto as “Exhibit B”, must be received at the time of the proposal.
c. A “Drug Free Workplace Certification” attached hereto as “Exhibit C”, must be received at the time of the proposal.
d. The City of Fernandina Beach requires that the Proposer selected will not discriminate under the contract against any person, in accordance with federal, state and local government regulations.
e. An “E-Verify Statement” attached hereto as “Exhibit D” must be received at the time of the proposal.

7. AWARD OF REQUEST FOR PROPOSAL

a. The REQUEST FOR PROPOSAL will be awarded to the most responsive and responsible proposer offering the best value to the City of Fernandina Beach.
b. The City reserves the right to accept and award item by item, and/or by group, or in the aggregate.
c. A written award of acceptance (Purchase Order) mailed or otherwise furnished to the successful Proposer will result in a binding contract without further action by either party.
d. Unless otherwise noted in the specifications, the length of the agreement will be one year, with two one-year renewals possible based on the mutual consent of the parties.
e. Upon award, for construction projects, the Contractor will be required to complete/execute the City’s Contract and General Conditions for Construction Services.
f. Agreement may be cancelled with 60-day notice unless otherwise stated in signed contract documents.

8. NOT RESPONSIBLE FOR COSTS

a. The City will not be responsible for any cost incurred by a prospective Proposer in responding to this REQUEST FOR PROPOSAL.

9. BONDS

- If Proposal is less than $100,000 no Proposal Bond or Payment and Performance Bond required.
- If Proposal is greater than $100,000 and is for material only, a Proposal Bond is required but no Payment and Performance Bond is required.
- If Proposal is $100,000 - $200,000, and is for services, a Proposal Bond is required but no Payment and Performance Bond is required.
- If Proposal is greater than $200,000, and is for services, Proposal Bond and Payment and Performance Bond is required.

PROPOSAL BOND:

a. If the Base Proposal or the Base Proposal plus the sum of any alternates fall into the criteria above requiring a Proposal Bond, the Proposer must enclose a Certified Check or Proposal Bond with each Proposal. A Certified Check or Proposal Bond must be for an amount not less than five percent (5%) of the Proposal price and
must be made payable to the CITY OF FERNANDINA BEACH as a guarantee that the Proposer will not withdraw its proposal for a period of ninety (90) calendar days after Proposal closing time. Proposal Bonds or Certified Checks will be returned to unsuccessful Proposal within 10 days of proposal award. Successful proposers will receive their Certified Check or Proposal Bond after the contract/agreement has been signed and a Performance and Payment Bond is received.

PERFORMANCE AND PAYMENT BONDS:

a. In the event the Contract is awarded to the Proposer, Proposer will thereafter enter into a written contract with the CITY OF FERNANDINA BEACH and furnish a Payment and Performance Bond in an amount equal to the contract price. The form of the
bonds shall be in accordance with Section 255.05 of Florida Statutes. Failing to do so, Proposer must forfeit its proposal security.
Payment and Performance Bond must be secured from or countersigned by an agency or surety company recognized in good standing and authorized to do business in the State of Florida.
The following exceptions to proposer providing Performance and Payment Bonds are as follows: In lieu of the Performance and Payment Bonds, a contractor may file with the City an alternative form of security in the form of cash, a money order, a certified check, a cashier's check, an irrevocable letter of credit, or a security of a type listed in part II of chapter 625, Florida Statutes. Any such alternative form of security must be for the same purpose and be subject to the same conditions as those applicable to the bonds. The value of an alternative form of security must be in the amount of the proposal.

10. PUBLIC INFORMATION

a. All information contained in this Proposal is public information, and as such will be handled in accordance with chapter 119, Florida Statutes.

11. ADDITIONAL INFORMATION

a. The City reserves the right to require Proposers to provide references and information on previous similar experience prior to award of the contract.

12. QUESTIONS

a. Any questions about the REQUEST FOR PROPOSAL should be communicated per instructions in the REQUEST FOR PROPOSAL.

13. INDEMNIFICATION AND INSURANCE

INDEMNIFICATION

The parties recognize that FIRM/LESSOR is an independent Contractor. FIRM/LESSOR agrees to assume liability for and indemnify, hold harmless, and defend the CITY, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of FIRM/LESSOR, its officers, employees, agents, and representatives. FIRM/LESSOR's liability hereunder must include all attorney's fees and costs incurred by the CITY in the enforcement of this indemnification provision. This includes claims made by the employees of FIRM/LESSOR against the CITY and FIRM/LESSOR hereby waives its entitlement, if any, to immunity under Section 440.11, Florida Statutes. The obligations contained in this provision will survive termination of this Agreement and will not be limited by the amount of any insurance required to be obtained or maintained under this Agreement. Nothing contained in the foregoing indemnification will be construed to be a waiver of any immunity or limitation of liability the CITY may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes.

INSURANCE

Prior to commencement of any work under this Contract and until completion and final acceptance of the work, the FIRM/LESSOR must, at its sole expense, maintain the following insurance on its own behalf, and furnish to the CITY certificates of insurance evidencing same and reflecting the effective date of such coverage as follows:

The term "Contractor" as used in the insurance rider, will mean and include Subcontractors of every tier.

A. Worker's Compensation and Occupational Disease Insurance in

accordance with the applicable law or laws; Employer's Liability Insurance with limit of at least One Million ($1,000,000) dollars. This includes sole proprietorships and officers of corporations who will be performing work on the job.

B. Commercial General Liability with a combined Bodily Injury and Property Damage limit of not less than ONE Million ($1,000,000.00) dollars per occurrence and TWO Million ($2,000,000) Dollars in the aggregate. The aggregate must be applicable on a per project basis. Coverage must include the following perils:
   1. Broad Form Blanket Contractual Liability for liability assumed under this Contract and all other Contracts relative to the project.
   2. Completed Operations/Products Liability.
   3. Broad Form Property Damage
   4. Personal and Advertising Injury Liability
   5. Independent Contractors
   6. Endorsements must be furnished reflecting the inclusion of the interests of Owner, Construction Manager, General Contractor, Contractor, (your company), their officers, directors, partners, representatives, agents and employees, and naming each as an Additional Insured on a primary and non-contributing basis.
   7. Coverage is to be endorsed to reflect that insurance is to be primary and non-contributory with respect to any other collectable insurance, for the Owner, General Contractor, Contractor, (your company) and all other parties required to be named as additional insureds.
   8. Coverage is to be provided on an "occurrence" basis with carriers licensed and admitted to do business in the State of [your state] or otherwise acceptable to the Contractor (your company).
   9. A copy of policy and/or endorsement(s) and any other documents required to verify such insurance are to be submitted with the appropriate certificate(s),
      or upon the request of Contractor (your company). Failure to provide these documents is not to be construed as a waiver of the requirements to provide such insurance.

C. Commercial Automobile Liability Insurance covering the use of all Owned, Non-Owned, and Hired Vehicles with combined Bodily Injury and Property Damage Limit of at least One Million ($1,000,000) Dollars.

D. Umbrella I Excess Liability Insurance with a limit of no less than One Million ($1, 000,000) dollars minimum per occurrence.

E. During the term of this agreement, (if applicable) the FIRM/LESSOR will carry Professional Liability Insurance which will cover liability for any damage or non-performance on account of any error, omission, or other provable negligence caused by the FIRM/LESSOR. The amount of insurance must not be less than One Million ($1,000,000) Dollars per occurrence and aggregate.

F. Loss Deductible – If the insurance of any FIRM/LESSOR contains deductible(s), penalty(s) or self-insured retention(s), the FIRM/LESSOR

Whose insurance contains such provision(s) must be solely responsible for payment of such deductible(s), penalty(s) or self-insured retention(s).

G. Where an Off Project Site Property exposure exists, the Contractor at its sole expense must furnish to the Owner and Contractor (your company) Certificates of Insurance and other required documentation evidencing the following coverage which will provide for the interests of [Name of Owner] , [Name of General Contractor] and (your company) to be named as Loss Payees and will contain a provision requiring the insurance carriers to waive their rights of subrogation against all indemnities' named in the contract.
"All Risk" Property Insurance on all materials, equipment and supplies intended to become a permanent part of the construction stored on premises away from the project site and while in transit, until actually delivered to the project site. Coverage is to be provided on a replacement cost basis.

H. The above insurances must each contain the following wording verbatim: "[Name of Owner], [Name of General Contractor] , and (your company) are interested in the maintenance of this insurance and it is agreed that this insurance will not be canceled , materially changed or not renewed without at least a thirty (30) day advance written notice to [Name and address of Owner] , [Name and address of General Contractor] and [Name and address of your company] by certified mail-return receipt requested ."

I. The amount of insurance contained in the aforementioned insurance coverages will not be construed to be a limitation of the liability on the part of the Subcontractor or any of its Subcontractors.

J. The Contractor must file certificates of insurance prior to the commencement of work with the Owner and the General Contractor which will be subject to the Owner, General Contractor and (your company) approval of adequacy of protection and the satisfactory character of the Insurer.

K. Any type of insurance or any increase of limits of liability not described above which the Subcontractor requires for its own protection or on account of statute shall be its own responsibility and at its own expense.

L. The carrying of the insurance described shall in no way be interpreted as relieving the Contractor or Subcontractor of any responsibility of liability under this Contract.

M. Any policies effected by the Contractor on its Owned and/or Rented Equipment and Materials must contain a provision requiring the insurance carriers to waive their rights of subrogation against the [Name of Owner], [Name of General Contractor], [Name of Contractor (your company)] and all other indemnities named in the Contract.

N. Should the Contractor engage a Subcontractor, the same conditions will apply under this contract to each Subcontractor, however, the retained Subcontractor must be required to maintain limits of liability of not less than One Million ($1,000,000) Dollars per occurrence and Two Million ($2,000,000) Dollars in the aggregate, with said limits applicable on a per project basis, or such greater limits as may be required by the retaining Subcontractor.

14. PAYMENT

Payment due hereunder must be made by the City to FIRM/LESSOR in accordance with the Florida Prompt Payment Act. Florida Statute 218 Section 74.

15. PROPOSAL PROTESTS

Proposal protest conditions and procedures are in accordance with City Ordinances – Part 2, Chapter 2, Article VII, Division 2, Section 2-444.

16. FEDERAL GRANT MONEY

In the event this project is funded with federal grant monies, FIRM/LESSOR may not participate in the proposal if FIRM/LESSOR is listed in the Excluded Parties List System (EPLS) a federal suspension and debarment listing. The Federal Government's Excluded Parties List System (EPL) is located at, including but not limited to, https://www.sam.gov/portal/SAM/. FIRM/LESSOR must include copy of search results with bid or proposal.

17. LOBBYING

a. Lobbying is defined as any action taken by an individual, firm, association, joint venture, partnership, syndicate, corporation, and/or all other groups
who seek to influence the governmental decision of a Board Member, the City Manager, and/or any City Personnel during the solicitation process. The lobbying black-out period commences upon the issuance of this solicitation and concluded upon the signing of the agreement. CONTRACTORS must not contact any Commission Member and/or any requesting or evaluating Department/Office personnel during said black-out period. All questions and procedural matters must be directed to the City Manager. The City Commissioners and/or the City Manager may disqualify any solicitation response where any Commissioner, the City Manager, and/or City Personnel have been lobbied in violation of the black-out period.

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

I N S T R U C T I O N S F O R
RESPONSE FORMS TO REQUEST FOR PROPOSAL

1. Please enter the requested information in the **Bank Information Response Form, "Attachment A".**

2. Please complete the **Proposal Summary Form, "Attachment B".** A proposing bank should indicate its affirmation that it can provide the services indicated. Please mark the appropriate box in the 'Affirm' column if the bank can provide the service indicated. If a bank has an exception to the requested services, then it should indicate the exception by a unique label and provide a detailed description of its exception and reasonable alternative in a separate attachment.

3. Please complete the **Pro-forma Account Analysis Response Form, "Attachment C",** by entering unit costs, extended costs, and total estimated annual cost. The City has provided its estimates of annual volumes except where indicated. If the proposing bank shall not propose a charge for a specified service, the bank shall enter $0.00 in the Unit Cost. If the proposing bank shall propose additional charges not specified, the bank shall describe the service, provide its estimate of annual volume and the unit and extended charges in the Other Charges section of the Pro-forma Account Analysis.

4. Please complete the **Proposer's Warranty Form – "Attachment D".**

5. Please provide the entity names, contact names and contact information for at least three (3) municipalities of comparable deposit size to the City, preferably in Florida, that are current clients of the proposing bank. The three (3) municipalities should utilize the basic account structure, collection and deposit services, concentration and disbursement services, account maintenance and other services requested in this RFP. The committee will inquire about the proposing bank's relationship, communications and responses, abilities to provide the requested services, pricing, technological capabilities, ethics, and the municipalities' satisfaction with the services provided.

6. Proposing banks shall provide responses in the following order:

   a. Bank Information Response Form "Attachment A" (provided);

   b. Objectives and Scope of Services Response Form "Attachment B" (provided);

   c. Proforma Account Analysis Response Form "Attachment C" (provided);

   d. Proposer's Warranty "Attachment D" (provided);

   e. Evidence of the status as a qualified public depository;

f. Evidence of the status of rank with the Federal Reserve;

g. Implementation schedule;

h. Deposit deadline schedules;

i. Funds availability schedule, and methodology for computing deposit float;

j. Disaster recovery plan;

k. Proforma copies of the wire transfer agreement, positive pay services agreement, stop payment agreement, any other proforma agreements required, prospectus for money market mutual funds proposed as the overnight investment;

l. Overnight sweep facility and basis point reduction;

m. The names and vitae of the relationship and treasury management officers to be assigned the City's accounts;

n. Bank privacy policy;

o. Descriptions, comparisons, user requirements, bank capabilities, and costs for each of the Prospective Services described;

p. Audited financial statements for each of the two (2) most recent years;

q. Bank references;

r. Bank exceptions;

s. Sample copy of Bank’s Agreement document.

t. Contact Sheet/RFP Proposal Form, Exhibit “A”, provided

u. Public Entity Crimes, Exhibit “B”, provided

v. Drug-Free Workplace Certification, Exhibit “C”, provided

w. E-Verify Statement, Exhibit “D”, provided

x. Proposer Acknowledgements and Agreements, Exhibit “E”, provided

y. Conflict of Interest, Exhibit “F”, provided

z. Non-Collusion Affidavit, Exhibit “G”, provided

y. Disputes Disclosure Form, Exhibit “H”, provided

List all other attachments separately.

EXHIBITS

EXHIBIT "A" **Contact Sheet/Proposal Pricing Form**

EXHIBIT "B" **Public Entity Crimes**

EXHIBIT "C" **Drug-Free Workplace Certification**

EXHIBIT "D" **E-Verify Statement**

EXHIBIT "E" **Proposer Acknowledgements and Agreements**

EXHIBIT "F" **Conflict of Interest**

EXHIBIT "G" **Non-Collusion Affidavit**

EXHIBIT "H" **Disputes Disclosure**

EXHIBIT "A"
CONTACT SHEET

Name: _____

Federal Taxpayer ID _____

Mailing Address: _____

City, State, & Zip Code: _____

Telephone: _____ Fax: _____

Email: _____

Submitted By: _____

Title: _____

Accounting Contact:

Name: _____Title: _____

Email Address: _____ Phone: _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES

THIS FORM SHALL BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for _____.

2. This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is_____and my relationship to the entity named above is _____.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or

    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for

fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)

____ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)

____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)

____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____
Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____
20_____ by _____,

Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"
DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.

2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.

3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.

4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.

5. Impose a sanction on, or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.

6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: _____

CITY: _____STATE: _____ ZIP CODE: _____

SIGNATURE: _____PHONE: _____

NAME (TYPED OR PRINTED): _____TITLE: _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: _____

Project Description: _____

_____

I/FIRM acknowledges and agrees to the following:

I/FIRM will utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: _____

Authorized Signature: _____

Title: _____

Date: _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "E"
PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name:_____Title: _____

Signature: _____Date: _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for _____.

This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is_____and my relationship to the entity named above is_____.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.

2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.

3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.

4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.

5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.

6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.

7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.

8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.

9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above named entity, will immediately notify the City of Fernandina Beach.

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____
20_____ by _____,

_____
Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for _____.

This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is_____and my relationship to the entity named above is_____.

1. The above named is fully informed respecting the preparation and contents of the attached proposal and of all pertinent circumstances respecting such proposal;

2. Such Proposal is genuine and is not a collusive or sham proposal;

3. Neither the said Proposer nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Proposal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached proposal or any other Bidder, or to fix any overhead, profit or cost element of the proposal price or the proposal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and

4. The price or prices quoted in the attached proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____

20_____ by _____,

_____

Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO____

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO_____

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO_____

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

_____

Firm Date

_____

Authorized Signature Printed or Typed Name and Title

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

A T T A C H M E N T " A "
B A N K I N F O R M A T I O N
RESPONSE FORM

Bank Name: _____

Federal Taxpayer ID: _____

Authorized Representative Signature: _____

Printed Name: _____Title: _____

Email Address: _____

Mailing Address: _____

City, State, & Zip Code: _____

Telephone: _____Fax: _____

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "B"
PROPOSAL SUMMARY

1. Type of Bank (Federal or Florida State Charter): _____
2. Is your Bank a member of the Federal Reserve System? Yes ____ No _____
3. Is your Bank a Qualified Public Depository? Yes ____ No ____
4. Is there a branch located within the city limits of the City of Fernandina Beach? Yes ____ No ____
5. Is your Bank a member of the Federal Depository Insurance Corp? Yes ____ No ____
6. Deposits Federally insured up to: _____
7. Hours and location of Local Branch closest to the City of Fernandina Beach City Hall (204 Ash Street, Fernandina Beach, Florida 32034): _____
8. Location of home office: _____
9. Attach a list that includes location and business hours for each branch within Nassau County. Is the list attached? Yes No _____
10. List the locations with Night Drop facilities.
11. Attach a copy of your audited financial statements for the last two years, and recent credit rating reports. Are copies attached? Yes _____ No ____
12. Provide a summary of any litigation filed against the respondent bank in the past three years which is related to the services that respondent provides in the regular course of business. Is list attached? Yes ____ No _____ N/A _____
13. Provide biographical information on the personnel that will be directly involved in the management of the accounts, who the primary contact will be and what, if any, experience these individuals have in working with governmental clients.
14. Will a customer service representative or a customer service department be assigned to handle day-to-day transactions? Yes ____ No ____
15. What are the hours of operation of the customer service unit involved in supporting the proposed services? _____
16. If an error is discovered by the City, how would you propose to resolve it (i.e. who should the City contact first, etc.)?
17. Will the Proposer cash checks drawn on a City disbursement account without charge to either the City or the check payee? If not, what is the charge? Is a check cashing agreement required?
18. Will the Proposer offer free checking to all City employees? Yes ____ No ____
19. Would the Proposer be interested in offering a package of banking services, education programs and/or special rates to employees? If so, please describe.
20. Provide a copy of the most recent security audit(s) of internet transactional sites and information regarding in-house systems and security hacking controls.
21. How many times in the last three years has the Proposer's system been accessed by an unauthorized user? How was the access discovered? What action was taken in

each instance?

22. How many times in the past three years has the Proposer's web access been down for routine maintenance, and the average down-time per year for these activities?
23. How many times in the past three years has the Proposer's web access been unavailable to users, not counting corporate take downs for routine maintenance, and the average amount of time the system was offline in each of the three years?
24. Will the Proposer provide a bank credit card with this Banking Services agreement, free of charge, to approximately 35 designated employees (this number can vary) with a monthly limit of $150,000.00. Yes ____ No ___
25. Will the Proposer provide the City with a dedicated team of client service officers as well as a technical support staff familiar with treasury services for government entities? Yes_____ No _____ Please describe the technical support that the City will receive.
26. In event of deposit corrections caused by either the City or the Proposer, no transaction fees shall be incurred for either the debit or credit memos required for said correction. Is this agreeable? Yes ____ No ___
27. If the City needs additional bank accounts or expanded service during the term of the contract for banking services, will the Proposer provide such services at the rates already set forth in the contract? Yes ___ or No ___ or at a negotiated rate? Yes ____ No ____
28. Describe, in detail, the investment options and how interest on bank balances or an overnight sweep investment will be calculated and credited on all accounts.
29. Quote the interest rate the Proposer is offering the City on funds remaining in the interest-bearing accounts overnight in terms of the Effective Federal Funds Rate.
30. Describe the method used to calculate the Earnings Credit Rate, ECR and quote the interest rate the Proposer is offering the City on ECR funds in terms of the Effective Federal Funds Rate. Please include in the Proposer's explanation the impact of the bank formula for converting service charges to balance requirements and listing of the bank earnings credits for the last twelve months. Describe how interest on the excess balances is calculated and quote the interest rate the Proposer is offering the City on excess balances in terms of the Effective Federal Funds Rate.
31. Describe the Proposer's overnight sweep investment options. Provide earnings history for the overnight sweep investment agreement(s) for the last twelve months. What (if any) fee is charged to sweep funds into the proposed investment vehicle(s)? How is the fee calculated? What time of day is the sweep deadline (end-of-day or new-day)?
32. What are the beginning and ending cut-off times in EST for initiating wire transfers to ensure same-day execution?
33. What are the beginning and ending cut-off times in EST for receiving domestic wire transfers to ensure same-day credit?
34. Describe when and how a wire can be cancelled after the City releases it into the system. What is the latest time in the day to cancel? Is there a charge? If so, how much? How does this differ for wire transfers initiated by phone?

35. How and when is the City notified of a failed wire transfer?
36. Describe how the City can track wires through the system (input, approved and released).
37. Describe the incoming wire notification process.
38. What is the total amount of dollars that can be wired out across all accounts in a single day?
39. What is the total amount of dollars that can be wired out of a single account per day?
40. List any other wire fees not specifically covered under Banking Service Charges.
41. Can wire transfer payments be originated online through the Proposer's online banking system? If so, are these initiated in freeform or can templates be established?
42. Are wire templates user defined or can they be shared by other users?
43. What are the beginning and ending cut-off times in EST for initiating ACH transfers to ensure next-day execution?
44. What are the beginning and ending cut-off times in EST for receiving ACH transfers to ensure next-day credit?
45. Describe when and how an ACH can be cancelled after the City releases it into the system. What is the latest time in the day to cancel? Is there a charge? If so, how much? How does this differ for ACH transfers initiated by phone?
46. How and when is the City notified of a failed ACH transfer?
47. Describe how the City can track ACHs through the system (input, approved and released).
48. Describe the incoming ACH notification process.
49. List any other ACH fees not specifically covered under Banking Service Charges.
50. Describe the file options for processing ACH payments. What ACH file transmission options are available?
51. Can ACH payments be originated online through the Proposer's online banking system? If so, are these initiated in freeform or can templates be established?
52. Are ACH templates user defined, or can they be shared by other users?
53. The City currently transmits input files for ACH payments (direct deposits). City Payroll direct deposits are bi-weekly (1 upload with approximately **325** employees) paid on Friday. When does the Proposer need the payroll file from the City for payments to be credited to the employee's account?
54. What is the total amount of dollars that can be sent ACH across all accounts in a single day?
55. What is the total amount of dollars that can be sent via ACH out of a single account per day?
56. What is the total amount of dollars that can be sent out by wire and ACH across all accounts in a single day?
57. What is the total amount of dollars that can be sent out by wire and ACH out of a single account per day?
58. Does the Proposer provide ACH blocking? If yes, what level of filtering can be applied (originator, originator and dollar amount, etc.)?
59. What are the security measures that are in place for wire and ACH transfers?

60. The City currently uses Positive Pay. Please provide information on the Proposer's Positive Pay services and explain when unmatched items (exceptions) are available to view and when decisions to pay or to not pay need to be sent to the Proposer.
61. There may be several days in a year when the City's office is closed, but the Proposer's office is open. Please describe the recommended solution for handling these situations as it pertains to an unmatched item (exception).
62. Can individual items, such as voided checks, be cancelled from the outstanding issue records? Describe the process.
63. What is the Proposer's policy on stale dated checks? How does the Proposer's Positive Pay system treat stale dated items?
64. How will the City be notified of exceptions? If the City is notified by email, will an image of the exception item be available for viewing in the email?
65. Does the Proposer require Positive Pay services on all demand deposit accounts, even on accounts with no check writing function? Can accounts be designated as "post no check" to prevent potential fraud? What is the cost to make this account designation?
66. Describe the Stop Payment process.
67. Describe the security features to include user identification and password maintenance. Include any other features that may be useful to the City.
68. Describe the Proposer's data retention features.
69. Describe the Proposer's Safekeeping.
70. Include a sample of any service agreements your bank requires.
71. Include samples of a monthly bank statement and analysis statement.
72. In addition to the services described, proposals for optional services may be submitted for other services that the Proposer feels may be of interest to the City.

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "C"
PROFORMA ACCOUNT ANALYSIS
RESPONSE FORM

Proposing Bank:

Service Rendered	**Estimated Monthly Volume**	**Unit Cost**	**Annual Cost**
Account Maintenance	10		
Zero Balance Accounts			
Master Account	1		
Subsidiary Accounts	4		
Regular Deposits	250		
Deposited Item Rejects	1		
Positive Pay AP File	17		
Items Paid	625		
Wire Transfer Services			
Outgoing Domestic Wire Transfer	1		
Incoming Domestic Wire Transfer	1		
ACH Services			
ACH Monthly maintenance	1		
ACH Return item	1		
ACH Debits originated	50		
ACH Credits originated	300		
Payroll			
ACH file	2		
ACH transactions per item	325		
Transfer between accounts not including sweep	10		
Transfer between accounts sweep	80		
Returned deposits	1		
Returned items - represented	1		

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

Service Rendered	Estimated Monthly Volume	Unit Cost	Annual Cost
Stop payments - Manual	1		
Stop payments - Electronic	1		
FDIC Expense	1		
Web access for minimum of 6 users	1		
Sweep Services			
Automated sweep account	1		
Change requests	25		
Courier (7 locations 6 daily/1 weekly)	124		
Info report BAI	1		
Please list additional fees required below:			

Supplies and Equipment	Estimated Monthly Volume	Unit Cost	Annual Cost
Tamper Proof Deposit Bags	350		
Endorsement Stamps	0.2		
Deposit Slips	300		
Check Scanners	6		
Earnings Calculation			
Balance Required to Offset Fees:			
Earnings Credit Rate:			
Projected Net Earnings/ (Fees)	**Monthly**		**Annually**
Monthly Earnings Credit			
Less: Monthly Fees			
Net projected earnings/(fees)			

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "D"

PROPOSER'S WARRANTY

The proposer warranties that the responsible officer has fully read and understands the RFP. The proposer warranties that the responsible officer has full knowledge of the scope, nature, quantity and quality of work to be performed; full knowledge of the detailed requirements of the services to be provided; and full knowledge of the conditions under which services are to be performed. The proposer warranties the unit costs, extended costs, and total estimated annual costs are complete and accurate and will be honored for the term of the initial contract.

Each proposer guarantees in writing that the Comptroller and the City Commission will receive the services specified and at the unit costs or prices quoted for the entire term of the agreement, including the option of two one-year renewals.

Bank Name: _____

Federal Taxpayer ID: _____

Authorized Representative Signature: _____

Printed Name: _____Title: _____

Email Address: _____

Mailing Address: _____

City, State, & Zip Code: _____

Telephone: _____Fax: _____

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____
20_____ by _____,

_____
Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____



Response to Request for Proposals:
RFP 26-04 Management Banking Services

FIRST PORT CITY BANK
Putting *People* First

FIRST PORT CITY BANK
Putting *People* First

February 27, 2026

City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

RE: RFP 26-04 Management Banking Services

Dear Members of the Selection Committee,

First Port City Bank is pleased to submit our proposal to provide comprehensive banking services to the City of Fernandina Beach. We greatly appreciate the opportunity to be considered and are confident that, upon reviewing this proposal, you will clearly see that First Port City Bank is—and will continue to be—the best banking partner for the City.

While many financial institutions are FDIC insured and nationally or regionally recognized, First Port City Bank is uniquely distinguished by the recognition we have received locally here in Nassau County. We have been honored as a Professional Services Business of the Year by the Nassau County Chamber of Commerce, reflecting our commitment not just to banking excellence, but to meaningful community impact.

As a true community bank deeply rooted in Nassau County, every member of the team you will work with day-to-day lives and works in this community. No other financial institution can make that same claim. This local presence translates into faster response times, direct accessibility to decision-makers, and a level of accountability that only comes from serving your neighbors. When you call, you speak with someone local who understands the City and its unique operational needs.

From a financial perspective, our proposal demonstrates measurable value. Our earned income credit is significantly higher than competitors, directly enhancing the City's ability to offset service costs. Additionally, while your bid requirement is $4 million minimum balance to achieve preferred earnings rates, First Port City Bank requires only a $2 million minimum balance. Based on the City's January statement, the additional $2 million that would otherwise sit in a non-earning requirement could have generated approximately $56,000 in additional interest for just one month. If balances remained consistent, this equates to approximately $672,000 in additional earned interest annually—funds that could be redirected toward serving the citizens of Fernandina Beach.

A key operational advantage for the City is that First Port City Bank utilizes the same core processor (Fiserv) as your current financial institution. We believe there will with minimal disruption for this transition and a significantly reduced learning curve for City staff. Online banking, cash management tools, reporting platforms, and transaction workflows will

FIRST PORT CITY BANK
Putting *People* First

remain familiar, allowing your team to stay focused on serving the community without the burden of a complex system conversion.

Our dedicated local banking and operations teams stand ready to provide hands-on implementation, personalized service, and ongoing support throughout the entire relationship. We are committed to being a long-term partner for the City of Fernandina Beach—one that delivers reliability, accessibility, responsiveness, and measurable financial value every day.

Thank you again for the opportunity to submit this proposal. Should you have any questions or require clarification on any portion of our response, we would sincerely appreciate the opportunity to address them and provide any additional information needed during your review.

Respectfully,

Sincerely,

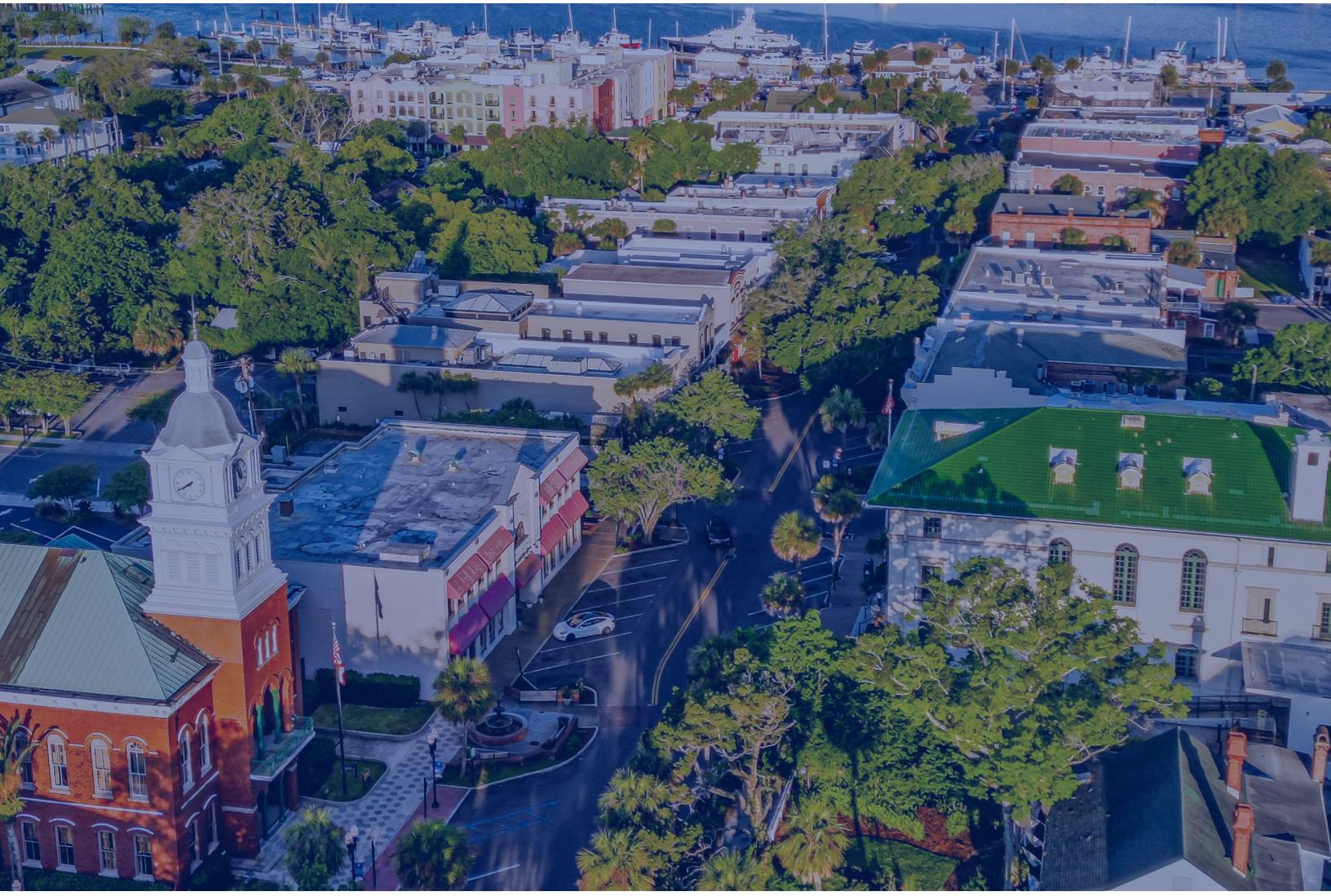


Michael Brooks
SVP & Florida Market Leader
2021 & 2024 Business Leader of The Year

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Bank Information Response Form

Attachment A

A

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "A"
BANK INFORMATION
RESPONSE FORM

Bank Name: First Port City Bank

Federal Taxpayer ID: 58-1178459

Authorized Representative Signature: Scott F Curtis

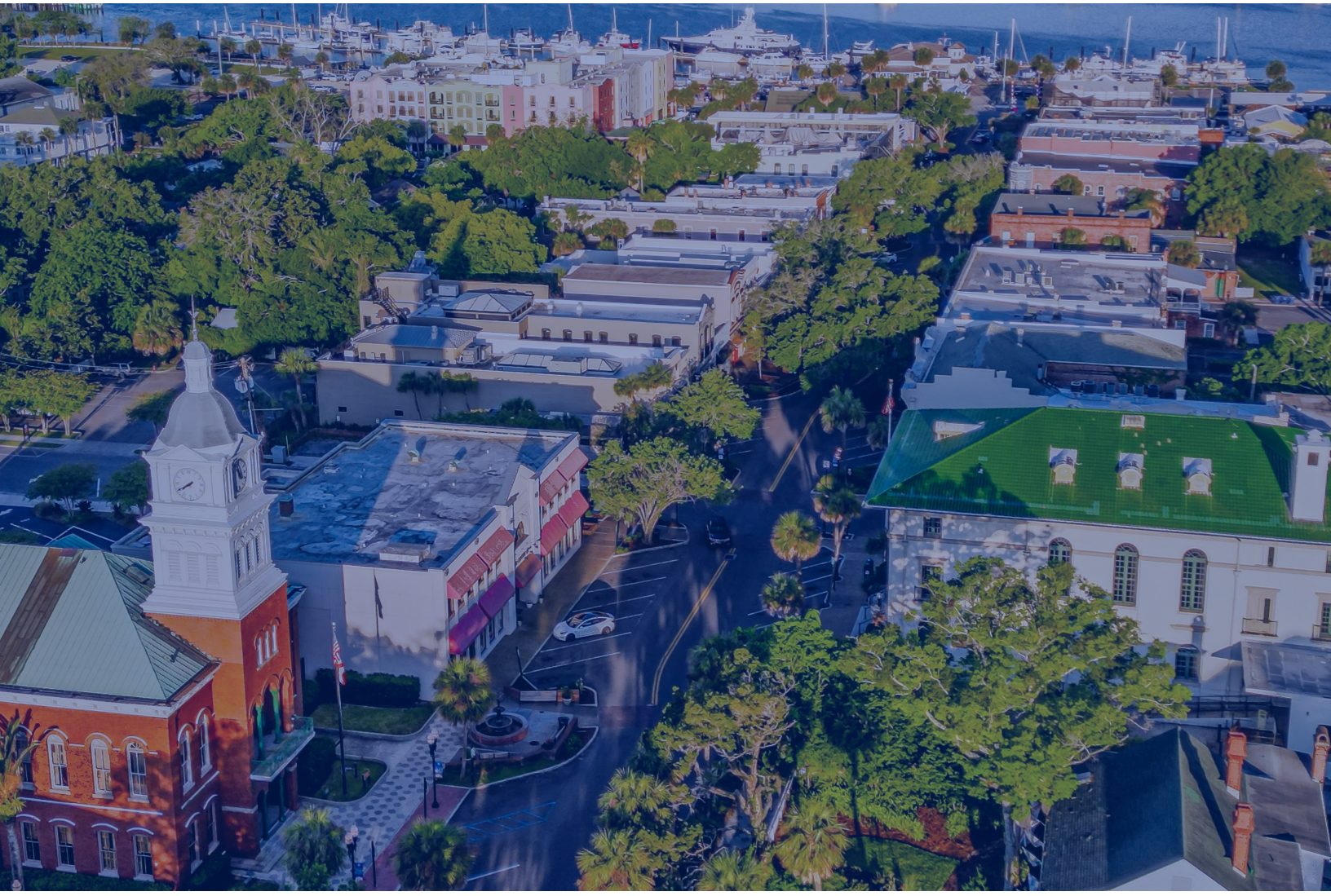
Printed Name: Scott Curtis **Title:** SVP & Chief Operating Officer

Email Address: Scurtis@firstportcity.com

Mailing Address: 1890 S. 14th St

City, State, & Zip Code: Fernandina Beach, FL 32034

Telephone: 904-310-4890 **Fax:** 904-432-8609



Objectives & Scope of Services

Attachment B

B

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES
ATTACHMENT "B"

PROPOSAL SUMMARY

1. Type of Bank (Federal or Florida State Charter): FDIC- GA State Charted Bank
2. Is your Bank a member of the Federal Reserve System? Yes ✓ No _____
3. Is your Bank a Qualified Public Depository? Yes ✓ No ____
4. Is there a branch located within the city limits of the City of Fernandina Beach? Yes ✓ No ____
5. Is your Bank a member of the Federal Depository Insurance Corp? Yes ✓ No ____
6. Deposits Federally insured up to: $200 million for Demand Deposits and Money Market Accounts. $50 Million for Certificates of Deposits/ICS
7. Hours and location of Local Branch closest to the City of Fernandina Beach City Hall (204 Ash Street, Fernandina Beach, Florida 32034): 1890 S. 14th Street, Fernandina Beach, FL 32034
8. Location of home office: 400 West Shotwell St, Bainbridge, GA 39818
9. Attach a list that includes location and business hours for each branch within Nassau County. Is the list attached? Yes ✓ No___ See Section BB-B9 (Other Attachments)
10. List the locations with Night Drop facilities. Fernandina Beach Branch: 1890 S. 14th St., Fernandina Beach, FL 32034; Yulee Branch: 463781 State Road 200, Yulee, FL 32097
11. Attach a copy of your audited financial statements for the last two years, and recent credit rating reports. Are copies attached? Yes ✓ No ____ See Section P
12. Provide a summary of any litigation filed against the respondent bank in the past three years which is related to the services that respondent provides in the regular course of business. Is list attached? Yes ____ No _____ N/A ✓
13. Provide biographical information on the personnel that will be directly involved in the management of the accounts, who the primary contact will be and what, if any, experience these individuals have in working with governmental clients. See Section M – All support staff are out of Nassau County
14. Will a customer service representative or a customer service department be assigned to handle day-to-day transactions? Yes ✓ No ____ Yes, at our Fernandina Beach Branch
15. What are the hours of operation of the customer service unit involved in supporting the proposed services? 8:30 AM – 5:30 PM along with Primary Account Manager's direct Cell Phone Number

16. If an error is discovered by the City, how would you propose to resolve it (i.e. who should the City contact first, etc.)?

    We take all customer feedback seriously. If you believe an error has occurred, please contact your Relationship Manager, Sheryl Ross, who will research the matter, correct any confirmed errors promptly, and make any necessary account adjustments. She will keep you informed throughout the process and explain the findings once the review is complete.

    If further review is needed, she will escalate the matter to our Nassau County management team, including our Deposit Operations Manager and Chief Operations Officer in Yulee.

17. Will the Proposer cash checks drawn on a City disbursement account without charge to either the City or the check payee? If not, what is the charge? Is a check cashing agreement required?
    Yes, we will cash checks drawn on a City disbursement account without charging the payee or the City.

18. Will the Proposer offer free checking to all City employees? Yes ✓ No ____ See Section O

19. Would the Proposer be interested in offering a package of banking services, education programs and/or special rates to employees? If so, please describe. See Section O

20. Provide a copy of the most recent security audit(s) of internet transactional sites and information regarding in-house systems and security hacking controls. See Section BB-B20 (Other Attachments)

21. How many times in the last three years has the Proposer's system been accessed by an unauthorized user? How was the access discovered? What action was taken in each instance? None

22. How many times in the past three years has the Proposer's web access been down for routine maintenance, and the average down-time per year for these activities? See Section BB-B22 (Other Attachments)

23. How many times in the past three years has the Proposer's web access been unavailable to users, not counting corporate take downs for routine maintenance, and the average amount of time the system was offline in each of the three years? See Section BB-B23 (Other Attachments)

24. Will the Proposer provide a bank credit card with this Banking Services agreement, free of charge, to approximately 35 designated employees (this number can vary) with a monthly limit of $150,000.00.
    Yes ✓ No ___

25. Will the Proposer provide the City with a dedicated team of client service officers as well as a technical support staff familiar with treasury services for government entities? Yes ✓ No___ Please describe the technical support that the City will receive.

    We will provide a dedicated team of Client Services Officers to support all treasury and cash management needs. The City will have contacts responsible for day-to-day service, issue resolution, and ongoing relationship management.

    This team is backed by specialized treasury technology support professionals who provide implementation assistance, system integration support, security administration, and technical troubleshooting. Together, this structure ensures responsive service, operational continuity, and secure, reliable treasury operations.

26. In event of deposit corrections caused by either the City or the Proposer, no transaction fees shall be incurred for either the debit or credit memos required for said correction. Is this agreeable? Yes ✓ No ____

27. If the City needs additional bank accounts or expanded service during the term of the contract for banking services, will the Proposer provide such services at the rates already set forth in the contract? Yes ___ or No ___ or at a negotiated rate? Yes ✓ No ____

    Yes, if it's the same type of Demand Deposit Accounts as listed in this RFP, they would follow the contracted rate. If it is for a new Certificate of Deposit, the rates will be negotiated.

28. Describe, in detail, the investment options and how interest on bank balances or an overnight sweep investment will be calculated and credited on all accounts. See Section L

29. Quote the interest rate the Proposer is offering the City on funds remaining in the interest-bearing accounts overnight in terms of the Effective Federal Funds Rate.

    FPCB recommends and proposes investing additional funds through structured Certificates of Deposit.

    First Port City Bank Certificate of Deposit Rates:

Term	**Interest Rate**
3 Months	3.56% APY
6 Months	3.55% APY
12 Months	3.49% APY
24 Months	3.25% APY
36 Months	3.15% APY

30. Describe the method used to calculate the Earnings Credit Rate, ECR and quote the interest rate the Proposer is offering the City on ECR funds in terms of the Effective Federal Funds Rate. Please include in the Proposer's explanation the impact of the bank formula for converting service charges to balance requirements and listing of the bank earnings credits for the last twelve months. Describe how interest on the excess balances is calculated and quote the interest rate the Proposer is offering the City on excess balances in terms of the Effective Federal Funds Rate.

    Calculation of ECR: FPCB will apply an Earnings Credit Rate equal to 23% of the Fed Funds Effective Rate H.15, as of the last business day of the prior month (currently at 0.84% with a floor of 0.25%), to the Average Available Balance (described as Investable Balance on the Analysis Statement) in the applicable account. Calculation Method is "Percent of Balance". This method multiplies the Earnings Allowance Balance (Average Available or Collected Balance) by the annualized Earnings Allowance Rate, divided by the number of Days in the Year (365 Day Year). This number is multiplied by the Days in the Analysis Period giving the Earnings Credit Allowance. The Earnings Credit Allowance is compared to the service charges assessed during the Analysis Period. If the Earnings Credit Allowance is greater than the The net charge to the account is zero ($0.00). If the Earnings Credit Allowance is less than the total service charges, the net charge to the account is the difference between total service charges and the Earnings Credit Allowance. **Calculation of Interest:** FPCB will apply an Interest Rate equal to 77% of the Fed Funds Effective Rate H.15, as of the last business day of the prior month **(currently at 2.80% with a floor of 0.50%)**, to the Available Balance above $2 million in the applicable account. FPCB uses the

Simple method to calculate interest. This method multiplies the Available Balance by the interest rate, divided by the number of Days in the Year (365 Day Year). This number is multiplied by the Days in the Statement Cycle resulting in Earnings Payment.

31. Describe the Proposer's overnight sweep investment options. Provide earnings history for the overnight sweep investment agreement(s) for the last twelve months. What (if any) fee is charged to sweep funds into the proposed investment vehicle(s)? How is the fee calculated? What time of day is the sweep deadline (end-of-day or new-day)?

    FPCB offers overnight sweep investments through IntraFi Cash Service (ICS). There are no fees for this service, and rates are negotiated for municipalities, so we have no way to provide an earnings history. The Same-Day Deposit Cutoff Time is 2:30pm ET.

32. What are the beginning and ending cut-off times in EST for initiating wire transfers to ensure same-day execution?
    Outgoing Wire Initiations: Beginning Time: 9:00am ET; Cut-off Time: 4:00pm ET. *FPCB will begin processing Business Online Banking wire requests submitted before 9:00am ET as early as 8:30am Monday through Friday (excluding holidays).* For extenuating circumstances, FPCB can process wires after the 4:00pm ET cut-off time, but before 5:00pm ET. *A request for post cut-off processing would need to be made early enough in the day so FPCB can ensure after-hour staffing is sufficient to handle the request.*

33. What are the beginning and ending cut-off times in EST for receiving domestic wire transfers to ensure same-day credit?
    Incoming Wire Receipts: Beginning Time: 9:00am ET; Cut-off Time: 5:00pm ET. FPCB will begin processing incoming wires received after hours the prior business day, or before 9:00am ET the same day as early as 8:30am Monday through Friday (excluding holidays).

34. Describe when and how a wire can be cancelled after the City releases it into the system. What is the latest time in the day to cancel? Is there a charge? If so, how much? How does this differ for wire transfers initiated by phone?
    FPCB performs callback verification for every outgoing wire transfer request not received in person. As soon as we receive verification of the wire, we proceed with internal approvals and system release. At any time before or during callback verification, the City can cancel a submitted wire transfer via telephone with no cancellation fee. After a verified and approved wire transfer has been released to the Federal Reserve, cancellation is not possible. If the City desires, they can direct FPCB to hold all their outgoing wires until a set time of day before releasing them to allow the City ample time to cancel a previously approved wire transfer. This is not our standard practice, but something we can put in place if the City deems it valuable.

35. How and when is the City notified of a failed wire transfer?

    We will notify by phone immediately, but we can also/alternatively set up designated COFB staff members to receive automated real-time emails directly from our wire system.

36. Describe how the City can track wires through the system (input, approved and released).

Within FPCB's Business Online Banking platform, the City can view outgoing wire transfers, including exceptions and confirmations. Additionally, the City can view a list of incoming wire transfers. The City can perform general searches or fine tune the search according to your preference.

37. Describe the incoming wire notification process.

    FPCB can send automated wire notification emails directly from our wire transfer system. The City can designate specific email recipients or groups, and can elect to receive Incoming Notifications, Outgoing Notifications or Both. Alternatively, the City's business online users can view lists of incoming wire transfers via FPCB's Business Online Banking platform.

38. What is the total amount of dollars that can be wired out across all accounts in a single day?

    FPCB establishes outgoing wire limits at the Client level, and not per account. We set Per Wire, Per Day and Per Month limits based on individual Client needs. We will work with the City to determine appropriate limits based closely on your anticipated wire volume. These limits can be adjusted as needed to accommodate periodic or ongoing volume increases. The City can set individualized limits per business online user if so desired. FPCB has a $6 million base limit, but on a per customer basis we can approve amounts over that amount, if necessary.

39. What is the total amount of dollars that can be wired out of a single account per day?

    FPCB establishes outgoing wire limits at the Client level, and not per account. We set Per Wire, Per Day and Per Month limits based on individual Client needs. We will work with the City to determine appropriate limits based closely on your anticipated wire volume. These limits can be adjusted as needed to accommodate periodic or ongoing volume increases. The City can set individualized limits per business online user if so desired.

40. List any other wire fees not specifically covered under Banking Service Charges.

    All Included in **"Attachment C"**

41. Can wire transfer payments be originated online through the Proposer's online banking system? If so, are these initiated in freeform or can templates be established?

    Yes, FPCB has a robust Business Online Banking system which includes a module for electronic wire requests. Wire requests can be initiated with or without templates, per your preference. The City can customize business online user access if so desired. Additionally, for wires that you wish to originate via template, you can assign to all users or just a few.

42. Are wire templates user defined or can they be shared by other users?

    Wire templates can be locked for a particular user (or users), or can be accessed/shared by all users - your choice

43. What are the beginning and ending cut-off times in EST for initiating ACH transfers to ensure next-day execution?

    ACH Transfer Originations: Beginning Time: 9:00am ET; Cut-off Time: 4:00pm ET. FPCB will begin processing ACH files submitted before 9:00am ET as early as 8:30am Monday through Friday (excluding holidays). Note: Credit entries require 2 business days prior to Effective Entry Date. Debit entries require only 1 business day prior to Effective Entry Date. Effective Entry Date must be a Business Day, or the file will be processed on the first business day following the effective date.

44. What are the beginning and ending cut-off times in EST for receiving ACH transfers to ensure next-day credit?

    Incoming ACH Transfers: Beginning Time: 9:00am ET; Cut-off Time: 4:00pm ET. Note: Credit entries require transmission 2 business days prior to Effective Entry Date. Debit entries require transmission only 1 business day prior to Effective Entry Date. Effective Entry Date must be a Business Day, or the file will be processed on the first business day following the effective date. If this question refers to ACH credit transactions originated at another Financial Institution to the City as Receiver, FPCB makes these credits available to you upon receipt, but no later than 9:00am ET on the transaction's effective entry date.

45. Describe when and how an ACH can be cancelled after the City releases it into the system. What is the latest time in the day to cancel? Is there a charge? If so, how much? How does this differ for ACH transfers initiated by phone?

    ACH transfers that are approved and released within Business Online Banking are automatically swept to our processor at the following times each day: 8:55am ET, 1:10pm ET, 3:00pm ET (last sweep for same day) and 4:00pm ET (last sweep for next day or two-day files). If the status on the transfer is either "Submitted" or "Pending Origination" the City user can delete the transfer. Once the status changes to "Processed", it can no longer be deleted/cancelled. There is no charge to cancel a Submitted or Pending Origination ACH transfer. FPCB does not accept ACH transfer requests via telephone.

46. How and when is the City notified of a failed ACH transfer?

    FPCB is typically notified of a failed ACH transfer by the Receiving Institution one or two days following the transfer's effective entry date. FPCB will notify the City via encrypted email the day we receive electronic notification from the Receiving Institution. Emails will be sent to the individual or group email address designated in the City's ACH Origination Agreement.

47. Describe how the City can track ACHs through the system (input, approved and released).

    Within FPCB's Business Online Banking platform, the City can view ACH transfers generated within the platform. The City can perform general searches or fine tune the search according to your preference. The search results will display the status of the transfer. When reviewing transfer details, the system will indicate whether the user has saved the transfer or the system has not completed processing for the transfer. The system will also send automated emails to designated users upon successful submission, when there is an error and/or when the transfer is ready for internal approval.

48. Describe the incoming ACH notification process.

    Incoming ACH transfers can be viewed within FPCB's Business Online Banking portal. Additionally, Users authorized by the City can set up email and/or text Alerts within the business online banking system to receive alerts for ACH withdrawals over a threshold amount, Recent Transactions, Credit Transactions posted, etc.

49. List any other ACH fees not specifically covered under Banking Service Charges. All Included in **"Attachment C"**

50. Describe the file options for processing ACH payments. What ACH file transmission options are available?

    FPCB asks that all ACH Origination entries are processed via our Business Online Banking system. We currently restrict all but the following SEC Code entries: PPD, CCD, CTX, and CIE. Files can be manually entered or imported (Nacha formatted files).

51. Can ACH payments be originated online through the Proposer's online banking system? If so, are these initiated in freeform or can templates be established?

    Yes, FPCB has a robust Business Online Banking system which includes a module for ACH Origination. ACH files can originate with or without templates, per your preference. The City can customize business online user access if so desired. Additionally, for ACH files that you wish to originate via template, you can assign access to the templates to all users or just a few.

52. Are ACH templates user defined, or can they be shared by other users?

    ACH templates can be restricted to a single user or shared by other City business online banking users.

53. The City currently transmits input files for ACH payments (direct deposits). City Payroll direct deposits are bi-weekly (1 upload with approximately **325** employees) paid on Friday. When does the Proposer need the payroll file from the City for payments to be credited to the employee's account?

    FPCB would need to receive the ACH file two business days prior to the Effective Entry Date, excluding holidays and weekends. For Friday pay date, FPCB would need to receive the file before 4:00pm ET on Wednesday. Files can be submitted up to 30 days in advance, if necessary. If Wednesday, Thursday or Friday are a holiday, allow an extra day to ensure the file is processed timely.

54. What is the total amount of dollars that can be sent ACH across all accounts in a single day?

    FPCB establishes outgoing ACH limits at the Client level, and not per account. We set Aggregate ACH Daily Limits and Aggregate ACH Monthly (Rolling 30 day) Limits based on individual Client needs. We will work with the City to determine appropriate limits based closely on your anticipated ACH volume. These limits can be adjusted as needed to accommodate periodic or ongoing volume increases. The City can set individualized limits per business online user if so desired.

55. What is the total amount of dollars that can be sent via ACH out of a single account per day?

    FPCB establishes outgoing ACH limits at the Client level, and not per account. We set Aggregate ACH Daily Limits and Aggregate ACH Monthly (Rolling 30 day) Limits based on individual Client needs. We will work with the City to determine appropriate limits based closely on your anticipated ACH volume. These limits can be adjusted as needed to accommodate periodic or ongoing volume increases. The City can set individualized limits per business online user if so desired.

56. What is the total amount of dollars that can be sent out by wire and ACH across all accounts in a single day?

    FPCB establishes outgoing ACH and Wire limits at the Client level, and not per account. The limits set for ACH and Wire Origination are unique for each type and work independently of the other. These limits based on individual Client needs. We will work with the City to determine appropriate limits based closely on your anticipated ACH and Wire volume. These limits can be adjusted as needed to accommodate periodic or ongoing volume increases. The City can set individualized limits per business online user if so desired. FPCB has a $6 million base limit, but on a per customer basis we can approve amounts over that amount, if necessary.

57. What is the total amount of dollars that can be sent out by wire and ACH out of a single account per day?

    FPCB establishes outgoing ACH and Wire limits at the Client level, and not per account. The limits set for ACH and Wire Origination are unique for each type and work independently of the other. These limits based on individual Client needs. We will work with the City to determine appropriate limits based closely on your anticipated ACH and Wire volume. These limits can be adjusted as needed to accommodate periodic or

ongoing volume increases. The City can set individualized limits per business online user if so desired. FPCB has a $6 million base limit, but on a per customer basis we can approve amounts over that amount, if necessary.

58. Does the Proposer provide ACH blocking? If yes, what level of filtering can be applied (originator, originator and dollar amount, etc.)?

    FPCB offers ACH Positive Pay. Within that system, the City can add ACH transactions to a Block list based primarily on Company ID of the Originator. The City can further limit by dollar amount, frequency, start and end date.

59. What are the security measures that are in place for wire and ACH transfers?

    Wires and ACH: FPCB requires use of soft or hard token OTP + PIN to login to Business Online Banking and OTP before submitting wire request or ACH file. Wires: FPCB performs callback verification to account owners or authorized signers to verify every wire request that is submitted in a manner that is not in person.

60. The City currently uses Positive Pay. Please provide information on the Proposer's Positive Pay services and explain when unmatched items (exceptions) are available to view and when decisions to pay or to not pay need to be sent to the Proposer.

    FPCB offers Check (Standard and Reverse) and ACH Positive Pay, which are accessed via single sign-on through Business Online Banking. Automated email reminders are sent to designated users evert business day at 10am ET and users must resolve the exceptions by 11am daily. Exceptions are typically available by 8am and often as early as the night before. For Standard Positive Pay, users upload a check issue file before 4pm ET each day they issue checks. The system compares the check issue file with checks that present for payment and presents exceptions to the user to review and resolve. For Reverse Positive Pay, check issue files are not uploaded and every check that presents for payment is considered an exception that must be reviewed and resolved by 11am. For ACH Positive Pay, users will review ACH transactions as they present and can add valid transactions to an Approved list and invalid/unauthorized transactions to a block list. Adding ACH transactions to the Approved or Blocked lists will automate decisions for future ACH transactions matching the approve or block criteria.

61. There may be several days in a year when the City's office is closed, but the Proposer's office is open. Please describe the recommended solution for handling these situations as it pertains to an unmatched item (exception).

    FPCB follows the Federal Reserve Holiday Schedule and, with the exception of emergency situations, will be open when the Federal Reserve is open. The City will be asked to select a default Pay or Return setting that will go into effect if a City user fails to login and resolve exceptions. The system will mark each exception accordingly and FPCB will honor the default decision if exceptions are not resolved. For default Return decisions, FPCB Operations staff will make a courtesy call to the City if they notice all items are set to Return. FPCB recommends the City have at least one Positive Pay user that can login and resolve exceptions when the City is closed on days that the Federal Reserve (and FPCB) is open.

62. Can individual items, such as voided checks, be cancelled from the outstanding issue records? Describe the process

    Yes, if the City chooses to use Standard Positive Pay and uploads (or manually enters) a check issue file, voided checks should reflect the status "VOIDED". Likewise, checks for which a stop payment have been issued should reflect the status "STOPPED". Alternatively, a City user can manually enter voided or stopped checks

into the check issue file as each situation occurs. The system will update your existing check issue file accordingly. As long as the information is reflected in the system before 4pm ET, any stopped or voided items that present for payment that night will be flagged and presented as exceptions.

63. What is the Proposer's policy on stale dated checks? How does the Proposer's Positive Pay system treat stale dated items?

    FPCB's Positive Pay system does not recognize stale dated checks as exceptions. Recommendation is to issue stop payments for checks you no longer wish to pay when the check has not cleared before your desired internal timeframe.

64. How will the City be notified of exceptions? If the City is notified by email, will an image of the exception item be available for viewing in the email?

    Automated emails are sent to each designated Positive Pay user at 10:00am ET, reminding the user to login and resolve any positive pay exceptions that are present. For security reasons, the email is a static message and does not state whether there are, or are not, any exceptions. Nor does the email contain images of any exception items.

65. Does the Proposer require Positive Pay services on all demand deposit accounts, even on accounts with no check writing function? Can accounts be designated as "post no check" to prevent potential fraud? What is the cost to make this account designation?

    FPCB does not require Positive Pay services on any demand deposit account unless the account has been compromised and the customer does not want to close the compromised account and open a new one. Barring fraud situations, Positive Pay customers can specify which accounts they want to enroll for the service. Customers can request posting restrictions be placed on accounts for which they write no checks. There is no charge for this option.

66. Describe the Stop Payment process.

    FPCB business customers can issue stop payment orders for single Check or ACH Debits that have not yet been posted by reaching out to their local branch. We must receive the stop payment requests in time to give us a reasonable opportunity to act on it before our stop payment cutoff time. Our stop payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. We generally request ACH stop payment requests be made at least 3 days before the transaction is scheduled to post. Stop payment orders for checks must precisely identify the number, date, and amount of the item, and the payee. Check stop payments must be in writing, but oral ACH stop payment orders are effective for 14 calendar days unless confirmed in writing within the 14-day period. Check stop payments are valid for 6 months and will lapse after that time if you do not renew the order in writing before the end of the 6-month period. FPCB charges a $32 fee for each stop payment.

67. Describe the security features to include user identification and password maintenance. Include any other features that may be useful to the City.

    For Cash Management Customers we require unique User ID, and soft or hard password tokens plus PIN for ACH, RDC and wire services. We require 100% call back for verification on all wires. 128-bit encryption for Business Online Banking

68. Describe the Proposer's data retention features.

    We keep electronic copies of account data for 6 years. See Section J - Disaster Recovery Plan for additional information

69. Describe the Proposer's Safekeeping.

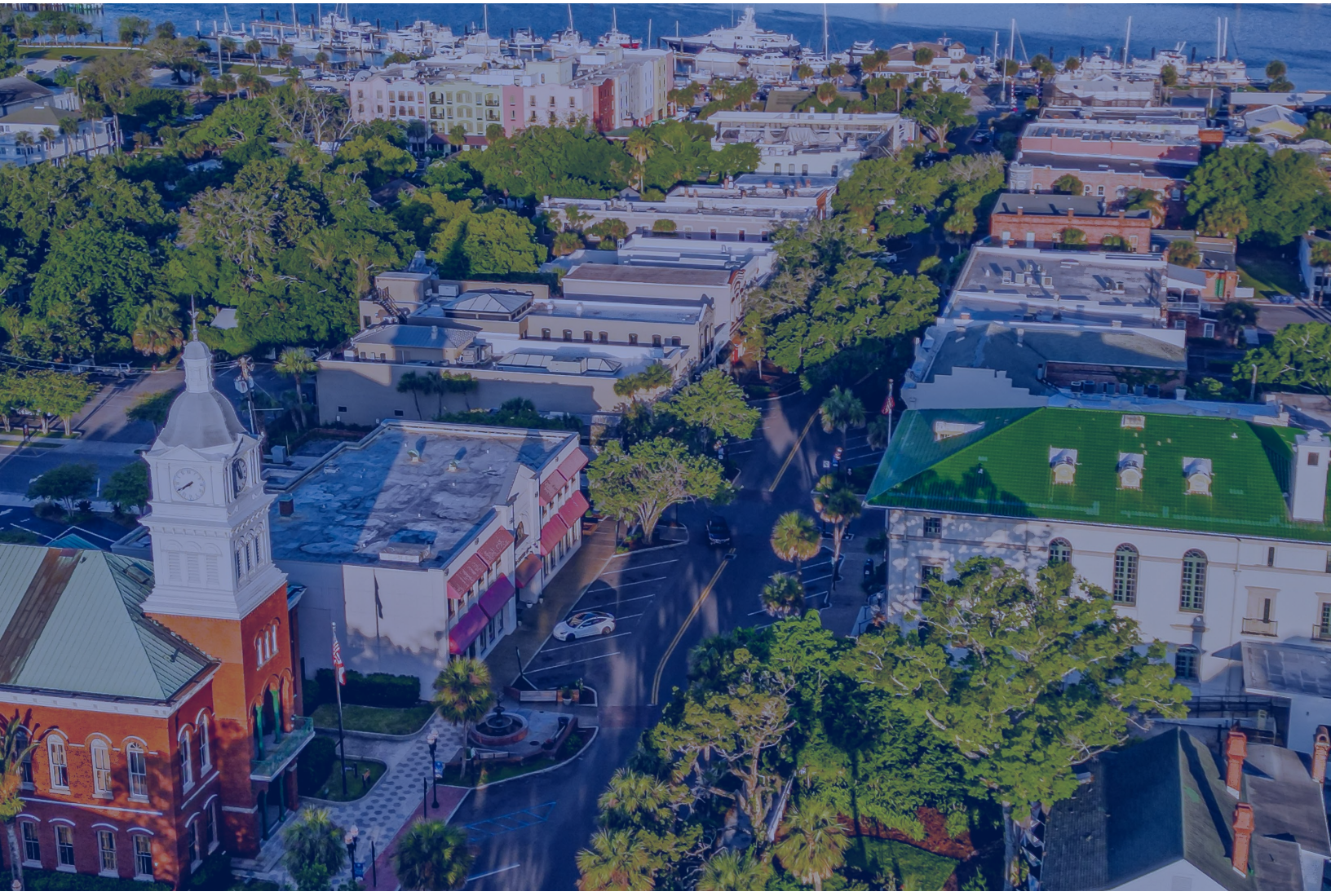
    Physical data & Information is held for 6 years in cold storage. See Section J - Disaster Recovery Plan for additional information

70. Include a sample of any service agreements your bank requires. All Included in **"Section K & S"**

71. Include samples of a monthly bank statement and analysis statement. See Section BB-B70 (Other Attachments)

72. In addition to the services described, proposals for optional services may be submitted for other services that the Proposer feels may be of interest to the City. See Section O

FIRST PORT
CITY BANK
Putting *People* First



Proforma Account Analysis

Attachment C

C

ATTACHMENT C
PROFORMA REPONSE FORM

Proposing Bank: **First Port City Bank**

Service Rendered	Estimated Monthly Volume	Unit Cost	Annual Cost
Account Maintenance	10	$ 10.00	$ 1,200.00
			$ -
Zero Balance Accounts		$ -	$ -
Master Account	1	$ -	$ -
Subsidiary Accounts	4	$ -	$ -
			$ -
Regular Deposits	250	$ 0.25	$ 750.00
Deposited Item Rejects	1	$ 4.00	$ 48.00
Positive Pay AP File	17	$ -	$ -
Items Paid	625	$ 0.10	$ 750.00
			$ -
Wire Transfer Services			$ -
Outgoing Domestic Wire Transfer	1	$ 18.00	$ 216.00
Incoming Domestic Wire Transfer	1	$ 18.00	$ 216.00
			$ -
ACH Services			$ -
ACH Monthly maintenance	1	$ 25.00	$ 300.00
ACH Return item	1	$ 10.00	$ 120.00
ACH Debits originated	50	$ 0.05	$ 30.00
ACH Credits originated	300	$ 0.05	$ 180.00
			$ -
Payroll			$ -
ACH file	2	$ 5.00	$ 120.00
ACH transactions per item	325	$ 0.05	$ 195.00
			$ -
Transfer between accounts not including sweep	10	$ -	$ -

Transfer between accounts sweep	80	$ -	$ -
			$ -
Returned deposits	1	$ 10.00	$ 120.00
Returned items - represented	1	$ 32.00	$ 384.00
			$ -

Service Rendered	**Estimated Monthly Volume**	**Unit Cost**	**Annual Cost**
Stop payments - Manual	1	$ 32.00	$ 384.00
Stop payments - Electronic	1	$ 32.00	$ 384.00
			$ -
FDIC Expense	1	$ -	$ -
			$ -
Web access for minimum of 6 users	1	$ -	$ -
			$ -
Sweep Services			$ -
Automated sweep account	1	$ -	$ -
			$ -
Change requests	25	$ -	$ -
			$ -
Courier (7 locations 6 daily/1 weekly)*	124	$ 27.00	WAIVED
			$ -
Info report BAI	1	$ -	$ -
			$ -
Please list additional fees required below:			$ -
Remote Deposit Capture Monthly Maintenance	1	$ 25.00	$ 300.00
Positve Pay Monthly Maintenance	1	$ 25.00	$ 300.00
Deposited Items - Checks (estimated 7 checks/deposit)	1750	$ 0.06	$ 1,260.00

Supplies and Equipment	**Estimated Monthly Volume**	**Unit Cost**	**Annual Cost**
Tamper Proof Deposit Bags	350	$ 0.83	$ 290.50
Endorsement Stamps*	0.2	$ -	WAIVED
Deposit Slips	300	$ 0.28	$ 84.00
Check Scanners*	6	$400.00	WAIVED

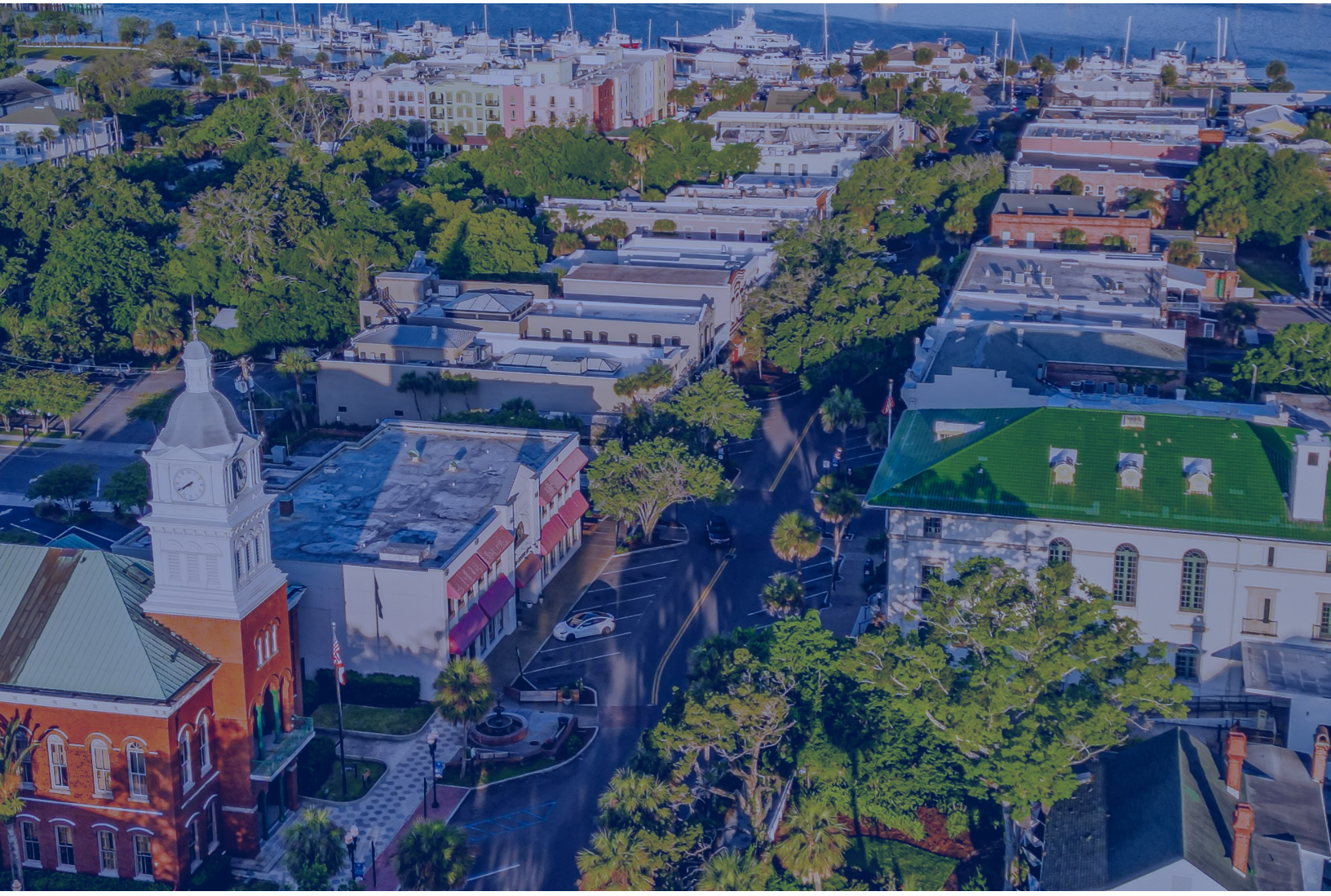
Earnings Calculation			
Balance Required to Offset Fees**	$ 911,500.00		
Earnings Credit Rate:	0.84%		
Projected Net Earnings/ (Fees)	**Monthly**		**Annually**
Monthly Earnings Credit***	$ 635.92		$ 7,631.08
Less: Monthly Fees	$ 635.96		$ 7,631.50
Net projected earnings/(fees)	$ (0.04)		$ (0.42)

* Fees waived to assist with any conversion costs

** At current rates, monthly fees would be waived as long as the average collected balance (excluding $1,000,000 reserve) exceeds $911,500.00.

*** Earnings Credit rate is 23% of Effective Federal Funds Rate H.15 (currently 0.84%) as of the last business day of the prior month, with a floor of 0.25% (no ceiling)

Interest rate (**currently 2.80%**) is 77% of the Effective Federal Funds Rate H.15 as of the last business day of the prior month, with a floor of 0.50% (no ceiling). As of February 27, 2026, the Effective Federal Funds Rate is 3.64%



Proposer Warranty

Attachment D

D

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "D"

PROPOSER'S WARRANTY

The proposer warranties that the responsible officer has fully read and understands the RFP. The proposer warranties that the responsible officer has full knowledge of the scope, nature, quantity and quality of work to be performed; full knowledge of the detailed requirements of the services to be provided; and full knowledge of the conditions under which services are to be performed. The proposer warranties the unit costs, extended costs, and total estimated annual costs are complete and accurate and will be honored for the term of the initial contract.

Each proposer guarantees in writing that the Comptroller and the City Commission will receive the services specified and at the unit costs or prices quoted for the entire term of the agreement, including the option of two one-year renewals.

Bank Name: First Port City Bank

Federal Taxpayer ID: 58-1178459

Authorized Representative Signature: Scott T Curtis

Printed Name: Scott Curtis Title: SVP & Chief Operating Officer

Email Address: Scurtis@firstportcity.com

Mailing Address: 1890 S. 14th St

City, State, & Zip Code: Fernandina Beach, FL 32034

Telephone: 904-310-4890 Fax: 904-432-8609

STATE OF FLORIDA
COUNTY OF Nassau

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 27th day of February 20 26 by Scott Curtis,

Charleston Garrett
Notary Public

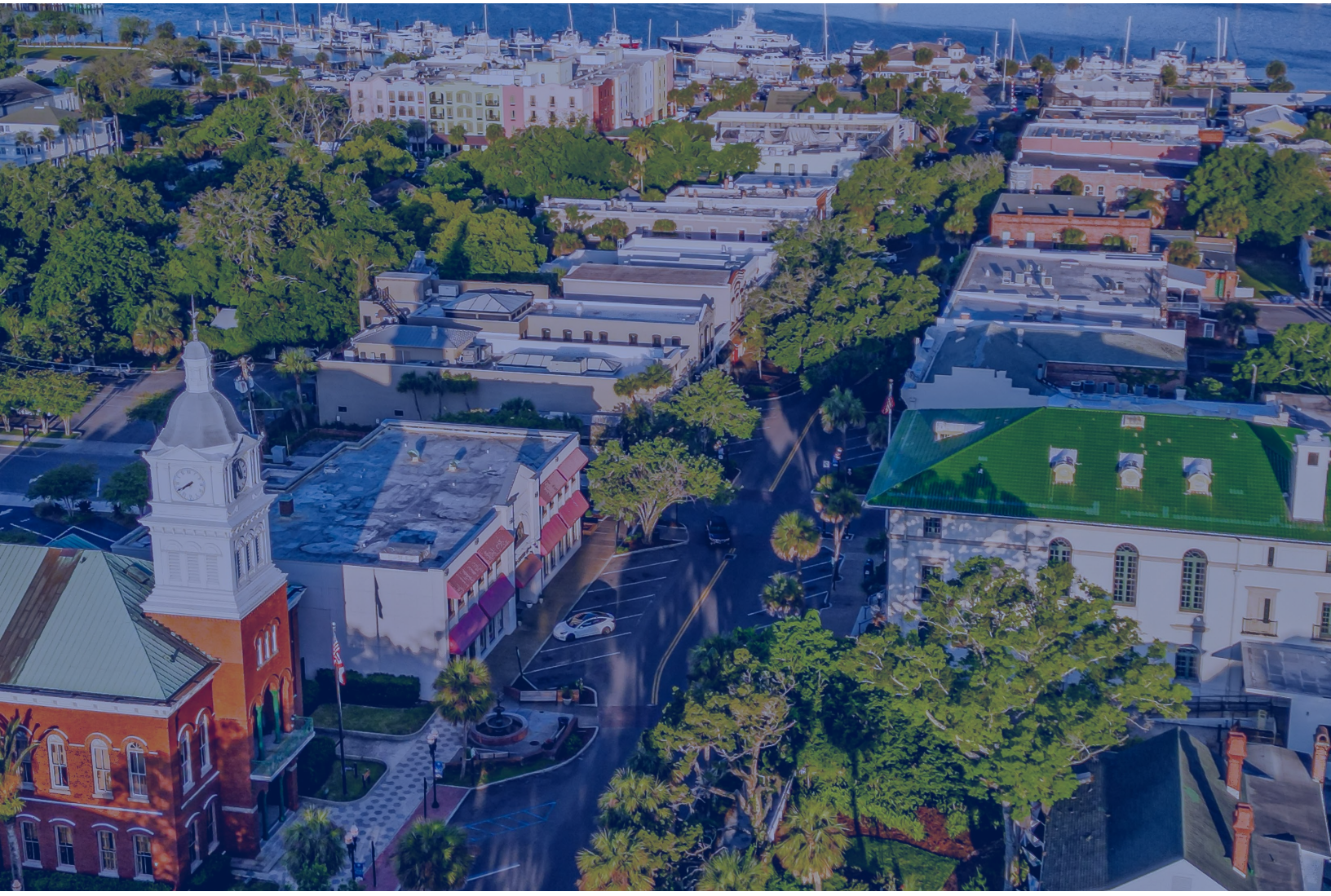
Charleston Garrett
Printed Name

My Commission Expires 12/27/26

Personally Known ✓ OR Produced Identification _____ ID Produced _____

CHARLESTON GARRETT NOTARY PUBLIC MY COMMISSION EXPIRES 12-27-2026 STATE OF FLORIDA COMMISSION NUMBER HH 328575

FIRST PORT
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Evidence of Qualified Public Depository

E

DEPARTMENT OF FINANCIAL SERVICES
Division of Treasury – Bureau of Collateral Management

CERTIFICATE OF QUALIFIED PUBLIC DEPOSITORY
UNDER THE FLORIDA SECURITY FOR
PUBLIC DEPOSITS ACT

This is to certify that **FIRST PORT CITY BANK**
400 WEST SHOTWELL STREET
BAINBRIDGE, GEORGIA 39819

has fully qualified as a public depository pursuant to Chapter 280, Florida Statutes, otherwise known as the Florida Security for Public Deposits Act. As such, said bank or savings association is hereby designated to receive public deposits, as defined in Subsection 280.02(23), Florida Statutes.

Given under my hand this 14th day of April , 2023 .

CHIEF FINANCIAL OFFICER, STATE OF FLORIDA

DFS-J1-1002
Rev. 3/92

First Port City Bank – 5-Star BauerFinancial Rating

First Port City Bank is proud to maintain a **5-Star "Superior" Rating** from *BauerFinancial, Inc.*, the nation's leading independent bank rating and research firm. This top-tier designation is awarded exclusively to institutions that demonstrate exceptional financial strength, operational performance, and long-term stability.

BauerFinancial's 5-Star rating reflects First Port City Bank's strong capital position, high-quality asset portfolio, consistent profitability, and effective risk management practices. As an unbiased, independent evaluator, BauerFinancial does not accept payment for ratings—ensuring that all institutions are measured using the same rigorous standards.

Why This Matters for Our Clients & Partners

- **Financial Stability & Security:** A 5-Star rating indicates that First Port City Bank exceeds regulatory capital requirements and is positioned for resilience in varying economic conditions.
- **Low Risk & Strong Asset Quality:** The rating recognizes the bank's focus on sound lending practices and responsible portfolio management.
- **Proven Performance:** This classification places First Port City Bank among the strongest banks in the nation, reinforcing our commitment to operational excellence and fiscal stewardship.
- **Reliable, Long-Term Partner:** For municipalities, businesses, nonprofits, and individuals, this rating provides confidence that the bank is a stable, well-managed, and trusted financial partner.

Commitment to Excellence

Earning a 5-Star "Superior" Rating underscores First Port City Bank's ongoing dedication to safeguarding customer assets, supporting local economic growth, and providing responsive, relationship-focused banking services. Our financial strength allows us to meet the needs of our clients today and support their long-term success.

Link To Rating: 5 Star Rating – Bauer Financial



First Port City Bank – Voted *Best Bank* Three Years in a Row (2023, 2024, 2025)

For three consecutive years, First Port City Bank has been honored by our community as the **Best Bank** in the *NewsLeader Best of the Best Awards*. This recognition—earned in 2023, 2024, and again in 2025—reflects the trust, loyalty, and continued confidence that local residents and businesses place in our team.

As a community-focused financial institution, our mission has always been to put people first. Whether it's delivering personalized banking solutions, supporting local nonprofits, investing in Nassau County's growth, or providing exceptional customer service at every touchpoint, First Port City Bank is committed to making a meaningful difference in the lives of the customers we serve.

Receiving this honor for three consecutive years highlights the strength of our relationships, the dedication of our employees, and the impact of our "people over profits" philosophy. We are incredibly grateful to our community for voting for us year after year—and we remain committed to raising the bar, advancing innovative financial solutions, and continuing to be the bank our community can count on.



First Port City Bank was proudly recognized by the Nassau County Chamber of Commerce as the 2025 Professional Services Business of the Year, an honor that reflects our strong financial performance, customer service excellence, and meaningful community impact. This recognition underscores our commitment to delivering responsive, relationship-driven banking solutions while maintaining the highest standards of professionalism, compliance, and operational integrity. As a locally focused community bank serving Nassau County, we combine experienced leadership, sound financial management, and innovative banking technology to meet the evolving needs of municipalities, businesses, and residents. This award affirms our role as a trusted financial partner dedicated to supporting long-term economic growth and community success.

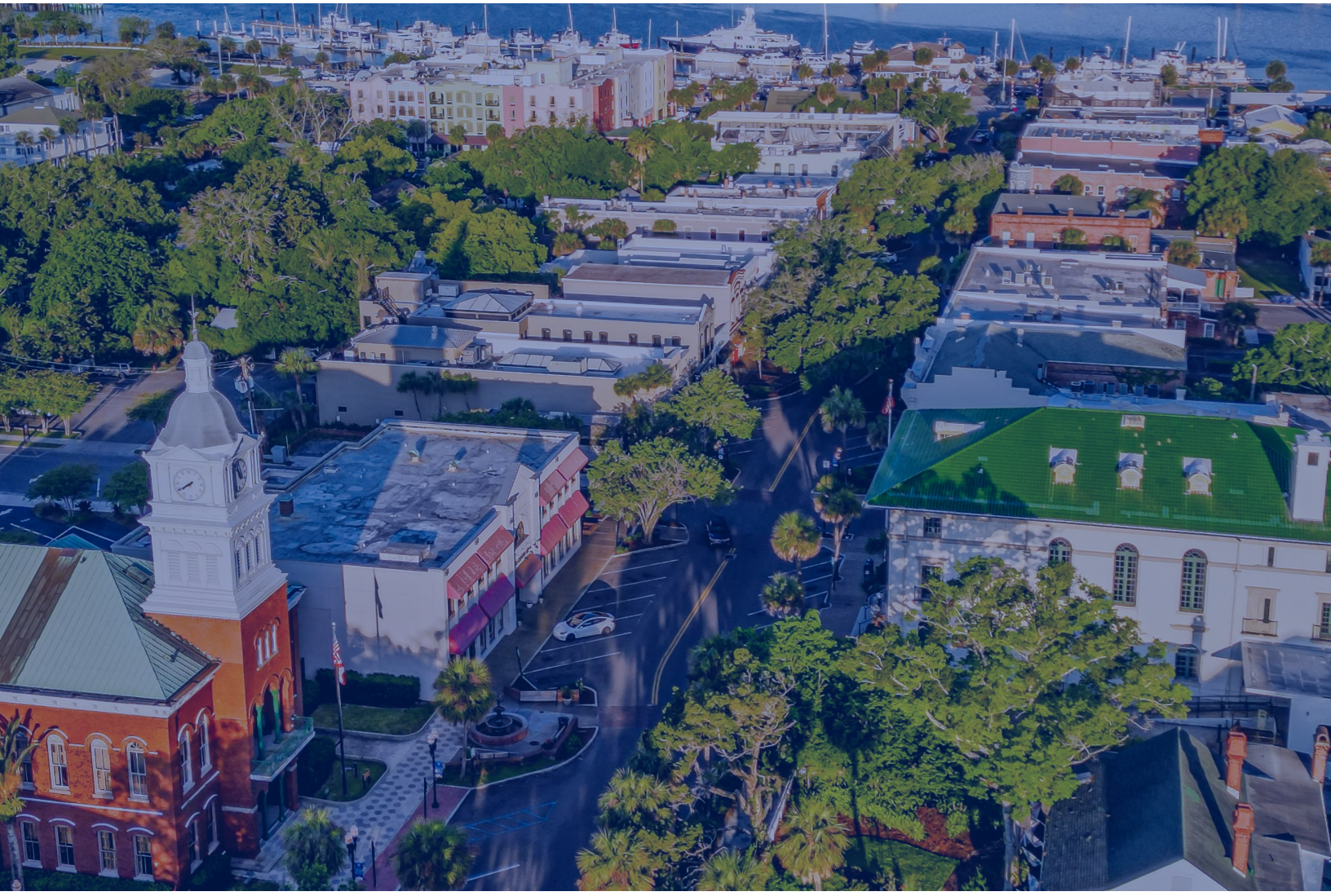


DepositAccounts by lendingtree

Financial Strength & Performance (Source: DepositAccounts.com)

First Port City Bank maintains an **A (Excellent) Health Grade**, reflecting strong capitalization, steady deposit growth, and solid loan quality. The bank continues to demonstrate disciplined, healthy expansion with assets increasing from **$547.7 million to $582.3 million** between Q2 2025 and Q4 2025. Deposits also grew from **$498.2 million to $521.3 million** during the same period, underscoring ongoing customer trust and retention. FPCB's loan portfolio expanded significantly as well, rising from **$405.3 million to $455.1 million year-over-year**, driven by strong local business and consumer demand. The bank's capital position remains robust, with equity capital increasing from **$45.8 million to $52.7 million**, signaling long-term financial stability and sound risk management. Profitability metrics further highlight FPCB's high performance, with a **Return on Assets (ROA) of 1.44% YTD** and a **Return on Equity (ROE) of 15.35% YTD**, placing First Port City Bank among the upper tier of high-performing community banks nationwide.

Source: https://www.depositaccounts.com/banks/first-port-city-bank.html



Federal Reserve Bank Ranking

F

INSURED U.S.-CHARTERED COMMERCIAL BANKS THAT HAVE CONSOLIDATED ASSETS of $300 MILLION or MORE, RANKED by CONSOLIDATED ASSETS As of SEPTEMBER 30, 2025.

Federal Reserve Statistical Release



Large Commercial Banks

Bank Name / Holding Co Name	Nat'l Rank	Bank ID	Bank Location	Charter	Consol Assets (Mil $)	Domestic Assets (Mil $)	Pct Domestic Assets	Pct Cumulative Assets	Domestic Branches	Foreign Branches	IBF
FIRST PORT CITY BK/PORT CITY HC	1379	262237	BAINBRIDGE, GA	SNM	574	574	100	99	5	0	N

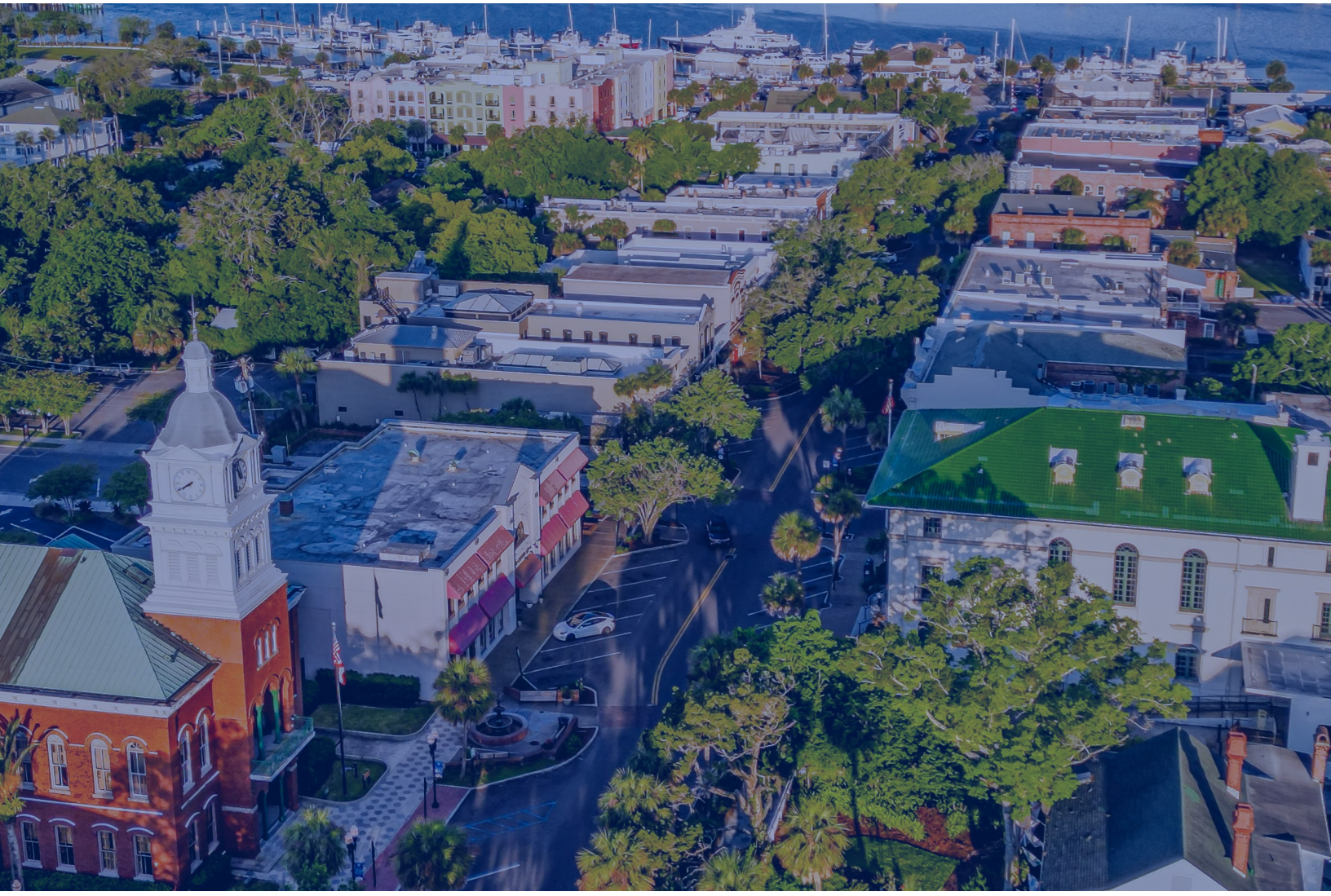
First Port City Bank is ranked #1,379 out of approximately 4,450 banks nationwide by the Federal Reserve Board of Governors, based on consolidated assets among all insured U.S.–chartered commercial banks. This placement confirms the Bank's strong financial standing, meaningful asset size, and full compliance within the highly regulated federal banking system. Inclusion in this ranking reflects not only institutional stability and scale, but also prudent management, sustained growth, and long-term financial strength—reinforcing First Port City Bank's position as a well-capitalized, trusted community bank.

Federal Reserve Rating Link

FDIC Market Share Report **2025**

Institution Name	CERT	Selected Market			Outside Selected Market		Bank Class	Charter
		Office Count	Total Deposits (Thousands USD)	Market Share (%)	Office Count	Total Deposits (Thousands USD)		
First Federal Bank	31313	3	351,117	19.56%	23	2,859,257	SB	Federal
Wells Fargo Bank, National Association	3511	3	333,113	18.55%	4,211	1,392,493,887	N	Federal
First Port City Bank	21784	2	189,110	10.53%	3	334,662	NM	State
Bank of America, National Association	3510	2	171,546	9.55%	3,638	1,974,872,454	N	Federal
Synovus Bank	873	2	156,554	8.72%	243	50,615,159	SM	State
PrimeSouth Bank	5694	1	143,816	8.01%	7	1,083,626	NM	State
Truist Bank	9846	2	104,484	5.82%	1,926	417,440,516	NM	State
PNC Bank, National Association	6384	2	104,437	5.82%	2,314	432,392,574	N	Federal
Regions Bank	12368	1	93,273	5.19%	1,249	131,908,727	SM	State
Southeastern Bank	5685	2	83,080	4.63%	8	450,330	NM	State
Pineland Bank	15699	1	46,185	2.57%	8	475,678	NM	State
JPMorgan Chase Bank, National Association	628	2	18,783	1.05%	4,991	2,132,962,217	N	Federal
Totals		**23**	**1,795,498**	**100.00%**	**18,621**	**6,537,889,087**		

First Port City Bank continues to demonstrate exceptional market strength and momentum in Nassau County. Over the most recent year, FPCB achieved the **largest year-over-year deposit growth among all established financial institutions**, increasing deposits by **$20.7 million, representing a 12.3% increase**. As a result of this strong performance, FPCB expanded its **market share from 9.68% to 10.53%**, now ranking as the **#3 bank in Nassau County by total market share**. This sustained growth reflects the community's confidence in First Port City Bank's financial stability, customer service, and long-term commitment to the local market.



Implementation Schedule

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First Port City Bank is committed to delivering a seamless, secure, and fully controlled transition process. Our structured three-week implementation plan is designed to ensure zero disruption to payroll, vendor payments, treasury operations, or public funds compliance.

Through proactive planning, dual-control safeguards, system testing, and dedicated support, we provide a smooth conversion experience with clear communication and hands-on guidance every step of the way.

As stated at the RFP Review at the last Commissioners Meeting, the estimated cost to the City for conversion was outlined at approximately $10,000. First Port City Bank is waiving over $40,000 in fees and equipment to help minimize any conversion costs to the City. (See Attachment C)

A key differentiator between First Port City Bank and other financial institutions is that our Implementation and Support Team lives and works here in Nassau County — and the same professionals who guide you through the onboarding and transition process will continue servicing your account long after go-live. We do not hand clients off to a separate service center or rotating support team. This continuity ensures institutional knowledge is preserved, communication remains seamless, and the City benefits from a consistent, accountable partnership with a team that understands your operations from day one.

Implementation Schedule (Cont.)

First Port City Bank will include the following Implementation Team:

- **COFB Relationship Manager – Sheryl Ross**
  - VP & Business Relationship Officer
- **Designated Account Executive – Beth Boles**
  - VP & Manger of Deposit Operations/Treasury Services
- **Designated Account Executive (Alternate) – Scott Curtis**
  - SVP & Chief Operations Officer (COO)
- **Branch Support – Charleston Garrett**
  - AVP & Fernandina Beach Branch Manager
- **FL Market Leadership – Mike Brooks**
  - SVP & FL Market Leader / Chief Marketing Officer (CMO)

Implementation Kick-off Meeting

The initial implementation kick-off meeting will establish clear project milestones, define responsibilities, and confirm the anticipated transition timeline. During this session, First Port City Bank and the City will collaboratively define the following:

Discovery & Control Review:

1. Inventory all accounts and funds
2. Review ACH, wires, positive pay, and merchant services
3. Confirm authorized signers & resolution requirements
4. Review dual control structure
5. Establish implementation schedule

Agreements:

1. Execute banking resolution
2. Execute collateral agreement
3. Finalize treasury management agreements
4. Verify authorized signers & treasury management users

Implementation Schedule (Cont.)

Because the City of Fernandina Beach operates on the same core provider (Fiserv) as its current banking partner, First Port City Bank does not anticipate any significant system changes or technical barriers during conversion. This shared platform substantially reduces implementation complexity, minimizes disruption, and streamlines data migration and system interfacing.

As a result, we anticipate completing the **full implementation within three weeks or less**, with many accounts and treasury services fully operational within the first week. Certain ancillary services, such as commercial credit cards, may require up to seven business days for issuance and activation. Overall, the shared core environment positions the City for an efficient, low-risk transition with minimal operational impact.

SAMPLE SCHEDULE:

Week 1 – Account Opening & Control Setup

- Focus: Structure & safeguards
- Open all accounts
- Establish ACH and wire limits per policy
- Configure dual control for ACH and wires
- Create online banking users by department
- Enable fraud alerts and security controls
- Order deposit materials
- Set up Remote Deposit Capture machines
- Order Credit Cards
- Coordinate Courier Service

Week 2 – Conversion & Testing

- Update payroll processor with new account information
- Send and confirm ACH test file
- Update vendor ACH master file
- Confirm positive pay file format
- Update EFTPS and state tax portals
- Update merchant settlement accounts

All payment systems tested and validated

Week 3 – Training & Go-Live

- Conduct on-site or virtual finance team training
- Confirm first live payroll processing
- Confirm first vendor ACH batch
- Monitor first wire transactions
- Validate reporting
- Daily follow-up during first 5 business days

First Port City Bank has the flexibility to move at the pace required by the City. Whether the timeline calls for an accelerated transition or a more phased approach, our team will align with your preferred schedule. We understand and respect the demands placed on City staff and are committed to minimizing disruption, reducing administrative burden, and making the transition as seamless and efficient as possible. Our implementation process is designed to work around your operational calendar, not the other way around.

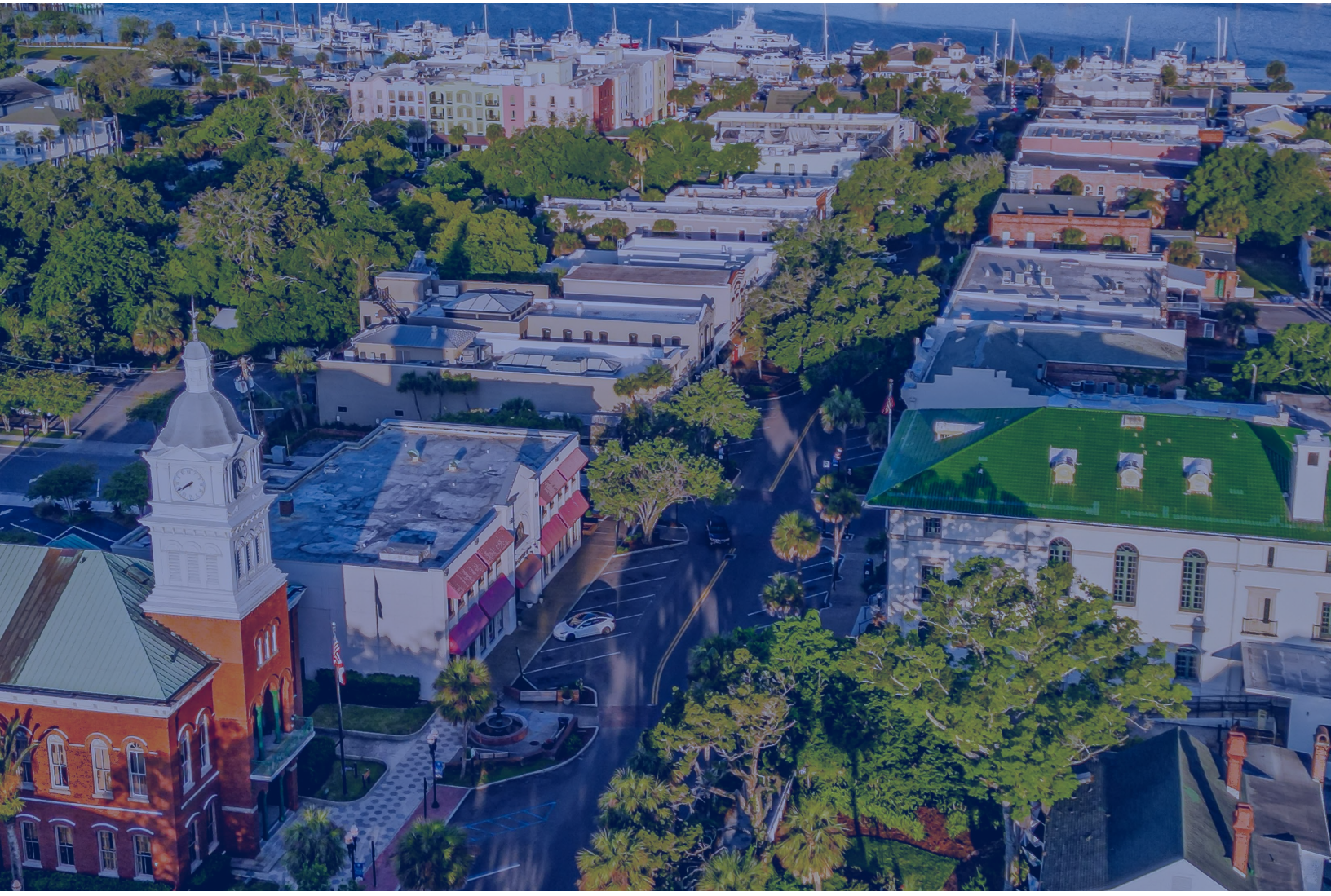
During the kick-off meeting, First Port City Bank and the City will collaboratively review and finalize a detailed implementation checklist to clearly define responsibilities, milestones, and timelines. Below is a sample checklist that illustrates the structured approach we utilize to ensure the transition remains organized, efficient, and free of unnecessary delays. This is just a simple version. We have a more detailed version we will use for implementation.

First Port City Bank

Treasury & Banking Implementation Checklist

Phase	Service Area	Task	Responsibility	Target Date	Status
Phase 0	Project Setup	Kickoff Meeting Conducted	FPCB / City		
Phase 0	Project Setup	Confirm Account Structure	FPCB / City		
Phase 0	Legal	Execute Banking Resolution	City		
Phase 0	Security	Confirm Authorized Signers	City		
Week 1	Accounts	Open All Accounts	FPCB		
Week 1	Controls	Configure ACH & Wire Limits	FPCB / City		
Week 1	Online Banking	Create Department Users	FPCB		
Week 1	Fraud Prevention	Enable Security Controls	FPCB		
Week 2	Payroll	Update Payroll Account Information	City		
Week 2	ACH	Submit & Confirm ACH Test File	City / FPCB		
Week 2	Positive Pay	Confirm File Format	FPCB / City		
Week 2	Merchant Services	Update Settlement Accounts	FPCB		
Week 3	Training	Conduct Finance Team Training	FPCB		
Week 3	Go Live	Confirm First Live Payroll	City		
Week 3	Monitoring	Daily Follow-Up (First 5 Business Days)	FPCB		

SAMPLE



Deposit Deadline Schedules

H

Deposit Deadline Schedules

First Port City Bank offers clearly defined deposit cutoff times to ensure prompt same-day credit across all deposit channels. For **in-person branch deposits**, the cutoff time is **4:30 p.m. Monday through Thursday**. **Remote Deposit Capture (RDC) and Smart Safe deposits** have a cutoff time of **4:00 p.m. Monday through Thursday**. On **Fridays**, the cutoff time is extended to **5:30 p.m. for all deposit channels**. Deposits received after the applicable cutoff times will be credited on the next business day.

In Person Deposits:

Monday-Thursday, end of day cutoff is 4:30pm

Friday, end of day cutoff is 5:30pm

Remote Deposit Capture Deposits:

Monday-Thursday, end of day cutoff is 4:00pm

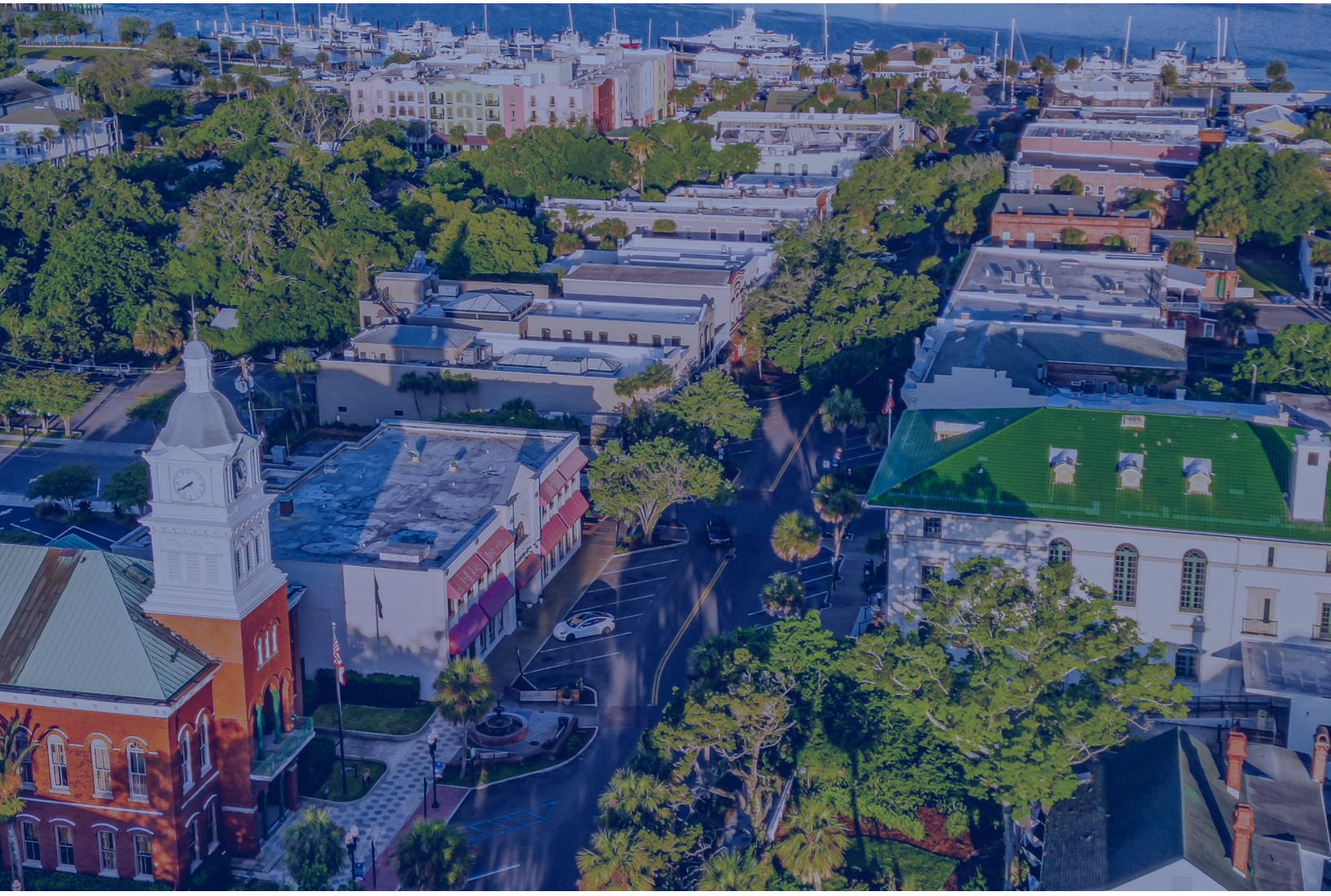
Friday, end of day cutoff is 5:30pm

Smart Safe Deposits:

Monday-Thursday, end of day cutoff is 4:00pm

Friday, end of day cutoff is 5:30pm

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Funds Availability Schedule & Deposit Float Methodology

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Funds Availability Schedule

First Port City Bank adheres to a clear and customer-focused Funds Availability Policy designed to provide timely access to deposited funds while ensuring compliance with all federal regulations. The following outlines our standard availability timelines as they apply to all checking accounts.

General Availability

Our standard policy is to make funds from cash and check deposits available **on the first business day after the day the deposit is received**. Once funds are available, they may be withdrawn in cash, and will also be used to pay items presented against the account. Electronic direct deposits are available **on the day we receive the deposit**.

A “business day” is defined as Monday through Friday, excluding federal holidays. Deposits made on a day the bank is not open will be treated as received on the next business day.

Special Processing Considerations

If First Port City Bank cashes a check drawn on another institution, or accepts such a check for deposit, the Bank may delay availability of funds already in the customer’s account until the time the deposited check would have become available had it been deposited normally.

Compliance and Regulatory Assurance

First Port City Bank strictly complies with all U.S. laws and regulations governing deposit availability, including OFAC and FinCEN requirements. In rare instances involving suspected sanctions violations or international ACH transactions, posting may be delayed until proper review is completed, and customers will be notified accordingly.

IMPORTANT ACCOUNT INFORMATION FOR OUR CUSTOMERS
from
First Port City Bank
400 West Shotwell Street, PO Box 1070
Bainbridge, GA 39818-1070
Telephone (229)-246-6200

ACKNOWLEDGEMENT AND HOLD HARMLESS

You acknowledge that entries cannot be initiated that violate the laws of the United States, including, but not limited to, programs administered by OFAC and FinCEN, or other laws, including, but not limited to, the laws and payment system rules of the receiving countries, and agree to indemnify and hold us harmless with respect to any entries that you initiate that do violate such laws. Effective July 1, 2020, specific provisions were added for all international ACH payments. To comply with the law, posting of transactions will be delayed if items are suspected of being in violation of OFAC sanctions.

YOUR ABILITY TO WITHDRAW FUNDS

This policy statement applies to all checking accounts. Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use the funds to pay checks that you have written.

Please remember that even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

Determining the Availability of a Deposit

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit on a day we are not open, we will consider that the deposit was made on the next business day we are open.

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in one of your accounts. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

Longer Delays May Apply

Case-By-Case Delays - In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first $275 of your deposits, however, may be available on the first business day. If we are not going to make all of the funds from your deposit available on the first business day, after we receive your deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the first business day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

Safeguard Exception Delays - In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

* We believe a check you deposit will not be paid.
* You deposit checks totaling more than $6,725 on any one day.
* You redeposit a check that has been returned unpaid.
* You have overdrawn your account repeatedly in the last six months.
* There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

Special Rules for New Accounts

If you are a new customer, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first $6,725 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit, if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over $6,725 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first $6,725 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

Methodology for Computing Deposit Float

Calculating EFAA Float:

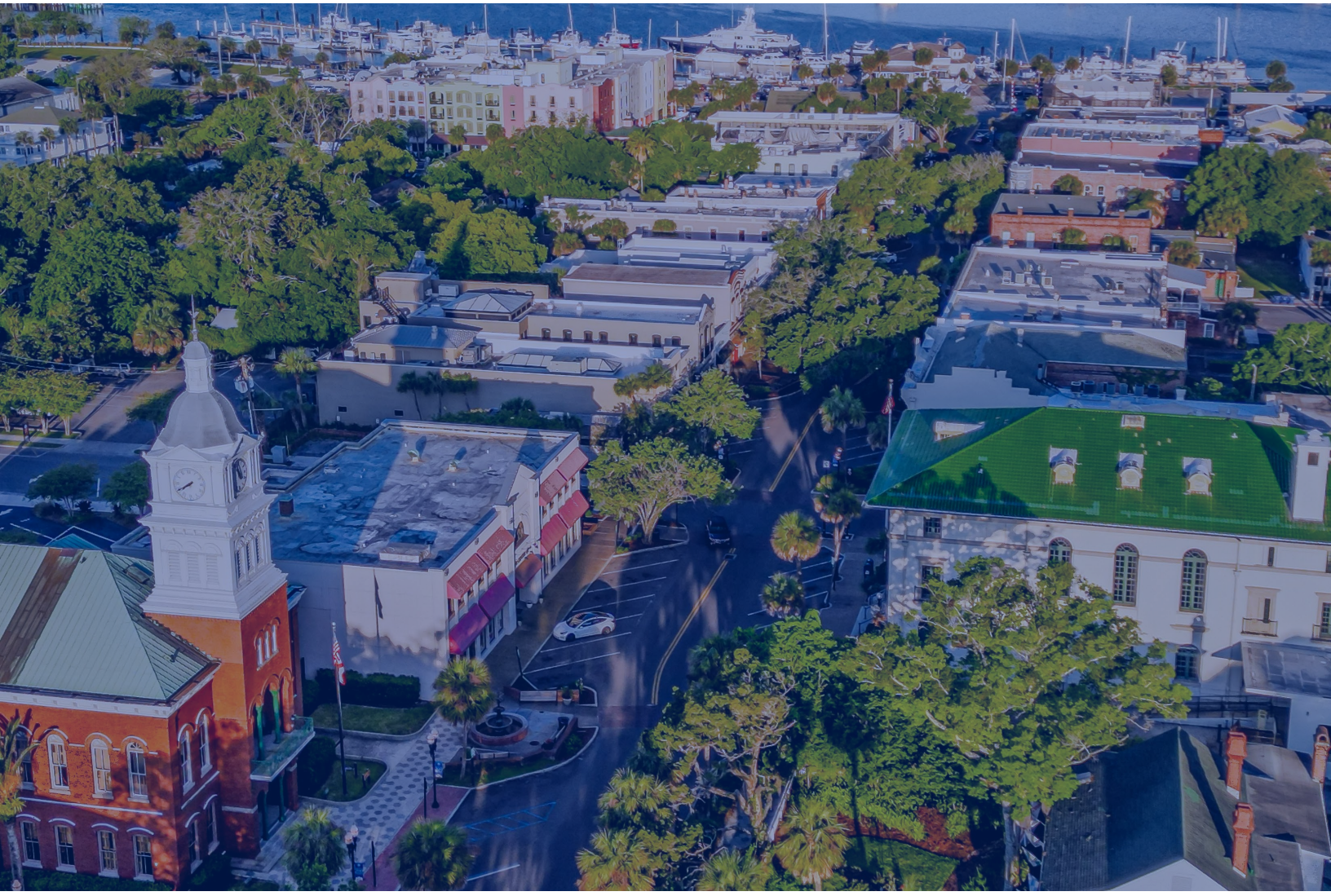
Determine Total Float by Item Type.
Distribute float using the formula:
Float Item Type × (Account Deposit ÷ Total Float Amount + GL Credits).

Assign Next Day Available by deducting the amount from the lowest Float Item Type greater than Item Type 0.

Assign Deposits Over by deducting the amount from the total float assigned and adjusting other float amounts accordingly.

Calculating Earnings Float:

Determine Total Float by Item Type.
Distribute float using the same formula:
Float Item Type × (Account Deposit ÷ Total Float Amount + GL Credits).



Disaster Recovery Plan

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Summary of First Port City Bank's Disaster Recovery & Redundancy plan

As with all financial institutions, disaster recovery and system redundancy are critical to maintaining operational stability and protecting customer data. First Port City Bank has implemented a comprehensive disaster recovery strategy designed to ensure continuity, resilience, and the highest level of availability across all banking applications.

Following a rigorous vendor management and due diligence process, the Bank selected industry-leading disaster recovery partners to support our infrastructure. Our strategy incorporates both geographic and operational redundancy, supported by two primary operations centers: one located in Fernandina Beach, Florida, and the other in Bainbridge, Georgia.

Operational leadership and staffing are intentionally distributed between these locations. Two members of our four-person Executive Team are based in Fernandina Beach and two in Bainbridge. Our Treasury team operates from Fernandina Beach, while our Deposit Operations team is based in Bainbridge. Both teams are fully cross-trained and capable of performing each other's functions, ensuring seamless continuity of operations.

Given the potential for severe weather in Northeast Florida, particularly during hurricane season, our Fernandina Beach operations and branch facility are equipped with backup generators to maintain uninterrupted service during power outages.

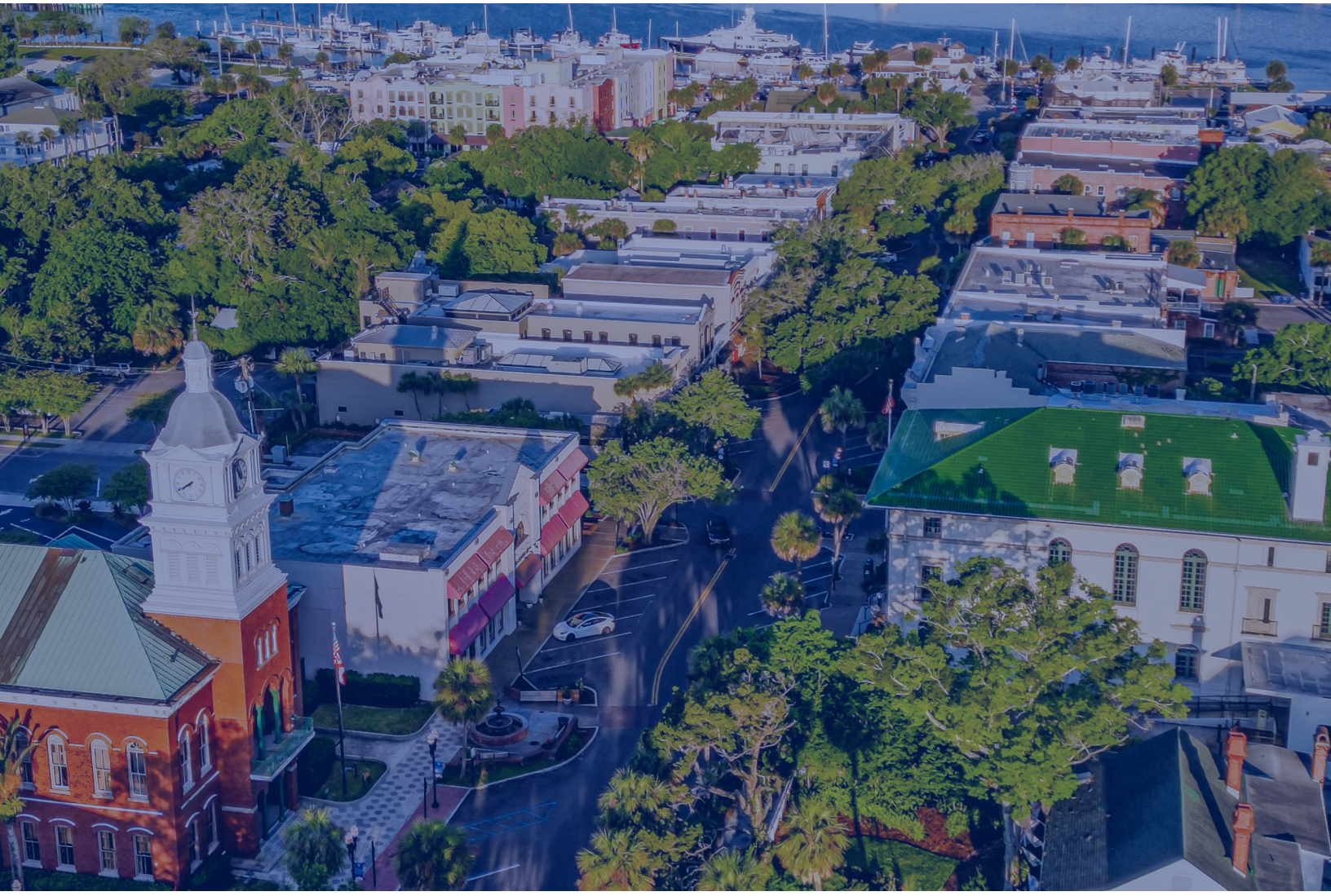
Data protection is structured in multiple layers:

- Nightly local backups are performed at both Fernandina Beach and Bainbridge.

- Each location transmits a copy of its backup data to the alternate operations center, providing geographic redundancy.
- As a tertiary safeguard, data is backed up nightly to a Barracuda device at our operations center and subsequently replicated to Barracuda's secure facility in Troy, Michigan.
- Annually, we conduct a full server restoration test with Barracuda to validate the integrity and functionality of our recovery processes.

Our core banking system is provided by Fiserv, one of the three largest core processors in the United States, serving approximately 40% of banks nationwide. Fiserv maintains extensive disaster recovery infrastructure. Our primary Fiserv data center is located in Alpharetta, Georgia, with a fully redundant backup facility in Phoenix, Arizona. Fiserv conducts an annual failover to its Phoenix facility, and First Port City Bank actively participates in comprehensive operational testing during this process.

This overview summarizes the Bank's core systems and data redundancy framework. We welcome any additional questions and are happy to provide further details as needed.



Agreements: Wire Transfer, Positive Pay Services, Stop Payment, And Prospectus For Money Market Mutual Funds

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ACH Origination
Agreement

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ACH ORIGINATION PRODUCT SCHEDULE

Rev 12-2023

By signing this ACH Origination Product Schedule ("Product Schedule") City of Fernandina Beach FL ("Customer") hereby requests **First Port City Bank** ("Financial Institution") to provide the Services described in this Product Schedule, and Customer accepts and agrees to all terms, conditions, and provisions of this Product Schedule and agrees that this Product Schedule sets forth the terms and conditions pursuant to which Financial Institution will provide to Customer the ACH Services outlined herein ("Services"). Customer further agrees that this Product Schedule is entered into as a Product Schedule under the Business Online Banking and Master Cash Management Agreement ("Master Agreement"). Financial Institution and Customer agree that by executing this Product Schedule, Customer acknowledges receipt of and agrees to the terms of the Master Agreement

Customer wishes to initiate credit and/or debit Entries through the Financial Institution to accounts maintained at Financial Institution and at other depository financial institutions by means of the Automated Clearing House Network ("ACH") pursuant to the terms of this Product Schedule and the rules of the National Automated Clearing House Association ("NACHA") and Financial Institution's operating rules and procedures for electronic entries, including any exhibits or appendices thereto now in effect, or as may be amended from time to time, (the "Rules"), and Financial Institution is willing to act as an Originating Depository Financial Institution ("ODFI") with respect to such Entries. In the event of inconsistency between a provision of this Product Schedule, the Uniform Commercial Code ("UCC"), the Master Agreement, and/or the Depository Agreement, the provisions of this Product Schedule shall prevail. Terms not otherwise defined in this Product Schedule shall have the meaning ascribed to those terms in the Rules. The term "Entry" shall have the meaning provided in the Rules and shall also mean the data received from Customer hereunder from which Financial Institution initiates each Entry.

Therefore, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Financial Institution and Customer, intending to be legally bound, do hereby agree as follows:

AGREEMENT

1. COMPLIANCE WITH RULES AND LAWS. Customer acknowledges it has a copy or has access to a copy of the Rules. The Rules may also be purchased online at www.nacha.org/rulesyourway. Customer agrees to comply with and be subject to the Rules of NACHA in existence at the date of this Product Schedule, and any amendments to these Rules made from time to time. It shall be the responsibility of the Customer that the origination of ACH transactions complies with U.S. law, including but not limited to sanctions enforced by the Office of Foreign Assets Control ("OFAC"). It shall further be the responsibility of the Customer to obtain information regarding such OFAC enforced sanctions. (This information may be obtained directly from the OFAC Compliance Hotline at 800-540-OFAC or from the OFAC's home page site at www.ustreas.gov/ofac.) Customer agrees that the performance of any action by Financial Institution to debit or credit an account or transfer funds otherwise required by the Rules is excused from the performance of such action to the extent that the action is inconsistent with United States law, including the obligations of the Financial Institution under OFAC or any program administered by the United States Department of the Treasury's Financial Crimes Enforcement Network ("FinCEN"). Customer agrees generally and warrants to Financial Institution that all actions by Customer contemplated by this Product Schedule, including the preparation, transmittal, and settlement of Entries and payment orders, shall comply in all material respects with United States laws, regulations, regulatory guidelines and guidance, and official commentaries, including without limitation all such regulations, guidelines, and commentaries issued by the Board of Governors of the Federal Reserve and the Federal Financial Institutions Examination Council ("FFIEC"). Financial Institution will charge the Customer with any fines or penalties imposed by OFAC, NACHA or any organization which are incurred because of non-compliance by the Customer and the Customer agrees to fully reimburse and/or indemnify Financial Institution for such charges or fines. The specific duties of the Customer provided in the following paragraphs of this Product Schedule in no way limit the foregoing undertaking. The duties of the Customer set forth in the following paragraphs of this Product Schedule in no way limit the requirement of complying with the Rules.

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ACH ORIGINATION PRODUCT SCHEDULE

Rev 10-2023

2. UNDERWRITING. Customer approval for use of this Service may be subject to underwriting criteria established by Financial Institution from time to time. If Financial Institution requires application of underwriting criteria to Customer approval for use of this Service, Financial Institution will communicate to Customer the nature and content of that criteria and the information Customer will be required to provide to Financial Institution. Customer agrees to provide Financial Institution such financial, business, and operating information as Financial Institution may reasonably request in connection with Financial Institution's underwriting and approval process. Financial Institution may require the personal guarantee of a principal or an owner of company. **Schedule H** should be executed if such a guarantee is required.

3. SECURITY INTEREST. To secure the payment and performance of Customer's obligations set forth herein, Customer grants to Financial Institution a security interest in and pledges and assigns to Financial Institution all of Customer's right, title, and interest in the following described property, whether now owned or hereafter existing or acquired and wherever located: (a) all monies, instruments, savings, checking and other accounts of Customer (excluding IRA, Keogh, trust accounts and other accounts subject to tax penalties if so assigned) that are now or in the future in Financial Institution's custody or control; (b) any other collateral described in any security instrument securing the obligations of Customer to Financial Institution under this Product Schedule or any other obligation of Customer to Financial Institution; and (c) all proceeds and products of the property as well as any replacements, accessions, substitutions, and additions to any of the above.

4. DESIGNATION OF ADMINISTRATOR. To originate ACH Entries, Customer must designate at least one Administrator. Administrator(s) shall be responsible for designating "Users" who Customer authorizes to issue Entries on its behalf. For the purposes of this Product Schedule, the term User shall also include the Administrator. The Financial Institution shall be entitled to rely on the designations made by the Customer's Administrator(s) and shall not be responsible for matching the names of the Customer Users designated by the Administrator(s) to names or titles listed in Customer's banking resolutions. Customer agrees that any such online Entries shall comply with Financial Institution's Security Procedures, which are subject to change without notice to Customer. Although Financial Institution is only required to act upon the instructions of the User(s), the Financial Institution may, in its sole discretion, execute debit or credit Entries initiated by any individuals authorized by Customer to sign checks on Customer accounts. The signature cards establishing the authorized signatories for Customer deposit accounts are hereby incorporated by reference and made a part hereof.

5. TRANSMISSION OF ENTRIES BY CUSTOMER. User(s) shall initiate the debit or credit Entries in **Schedule A** hereunder on behalf of and selected by Customer. Financial Institution shall be entitled to deem any person having knowledge of any Security Procedure, defined below in Section 8 of this Product Schedule, and required to initiate Entries under this Product Schedule, to be a User. User(s) shall transmit Entries to Financial Institution in computer readable form in compliance with the formatting and other requirements set forth in the NACHA file specifications or as otherwise specified by Financial Institution. Entries shall be transmitted to Financial Institution no later than the time and the number of days prior to the Effective Entry Date specified in the Processing Schedule attached hereto and made a part hereof as **Schedule B**. For the purposes of this Product Schedule, "Business Day" means Monday through Friday, excluding federal holidays and the "Settlement Date" with respect to any Entry shall be the Business Day when such Entry is debited or credited in accordance with the Rules. A federal holiday calendar is attached as **Schedule G.** Entries received after the cut off time shall be deemed to have been received on the next Business Day. The total dollar amount of Entries transmitted by Customer to Financial Institution on any one Business Day shall not exceed the lesser of the amount of collected funds in Customer's account or the ACH Processing Limit set forth in **Schedule D** to this Product Schedule. Customer may not reinitiate entries except as prescribed by the Rules.

"*Entry Settlement Limit*" means the maximum aggregate amount of In-Process Entries permitted to be outstanding at any time, which amount shall be separately communicated to Customer by Financial Institution in writing from time to time.

"*In-Process Entries*" means the aggregate dollar amount of all credit or debit Entries initiated by Customer and in process on any date for which settlement has not occurred with respect to credit Entries, or the applicable period for the return of items has not expired with respect to debit Entries.

"*Overlimit Entry*" means an Entry the amount of which would cause the aggregate amount of In-Process Entries to exceed the Entry Settlement Limit. Customer agrees that Financial Institution will not process an Overlimit Entry. Financial Institution will suspend any Overlimit Entry submitted by Customer and may, following its receipt of an Overlimit Entry; suspend all In-Process Entries. Customer acknowledges that any Overlimit Entry or other In-Process Entries suspended by Financial Institution will not settle on their scheduled Settlement Date. If Customer wishes to initiate an Entry that would cause the amount of In-Process Entries to exceed the Entry Settlement Limit, Customer may submit to Financial Institution its request to initiate an Entry that otherwise would be an Overlimit Entry. Customer must submit its request at least 2 banking days prior to the date on which Customer wishes to initiate the Entry that otherwise would be an Overlimit Entry. Financial Institution may require from Customer financial or other information in connection with Financial Institution's consideration of the request. Financial Institution may grant or deny Customer's request at its sole discretion. In addition to the foregoing, Financial Institution generally reserves the right to limit the nature and amount of the preauthorized debit/credit Entries processed under this Product Schedule or to refuse to process any debit/credit Entries under this Product Schedule if, in Financial Institution's sole judgment (i) there is reasonable cause to believe that any Entry will be returned or will not settle in the ordinary course of the transaction for any reason, (ii) to do otherwise would violate any limit set by the applicable clearing house association or any governmental authority or agency to control payment system risk, or (iii) a preauthorized credit Entry or the return of a preauthorized debit Entry would create an overdraft of Customer's Accounts. If any of the foregoing actions are taken by Financial Institution with respect to a particular preauthorized debit/credit Entry, Financial Institution will notify Customer as promptly as practicable, but in no event later than 2 banking days after its decision. Customer may not reinitiate entries except as prescribed by the Rules.

6. THIRD-PARTY SERVICE PROVIDERS. Customer may be using special equipment, services or software provided by a third party to assist it in processing Files hereunder ("Service Provider"). If Customer uses Service Provider to transmit Files to Financial Institution, Financial Institution recommends, but does not require, Customer and Service Provider enter into Financial Institution's Third-Party Service Provider Agreement. If Customer is transmitting files on behalf of an organization that does not have a contractual relationship with Financial Institution, execution of the Financial Institution's Third-Party Service Provider Agreement is mandatory.

If Customer uses Service Provider to transmit Files to Financial Institution and Customer and Service Provider have not entered into a Third-Party Service Provider Agreement, Customer (a) agrees that Service Provider is acting as Customer's agent in the delivery of Files to Financial Institution, and (b) agrees to assume full responsibility and liability for any failure of Service Provider to comply with the laws of the United States, the Rules, and this Product Schedule. Financial Institution will not be liable for any losses or additional costs incurred by Customer because of any error by Service Provider or a malfunction of equipment provided by Service Provider. Customer is solely responsible for maintaining compliance with the requirements of Service Provider, including obtaining any software updates. Financial Institution's sole responsibility shall be to transmit Financial Institution approved transactions to the ACH Operator and Financial Institution shall not have any responsibility for any File handled by Service Provider until that point in time when Financial Institution accepts and approves a File from such Service Provider for processing. If Financial Institution authorizes Customer to use a Service Provider, the terms and conditions governing the relationship between Customer and the Service Provider shall be governed by a separate agreement between Customer and Service Provider ("Service Provider Agreement"). All of Customer's obligations and responsibilities under this Product Schedule will apply to the Service Provider, and Customer's separate agreement with the Service Provider must so provide. At Financial Institution's request, Customer will provide to Financial Institution a true and exact copy of such agreement. Customer shall designate the Service Provider as a User and the Service Provider must also enter into a Service Provider Agreement before the Service Provider sends Files to Financial Institution.

Notwithstanding the foregoing, Customer hereby authorizes Financial Institution to accept any File submitted by the Service Provider even if the Service Provider has not been designated as a User or if the Third-Party Service Provider has not executed the Service Provider Agreement. Customer hereby indemnifies and holds Financial Institution harmless for any losses, damages, fines, assessments, costs, and expenses incurred or suffered by Financial Institution or any other person because of or arising from Customer's use of Service Provider, including fines or assessments incurred under or pursuant to the Rules and attorneys' fees.

7. SECURITY PROCEDURES. In addition to, and without limiting the generality of, the Security Procedure provisions of the Master Agreement, the Customer shall comply with the "Security Procedures" described in **Schedule C** attached hereto and made a part hereof, and Customer acknowledges and agrees that the Security Procedures constitute commercially reasonable security procedures under applicable law for the initiation of ACH entries.

8. PHYSICAL AND ELECTRONIC SECURITY. In addition to, and without limiting the generality of, the Physical and Electronic Security provisions of the Master Agreement, Customer specifically acknowledges and agrees that as part of its obligation to provide for the security of data and systems in Customer's possession or under Customer's control, Customer shall comply with the provisions of Section 1.6 of the Rules, entitled "Security Requirements," for the safeguarding of Protected Information, as that term is defined in the Rules.

9. INTERNATIONAL ACH TRANSACTIONS ("IAT"). Customer shall not initiate any IAT Entries without Financial Institution's prior approval. If approved by Financial Institution, the following provisions apply to IAT Entries originated by Company:

(a) IAT Entries are transmitted by Financial Institution in U.S. dollars and converted to the local currency for receipt in the foreign country at the exchange rate determined by Financial Institution's processor on the date determined by Financial Institution's processor. All risk of fluctuation in the applicable exchange rate is borne by Customer and Customer agrees and acknowledges that Financial Institution shall not be liable to Customer for any loss or charge incurred by Customer as the result of the application of any foreign currency exchange criteria imposed by any institution or agency located outside the United States.

(b) In the event of a returned IAT Entry, consumer payments will be credited to Customer at the originated U.S. dollar amount; corporate payments will be credited to Customer at the exchange rate determined by Financial Institution's processor at the time of return.

(c) In the event of an error in an Entry or duplicate entries, Customer acknowledges and agrees that Customer shall be liable for all losses caused by and a direct or indirect result from the error or duplicate Entry.

(d) Customer shall originate all International ACH Transactions, as that term is defined in the Rules, with an IAT SEC code and Customer hereby agrees to abide by all the Rules related to IAT Entries.

(e) Customer agrees that in the case of a non-Consumer Account, Customer shall enter into an agreement with the Receiver whereby the Receiver agrees to abide by the Rules in effect from time to time.

(f) Customer acknowledges that it has reviewed and understands the section of the Rules entitled (or otherwise dealing with) "Rules Exceptions for Outbound IAT Entries" and Customer understands and agrees that laws, regulations, and rules of the country in which the Receiver is located shall govern the matters listed within that subsection. Customer further acknowledges that Customer understands how such laws, regulations and rules differ from the Rules.

(g) Customer hereby indemnifies Financial Institution from and against any and all resulting claims, demands, losses, liabilities, or expenses, including attorneys' fees and costs, resulting directly or indirectly form Customer's origination of an IAT Entry.

(h) Customer agrees and acknowledges that any assistance by Financial Institution does not in any manner obligate Financial Institution for the accuracy or enforceability of the Entry in any country outside the United States.

(i) Customer bears the risk of any loss caused by any delay, tax, cost, tariff, fee, or other charge incurred on account of the Entry in any country outside the United States.

(j) If the settlement of any IAT Entry involves clearing of the Entry in more than one country outside the United States, Financial Institution shall be permitted to rely upon any advice or instruction received by Financial Institution from the financial institution or financial agency located in the first country outside the United States to which the Entry is directed.

(k) IAT Entries must be authorized as provided in the Rules. The form and content of the authorization, including whether such authorization may be oral, electronic, or written, shall be governed by the laws and payment system rules of the receiving country.

10. CREDIT AND DEBIT ENTRIES; RECORDS RETENTION. Customer shall obtain an authorization ("Authorization Agreement", **Schedule I**) as required by the Rules from the person or entity whose account will be debited or credited as the result of a debit or credit Entry initiated by Customer and Customer shall retain the Authorization Agreement in original form while it is in effect and the original or a copy of each authorization for three (3) years after termination or revocation of such authorization as stated in the Rules. Upon request, Customer shall furnish the original or a copy of the authorization to any affected Participating Depository Financial Institution, as defined in the Rules. Financial institution agrees to provide the identity of affected Participating Depository Financial Institutions to Customer upon written request by Customer. Customer shall be solely responsible for communicating with the Participating Depository Financial Institution to establish the method by which the Authorization Agreement will be provided, and Customer agrees to provide the Authorization Agreement to the identified Participating Depository Financial Institution within the time frame identified in the Rules.

Customer shall ensure that all authorization requirements of the Rules for each SEC Code are satisfied and in compliance with the Rules.

11. RECORDING AND USE OF COMMUNICATIONS. Customer and Financial Institution agree that all telephone conversations or data transmissions between them or their agents made in connection with this Product Schedule may be electronically recorded and retained by either party by use of any reasonable means. Financial Institution shall not be obligated to make such recordings.

12. PROCESSING, TRANSMITTAL, AND SETTLEMENT BY FINANCIAL INSTITUTION. Except as otherwise provided for in this Product Schedule and if Financial Institution elects to accept Entries, Financial Institution shall:

(a) (i) use commercially reasonable efforts to comply with the instructions of Customer, (ii) process Entries received from Customer to conform with the file specifications set forth in the Rules, (iii) transmit such Entries as an ODFI to the "ACH" processor selected by Financial Institution, (iv) settle for such Entries as provided in the Rules, and (v) in the case of a credit Entry received for credit to an account with Financial Institution ("On-Us Entry"), Financial Institution shall credit the Receiver's account in the amount of such credit Entry on the Effective Entry Date contained in such credit Entry provided such credit Entry is received by Financial Institution at the time and in the form prescribed by Financial Institution in Section 5.

(b) transmit such Entries to the ACH processor by the deposit deadline of the ACH processor, provided: (i) such Entries are completely received by Financial Institution's cut-off time at the location specified by Financial Institution to Customer from time to time; (ii) the Effective Entry Date satisfies the criteria provided by Financial Institution to Customer; and (iii) the ACH processor is open for business on such Business Day. Customer agrees that the ACH processor selected by Financial Institution shall be considered to have been selected by and designated by

Customer. The Customer will receive immediately available funds for any electronic debit entry initiated by it on the Settlement Date applicable thereto.

13. PAYMENT FOR CREDIT ENTRIES AND RETURNED DEBIT ENTRIES. Customer agrees to pay for all credit Entries issued by Customer, User(s), or credit Entries otherwise made effective against Customer. Customer shall make payment to Financial Institution on the date as determined by Financial Institution in its sole discretion, ("Payment Date"). Customer shall pay Financial Institution for the amount of each debit Entry returned by a Receiving Depository Financial Institution ("RDFI") or debit Entry dishonored by Financial Institution. Payment shall be made by Customer to Financial Institution in any manner specified by Financial Institution. Notwithstanding the foregoing, Financial Institution is hereby authorized to charge the account(s) ("Authorized Account(s)") designated in **Schedule E**, as payment for all payments due Financial Institution under this Agreement. Customer shall maintain sufficient collected funds in the Authorized Account(s) to pay for all payments due Financial Institution under this Agreement on the Payment Date. In the event the Authorized Account or any other Customer bank account does not have collected funds sufficient on the Payment Date to cover the total amount of all Entries to be paid on such Payment Date, Financial Institution may take any of the following actions:

(a) Refuse to process all Entries, in which event Financial Institution shall return the data relating to such credit Entries to Customer, whereupon Financial Institution shall have no liability to Customer or to any third party as a result thereof; or

(b) Process that portion of the credit Entries as Customer has sufficient available funds in the Authorized Account to cover, in whatever order Financial Institution in its sole discretion shall elect to process, in which event Financial Institution shall return the data relating to such credit Entries as are not processed to Customer, whereupon Financial Institution shall have no liability to Customer or any third party as a result thereof; or

(c) Process all credit Entries. In the event Financial Institution elects to process credit Entries initiated by Customer and Customer has not maintained sufficient available funds in the Authorized Account with Financial Institution to cover them, the total amount of the insufficiency advanced by Financial Institution on behalf of Customer shall be immediately due and payable by Customer to Financial Institution without any further demand from Financial Institution. If Financial Institution elects to pay Customer's account in the overdraft on any one or more occasions, it shall not be considered a waiver of Financial Institution's rights to refuse to do so at any other time nor shall it be an agreement by Financial Institution to pay other items in the overdraft.

14. PRE-FUNDING. Financial Institution reserves the right to require Customer to pre-fund an Account maintained at Financial Institution prior to the Settlement Date of the ACH file. Financial Institution shall determine whether pre-funding is required based on criteria established from time to time by Financial Institution. Financial Institution will communicate directly to Customer if pre-funding is required and, if requested by Customer, will provide Customer with an explanation of its pre-funding criteria. If it is determined that pre-funding is required, Customer will provide immediately available and collected funds sufficient to pay all Entries initiated by Customer (a) not later than 08:00 a.m. local time **2 banking days** before each Settlement Date, and (b) prior to initiating any Entries for which pre-funding is required.

15. ON-US ENTRIES. Except as provided in Section 17, Rejection of Entries, or in the case of an Entry received for credit to an account maintained with Financial Institution (an "On-Us Entry"), the Financial Institution shall credit the Receiver's account in the amount of such Entry on the Effective Entry Date contained in such Entry, provided the requirements set forth in Section 12 (b) (i), (ii), and (iii) are met. If any of those requirements are not met, the Financial Institution shall use reasonable efforts to credit the Receiver's account in the amount of such Entry no later than the next Business Day following such Effective Entry Date.

16. RESERVES. From time to time, Financial Institution shall evaluate Customer's transaction activity for the purpose of establishing averages for transaction frequency, amount, returns and adjustments. These evaluations

will occur at least annually and may occur more frequently at Financial Institution's discretion. In connection with these evaluations, Financial Institution reserves the right to require Customer to establish reserves with Financial Institution calculated by Financial Institution to cover Customer's obligations to Financial Institution arising from ACH activities under this Product Schedule. Reserves may be expressed as a fixed dollar amount or as a "rolling reserve" calculated based on "rolling" averages determined by Financial Institution's periodic evaluations. The amount of reserves required by Financial Institution, if any, will be communicated directly to Customer from time to time. Customer agrees to establish reserves as required by Financial Institution within 2 banking days after receipt of a communication from Financial Institution setting forth the amount of required reserves and the basis of calculation used to determine the amount of reserves. Financial Institution may suspend ACH processing activity for Customer if Customer fails to establish the required number of reserves within the time period specified by Financial Institution in its communication to Customer.

17. REJECTION OF ENTRIES. Customer agrees that Financial Institution has no obligation to accept Entries and therefore may reject any Entry issued by Customer. Financial Institution has no obligation to notify Customer of the rejection of an Entry, but Financial Institution may do so at its option. Financial Institution shall have no liability to Customer for rejection of an Entry and shall not be liable to pay interest to Customer even if the amount of Customer's payment order is fully covered by a withdrawable credit balance in an Authorized Account of Customer or the Financial Institution has otherwise received full payment from Customer.

18. CANCELLATION OR AMENDMENT BY CUSTOMER. Customer shall have no right to cancel or amend any Entry after its receipt by Financial Institution. However, Financial Institution may, at its option, accept a cancellation or amendment by Customer. If Financial Institution accepts a cancellation or amendment of an Entry, Customer must comply with the Security Procedures provided in Section 7 of this Product Schedule. If such a request is received by the Financial Institution before the affected Entry has been transmitted to the ACH (or, in the case of an On-Us Entry, before the Receiver's account has been credited or debited), the Financial Institution will use reasonable efforts to cancel or amend the Entry as requested, but the Financial Institution shall have no liability if the cancellation or amendment is not effected. If Financial Institution accepts a cancellation or amendment of an Entry, Customer hereby agrees to indemnify, defend all claims, and hold Financial Institution harmless from any loss, damages, or expenses, including but not limited to attorney's fees, incurred by Financial Institution as the result of its acceptance of the cancellation or amendment.

19. REVERSALS OF ENTRIES.

(a) General Procedure. Upon proper and timely request by the Customer, the Financial Institution will use reasonable efforts to affect a reversal of an Entry or File to the extent reversal is expressly permitted by the Rules. To be "proper and timely," the request must (i) be made within five (5) Business Days of the Effective Entry Date for the Entry or File to be reversed; (ii) be made immediately, not to exceed ten (10) hours, upon discovery of the error; (iii) be in writing – email with company contact information included will suffice, and (iv) the basis for such reversal must be expressly permitted by the Rules and otherwise in compliance with the Rules. In addition, if the Customer requests reversal of a Debit Entry or Debit File, it shall concurrently deposit into the Customer Account an amount equal to that Entry or File. The Customer shall notify the Receiver of any reversing Entry initiated to correct any Entry it has initiated in error. The notification to the Receiver must include the reason for the reversal and be made no later than the Settlement Date of the reversing Entry.

(b) No Liability: Reimbursement to the Financial Institution. Under no circumstances shall the Financial Institution be liable for interest or related losses if the requested reversal of an Entry is not affected. The Customer shall reimburse the Financial Institution for any expenses, losses, or damages it incurs in effecting or attempting to affect the Customer's request for reversal of an Entry.

20. ERROR DETECTION. Financial Institution has no obligation to discover and shall not be liable to Customer for errors made by Customer, including but not limited to errors made in identifying the Receiver, or an Intermediary

or RDFI or for errors in the amount of an Entry or for errors in Settlement Dates. Financial Institution shall likewise have no duty to discover and shall not be liable for duplicate Entries issued by Customer. Notwithstanding the foregoing, if the Customer discovers that any Entry it has initiated was in error, it shall notify the Financial Institution of such error. If such notice is received no later than four (4) hours prior to the ACH processing deadline, the Financial Institution will utilize reasonable efforts to initiate an adjusting Entry or stop payment of any On-Us" credit Entry within the time limits provided by the Rules. If Customer makes an error or issues a duplicate Entry, Customer shall indemnify, defend all claims, and hold Financial Institution harmless from any loss, damages, or expenses, including but not limited to attorney's fees, incurred by Financial Institution as result of the error or issuance of duplicate Entries.

21. PROHIBITED TRANSACTIONS. Customer agrees not to use or attempt to use the Services (a) to engage in any illegal purpose or activity or to violate any applicable law, rule or regulation, (b) to breach any contract or agreement by which Customer is bound, (c) to engage in any internet or online gambling transaction, whether or not gambling is legal in any applicable jurisdiction, or (d) to engage in any transaction or activity that is not specifically authorized and permitted by this Agreement. Customer acknowledges and agrees that Financial Institution has no obligation to monitor Customer's use of the Services for transactions and activity that is impermissible or prohibited under the terms of this Agreement; provided, however, that Financial Institution reserves the right to decline to execute any transaction or activity that Financial Institution believes violates the terms of this Agreement.

22. PRENOTIFICATION. Customer, at its option, may send prenotification that it intends to initiate an Entry or Entries to a particular account within the time limits prescribed for such notice in the Rules. Such notice shall be provided to the Financial Institution in the format and on the medium provided in the media format section of such Rules. If Customer receives notice that such prenotification has been rejected by an RDFI within the prescribed period, or that an RDFI will not receive Entries without having first received a copy of the Authorization signed by its customer, Customer will not initiate any corresponding Entries to such accounts until the cause for rejection has been corrected or until providing the RDFI with such authorization within the time limits provided by the Rules.

23. NOTICE OF RETURNED ENTRIES AND NOTIFICATIONS OF CHANGE. Financial Institution shall notify Customer via encrypted e-mail, facsimile transmission, US mail, or other means of the receipt of a returned Entry from the ACH Operator. Except for an Entry retransmitted by Customer in accordance with the requirements of Section 5, Financial Institution shall have no obligation to retransmit a returned Entry to the ACH Operator if Financial Institution complied with the terms of this Product Schedule with respect to the original Entry. Customer shall notify the Receiver by phone or electronic transmission of receipt of each return Entry no later than one Business Day after the Business Day of receiving such notification from Financial Institution. Financial Institution shall provide Customer all information, as required by the Rules, with respect to each Notification of Change ("NOC") Entry or Corrected Notification of Change ("Corrected NOC") Entry received by Financial Institution relating to Entries transmitted by Customer. Financial Institution must provide such information to Customer within two (2) banking days of the Settlement Date of each NOC or Corrected NOC Entry. Customer shall ensure that changes requested by the NOC or Corrected NOC are made within six (6) banking days of Customer's receipt of the NOC information from Financial Institution or prior to initiating another Entry to the Receiver's account, whichever is later.

24. ACCOUNT RECONCILIATION. The Customer agrees to notify the Financial Institution promptly of any discrepancy between the Customer's records and the information shown on any periodic statement. If the Customer fails to notify the Financial Institution within ten (10) calendar days of receipt of a periodic statement containing such information; the Customer agrees that the Financial Institution shall not be liable for any other losses resulting from the Customer's failure to give such notice or any loss of interest or any interest equivalent with respect to any Entry shown on such periodic statement. If the Customer fails to notify the Financial Institution within thirty (30) calendar days of receipt of such periodic statement, the Customer shall be precluded from asserting any discrepancy against the Financial Institution.

25. PROVISIONAL SETTLEMENT. Customer shall be bound by and comply with the Rules as in effect from time to time, including without limitation the provision thereof making payment of an Entry by the RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such Entry; and Customer acknowledges that it has received notice of that Rule and or the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Receiver of the amount credited and Customer shall not be deemed to have paid the Receiver the amount of the Entry.

26. CUSTOMER REPRESENTATIONS AND WARRANTIES; INDEMNITY. With respect to each and every Entry transmitted by Customer, Customer represents and warrants to Financial Institution and agrees that (a) each person or entity shown as the Receiver on an Entry received by Financial Institution from Customer has authorized the initiation of such Entry and the crediting or debiting of its account in the amount and on the Effective Entry Date shown on such Entry, (b) such authorization is operative at the time of transmittal or crediting or debiting by Financial Institution as provided herein, (c) Entries transmitted to Financial Institution by Customer are limited to those types of credit and debit Entries set forth in **Schedule A**, (d) Customer shall perform its obligations under this Product Schedule in accordance with all applicable laws, regulations, and orders, including, but not limited to, the sanctions laws, regulations, and orders administered by OFAC; laws, regulations, and orders administered FinCEN; and any state laws, regulations, or orders applicable to the providers of ACH payment services, (e) Customer shall be bound by and comply with the provision of the *Rules* (among other provisions of the *Rules*) making payment of an Entry by the RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such Entry; and (f) Customer shall ensure that any and all non-public personal information provided by Customer to Financial Institution shall be secure and will not be disclosed to any unauthorized person. Customer specifically acknowledges that it has received notice of the rule regarding provisional payment and of the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Receiver of the amount credited and Customer shall not be deemed to have paid the Receiver the amount of the Entry. The Customer shall defend, indemnify, and hold harmless the Financial Institution, and its officers, directors, agents, and employees, from and against any and all actions, costs, claims, losses, damages, or expenses, including attorney's fees and expenses, resulting from or arising out of (aa) any breach of any of the agreements, representations or warranties of the Customer contained in this Product Schedule; or (bb) any act or omission of the Customer or any other person acting on the Customer's behalf.

27. ADDITIONAL CUSTOMER WARRANTIES FOR SELECTED STANDARD ENTRY CLASSES. NACHA, in its role of ensuring the safety, security, and viability of the ACH network, has determined that certain single-use or limited-use consumer authorizations have the potential to increase risk in the ACH system and compromise system effectiveness by increasing the incidence of returned Entries. Therefore, to qualify as an Originator of such Entries, Customer hereby warrants to Financial Institution that for each such ACH Entry submitted for processing, Customer has obtained all authorizations from the Receiver as required by the Rules, by Regulation E or other applicable law, and this Product Schedule. Customer also makes the additional warranties to Bank that Bank makes to each RDFI and ACH Operator under the Rules for the respective SEC codes for Entries originated by Customer. Customer hereby indemnifies and holds Financial Institution harmless from any liability arising out of Customer’s breach of these warranties.

28. FINANCIAL INFORMATION AND AUDIT. Financial Institution may from time-to-time request information from Customer to evaluate a continuation of the Service to be provided by Financial Institution hereunder and/or adjustment of any limits set by this Product Schedule. Customer agrees to provide the requested financial information immediately upon request by Financial Institution, in the form required by Financial Institution. Customer authorizes Financial Institution to investigate or reinvestigate at any time any information provided by Customer in connection with this Product Schedule or the Service. Upon request by Financial Institution, Customer hereby authorizes Financial Institution to enter Customer’s business premises for the purpose of ensuring that Customer complies with this Product Schedule and Customer specifically authorizes Financial Institution to perform an audit of Customer’s operational controls, risk management practices, staffing and the need for training and

ongoing support, and information technology infrastructure. Customer hereby acknowledges and agrees that Financial Institution shall have the right to mandate specific internal controls at Customer's location(s) and Customer shall comply with any such mandate. In addition, Customer hereby agrees to allow Financial Institution to review available reports of independent audits performed at the Customer location related to information technology, the Service, and any associated operational processes. Customer agrees that if requested by Financial Institution, Customer will complete a self-assessment of Customer's operations, management, staff, systems, internal controls, training, and risk management practices that would otherwise be reviewed by Financial Institution in an audit of Customer. If Customer refuses to provide the requested financial information, or if Financial Institution concludes, in its sole discretion, that the risk of Customer is unacceptable, if Customer violates this Product Schedule or the Rules, or if Customer refuses to give Financial Institution access to Customer's premises, Financial Institution may terminate the Service and this Product Schedule according to the provisions hereof.

29. LIMITATION OF LIABILITY.

(a) IN THE PERFORMANCE OF THE SERVICES REQUIRED BY THIS AGREEMENT, FINANCIAL INSTITUTION SHALL BE ENTITLED TO RELY SOLELY ON THE INFORMATION, REPRESENTATIONS, AND WARRANTIES PROVIDED BY CUSTOMER PURSUANT TO THIS AGREEMENT, AND SHALL NOT BE RESPONSIBLE FOR THE ACCURACY OR COMPLETENESS THEREOF. FINANCIAL INSTITUTION SHALL BE RESPONSIBLE ONLY FOR PERFORMING THE SERVICES EXPRESSLY PROVIDED FOR IN THIS AGREEMENT AND SHALL BE LIABLE ONLY FOR ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IN PERFORMING THOSE SERVICES. FINANCIAL INSTITUTION SHALL NOT BE RESPONSIBLE FOR CUSTOMER'S ACTS OR OMISSIONS (INCLUDING, WITHOUT LIMITATION, THE AMOUNT, ACCURACY, TIMELINESS OF TRANSMITTAL OR AUTHORIZATION OF ANY ENTRY RECEIVED FROM CUSTOMER) OR THOSE OF ANY OTHER PERSON, INCLUDING, WITHOUT LIMITATION, ANY FEDERAL RESERVE BANK, ACH OPERATOR OR TRANSMISSION OR COMMUNICATIONS FACILITY, ANY RECEIVER OR RDFI (INCLUDING, WITHOUT LIMITATION, THE RETURN OF ANY ENTRY BY SUCH RECEIVER OR RDFI), AND NO SUCH PERSON SHALL BE DEEMED FINANCIAL INSTITUTION'S AGENT. CUSTOMER AGREES TO INDEMNIFY FINANCIAL INSTITUTION AGAINST ANY LOSS, LIABILITY OR EXPENSE (INCLUDING ATTORNEYS' FEES AND COSTS) RESULTING FROM OR ARISING OUT OF ANY CLAIM OF ANY PERSON THAT THE FINANCIAL INSTITUTION IS RESPONSIBLE FOR ANY ACT OR OMISSION OF CUSTOMER OR ANY OTHER PERSON DESCRIBED IN THIS SECTION 29(a).

(b) FINANCIAL INSTITUTION SHALL BE LIABLE FOR CUSTOMER'S ACTUAL DAMAGES DUE TO CLAIMS ARISING SOLELY FROM FINANCIAL INSTITUTION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; IN NO EVENT SHALL FINANCIAL INSTITUTION BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE OR INDIRECT LOSS OR DAMAGE WHICH CUSTOMER MAY INCUR OR SUFFER IN CONNECTION WITH THIS AGREEMENT, WHETHER OR NOT THE LIKELIHOOD OF SUCH DAMAGES WAS KNOWN OR CONTEMPLATED BY THE FINANCIAL INSTITUTION AND REGARDLESS OF THE LEGAL OR EQUITABLE THEORY OF LIABILITY WHICH CUSTOMER MAY ASSERT, INCLUDING, WITHOUT LIMITATION, LOSS OR DAMAGE FROM SUBSEQUENT WRONGFUL DISHONOR RESULTING FROM FINANCIAL INSTITUTION'S ACTS OR OMISSIONS PURSUANT TO THIS AGREEMENT.

(c) WITHOUT LIMITING THE GENERALITY OF THE FOREGOING PROVISIONS, FINANCIAL INSTITUTION SHALL BE EXCUSED FROM FAILING TO ACT OR DELAY IN ACTING IF SUCH FAILURE OR DELAY IS CAUSED BY LEGAL CONSTRAINT, INTERRUPTION OF TRANSMISSION OR COMMUNICATION FACILITIES, EQUIPMENT FAILURE, WAR, EMERGENCY CONDITIONS OR OTHER CIRCUMSTANCES BEYOND FINANCIAL INSTITUTION'S CONTROL. IN ADDITION, FINANCIAL INSTITUTION SHALL BE EXCUSED FROM FAILING TO TRANSMIT OR DELAY IN TRANSMITTING AN ENTRY IF SUCH TRANSMITTAL WOULD RESULT IN FINANCIAL INSTITUTION'S HAVING EXCEEDED ANY LIMITATION UPON ITS INTRA-DAY NET FUNDS POSITION ESTABLISHED PURSUANT TO PRESENT OR FUTURE FEDERAL RESERVE GUIDELINES OR IN FINANCIAL INSTITUTION'S REASONABLE JUDGMENT OTHERWISE WOULD VIOLATE ANY PROVISION OF ANY PRESENT OR FUTURE RISK CONTROL PROGRAM OF THE FEDERAL RESERVE OR ANY RULE OR REGULATION OF ANY OTHER U.S. GOVERNMENTAL REGULATORY AUTHORITY.

(d) SUBJECT TO THE FOREGOING LIMITATIONS, FINANCIAL INSTITUTION'S LIABILITY FOR LOSS OF INTEREST RESULTING FROM ITS ERROR OR DELAY SHALL BE CALCULATED BY USING A RATE EQUAL TO THE AVERAGE FEDERAL FUNDS RATE AT THE FEDERAL RESERVE BANK OF NEW YORK FOR THE PERIOD INVOLVED. AT FINANCIAL INSTITUTION'S OPTION, PAYMENT OF SUCH INTEREST MAY BE MADE BY CREDITING THE ACCOUNT.

30. INCONSISTENCY OF NAME AND ACCOUNT NUMBER. The Customer acknowledges and agrees that, if an Entry describes the Receiver inconsistently by name and account number, payment of the Entry transmitted by the Financial Institution to the RDFI may be made by the RDFI (or by the Financial Institution in the case of an On-Us Entry) on the basis of the account number supplied by the Customer, even if it identifies a person different from the named Receiver, and that the Customer's obligation to pay the amount of the Entry to the Financial Institution is not excused in such circumstances. Customer is liable for and must settle with Financial Institution for any Entry initiated by Customer that identifies the Receiver by account or identifying number or by name and account or identifying number.

31. PAYMENT FOR SERVICES. The Customer shall pay the Financial Institution the charges for the services provided in connection with this Product Schedule, as set forth in **Schedule F**. All fees and services are subject to change upon thirty (30) days prior written notice from the Financial Institution. Such charges do not include, and the Customer shall be responsible for payment of, any sales, use, excise, value added, utility or other similar taxes relating to such services, and any fees or charges provided for in the Depository Agreement between the Financial Institution and the Customer with respect to the Account.

32. AMENDMENTS. Except as provided in Section 31, the Financial Institution may amend this Product Schedule from time to time upon written notice to the Customer. If performance of services under this Product Schedule would result in a violation of any present or future statute, regulation, or governmental policy to which the Financial Institution is subject, then this Product Schedule shall be amended to the extent necessary to comply with such statute, regulation, or policy. Alternatively, the Financial Institution may terminate this Product Schedule if it deems such action necessary or appropriate under the circumstances. The Financial Institution shall have no liability to the Customer because of any such violation, amendment, or termination. Any practices or course of dealings between the Financial Institution and the Customer, or any procedures or operational alterations used by them, shall not constitute a modification of this Product Schedule or the Rules, nor shall they be construed as an amendment to this Product Schedule or the Rules.

33. NOTICES, INSTRUCTIONS, ETC.

(a) Except as stated herein, the Financial Institution shall not be required to act upon any notice or instruction received from the Customer or any other person, or to provide any notice or advice to the Customer or any other person with respect to any matter.

(b) The Financial Institution shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by an authorized representative of Customer, and any such communication shall be deemed to have been signed by such person. Such notice shall be effective on the second Business Day following the day received by the Financial Institution.

(c) Except as stated herein, any written notice or other written communication required or permitted to be given under this Product Schedule shall be delivered or sent by US mail, if to Customer, at the address of Customer on the books of Financial Institution and if to Financial Institution, at the following address:

First Port City Bank
Attn: Deposit Operations
400 W Shotwell Street
Bainbridge, GA 39819

unless another address is substituted by notice delivered or sent as provided heron. Except as otherwise stated herein, any such notice shall be deemed given when received.

34. DATA RETENTION AND PROTECTION. The Customer shall retain data on file adequate to permit the remaking of Entries for five (5) Business Days following the date of their transmittal by the Financial Institution as provided herein and shall provide such Data to the Financial Institution upon its request. Customer acknowledges and agrees to comply with any and all Data Security Requirements contained in the Rules, including without limitation any requirements of ACH Originators, Third-Party Service Providers and Third-Party Senders to protect account numbers used in the initiation of ACH Entries and Files by rendering them unreadable when stored electronically.

35. DATA MEDIA AND RECORDS. All magnetic tapes, Entries, security procedures and related records used by the Financial Institution for transactions contemplated by this Product Schedule shall be and remain the Financial Institution's property. The Financial Institution may, at its sole discretion, make available such information upon the Customer's request. Any expenses incurred by the Financial Institution in making such information available to the Customer shall be paid by the Customer.

36. COOPERATION IN LOSS RECOVERY EFFORTS. In the event of any damages for which Financial Institution or Customer may be liable to each other or to a third party pursuant to the services provided under this Product Schedule, Financial Institution and Customer will undertake reasonable efforts to cooperate with each other, as permitted by applicable law, in performing loss recovery efforts and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a third party.

37. TERMINATION. In addition to, and without limiting the generality of, the Termination provisions of the Master Agreement, Financial Institution may terminate this Product Schedule immediately upon its determination that Customer is in violation of this Product Schedule, the ACH Rules, or applicable laws or if Customer initiates any bankruptcy proceeding or is otherwise declared insolvent. Any termination of this Product Schedule shall not affect any of Financial Institution's rights or Customer's obligations with respect to any Entries initiated by Customer prior to such termination, or the payment obligations of Customer with respect to services performed by Financial Institution prior to termination, or any other obligations that survive termination of this Product Schedule. Customer's obligation with respect to any Entry shall survive termination of this Product Schedule until any applicable statute of limitation has elapsed.

38. ENTIRE AGREEMENT. This Product Schedule (including the Schedules attached) together with the Depository Agreement and the Master Agreement, is the complete and exclusive statement of the agreement between the Financial Institution and the Customer with respect to the subject matter hereof and supersedes any prior agreement(s) between the Financial Institution with respect to such subject matter. In the event of any inconsistency between the terms of this Product Schedule, the Depository Agreement or the Master Agreement, the terms of this Product Schedule shall govern. In the event performance of the services provided herein in accordance with the terms of this Product Schedule would result in a violation of any present or future statute, regulation or government policy to which the Financial Institution is subject, and which governs or affects the transactions contemplated by this Product Schedule, then this Product Schedule shall be deemed amended to the extent necessary to comply with such statute, regulation or policy, and the Financial Institution shall incur no liability to the Customer as a result of such violation or amendment. No course of dealing between the Financial Institution and the Customer will constitute a modification of this Product Schedule, the Rules, or the security procedures, or constitute an agreement between the Financial Institution and the Customer regardless of whatever practices and procedures the Financial Institution and the Customer may use.

39. NON-ASSIGNMENT. The Customer may not assign this Agreement or any of the rights or duties hereunder to any person without the Financial Institution's prior written consent.

ACH ORIGINATION PRODUCT SCHEDULE

Rev 10-2023

40. WAIVER. The Financial Institution may waive enforcement of any provision of this Agreement. Any such waiver shall not affect the Financial Institution's rights with respect to any other transaction or modify the terms of this Agreement.

41. BINDING AGREEMENT; BENEFIT. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns. This Agreement is not for the benefit of any other person, and no other person shall have any right against the Financial Institution or the Customer hereunder.

42. HEADINGS. Headings are used for reference purposes only and shall not be deemed part of this Agreement.

43. SEVERABILITY. If any provision of this Agreement shall be determined to be invalid, illegal, or unenforceable to any extent, the remainder of this Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

44. GOVERNING LAW. This Agreement shall be construed in accordance with and governed by the laws of the State of Georgia without reference to its conflict of law's provisions, and applicable federal law.

45. SAME DAY ENTRIES. If Same Day ACH is offered by Financial Institution, a credit or debit Entry with an Effective Entry Date of the date of or a date prior to the date of the transmission of the Entry or File to Bank and received by Bank prior to the applicable cut-off time set forth in **Schedule B** shall be considered a Same Day Entry. Entries exceeding the amount permitted in the Rules and IAT Entries are not eligible for Same Day ACH processing. In addition to any other fees that Customer is obligated to pay Bank, Customer hereby agrees to pay Bank the Same Day Entry fee established by Bank from time to time for Same Day Entries transmitted to Bank by Customer.

This Product Schedule must be signed on behalf of Customer by an Authorized Customer Representative.

IN WITNESS WHEREOF, the parties hereto have executed this Product Schedule through their duly authorized officers on the dates indicated below.

CUSTOMER:

City of Fernandina Beach FL

By: _____
(Signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

FINANCIAL INSTITUTION:

First Port City Bank

By: _____
(Signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

FIRST PORT CITY BANK

ACH ORIGINATION PRODUCT SCHEDULE

Schedule A – Customer Selected Standard Entry Class Code

Rev 10-2023

As used in the Product Schedule, the following* are ACH Standard Entry Class Codes (SEC) approved for use by Customer (check all that apply), subject to any specific restrictions on the types of ACH transactions that may be originated, which are identified by Financial Institution below:

***ARC* - Accounts Receivable Entry** -** An ACH debit created from a check received in the U.S. Mail or a drop box location and converted to an ACH debit. (Refer to NACHA Rules regarding items eligible for check conversion). The eligible source document may be taken at a manned bill payment location as well as received via the mail or comparable delivery service.

BOC* – Back Office Conversion* – During back-office processing, an ACH debit is created from a check received at the point of check being tendered or received at a "manned" bill payment location for in-person payments. (Refer to NACHA Rules regarding items eligible for check conversion).

***CCD* – Corporate Credit or Debit –** Either a credit or debit where funds are either distributed or consolidated between corporate entities. May have one addenda record attached (CCD+)

CTX* - Corporate Trade Exchange* –The transfer of funds (debit or credit) within a trading partner relationship in which payments related information is placed in multiple addenda records. (up to 9,999 addenda records).

IAT* – International ACH Transaction* – *A* debit or credit Entry that is part of a payment transaction involving a financial agency's office that is not located in the territorial jurisdiction of the United States. (Refer to NACHA Rules for further definitional details**)**

***POP* - Point-of-Purchase** -** ACH debit application used by Originators as a method of payment for the in-person purchase of goods or services by receivers (check conversion). (Refer to NACHA Rules regarding items eligible for check conversion).

***PPD* - Prearranged Payment and Deposit**

Direct Deposit - The transfer of funds into a consumer's account. Funds being deposited can represent a variety of products, such as payroll, interest, pension, dividends, etc.

Direct Payment - Preauthorized payment is a debit application. This includes recurring bills that do not vary in amount -- insurance premiums, mortgage payments, charitable contributions, and installment loan payments or standing authorizations where the amount does vary, such as utility payments.

***RCK* - Re-presented Check** -** An ACH debit application used by originators to re-present a consumer check that has been processed through the check collection system and returned because of insufficient or uncollected funds. (Refer to NACHA Rules regarding items eligible for check conversion).

TEL* - Telephone-Initiated Entry* – This is used for the origination of a debit transaction to a consumer's account pursuant to an oral authorization obtained from the consumer via the telephone. (Single or Recurring Entry). A TEL Entry may be either a Single Entry, Recurring Entry, or Subsequent Entry to a Standing Authorization.

WEB - ***Internet-Initiated/Mobile Entry***** - Consumer debits authorized via the Internet or mobile device (after account validation); or a person-to-person (P2P) credit regardless of initiation method (Single or Recurring Entry). A WEB Entry may be either a Single Entry, Recurring Entry, or Subsequent Entry to a Standing Authorization.

*The SEC Codes listed below are the most commonly used and not an all-inclusive list.

**The SEC Codes are restricted for use without prior written request from Customer and subsequent approval by Financial Institution.

Financial Institution has identified the following ACH transaction restrictions:

First Port City Bank ACH Originators and/or Third-Party Service Providers are limited to using the following SEC Codes, unless otherwise requested by Originator in writing: CCD and PPD

ACH ORIGINATION PRODUCT SCHEDULE

Schedule B – Processing Schedule

Rev 10-2023

Delivery of ACH Files:

Internet Transmissions

The Customer may electronically transmit files to the Financial Institution via Internet Banking System.

Format and Content of Entries

All files must be submitted in NACHA format. The Customer should refer to Appendix Two in the NACHA Rulebook for specific formatting details.

Timing of Delivery

Processing deadline for:

Credit Entries

Transmission of a File –	04:00 p.m. Eastern Time (Standard or Daylight) two (2) business days prior to Effective Entry Date[1]

Debit Entries

Transmission of a File –	04:00 p.m. Eastern Time (Standard or Daylight) one (1) business day prior to Effective Entry Date[1]

Same Day ACH Credit Entries Only

Transmission of a File -	08:55 AM Eastern (Standard or Daylight) on or after the Effective Entry Date
Transmission of a File-	01:10 PM Eastern (Standard or Daylight) on or after the Effective Entry Date
Transmission of a File-	03:00 PM Eastern (Standard or Daylight) on or after the Effective Entry Date

Same Day ACH Debit Entries

Transmission of a File -	08:55 AM Eastern (Standard or Daylight) on or after the Effective Entry Date
Transmission of a File-	01:10 PM Eastern (Standard or Daylight) on or after the Effective Entry Date
Transmission of a File-	03:00 PM Eastern (Standard or Daylight) on or after the Effective Entry Date

[1] "Effective Entry Date" must be a Business Day, or the file will be processed on the first business day following the effective date.

FIRST PORT CITY BANK

ACH ORIGINATION PRODUCT SCHEDULE

Schedule C – Security Procedures

Rev 10-2023

Customer is responsible to strictly establish and to maintain procedures to safeguard against unauthorized transactions. Customer warrants that no individual will be allowed to initiate transfers in the absence of proper supervision and safeguards, and agrees to take reasonable steps to maintain the confidentiality of the security procedures and any passwords, codes, security devices, and related instructions provided by Financial Instituion. If Customer believes or suspects that any such information has been accessed by an unauthorized individual, Customer will verbally notify Financial Institution immediately, followed by written confirmation. The occurrence of such notification will not affect any transfers made in good faith by Financial Institution prior to the notification and within a reasonable time period to prevent unauthorized transfers.

Data Security:
Limiting access and securely storing ACH data used in the routing and settlement of ACH transactions is a critical data security precaution. Customer's ability to limit access to production data can be done through commercially available software products. Access can be limited to specific programs, user IDs, or read-only or read-and-edit-only access functionality. Files can also be transmitted between ACH participants using the following data protection methods: encryption and authentication.

- **Encryption** is a process of scrambling data content through hardware or software in order to protect the confidentiality of a file's contents. This information should remain encrypted between all parties in the ACH Network using commercially reasonable procedures and must be transmitted using security technology as provided in the Rules (minimum standards).
- **Authentication** is a process of ensuring files and data content have not been altered between the Orginator and receiving points. Like encryption, this can be done using hardware or software to ensure data integrity.

Customer acknowledges and agrees to comply with any and all Data Security Requirements contained in the Rules, including without limitation any requirements of ACH Originators, Third-Party Service Providers and Third-Party Senders to protect account numbers used in the initiation of ACH Entries and Files by rendering them unreadable when stored electronically.

Customer understands and agrees that the authenticity of any ACH File or Entry transmitted to the Financial Institution may be verified pursuant to one or more of the following security procedures:

Security Procedure:

1. **Dual Control:** Customer will submit ACH entries under dual control, i.e., one user creates file, and a second user approves/submits file.
2. **Customer Call-Back:** Financial Institution will perform call-back verification with Customer, by using Customer's phone number referenced in this agreement or in Financial Institution's core system, for files originated without dual control.
3. **Security Tokens:** Financial Institution will enforce use of multifactor authentication tokens, in conjunction with a unique User PIN, for ACH file origination submissions.
4. **E-Mail Verification:** Email communication between Customer and Financial Institution regarding ACH files, transaction information, limit exceptions and/or increases must be encrypted or otherwise protected, i.e.: password protection.
5. **Processing Calendar:** Customer will provide Financial Institution with a processing calendar at the beginning of each calendar year, or periodically thereafter if schedule changes, listing specific file submission dates and/or recurring schedule of file submissions.
6. **Malware/Antivirus Protection Software:** Customer is responsible for having adequate and up to date malware and antivirus protection software installed on device(s) used to transmit ACH files. Customer will provide software information.

FIRST PORT CITY BANK

ACH ORIGINATION PRODUCT SCHEDULE

Schedule C – Security Procedures

Rev 10-2023

REJECTED ☐ **(Checking this box indicates Customer wishes to reject at least one Security Procedure described below.)**

Customer may reject the "commercially reasonable Security Procedures" offered by the Financial Institution and elect to use Customer's own Security Procedures by indicating its rejection in the above box. If Customer rejects the Financial Institution's Security Procedure, Customer hereby acknowledges that the Financial Institution first offered to Customer a "commercially reasonable Security Procedure." The Financial Institution may, at its option, refuse to accept Customer's Security Procedures, in which case, the Financial Institution shall refuse to accept Entries initiated by Customer.

COMPANY SELECTED SECURITY PROCEDURE

This election, if the Rejection box is checked by Customer, constitutes a part of the Agreement in effect between Customer and the Financial Institution. Capitalized terms not otherwise defined herein shall have the meaning ascribed them in the Agreement. Customer acknowledges that the Financial Institution has offered to Customer Security Procedures to verify the authenticity of ACH Entries, which Procedures Customer agrees are reasonable in the context of Customer's operation, requirements, and internal procedures. Customer acknowledges that the Financial Institution has offered this Service and Customer has elected to send ACH Entries to the Financial Institution using Customer's selected Security Procedure. Customer acknowledges and understands that selecting Security Procedures other than Security Procedures 1 through 6 listed above may substantially increase the risk of loss to Customer. CUSTOMER HEREBY REJECTS AND REFUSES THE SECURITY PROCEDURES OFFERED BY THE FINANCIAL INSTITUTION FOR TRANSMISSION OF ACH ENTRIES TO THE FINANCIAL INSTITUTION. By rejecting any of the Security Procedures listed above, Customer is refusing the Financial Institution's Security Procedure and requests the Financial Institution to follow Customer's selected Security Procedure. Customer may not reject the Security Procedures number 2, Customer Call-Back and number 3, Security Tokens. CUSTOMER HEREBY AGREES TO BE BOUND BY ANY TRANSFER, WHETHER OR NOT AUTHORIZED, ISSUED IN CUSTOMER'S NAME AND ACCEPTED BY THE FINANCIAL INSTITUTION IN COMPLIANCE WITH CUSTOMER'S SELECTED SECURITY PROCEDURES. By checking the box(s) below, Customer rejects the indicated Security Procedure:

Security Procedure	**No.**	**Description**
REJECTED ☐	_____	_____
REJECTED ☐	_____	_____
REJECTED ☐	_____	_____

CUSTOMER: City of Fernandina Beach FL

BY: _____
(Signature)

Printed:

Name: PROFORMA

Title: PROFORMA

Date: _____, 20____

FIRST PORT CITY BANK

ACH ORIGINATION PRODUCT SCHEDULE

Schedule D - ACH Processing Limits

Rev 10-2023

Transaction Limit

Maximum Amount of Any ACH Transaction $_____

Per File Limits

Per File Limit for ACH Debit Transactions $_____

Per File Limit for ACH Credit Transactions $_____

Total Aggregate Exposure Limits

- Total Aggregate ACH Debit Daily Limit $ _____ (The maximum amount of ACH files that can be originated on a single Business Day.)
- Total Aggregate ACH Credit Daily Limit $ _____ (The maximum amount of ACH files that can be originated on a single Business Day.)
- Total Aggregate ACH Debit Monthly Limit $_____ (The maximum amount of ACH files that can be originated over a 30 Day period.)
- Total Aggregate ACH Credit Monthly Limit $_____ (The maximum amount of ACH files that can be originated over a 30 Day period.)

Per NACHA Rules, in the case of WEB entries, the ODFI must establish an exposure limit for the Originator or Third-Party Sender:

WEB Debit Limits

- Per File Limit $ N/A
- Daily Limit $ N/A

FIRST PORT CITY BANK

ACH ORIGINATION PRODUCT SCHEDULE

Schedule E – ACH Originating Customer Information

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Company Name: City of Fernandina Beach FL

Legal Business Name: _____

Tax ID #: _____

Doing Business as Name(s): _____

Street Address: 204 Ash Street

City, State Zip: Fernandina Beach, FL 32034

Company Phone Number: _____

Company Fax Number: _____

Business Website Address: _____

Business Structure (Sole Prop, Corp, LLC, etc.): _____

Type of Business: _____

Business Description: _____

Owner Name: _____ % Ownership: _____

Primary Contact Name: _____ Primary Contact Title: _____

Primary Contact Number: _____

Primary Contact Email: _____

Secondary Contact Name: _____ Secondary Contact Title: _____

Secondary Contact Number: _____

Secondary Contact Email: _____

Authorized Account: _____ Authorized Account: _____

Authorized Account: _____ Authorized Account: _____

FIRST PORT CITY BANK

ACH ORIGINATION PRODUCT SCHEDULE

Schedule F – Service Fees (Example)

Rev 10-2023

Fee Schedule: Customer authorizes Financial Institution to debit any of the following fees from Customer's Account from time to time as appropriate:

Initial ACH Setup Fee	**NA**	
Transmittal Fee	$ 0.00	Per File
Transaction Item	$ 0.00	Per Credit Item (Excluding Same Day ACH Credit Items)
	$ 0.05	Per Debit Item (Excluding Same Day ACH Debit Items)
	$ 0.10	Per Same Day ACH Credit Item
	$ 0.10	Per Same Day ACH Debit Item

**NOTE – Credit or Debit Entries with an Effective Entry Date of the date of or a date prior to the date of the transmission of the File shall be considered a Same Day ACH Entry and shall be subject to the Same Day ACH fee. IAT and Entries above $1,000,000 are not eligible for Same Day ACH processing.*

Return/NOC	$ 10.00	Per Item
Unauthorized Entry	$ 0.00	Per Item
ACH Service Fee	$ 25.00	Per Month
Deletions or Reversals	$ 10.00	Per Occurrence or Per File or Per Item
Special Handling Fee	$ 25.00	Per Hour, minimum 1 hour
NACHA Rules Book	$ 55.00	Per Rules Book

FIRST PORT CITY BANK

ACH ORIGINATION PRODUCT SCHEDULE

Schedule G – Holiday Schedule

Rev 10-2023

Holiday Calendar

The Financial Institution will be closed on the following standard holidays observed by the Federal Reserve Bank. The Financial Institution will not accept files for processing on the following days, as well as all Saturdays and Sundays. Likewise, entries should not be effective dated for these days.

New Year's Day (January 1)

Martin Luther King's Birthday (Third Monday in January)

Presidents Day (Third Monday in February)

Memorial Day (Last Monday in May)

Juneteenth National Independence Day (June 19)

Independence Day (July 4)

Labor Day (First Monday in September)

Columbus Day (Second Monday in October)

Veterans Day (November 11)

Thanksgiving Day (Fourth Thursday in November)

Christmas Day (December 25)

Note: If January 1, June 19, July 4, November 11, or December 25 fall on a Sunday, the next following Monday is a standard Federal Reserve Bank holiday.

ACH ORIGINATION PRODUCT SCHEDULE

Schedule H – Principal/Owner Guaranty

Rev 10-2023

This Schedule is used when Financial Institution requires the guarantee of the Customer's principal/owner of obligations of the customer under the ACH Origination Product Schedule.

The undersigned hereby guarantees the prompt payment and performance of all amounts, fees, and obligations of City of Fernandina Beach FL (Customer) due and owing to **First Port City Bank** (Financial Institution) arising under or in connection with that certain Customer Agreement for ACH Origination (the "Agreement"), dated of even date herewith between Customer and Financial Institution.

This Guaranty is intended to cover all obligations of Customer under the Agreement, including, but not limited to,

(a) the payment of fees and amounts arising under the Agreement or in connection with any deposit account maintained by Customer with Financial Institution,

(b) the compliance by Financial Institution with all laws, regulations and rules related to Customer's origination and processing of ACH Entries under the Agreement,

(c) Customer's obligations with respect to Reserves and the return of ACH Entries under the Agreement, and

(d) the accuracy and performance of Customer's warranties under the Agreement.

To secure the payment and performance of this Guaranty, the undersigned hereby grants to Financial Institution a security interest in and to all deposit accounts owned by the undersigned and maintained at Financial Institution.

The undersigned hereby agrees and acknowledges that this Guaranty is a guarantee of performance and not of collection, and that Financial Institution may, upon default or violation by Customer of any terms of the Agreement, proceed directly against the undersigned for satisfaction and performance of the obligations of Customer under the Agreement without first proceeding against Customer.

Executed this _____ day of _____, 20____.

_____

Signature of Principal/Owner

PROFORMA

_____

Printed Name of Principal/Owner

FIRST PORT CITY BANK

Consumer Authorization for Direct Payment via ACH
(ACH Debits)

Rev 10-2023

Direct Payment via ACH is the transfer of funds from a consumer account for the purpose of making a payment.

Company Name:_____

I (we) authorize _____("COMPANY") to electronically debit my (our) account (and, if necessary, electronically credit my (our) account to correct erroneous debits) for (select one):

A single (one-time) entry Recurring entries *(that recur at substantially regular intervals without my affirmative action to initiate further entries)*

Subsequent entries (initiated under the terms of this standing authorization) that require my affirmative action to initiate those future entries as follows:

Checking Account Savings Account (select one) at the depository financial institution named below ("DEPOSITORY").

I (we) agree that ACH transactions I (we) authorize comply with all applicable laws.

Depository Name:_____

Routing Number: _____Account Number:_____

Amount of debit(s) or method of determining amount of debit(s) or specify range of acceptable dollar amounts authorized: _____

Date(s) including the start date and/or frequency of debit(s) [1]_____

Action(s) the Receiver must take to initiate a subsequent entry to a standing authorization. _____

_____

I (we) understand that this authorization will remain in full force and effect until I (we) notify COMPANY in writing, by phone that I (we) wish to revoke this authorization. I (we) understand that COMPANY requires at least _____day/weeks prior notice to cancel this authorization[2].

Receiver's Name(s):_____
(Please Print)

Date:_____Signature(s):_____

_____

SAMPLE

1 [2]*This information will be defined by the Originator.*

2 [4]*Written debit authorizations must provide that the Receiver may revoke the authorization only by notifying the Originator in the time and manner stated in the authorization. The reference to notification should be filled with a statement of the time and manner that notification must be given to provide company a reasonable opportunity to act on it (e.g., "In writing by mail to 100 Main Street, Anytown, NY that is received at least three (3) days prior to the proposed effective date of the termination of authorization").*

FIRST PORT CITY BANK

Consumer Authorization for Direct Deposit and Split Deposit via ACH
(ACH Credit)

Rev 10-2023

Direct Deposit via ACH is the deposit of funds to a consumer's account for payroll, employee expense reimbursement, government benefits, tax and other refunds, and annuities and interest payments.

Check all that apply: □ Begin Deposit □ Change Information □ Split Among Multiple Accounts

I have provided information for each of my accounts below.

Company Name:_____

I (we) hereby authorize _____ ("COMPANY")

to electronically credit my (our) account (and, if necessary, to electronically debit my (our) account to correct erroneous credits)[1]. I (we) agree that ACH transactions I (we) authorize comply with all applicable law.

Account #1

□ Checking Account □ Savings Account

(select one) at the depository financial institution ("DEPOSITORY") named below.

Depository Name: _____

Routing Number: _____ Account Number:_____

Name(s) on the Account:_____

Amount of credit (i.e., flat amount or percentage):_____

Date(s) and/or frequency of credit(s):_____

Account #2

□ Checking Account □ Savings Account

(select one) at the depository financial institution ("DEPOSITORY") named below.

Depository Name:_____

Routing Number:_____ Account Number:_____

Name(s) on the Account:_____

Amount of credit (i.e., flat amount or percentage):_____

Date(s) and/or frequency of credit(s:)_____

I (we) understand that this authorization will remain in full force and effect until I (we) notify COMPANY [insert manner of revocation, i.e., in writing, by phone, location, address, etc.] that I (we) wish to revoke this authorization. I (we) understand that COMPANY requires at least [X days/weeks\ prior notice to cancel this authorization.[2]

SAMPLE

1 The NACHA Operating Rules *do not require the consumer's express authorization to initiate Reversing Entries to correct erroneous transactions. However, Originators should consider obtaining express authorization of debits or credits to correct errors.*

2 The reference to notification should be filled with a statement of the time and manner that notification must be given to provide company a reasonable opportunity to act on it (e.g., "In writing by mail to 100 Main Street, Anytown, NY that is received at least three (3) days prior to the proposed effective date of the termination of authorization").



Wholesale Lockbox Services **Agreement**

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Wholesale Lockbox Services Agreement

Schedule B - Irregular Item Processing Procedures

This Agreement is made this ___ day of _____, 20___ between City of Fernandina Beach FL the undersigned Company ("you" and "Company") and First Port City Bank ("we", "us" and "Bank") with respect to the Bank's Wholesale Lockbox service ("Service").

The Service. We will establish a post office box address where persons may mail payments to us. We will process the payments we receive for you each business day and will credit such payments to the Company's account #_____that night. The post office box will be located at TBD and mail will be picked up at TBD Monday through Friday, excluding Bank and/or US Postal Service holidays, and at TBD on TBD.

Fees. You agree to pay us the fees established for this Service. Service fees will be examined periodically and are subject to change at any time, with 30 days' notice to the Company. We may deduct our fees from account # _____by the fifteenth business day of each month for the previous month's activity. Current service fees are described in Schedule A.

Our Processing of Checks. You authorize us to endorse all checks we receive on your behalf through this Service. We may accept checks for deposit to your account without endorsement and regardless of any difference between the name of the payee and the legal name of the Company. You will be deemed to warrant the endorsement of all items we receive through this Service, as well as your right to receive such items for deposit to your account.

Irregular Items. We will process irregular items as per the agreed upon irregular item processing procedures. See Schedule B, Irregular Item Processing Procedures.

Images of Checks. We will image the front and back of each check processed pursuant to this Service and will retain the record for ____ year(s). You acknowledge that imaging processing is subject to error on occasion and agree to hold us and any third-party processor we use harmless from all claims, actions, damages, attorney's fees, and costs associated with our inability to produce copies of checks.

Your Instructions to Payers. You agree to instruct payers not to send cash, notices, communications, or other materials with their payments to the address specified for this Service. We agree to forward all communication or other materials included with the payments to you either via the US Postal Service or electronic image.

Limitation of Liability. We will be liable to you only for damages arising directly from our intentional misconduct or gross negligence in the performance of this Service. We will not be responsible for any loss, delay, cost or liability which arises, directly or indirectly, in whole or in part, from: your actions or omissions, negligence or breach of any Agreement with us; any ambiguity, inaccuracy or omission in any instruction or information provided to us; accidents, strikes, labor disputes, civil unrest, fire, flood, water damage (e.g., from fire suppression systems), or acts of God; or the actions of others or causes that are beyond our reasonable control. We will not be responsible under any circumstances for special, indirect, or consequential damages which you incur as a result of our actions or omissions, even if we are aware of the possibility for such damages. Any claim, action or proceeding by you to enforce the terms of this Agreement or to recover for any Service-related loss must be commenced within one year from the date that the event giving rise to the claim, action or proceeding first occurs. You agree to cooperate with us in any loss recovery efforts we undertake to reduce any loss or liability that arises in connection with your Services. You acknowledge that our Service fees have been established in contemplation of: these limitations on our liability; your Agreement to review statements, confirmations, and notices promptly and to notify us immediately of any discrepancies or problems; and your Agreement to assist us in any loss recovery effort.

Indemnification. You agree to indemnify, defend, and hold us harmless from and against any claim, damage, loss, liability, and cost (including, without limitation, attorney's fees) of any kind which results directly or indirectly, in whole or in part, from: (a) our actions or omissions, if they are in accordance with your instructions or the terms of this Agreement; or (b) the actions or omissions of you, your agents or employees.

Wholesale Lockbox Services Agreement

No Jury Trial. We both agree to waive the right to request a jury trial in the event an action is brought by either of us with respect to our Service or this Agreement, its interpretation or enforcement. We agree to resolve such disputes through mediation.

Termination. Either party may terminate this Agreement, with or without cause, by giving 45 days' prior notice to the other party. We may terminate or suspend the Service immediately and without prior notice if: (a) you breach any Agreement with us; (b) we have reason to believe that an unauthorized transaction has taken or may take place involving any of your accounts or the Service; (c) you become insolvent or the subject of a bankruptcy, receivership, or dissolution proceeding; or (d) we are uncertain as to any person's authority to give us instructions regarding your account or the Service. The termination of this Agreement will not affect the rights or obligations of either party that arises prior to termination. Upon termination of the Service by either party, the post office box will be closed. Mail addressed to the Company and received at the box will be forwarded to an address provided by the Company for 30 days. After 30 days, mail addressed to the Company and received at the box will be returned to the sender.

Miscellaneous Terms.

Changes to the Agreement. Changes to this Agreement may be made by the Company's Authorized Representative, the Company Business Office Manager, or the Company Controller.

Receipt of Information. Any person who has access to the lockbox portal will be able to review and download information pertaining to the lockbox items.

Amendments. We may amend (add to, delete or change) the terms of this Agreement by providing you with prior written notice.

Entire Agreement. This Agreement supplements (and supersedes where inconsistent) the terms of your deposit Agreement with us. Unless we provide otherwise in writing, this constitutes the entire Agreement between you and us with respect to the Service.

Governing Law/Compliance. This Agreement will be governed by and construed in accordance with the laws of the State of Georgia, without reference to its conflict of law provisions.

No Assignment. You may not assign any right or delegate any obligation under this Agreement without our prior written consent.

No Third-Party Beneficiaries. This Agreement is made for the exclusive benefit of you and us. No third party has any rights under this Agreement. Unless you have our prior written consent, you may not use the Service to collect payments owing to third parties.

Waivers/Validity. Any waiver by us must be in writing to be effective. Our waiver of any right will not be deemed a waiver of other rights or of the same right at another time. If any provision of this Agreement is found to be void or invalid, the remainder of this Agreement will remain in full force and effect.

By signing below, you confirm that you are authorized to execute this Agreement on behalf of the Company and that a resolution or similar action taken by the Company to approve this Agreement has been approved by its members or governing body.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first written.

Company: City of Fernandina Beach FL	**Accepted: First Port City Bank**
Address:	PO Box 1070
	Bainbridge, GA 39818
	229-246-6200
Phone:	
By: PROFORMA	By: PROFORMA
Name: PROFORMA	Name: PROFORMA
Title: PROFORMA	Title: PROFORMA

FIRST PORT CITY BANK

Wholesale Lockbox Services Agreement

Schedule B - Irregular Item Processing Procedures

Current Schedule of Service Fees

(See Miscellaneous Fee Schedule for other fees related to your account)

Item	Amount	Comments
Monthly Charge	$ 5.00	This is a hard charge to cover the expenses associated with monthly maintenance, image backup/archive, archive access, postage, and courier expenses and may not be offset with earnings credit.
Post Office Box Rental	$1812.00	This is an annual hard charge to cover the expense associate with renting on Post Office Box and may not be offset with earnings credit.
Additional Charges		These charges will only be assessed if there is volume and may not be offset with earnings credit.
Cash Payments (per transaction)	$9.22	
Correspondence Routing (per transaction)	$0.27	
Credit Card Payments (per transaction)	$1.53	
Express Mail (per envelope)	$5.14	
Photocopies (per image)	$0.35	
Postage (estimate per package fee)	$1.00	
Research (per hour, one hour minimum)	$ 30.00	
Unable to Process/Exception Item (per item)	$0.58	

FIRST PORT CITY BANK

Wholesale Lockbox Services Agreement

Schedule B - Irregular Item Processing Procedures

1. Any item sent to the Bank via Overnight Courier or other form of hand delivery shall not be deemed to be received by the Bank until the Bank has processed the item for deposit according to its regular procedures.
2. **Inspection of Payee**: Each item that is not payable to a Company approved payee name, or a reasonable variation thereof, or completely missing the Company approved payee name, as designated below, will not be deposited and will be sent to the Company for disposition. Company represents and warrants that it has legal authority to accept for deposit and otherwise negotiate items payable to a payee different from the Company's legal name as designated below.

   Company Approved Payee:

   Bank will process checks with the following payees:

   a. _____

   b. _____

   c. _____

3. **Stale-Dated and Post-Dated Items**: The Bank will deposit all items into the Account even if it is stale-dated, post-dated, or does not bear a date. The Bank is under no obligation to discover such items and the Company agrees that neither will the Bank be held liable if any of the above-mentioned items are deposited into the Company's account.
4. **Returned Items**: Item(s) returned for insufficient funds will be re-deposited. Item(s) returned a second time will be charged back to the checking account. Item(s) and chargeback slip(s) will be sent to:_____. Item(s) returned for other reasons (ex. Stop Payment, Account Closed, etc.) will be charged back to the checking account. Item(s) and chargeback slip(s) will be sent to the above-mentioned address.
5. **Differing Amounts**: If the numeric and written amounts of an Item do not match, the Bank will use the written amount or the amount that matches the invoice. If the amount of the Item cannot be determined, or is missing altogether, then the Item will not be deposited into the Account and will be returned to the Company.
6. **Unsigned Items**: If the drawer's signature is missing, the Bank will process the check.
7. **Legended Items**: Items bearing restrictive legends or endorsements (e.g. "final payment" , "paid in full" or words of similar meaning), will be deposited into the Account notwithstanding any such language. The Company hereby agrees that the Bank does not assume any responsibility or liability for the deposit of such items.
8. **Foreign Items**: Any item received at the Lockbox denominated in a foreign currency, other than Canadian, and drawn upon a foreign bank, other than Canadian, will be rejected and the payment will be forwarded to the Company for disposition.

   Canadian item:

   If drawn on a Canadian bank and in US funds, the item will be processed as a regular item.

   If drawn on a Canadian bank and in Canadian funds, the item will be forwarded to the Company.

9. **Credit Card Processing**: Invoices received for credit card payment will be imaged and sent to the Company for processing.

FIRST PORT
CITY BANK
Putting *People* First



Positive Pay
Agreement

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POSITIVE PAY PRODUCT SCHEDULE

Rev 05-2023

This Positive Pay Product Schedule is entered into by and between First Port City Bank ("**Financial Institution**") and City of Fernandina Beach FL ("**Customer**"), as a Product Schedule under the Business Online Banking and Master Cash Management Agreement ("Master Agreement") and sets forth the terms and conditions pursuant to which Financial Institution will provide to Customer the Positive Pay Services outlined herein ("**Services**"). Financial Institution and Customer agree that by executing this Product Schedule, Customer acknowledges receipt of and agrees to the terms of the Master Agreement and that this Product Schedule becomes part of the Master Agreement. Terms not otherwise defined in this Product Schedule shall have the meaning ascribed to those terms in the Master Agreement. In the event of inconsistency between a provision of this Product Schedule, the Uniform Commercial Code as in effect in the State of Georgia (the "**UCC**"), and/or the Master Agreement, the provisions of this Product Schedule shall prevail.

To participate in Positive Pay, a service provided by Financial Institution, Customer must have at least one First Port City Bank commercial checking account. If you are applying for Positive Pay with another person or persons, at least one signer must have full signing authority on the accounts listed on this Product Schedule for Positive Pay. All authorized signers, including users with access who are not authorized signers, on the account must sign this Product Schedule for Positive Pay. If there is any change of ownership or signing authority on any of the account(s), notification must be immediately provided to Financial Institution. By signing this Product Schedule, the account holder(s) gives authority for other applicants/authorized users listed below to have full access and privileges to the account(s) to which this Product Schedule applies.

ACCOUNT SERVICES. Customer requests and agrees to accept from Financial Institution, and Financial Institution agrees to provide Positive Pay Services to Customer. The Positive Pay Service will include fraud mitigation services for both check disbursements and ACH transactions being presented to Financial Institution for payment or settlement. The Services shall apply to the accounts of Customer listed in Schedule "A" attached hereto and incorporated herein by reference ("**Authorized Accounts**").

I. CHECK POSITIVE PAY SERVICES

Description of Service. Subject to the terms and conditions of this Product Schedule, Financial Institution shall provide the Service to Company, which allows Financial Institution to identify valid checks presented for payment, notify Company of any exceptions and to return any checks that do not match the check issue information reported.

1. **Issue File.** Customer shall electronically transmit to Financial Institution on every Business Day, **no later than 4:00ET**, by manual entry or by importing into Business Online Banking, a file (the "**Issue File**") which accurately identifies the check number, exact dollar amount, account number, payee name, issue date and an issue indicator for voided and issued items with respect to checks issued by Customer (each such check referred to herein as an "**Item**") which are to be presented for payment to Financial Institution. Business Days are defined as Monday through Friday, excluding federal holidays (see Schedule C) and weekends. The Issue File shall be in a format prescribed by Financial Institution and submitted via the Services, except where otherwise permitted by Financial Institution in its sole and exclusive discretion. The parties intend that the Issue File transmitted to Financial Institution constitutes the signature of Customer for purposes of determining whether a Presented Check is properly payable. "**Presented Check**" means a check drawn on an Authorized Account and presented to Financial Institution for payment. By transmitting the Issue File, Customer expressly warrants that all Presented Checks that match the information in the Issue File are properly payable. Customer acknowledges that Financial Institution is not responsible for detecting any Customer error contained in any Check Issue File sent by Customer to Financial Institution. Customer shall update the Issue File upon issuance of each Item through Business Online Banking. If Financial Institution is unable to process/load the Issue File for any reason, Financial Institution will contact Customer and request the Issue File be modified and re-issued.

   Notwithstanding anything to the contrary in this Product Schedule or on the Online Banking Services' website, Customer must also utilize the payee verification feature associated with the Positive Pay Services. Financial Institution's payee verification services require the payee's name to match against Customer's Issue File at a minimum threshold or matching score. The payee's name in the Issue File will be electronically compared to the payee's name on presented checks. Other information related to the payee's name may also be electronically

compared as part of the automated verification process to establish a matching score. Such comparisons that result in a minimum threshold or matching score will be deemed to be a matching check. Customer is responsible for complying with the payee verification services' check specifications as specified by Financial Institution from time to time to ensure the highest level of performance from the payee verification services. Any presented check that does not result in a minimum threshold or matching score shall be deemed an exception check and reported as such in accordance with the terms of this Part I of the Product Schedule.

Customer's first issue file, upon implementation of the Services, must contain a current reconciled listing of outstanding, unpaid checks issued on each Authorized Account. Financial Institution reserves the right to require Customer to submit one or more additional such listings so that all outstanding, unpaid checks issued on any Authorized Account have been reported to Financial Institution before the initial comparison with in-clearing items.

Issue files manually entered or electronically imported into Business Online Banking **after the 4:00pm ET** cutoff may be matched against the following day's check file.

2. **Exceptions Report.** As in-clearing items are received by Financial Institution, Financial Institution will issue a daily online Exception Check Report with respect to any items that do not match the data contained in the Issue File, including the payee's name in connection with the payee verification services. Financial Institution will provide Exceptions to Customer through Financial Institution's Business Online Banking service **by 9:00am ET**, daily. Customer agrees that any User designated by an Administrator will review and respond to Financial Institution concerning each exception item via Business Online Banking or, if the electronic service is unavailable, response to Financial Institution shall be by facsimile transmission signed by a User, **no later than 11:00am ET** on the same business day that Financial Institution notifies Customer of the Exception Item(s). Customer will indicate affirmatively whether Customer wishes to pay (a "Pay Decision") or return (a "Return Decision") each item on the Report. If Customer wishes to return an item(s), Customer will indicate the specific reason for return. If Financial Institution does not receive Customer's response to the Exceptions Report by 11:00am ET, Financial Institution will act on the default instructions to pay or return item(s) as previously agreed upon between Customer and Financial Institution (see Schedule A). Customer agrees to specify one or more authorized persons who shall be available immediately on all Business Days to respond to Financial Institution inquiries regarding an Exceptions Report.

   Notwithstanding anything in this Part I to the contrary, Financial Institution may, in its sole and absolute discretion, return to the person presenting a check drawn on an Authorized Account for payment over the counter at one of Financial Institution's teller stations any such check that does not appear on an Issue File. Customer acknowledges and agrees that Financial Institution shall have no obligation to inform Customer that any such check has been presented for payment at a Financial Institution teller station. Financial Institution shall have no liability to Customer for wrongful dishonor with respect to any such check.

   Financial Institution is not responsible for detecting any Customer error contained in any Issue File, Pay Decision or Return Decision sent by Customer to Financial Institution.

3. **Remedies.**
   A. **U.C.C. Liability.** To the extent permitted by U.C.C. Articles 3-A and 4, the liability of Financial Institution under this Part I shall in all cases be subject to the provisions of this Product Schedule, including, without limitation, any provisions hereof that exclude, or limit warranties made by, damages payable to or remedies available from Financial Institution.
   B. **Wrongful Honor.** It shall constitute wrongful honor by Financial Institution if Financial Institution pays an Exception Check listed in a timely Exception Check Report unless: (i) Customer issued a Pay Decision, or (ii) Customer selected the pay default option and did not issue a Return Decision by the 11:00am ET deadline. If there is wrongful honor, the following shall apply:

1. Financial Institution shall be liable to Customer for the lesser of the amount of the wrongfully paid Exception Check or Customer's actual damages resulting from Financial Institution's payment of the Exception Check.
2. Financial Institution expressly waives any right it may have to assert that Customer is liable forthe amount of the wrongfully honored Exception Check on the grounds that the Exception Check was properly payable under U.C.C. Section 4-401.
3. Financial Institution retains the right to assert Customer's failure to exercise reasonable care under U.C.C. Sections 3-A-1406 and 4-406.
4. Financial Institution retains the right to assert the defense that Customer has sustained no actual damages because Financial Institution's honor of the Exception Check discharged for value an indebtedness of Customer.

C. **Wrongful Dishonor.** Except as provided below, it shall constitute wrongful dishonor by Financial Institution if Financial Institution dishonors an Exception Check: (i) that Financial Institution has been ordered to pay pursuant to a Pay Decision, or (ii) for which Customer has not issued a Return Decision under the pay default option by the 11:00am ET deadline.
   1. Financial Institution's liability for wrongful dishonor of an Exception Check shall be limited to the damages for wrongful dishonor recoverable under U.C.C. Articles 3-A and 4.
   2. Notwithstanding (c)(1) above, Financial Institution shall have no liability to Customer for wrongful dishonor when Financial Institution, acting in good faith, returns an Exception Check:
      (a) that it reasonably believed was not properly payable; or
      (b) if there are insufficient Available Funds on deposit in the Authorized Account; or
      (c) if required to do so by the service of legal process on Financial Institution or the instructions of regulatory or government authorities or courts.

D. **Rightful Payment and Dishonor.** The following shall apply:
   1. If Financial Institution honors an Exception Check in accordance with the pay default option selected by Customer or in accordance with a Pay Decision issued by Customer, such honor shall be rightful, and Customer waives any right it may have to assert that the Exception Check was not properly payable under U.C.C. section 4-401.
   2. If Financial Institution dishonors an Exception Check in accordance with the return default option selected by Customer or in accordance with a Return Decision issued by Customer, the dishonor shall be rightful, and Customer waives any right it may have to assert that the dishonor was wrongful under the U.C.C. section 4-402.
   3. Customer agrees that Financial Institution exercises ordinary care whenever it rightfully pays or returns an exception Check consistent with the provisions of this Product Schedule.

II. REVERSE POSITIVE PAY SERVICES

This Part applies if Reverse Positive Pay Services (hereinafter the "Services") are requested by Customer in Schedule A.

1. **Paid Check Record. By 9:00am ET** on each Business Day (the "Paid Record Deadline"), Financial Institution will provide or otherwise make available to Customer, through the Financial Institution's Online Banking Services' website (under the Reverse Positive Pay tab), information regarding the presented checks paid against the account(s) designated by Customer for this Reverse Positive Pay Service (an "Authorized Account") the previous Business Day. Business Days are defined as Monday through Friday, excluding federal holidays (see Schedule C) and weekends. The Services will show each check paid, along with the serial number and the amount processed through the Federal Reserve. Customer can compare this information to the checks issued by Customer.

2. **Payment Instructions.** Customer must compare the information provided by Financial Institution with Customer's check or item issuance records. Customer shall notify Financial Institution **no later than 11:00am ET** on the same Business Day (the "Return Decision Deadline"), via the Business Online Banking Services' website, of Customer's decision on any reported presented checks that should be dishonored and returned (a "Return

Decision"). Financial Institution may rely on any instructions and Return Decisions received from Customer that are made in accordance with the requirements of the Services and the Business Online Banking Services' website. Financial Institution is authorized to finally pay any presented check listed in the Paid Check Record unless Customer instructs Financial Institution to return the check or item prior to the Return Decision Deadline.

3. **Payment and Dishonor of Presented Checks.** Financial Institution will pay or return presented checks in accordance with Customer's Return Decision or pay as default (see Schedule A).

   A. **Return Decision.** When Customer provides a Return Decision, Financial Institution shall return to the depositary Financial Institution any presented check drawn on an Authorized Account that Customer directs Financial Institution to return via a Return Decision. Financial Institution is not responsible for detecting any Customer error contained in any Return Decision sent by Customer to Financial Institution. Financial Institution reserves the right to require Customer to place a stop payment order on any check or item to be returned.

   B. **Pay Default.** If Customer fails to provide a Return Decision to Financial Institution in accordance with Schedule A, Financial Institution will finally pay and charge to the Authorized Account, to the extent there are sufficient Available Funds in the Authorized Account, any presented check drawn on that Authorized Account.

   4. **Checks Presented for Payment at Financial Institution Teller Stations and Items-Converted-to-ACH.** The Services are not designed to compare Customer's list of issued checks against checks that are (a) presented for payment over-the-counter at Financial Institution teller stations ("Teller Cashed Checks") or (b) converted to an electronic transaction (such as an accounts receivable entry or "ARC") that will be presented for payment through the Automated Clearing House network ("Items-Converted-to-ACH"). Teller Cashed Checks and Items-Converted to-ACH are not eligible for Return Decisions and will be processed and paid in accordance with Financial Institution's standard procedures as set forth in the Account Agreement or as otherwise provided by agreement of the parties or applicable ACH network rules. Teller Cashed Checks may be eligible for return in accordance with Financial Institution's standard procedures, which may require an affidavit. Checks converted to ACH may be eligible for return if they meet NACHA regulations.

5. **Remedies.**

   A. **U.C.C. Liability.** To the extent applicable, the liability provisions of U.C.C. Articles 3 and 4 shall govern the Services and this Part II, except as modified below. To the extent permitted by U.C.C. Articles 3 and 4, the liability of Financial Institution related to the Services described in this Part II shall in all cases be subject to the provisions of this Product Schedule, including, without limitation, any provisions thereof that exclude or limit warranties made by, damages payable to, or remedies available from Financial Institution.

   B. **Wrongful Honor.** It shall constitute wrongful honor by Financial Institution if Financial Institution pays a presented check for which Customer issued a Return Decision by the Return Decision Deadline set forth in this Part II. If there is wrongful honor, the following shall apply:

      1. Financial Institution shall be liable to Customer for the lesser of the amount of the wrongfully paid presented check or Customer's actual damages resulting from Financial Institution's payment of the presented check.
      2. Financial Institution expressly waives any right it may have to assert that Customer is liable for the amount of the wrongfully honored presented check on the grounds that the presented check was properly payable under U.C.C. Section 4-401.
      3. Financial Institution retains the right to assert Customer's failure to exercise reasonable care under U.C.C. Sections 3-406 and 4-406.
      4. Financial Institution retains the right to assert the defense that Customer has sustained no actual damages because Financial Institution's honor of the presented check discharged for value an indebtedness of Customer.

C. **Wrongful Dishonor.** Except as provided below, it shall constitute wrongful dishonor by Financial Institution if Financial Institution dishonors a presented check for which Customer has not issued a Return Decision by the Return Decision Deadline set forth in this Part II.

1. Financial Institution's liability for wrongful dishonor of a presented check shall be limited to the damages for wrongful dishonor recoverable under U.C.C. Articles 3 and 4.

2. Notwithstanding the above, Financial Institution shall have no liability to Customer for wrongful dishonor when Financial Institution, acting in good faith, returns a presented check:

(a) that it reasonably believed was not properly payable; or
(b) if there are insufficient Available Funds on deposit in the Authorized Account; or
(c) if required to do so by the service of legal process on Financial Institution or the instructions of regulatory or government authorities or courts.

D. **Rightful Payment and Dishonor.** The following shall apply:

1. If Financial Institution honors a presented check in accordance with the Pay Default described above, such honor shall be rightful, and Customer waives any right it may have to assert that the presented check was not properly payable under U.C.C. section 4-401.

2. If Financial Institution dishonors a presented check in accordance with a Return Decision issued by Customer, the dishonor shall be rightful, and Customer waives any right it may have to assert that the dishonor was wrongful under the U.C.C. section 4-402.

3. Customer agrees that Financial Institution exercises ordinary care whenever it rightfully pays or returns a presented check consistent with the provisions of this Product Schedule.

6. **Information Regarding Presented Checks.** Customer shall notify Financial Institution by the Paid File Deadline set forth in section 2 of this Part II if the information regarding presented checks is not available under the Reverse Positive Pay tab of the Online Banking website by the Paid Record Deadline. Financial Institution will make reasonable efforts to make the information about presented checks available to Customer and honor Customer's instructions. Financial Institution's failure to provide the information about presented checks will not discharge Customer's obligation regarding any check that was otherwise properly payable at the time of presentment.

7. **Assignment.** To the extent that Customer suffers a loss under this Part II, Financial Institution assigns to Customer any claim that Financial Institution would have against a depositary or collecting Financial Institution to recover the loss, including any claim of breach of warranty under U.C.C. Sections 4-207, 4-208, and 4-209.

STOP PAYMENT AND RETURN DECISIONS. The Service will not be used as a substitute for Financial Institution's stop payment service. Customer will follow Financial Institution's standard stop payment procedures if it desires to return a Matching Check or other check that was validly issued. Nothing in this Product Schedule will limit Customer's right to stop payment on any Matching Check or other check or Financial Institution's right to return any Matching Check or other check that Customer has authorized Financial Institution to pay in accordance with this Product Schedule if Financial Institution determines in its sole discretion that the check is not properly payable for any reason (without Financial Institution's agreeing to, or being required to, make such determination in any circumstance) or that there are insufficient collected and available funds in the Account to pay it.

COMMUNICATIONS INTERRUPTION/FAILURE. If a Presented Check is personally presented by an individual over the counter to Financial Institution during such time that Financial Institution is experiencing an interruption or failure of communications or data processing facilities or systems, emergency conditions, or any other difficulties beyond the control of Financial Institution, then, notwithstanding any other provision of this Product Schedule, Customer authorizes Financial Institution to pay the Presented Check, even if the Presented Check is an Exception Item (defined above). Additionally, Financial Institution shall have no obligation to notify Customer of any such Presented Check.

LIMITATION OF LIABILITY AND INDEMNIFICATION. Each Presented Check that Financial Institution pays in accordance with this Product Schedule will be deemed to be properly payable. Each Matching Check or other check Customer authorized Financial Institution to pay in accordance with this Service will be paid without Financial Institution performing its customary (or any other) check verification procedures, and Financial Institution will have no liability whatsoever for paying the check if its serial number or amount is altered, or if it is counterfeit, bears a forged or unauthorized signature, or was otherwise not validly issued. Each check which is not a Matching Check, and which Financial Institution returns pursuant to the terms of this Product Schedule, will be deemed not to be properly payable. Customer (i) agrees to indemnify and hold Financial Institution harmless from any losses or liabilities it may suffer or incur as a result of its payment of a Matching Check or other check at Customer's instruction, and (ii) releases and forever discharges Financial Institution, and its parent, subsidiaries, affiliates, successors, officers, directors, employees and agents, from any and all manner of action or actions, suits, claims, damages, judgments, levies, executions, expenses, costs, interest, attorneys' fees and legal expenses, whether known or unknown, liquidated or not liquidated, fixed, contingent, direct or indirect, which Customer has, or ever can, may or shall have or claim to have against Financial Institution regarding or relating to the return or payment of any check pursuant to provisions of this Product Schedule.

III. ACH POSITIVE PAY SERVICES

This part applies if the ACH Positive Pay Debits and/or ACH Positive Pay Credits (hereinafter the "Service") is requested by Customer in Schedule A.

1. **Definitions.**

   "**Authorized Account**" in this Part III means the Account(s) of Customer maintained at Financial Institution to which the Service rendered by Financial Institution will apply.

   "**Alert**" in this Part III means the notification(s) Customer receives related to the Service, which may be a default notification or based on the notification criteria Customer elects within the Business Online Banking Services' website (hereinafter the "Portal").

   "Business Day" is defined as Monday through Friday, excluding federal holidays (see Schedule C) and weekends.

   "**Exception Entry**" means an ACH Debit or Credit Entry that is filtered as elected by Customer through the Service.

   "**Pay Decision**" means the instructions of Customer to Financial Institution provided via the Portal requesting Financial Institution to pay/post an Exception Entry.

   "**Pay Default Disposition**" means a default disposition that Customer may elect whereby all Exception Entries that do not meet Customer's ACH filter instructions (as described in this Part III) are debited from, or credited to, Customer's Authorized Account if Customer does not override the default disposition via the Portal **no later than 11:00am ET**, as set forth in the Portal, on a Business Day.

   "**Return Decision**" means the instructions of Customer to Financial Institution via the Portal instructing Financial Institution to return an Exception Entry.

   "**Return Default Disposition**" means a default disposition that Customer may elect whereby all Exception Entries that do not meet Customer's ACH filter instructions (as described in this Part III) are automatically scheduled to be returned to the Originator of the ACH Debit or Credit Entry if Customer does not override the default disposition via the Portal **no later than 11:00am ET**, as set forth within the Portal, on a Business Day.

2. **Service.** The Service described in this Part allows Customer to elect how Financial Institution will handle ACH Debit Entries and/or ACH Credit Entries (as those terms are defined in the ACH Rules) presented to Customer's Authorized Account(s). Using the Service, Customer may "filter" all incoming ACH Debit and/or Credit Entries and provide instructions via the Portal instructing Financial Institution to authorize only those Entries that meet a set of pre-determined rules created by Customer within the Portal (the "Filter Rules"), each as further described below.

Customer acknowledges that the Service has been identified by Financial Institution as a service that can reduce the risk of fraudulent ACH Debit or Credit Entries being posted against Customer's Authorized Account(s) when such Service is adopted and properly utilized by Customer. By conforming to the terms and conditions of this Part III, Customer acknowledges and agrees that it may significantly reduce the chance that fraudulent ACH Debit and/or Credit Entries will be debited from, or credited to, Customer's Authorized Account(s) by electronically matching incoming ACH Debit and/or Credit Entries to Customer's filter instructions.

By utilizing the ACH filter feature, Customer instructs Financial Institution to filter all incoming ACH Debit and/or Credit Entries presented to Customer's Authorized Account(s) to Customer, in accordance with the Filter Rules. Such ACH Debit or Credit Entries will be presented to Customer for review as Exception Entries. Customer will be notified via Alert of Exception Entries that are otherwise scheduled for either the Pay Default Disposition or Return Default Disposition, as elected by Customer on Schedule A (also referred to collectively as Customer's "Default Option"). Customer's Default Option will apply to an ACH Debit or Credit Entry unless Customer overrides the Default Option **no later than 11:00am ET** set forth in the Portal.

As part of the "Filter Election" described above, upon review of any Exception Entry, Customer may utilize the approved list" feature available via the Portal to change its existing filter election to expressly permit any future incoming ACH Debit and/or Credit Entries based on a company identification. Once on the "approved list," all subsequent incoming ACH Debit and/or Credit Entries from that company identification will be automatically paid/posted as presented to Financial Institution if they are within any restrictions placed on the "approved list" by Customer.

3. **Payment and Dishonor of Exception Entries.**

   A. **Return Default Option.** Customer may choose to *override* the Return Default Option of individual Exception Entries presented via the Services by providing a Pay Decision to Financial Institution **no later than 11:00am ET** as set forth within the Portal, in which case such Exception Entries will be debited from, or credited to, Customer's Authorized Account(s) on the Settlement Date. If Customer does not override the Return Default Decision before the pre-established deadline set forth in the Portal, the ACH Debit or Credit Entry will be automatically returned.

   B. **Pay Default Option.** While Financial Institution strongly recommends that Customer elect and utilize the Return Default Option, Customer may elect and utilize the Pay Default Option by indicating the same on Schedule A. Customer agrees that its election to utilize the Pay Default Option is at its sole risk and Customer shall be responsible for any loss resulting in whole or in part from such election.

   Customer may choose to *override* the Pay Default Option of individual Exception Entries presented via the Portal by providing a Return Decision to Financial Institution **no later than 11:00am ET** as set forth within the Portal, in which case such Exception Entries will be automatically returned to the Originator. If Customer does not override the Pay Default Option before the pre-established deadline set forth in the Portal, the ACH Debit or Credit Entry will be debited from, or credited to, Customer's Authorized Account.

4. **Customer and Financial Institution Communications.** This Part III and any instructions submitted by Customer via the Portal and in compliance with the requirements of the Business Online Banking Service are Financial Institution's record of Customer's ACH filter request and represent Financial Institution's understanding of Customer's request. If the information that Customer has provided via the Portal is incorrect in any category, Customer must correct the information via the Portal immediately, as Financial Institution is NOT responsible for filtering ACH Debit and/or Credit Entries unless they are accurately described as set forth in this Part III or via the Portal.

   Financial Institution is not responsible for detecting any Customer error contained in any ACH Debit and/or Credit Entries presented, decisioned, returned or processed, or in any Pay Decision or Return Decision by Customer.

If Financial Institution or its service provider is unable to notify Customer of Exception Entries via an Alert, the Default Option elected by Customer shall apply.

Customer's ACH filter instruction(s) will be accepted subject to the condition that ACH Debit and/or Credit Entries have not already been posted or are not otherwise in the process of posting, and that Financial Institution will have a reasonable opportunity to act on Customer's request before any such processing.

Financial Institution shall have a reasonable time after receipt of Customer's request to implement the Service and shall not assume responsibility for stopping ACH Debit or Credit Entries that have already been posted to Customer's Account(s).

5. Remedies.

A. **Financial Institution Liability.** To the extent permitted by applicable law, the liability of Financial Institution under this Part III shall in all cases be subject to the provisions of the Product Schedule, including, without limitation, any provisions thereof that exclude or limit warranties made by, damages payable by, or remedies available from Financial Institution.

B. **Wrongful Payment/Posting.** It shall constitute wrongful payment/posting by Financial Institution if Financial Institution pays/posts an Exception Entry that is subject to filter instruction and for which Customer has provided a Return Decision **no later than 11:00am ET** as set forth within the Portal. If there is wrongful payment/posting, Financial Institution shall be liable to Customer for the lesser of the amount of the wrongfully paid/posted Exception Entry or Customer's actual damages resulting from Financial Institution's posting of the Exception Entry, subject to the terms of the Product Schedule.

C. **Rightful Payment and Return.** If Financial Institution honors an Exception Entry in accordance with a Pay Decision by Customer as described above, such payment/posting shall be rightful, and Customer waives any right it may have to assert otherwise.

If Financial Institution returns an Exception Entry in accordance with a Return Decision by Customer as described above, or otherwise pursuant to a Return Default Disposition as described in this Part III, the return shall be rightful, and Customer waives any right it may have to assert otherwise.

Customer agrees that Financial Institution exercises ordinary care whenever it rightfully pays/posts or returns an Exception Entry consistent with the provisions of this Part III.

6. **Other Terms of the Services.** Customer acknowledges that the Service does not preclude Financial Institution's standard ACH processing procedures, which may cause an ACH Debit or Credit Entry to be dishonored even if Customer's instructions do not otherwise require Financial Institution to return such ACH Debit or Credit Entry.

Customer acknowledges that the Service does not apply to transactions between Customer and Financial Institution, including any Financial Institution affiliates and subsidiaries, such as loan or credit card payments ("Financial Institution-Related Entries"). Financial Institution is permitted to pay Financial Institution-Related Entries regardless of whether Customer has included these in Customer's ACH filter elections as reflected in this Part III and until such time as Customer's election with respect to the underlying Financial Institution-Related Entries is revoked or otherwise terminated.

Customer acknowledges that the Service is intended to be used to identify and return ACH Debit and/or Credit Entries which Customer suspects in good faith are fraudulent or otherwise unwarranted. The Service is NOT intended to be a substitute for authorization instructions or to delay Customer's decision on ACH Debit Entries, including but not limited to stop payment orders on ACH Debit Entries which are not suspected in good faith to be unauthorized. If Financial Institution suspects or deems, in Financial Institution's sole discretion, that Customer is using the Service contrary to those intentions, Financial Institution may require Customer to provide evidence that ACH Debit Entries that Financial Institution returns pursuant to Customer's instructions

were in fact unauthorized. In addition, Financial Institution may hold Customer liable for losses that Financial Institution sustains on ACH Debit Entries which Financial Institution is requested to return under the Service and which Customer does not reasonably establish as unauthorized ACH Debit Entries, including as under the ACH Rules.

FEES AND CHARGES. Customer agrees to pay Financial Institution the fees as provided in the Fee Schedule in Schedule "B" attached hereto and incorporated herein by reference **("Schedule of Fees")**. Customer acknowledges that Financial Institution may amend or change the Schedule of Fees from time to time.

Survival. Section titled "LIMITATION OF LIABILITY AND INDEMNIFICATION" of this Product Schedule will survive termination of the Service.

Termination. This Product Schedule may be terminated by Financial Institution or Customer upon thirty (30) days' written notice. The Service will automatically terminate if the Account is closed for any reason. Termination of the Service will not terminate Customer's or Financial Institution's rights or obligations under this Product Schedule with respect to events or actions that occurred before termination.

NON-ASSIGNMENT. The Customer may not assign this Agreement or any of the rights or duties hereunder to any person without the Financial Institution's prior written consent.

WAIVER. The Financial Institution may waive enforcement of any provision of this Agreement. Any such waiver shall not affect the Financial Institution's rights with respect to any other transaction or modify the terms of this Agreement.

BINDING AGREEMENT; BENEFIT. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns. This Agreement is not for the benefit of any other person, and no other person shall have any right against the Financial Institution or the Customer hereunder.

HEADINGS. Headings are used for reference purposes only and shall not be deemed part of this Agreement.

SEVERABILITY. If any provision of this Agreement shall be determined to be invalid, illegal, or unenforceable to any extent, the remainder of this Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

GOVERNING LAW. This Agreement shall be construed in accordance with and governed by the laws of the State of Georgia without reference to its conflict of law's provisions, and applicable federal law.

This Product Schedule must be signed on behalf of Customer by an Authorized Customer Representative.

IN WITNESS WHEREOF, the parties hereto have executed this Product Schedule through their duly authorized officers on the dates indicated below.

CUSTOMER:

City of Fernandina Beach FL

By: _____
(Customer Signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

FINANCIAL INSTITUTION:

First Port City Bank

By: _____
(FPCB Officer Signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

FIRST PORT CITY BANK

POSITIVE PAY PRODUCT SCHEDULE
Schedule A – Authorized Accounts
Rev 05-2023

Account Name / Description	Account Number	Pay All Converted Checks (Yes/No)	Default Option (Pay*/Return**)	Effective Date (MMYY)

* **Pay Option:** All unresolved Exception Items will be paid by Bank after 11am ET. Company will accept and assume any losses incurred by the paying of items if any are determined to be fraudulent.

** **Return Option:** All unresolved Exception Items will be returned by Bank after 11am ET.

Additional accounts may be added by submitting an additional Schedule A as a supplement to existing setups.

Service(s) requested:

☐ **Check Positive Pay** *OR* ☐ **Reverse Positive Pay (for checks)**

☐ **ACH Positive Pay (Debits)** *AND/OR* ☐ **ACH Positive Pay (Credits)**

Customer Telephone number for Exception correspondence: _____

Customer E-mail address for Exception correspondence: _____

Signature: _____ Date: PROFORMA

Printed Name: PROFORMA Title: PROFORMA

Fee Schedule: Customer authorizes Financial Institution to debit any of the following fees from Customer's Account from time to time as appropriate:

Positive Pay Setup Fee	$ N/A
Positive Pay Service Fee	$ 25.00 per month
Positive Pay Account Fee	$ N/A per account
Transaction Item	$ N/A per paid item
	$ N/A per exception item
Additions/Deletions	$ N/A per occurrence
Research/Special Handling Fee	$ 25.00 per hour, minimum 1 hour

Holiday Calendar

Financial Institution will be closed on the following standard holidays observed by the Federal Reserve Bank. Financial Institution will not process files on the following days, as well as all Saturdays and Sundays. Issue files submitted on one of the following holidays will not be matched until the following Business Day. Likewise, exception reports will not be produced on these days.

New Year's Day	January 1
Martin Luther King's Birthday	Third Monday in January
Presidents Day	Third Monday in February
Memorial Day	Last Monday in May
Juneteenth National Independence Day	June 19
Independence Day	July 4
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veterans Day	November 11
Thanksgiving Day	Fourth Thursday in November
Christmas Day	December 25)

Note: *If January 1, June 19, July 4, November 11, or December 25 fall on a Sunday, the next following Monday is a standard Federal Reserve Bank holiday.*

POSITIVE PAY PRODUCT SCHEDULE
Schedule D – Positive Pay Customer Information
Rev 05-2023

Company Name: City of Fernandina Beach FL

Legal Business Name: _____

Tax ID #: _____ Doing Business as Name(s): _____

Street Address: 204 Ash Street

City, State Zip: Fernandina Beach, FL 32034

Company Phone Number: _____ Company Fax Number: _____

Business Website Address: _____

Business Structure (Sole Prop, Corp, LLC, etc.): _____

Type of Business: _____

Business Description: _____

Owner Name: _____ % Ownership: _____

Primary Contact Name: _____ Primary Contact Title: _____

Primary Contact Number: _____ Primary Contact Email: _____

Primary Mobile Number for SMS/Text Notifications*: _____

Secondary Contact Name: _____ Secondary Contact Title: _____

Secondary Contact Number: _____ Secondary Contact Email: _____

Secondary Mobile Number for SMS/Text Notifications*: _____

Additional Mobile Number(s) for SMS/Text Notifications*: _____

By providing mobile phone number(s), above, Customer consents to receive Positive Pay SMS/Text notifications (the "Messaging Service"). Customer can opt out of participation in the Messaging Service at any time by emailing FPCB support, with "Pos Pay Text Message OPT OUT" in the Subject Line, at BOBClientSupport@firstportcity.com. Alternatively, Customer's Administrator user can opt out for Customer by removing mobile phone numbers from the Portal. First Port City Bank does not charge for this service, but standard SMS Message rates from Customer's wireless carrier may apply.

Signature: _____ Date: PROFORMA

Printed Name: PROFORMA Title: PROFORMA

FIRST PORT
CITY BANK
Putting *People* First



Remote Deposit Capture (RDC)
Agreement

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REMOTE DEPOSIT CAPTURE PRODUCT SCHEDULE

Rev 02-2024

By signing this Remote Deposit Product Schedule ("Product Schedule") City of Fernandina Beach FL ("Customer") hereby requests First Port City Bank ("Financial Institution") to provide the Service described in this Product Schedule. Customer agrees that this Product Schedule sets forth the terms and conditions pursuant to which Financial Institution will provide to Customer the Service outlined herein and is entered into as a Product Schedule under the Business Online Banking and Master Cash Management Agreement ("Master Agreement"). Financial Institution and Customer agree that by executing this Product Schedule, Customer acknowledges receipt of and agrees to the terms of the Master Agreement. Terms not otherwise defined in this Product Schedule shall have the meaning ascribed to those terms in the Master Agreement. In the event of inconsistency between a provision of this Product Schedule, the Uniform Commercial Code (the "UCC"), the Master Agreement, and/or the Depository Agreement, the provisions of this Product Schedule shall prevail.

Therefore, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Financial Institution and Customer, intending to be legally bound, do hereby agree as follows:

Terms and Conditions

1. General Description of Remote Deposit Service. Subject to the terms, provisions and conditions of this Product Schedule, Financial Institution shall provide the Remote Deposit Service to Customer, which allows Customer to make deposits to Customer's deposit accounts listed in **Schedule A** attached hereto and made a part hereof (each such deposit account an "**Account**" and, collectively, the "**Accounts**") from Customer's office by scanning checks on a desktop scanner and delivering the images and information required hereby to Financial Institution or Financial Institution's designated processor (a "**Processor**"). The terms Financial Institution and Processor may be used interchangeably when used in relation to any services performed by a Processor on behalf of Financial Institution including, but not limited to, the receipt and processing of images and check data and any notices related thereto. The scanner must capture an image of the front and back of each Check (as herein defined) to be deposited (each an "**Image**" and, if more than one, "**Images**") in accordance with the Procedures (as herein defined), must read and capture the magnetic ink character recognition ("**MICR**") line on each check and must read and capture all such other data and information as is required by this Product Schedule. After capture of the Images, the MICR line on each check and all other required data and information from each check, Customer will transmit one or more files containing the Images, the MICR line from each check and all other required data and information from or pertaining to all checks and other required information (each such file a "**File**" and, if more than one, "**Files**") to Financial Institution or Processor via the Internet. Subject to compliance with the terms, provisions and conditions of, and as provided in, this Product Schedule, Financial Institution will provisionally credit the Account or Accounts designated by Customer for the amount of the deposit(s) to which the File(s) pertains on the day of receipt of the File(s) and enter the images of the checks into the collection process, in accordance with the provisions of Financial Institution's then current deposit account agreement and disclosure pertaining to the Account(s) into which the deposit is to be made (the "**Deposit Agreement**") and this Product Schedule. Customer acknowledges and agrees that Financial Institution may discontinue, and/or change the terms of the Remote Deposit Service or any related content, features, products or services associated therewith, at any time without notice or liability to Customer or any third party. Customer hereby agrees that Financial Institution shall be the exclusive provider of the Remote Deposit Service provided in accordance with this Remote Deposit Service Schedule and that Customer will not use the same or similar services of any other party.

2. Hardware and Software. Customer understands it must, and hereby agrees to, at its sole cost and expense, use computer hardware and software that meets all technical requirements for the proper delivery of the Remote Deposit Service and that fulfills Customer's obligation to obtain and maintain secure access to the Internet. Customer understands and agrees it may also incur, and shall pay, any and all expenses related to the use of the Remote Deposit Service, including, but not limited to, telephone service or Internet service charges. Customer is solely responsible for the payment of any and all costs and expenses associated with meeting and maintaining all technical requirements and additional items necessary for the proper use of the Remote Deposit Service. Customer understands and agrees that it is solely responsible for the operation, maintenance and updating of all equipment, software and services used in connection with the Remote Deposit

Service and the cost thereof, and Customer hereby agrees that it will perform, or cause to be performed, all vendor recommended maintenance, repairs, upgrades and replacements, and such performance shall be rendered by properly trained personnel, whether they are employees of Customer or third-party employees. Financial Institution is not responsible for, and Customer hereby releases Financial Institution from any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated with using electronic mail or the Internet. Financial Institution hereby advises Customer, and Customer hereby agrees, to scan its computer hardware and software on a regular basis using a reliable computer virus detection product in order to detect and remove computer viruses. In connection with its use of the Remote Deposit Service, Customer shall only use the hardware described in **Schedule B** attached hereto and made a part hereof (as the same may be amended or supplement, the "**Hardware List**") or such other hardware as is approved in advance by Financial Institution and shall only use such software as is approved in advance by Financial Institution.

All right, title and interest in and to (a) any and all computer programs, including, but not limited to, the object and source codes therefore, and any and all updates, upgrades, fixes and enhancements thereto and any and all documentation, user guides and instructions pertaining thereto (everything in this clause (a), collectively, "**Software**"), (b) the Remote Deposit Procedure Manual (defined herein below) and (c) any and all users guides, instructions and other documentation provided to, or used by, Customer in connection with the Remote Deposit Service (everything in this clause (c) together with the Remote Deposit Procedure Manual, collectively, the "**Documentation**") shall be, and remain, the property of Financial Institution or any third party Software provider, as applicable. Unless otherwise expressly authorized, Customer may not (a) copy, reproduce, transmit, retransmit, disseminate, display, publish, sell, broadcast, circulate, distribute, transfer, assign, commercially exploit, reverse engineer, reverse compile or create derivative works of, the Software in any form or (b) copy, reproduce, transmit, retransmit, disseminate, display, publish, sell, broadcast, circulate, distribute, transfer, assign, commercially exploit the Documentation.

3. Checks Deposited and Security Interest. Customer hereby agrees that it will only scan and deposit a check(s) as that term is defined in Federal Reserve Board Regulation CC ("**Reg CC**"). Customer agrees that the image of the check that is transmitted to Financial Institution (each such check and other item a "**Check**" and, if more than one, "**Checks**") shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code (1990 Official Text). Customer further agrees that it will not remotely deposit any check or other item that: (a) are payable to any person or entity other than Customer, except for affiliate businesses and/or pseudonyms as documented in **Schedule E**, (b) are drawn, or otherwise issued, by Customer or any affiliate of Customer on any account of Customer or of such affiliate, (c) are prohibited by Financial Institution's then current procedures pertaining to the Remote Deposit Service (the "**Procedures**") or are in violation of any law, rule or regulation, (d) Customer knows or suspects, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the Check is drawn, (e) have been previously endorsed by a financial institution and are either "substitute checks" (as defined in Reg CC or other applicable federal law or regulation) or "image replacement documents" that purport to be substitute checks, without Financial Institution's prior written consent, (f) are drawn on financial institutions that are located outside of the United States or Territories of the United States, (g) is a Remotely Created Check, or (h) which are not acceptable to Financial Institution for deposit into a deposit account as provided in the Deposit Agreement, which is incorporated herein by reference and made a part hereof (Checks described in clauses (a) through (h) each a "**Prohibited Check**" and, collectively, "**Prohibited Checks**").

Customer grants Financial Institution a security interest in all Accounts or other deposits (whether general or special) of Customer's at the Financial Institution, and in all funds in such Accounts or other deposits, to secure Customer's obligations to Financial Institution under this Product Schedule. This security interest will survive termination of this Product Schedule.

4. Scanning of Checks and Transmission of Files. Customer shall properly install and use all software and hardware required by this Product Schedule or otherwise required for, or related to, the use of the Remote Deposit Service. Customer shall (a) scan the front and back of each Check to be deposited and thereby capture the image of the front and back of each Check and capture the MICR encoding on, and any other required data from, each Check and (b) transmit the File containing the images of, the MICR line from and all other required data and information from or pertaining to, such Checks and other

information to Financial Institution or its Processor in accordance with the Procedures, a copy of which Procedures have either heretofore been, or are herewith, provided to Customer by Financial Institution, and Customer acknowledges receipt thereof. Financial Institution reserves the right to amend the Procedures, with or without prior notice to Customer. Financial Institution may also provide Customer with, or require Customer to establish, a User ID, a personal identification number ("**PIN**") and/or passwords and other procedures (collectively, "**Security Procedures**") to access the Remote Deposit Service. The specific Security Procedures will be described in the Procedures. Customer agrees to, at all times, (a) comply with the Procedures, (b) safeguard the confidentiality and security of the Procedures, Security Procedures and all other proprietary property or information Financial Institution provides to Customer in connection with the Remote Deposit Service and (c) notify Financial Institution immediately if Customer has any reason to believe the security or confidentiality required by this provision has been or may be breached. Customer acknowledges, understands and agrees the Security Procedures are not designed for the detection of errors. Financial Institution is not, and will not be, obligated to detect errors by Customer or others, even if Financial Institution takes certain actions from time to time to do so.

Customer is solely responsible for providing for and maintaining the physical, electronic, procedural, administrative, and technical security of data and systems in your possession or under your control. Financial Institution is not responsible for any computer viruses (including, without limitation, programs commonly referred to as "malware," "keystroke loggers," and/or "spyware"), problems or malfunctions resulting from any computer viruses, or any related problems that may be associated with the use of an online system. Any material downloaded or otherwise obtained is obtained at Customer's own discretion and risk, and Financial Institution is not responsible for any damage to Customer's computer or operating systems or for loss of data that results from the download of any such material, whether due to any computer virus or otherwise. Customer is solely responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to its operating systems, and for protecting, securing, and backing up any data and information stored in or on your operating systems. Financial Institution is not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on Customer's operating systems.

Customer acknowledges and agrees that Customer will protect itself and be vigilant against e-mail fraud and other internet frauds and schemes (including, without limitation, fraud commonly referred to as "phishing" or "pharming"). Customer agrees to educate its representative(s), agents, and employees as to the risks of such fraud and to train such persons to avoid such risks. Customer acknowledges that Financial Institution will never contact Customer by e-mail in order to ask for or to verify Account numbers, Security Devices, or any sensitive or confidential information, and will never provide links to websites in e-mails that Financial Institution transmits to Customer. In the event Customer receives an e-mail or other electronic communication that Customer believes, or has reason to believe, is fraudulent, Customer agrees that Customer shall not respond to the e-mail, provide any information to the e-mail sender, click on any links in the e-mail, or otherwise comply with any instructions in the e-mail. To the extent allowed by law, Customer agrees that Financial Institution is not responsible for any losses, injuries, or harm incurred by Customer as a result of any electronic, e-mail, or internet fraud.

In the event of a breach of the Security Procedure, Customer agrees to assist Financial Institution in determining the manner and source of the breach. Such assistance shall include, but shall not be limited to, providing Financial Institution or Financial Institution's agent access to its hard drive, storage media and devices, systems and any other equipment or device that was used in breach of the Security Procedure. Customer further agrees to provide to Financial Institution any analysis of such equipment, device, or software or any report of such analysis performed by Customer, its agents, law enforcement agencies, or any other third party. Customer's failure to assist Financial Institution shall be an admission by Customer that the breach of the Security Procedure was caused by a person who obtained access to its transmitting facilities or who obtained information facilitating the breach of the Security Procedure from Customer and not from a source controlled by Financial Institution.

To ensure accuracy, Customer shall balance the dollar amount of each deposit to the sum of the Checks prior to transmitting the File in accordance with the Procedures. Customer may send multiple Files to Financial Institution or Processor throughout the day. The total dollar value of the Files sent by Customer to Financial Institution on any day shall not exceed

the dollar amount specified in **Schedule A** (the "**Deposit Limit**"). If the total dollar value of the Files sent by Customer to Financial Institution on any day exceeds the Deposit Limit, Financial Institution may, at its option, refuse to accept the File that exceeds the Deposit Limit, or Financial Institution may accept and process the File. Customer agrees not to exceed the Deposit Limit. To be eligible for processing on the day transmitted, Files must be received by Financial Institution no later than the cut-off time specified in **Schedule A** (the "**Cut-Off Time**"). A File is considered received by Financial Institution when a complete copy of such File has been written on a Financial Institution electronic storage device in conformity with Financial Institution's technical and operational requirements. To meet the Cut-Off Time, the entire File must be received by Financial Institution prior to the Cut-Off Time, and the File must successfully pass the edits for conformity with the technical requirements. For purposes of determining when a File has been delivered and received, Financial Institution's records shall be determinative. A File which is not balanced in accordance with the Procedures, or which is received after the Cut-Off Time shall be deemed to have been received on the business day following the business day on which the File is actually received by Financial Institution. Financial Institution reserves the right to change the number of Files that may be transmitted in a day, the Deposit Limit and the Cut-Off Time. All such changes shall be effective immediately and may be implemented prior to Customer's receipt of notice thereof. Customer may contact Financial Institution at any time to verify the current number of Files that may be transmitted in a day, the Deposit Limit and the Cut-Off Time.

Maintenance and Destruction of Original Check. Customer shall securely store all original Checks for a period of thirty (30) days after Customer has received notice from Financial Institution that the File containing the images of such Checks has been accepted (such period the "**Retention Period**"). During the Retention Period, Customer shall take appropriate security measures to ensure that: (a) only authorized personnel shall have access to original Checks, (b) the information contained on such Checks shall not be disclosed, (c) such Checks will not be duplicated or scanned more than one time and (d) such Checks will not be deposited or negotiated in any form. Customer shall also implement proper security procedures and internal controls to ensure the confidentiality of any information that is considered to be confidential personal information that is retained by Customer. Customer shall destroy original Checks upon the expiration of the Retention Period applicable to such Checks. Customer will use commercially reasonable methods of destruction approved by Financial Institution to destroy original Checks after expiration of the Retention Period. Customer will promptly (but in all events within 5 business days) provide any retained Check (or, if the Check is no longer in existence, a sufficient copy of the front and back of the Check) to Financial Institution as requested to aid in the clearing and collection process or to resolve claims by third parties with respect to any Check.

5. Image and MICR Quality. Each File transmitted by Customer to Financial Institution shall contain Images of the front and the back of the Checks scanned and remotely deposited by Customer. Each Image of each Check shall be of such quality that the following information can clearly be read and understood by sight review of such Image:

(a) the amount of the Check;
(b) the payee of the Check;
(c) the signature of the drawer of the Check;
(d) the date of the Check;
(e) the Check number;
(f) the information identifying the drawer and the paying financial institution that is preprinted on the Check, including the MICR line; and
(g) all other information placed on the Check prior to the time an image of the Check is captured, such as any required identification written on the front of the Check and any indorsements applied to the back of the Check.

Each Image shall also meet all standards for image quality established by the American National Standards Institute ("**ANSI**"), the Board of Governors of the Federal Reserve or any other regulatory agency, clearing house or association.

Customer shall also capture and transmit to Financial Institution the full-field MICR encoding on each Check. In accordance with the Procedures, Customer shall ensure that the following information is captured from the MICR line of each Check:

(a) the American Bankers Association routing transit number ("**RTN**");
(b) the number of the account on which the Check is drawn;
(c) when encoded, the amount of the Check; and
(d) when encoded, the serial number and the process control field of the Check.

6. Receipt of File. Customer agrees that Customer shall be solely liable for, and Financial Institution shall not have any liability whatsoever to Customer for, any File or the Images or other information contained therein that are not received by Financial Institution or for any File or the Images or other information contained therein that are intercepted or altered by an unauthorized third party. Customer agrees that Financial Institution has no obligation to accept a File and, therefore, may reject any File or the Images or other information contained therein submitted by Customer. Financial Institution has no obligation to notify Customer of the rejection of a File or the Images or other information contained therein. Financial Institution shall have no liability to Customer for the rejection of a File or the Images or other information contained therein or for the failure to notify Customer of such rejection. Upon receipt of a File submitted by Customer, Financial Institution may examine such File and the Images and other information contained therein to ensure that Customer has complied with this Product Schedule and followed the Procedures. If Financial Institution determines that Customer has not complied with this Product Schedule or followed the Procedures or if errors exist in the Images or other information contained in the File, Financial Institution, in its sole discretion, may either reject the File or elect to correct the error and accept and process the corrected File (a "**Corrected File**"). As a form of correction, Financial Institution may credit Customer's Account for the full amount of the deposit and make any necessary adjustments to the Account to correct the error. Financial Institution may, at its option, also perform a risk management analysis of one or more Files submitted by Customer to detect potentially fraudulent Checks, and, in its sole discretion, Financial Institution may reject any such File or the Images or other information contained therein. If after examination of a File and the Images and other information contained therein, Financial Institution determines that Customer has complied with this Product Schedule and processed and transmitted the File in accordance herewith and with the Procedures, the File is balanced and the Images meet the requirements of Section 5 of this Product Schedule, then Financial Institution shall accept the File (an "**Accepted File**") for deposit to Customer's Account. Upon acceptance of the File, Financial Institution shall electronically notify Customer of receipt and acceptance of the Accepted File for deposit. Notwithstanding the fact that Financial Institution has accepted a File for deposit, any credit made to Customer's Account shall be provisional, and Customer shall remain liable to Financial Institution for any errors, inaccuracies, breach of warranties and any other loss sustained by, or claim made against, Financial Institution.

7. Provisional Credit and Availability of Funds. Upon acceptance of the File, Financial Institution shall grant Customer's Account Provisional Credit (as herein defined) for the total amount of the Corrected File or the Accepted File, as applicable. As used herein, "Provisional Credit" means that the credit is made to Customer's Account subject to final payment of the Checks and subject to the terms of the Deposit Agreement. For the purpose of determining availability of funds, Financial Institution may hold funds for the period of time permitted by Financial Institution's availability disclosure.

8. Laws, Rules and Regulations. Customer agrees to comply with all existing and future operating procedures used by Financial Institution for processing of transactions. Customer further agrees to comply with, and be bound by, all applicable state or federal laws, rules, regulations, orders, guidelines, operating circulars and pronouncements, affecting checks and drafts, including, but not limited to, all rules and procedural guidelines established by the Federal Trade Commission ("**FTC**"), the Board of Governors of the Federal Reserve and any other clearinghouse or other organization in which Financial Institution is a member or to which rules Financial Institution has agreed to be bound. The Rules are incorporated herein by reference. These procedures, rules, and regulations (collectively the "Rules") and laws are incorporated herein by reference. In the event of conflict between the terms of this Product Schedule and the Rules, the Rules will control.

9. Collection of Checks. Financial Institution, in its sole discretion, shall determine the manner in which Images shall be presented for payment to the drawee financial institution. Financial Institution, in its sole discretion, shall select the clearing agents used to collect and present the Images, and Financial Institution's selection of the clearing agents shall be considered to have been designated by Customer. Financial Institution shall not be liable for the negligence of any clearing agent. Collection of Checks is also subject to the Rules and the terms of the Deposit Agreement.

10. Contingency Plan. Customer agrees that, in the event Customer is not able to capture, balance, process, produce or transmit a File to Financial Institution, or otherwise comply with the terms hereof or of the Procedures, for any reason, including, but not limited to, communications, equipment or software outages, interruptions or failures, Customer will transport the originals of all Checks to the closest office of Financial Institution and deposit original Checks with Financial Institution until such time that the outage, interruption or failure is identified and resolved. Customer hereby acknowledges and agrees that Financial Institution shall not be liable to Customer for any loss or damage of any nature sustained by Customer as the result of the inability of Customer to use the Remote Deposit Service. The deposit of original Checks at an office of Financial Institution shall be governed by the terms and conditions of the Deposit Agreement and not by the terms of this Product Schedule. Notwithstanding the foregoing, and to the extent applicable, Section 11 of this Product Schedule dealing with warranties shall apply to the deposit of original Checks.

11. Warranties. Customer represents, warrants and covenants the following to Financial Institution:

(a) Checks Deposited. Customer shall only deposit Checks that are authorized by this Product Schedule, the Procedures and the Deposit Agreement;

(b) Image Quality. Each Image transmitted by Customer to Financial Institution contains an accurate representation of the front and the back of each Check and complies with the requirements of this Product Schedule;

(c) Accuracy of Information. All data and other information submitted by Customer to Financial Institution, including but not limited to data contained in the MICR line of each Check, is complete and accurate and complies with the requirements of this Product Schedule;

(d) Business Purpose Only. Customer is not a consumer, and the Remote Deposit Service shall be used for business purposes only;

(e) No Duplicates. Customer will not: (i) create duplicate Images of the Checks, (ii) transmit a duplicate Image or File to Financial Institution, or (iii) deposit or otherwise negotiate the original of any Check of which an Image was created. Customer further warrants that no subsequent transferee, including but not limited to Financial Institution, a collecting or returning financial institution, drawer, drawee, payee or endorser, will be asked to pay the original Item from which the Image(s) was created or a duplication (whether paper or electronic) of the Item(s);

(f) No Loss. No Subsequent transferees of the Item(s), including but not limited to Financial Institution, a collecting or returning financial institution, drawer, drawee, payee or endorser, shall sustain a loss as the result of the fact that the Image was presented for payment or returned instead of the original Check;

(g) Information. All information provided by Customer to Financial Institution is true, complete and accurate and properly reflects the business, financial condition and principal partners, owners or officers, of Customer. Customer is not engaged in, or affiliated with, any businesses, products or methods of selling other than those disclosed by Customer to Financial Institution;

(h) Authority and Legality. (i) Customer is authorized to enter into, and perform its obligations under, this Product Schedule; (ii) the person signing this Product Schedule on behalf of Customer is duly authorized to execute this Product Schedule; (iii) this Product Schedule is valid and enforceable against Customer in

accordance with its terms; and (iv) the entry into, and performance of, this Product Schedule by Customer will not violate any law, or conflict with any other agreement, to which Customer is subject;

(i) No Litigation. There is no action, suit or proceeding pending or, to Customer's knowledge, threatened which, if decided adversely, would impair Customer's ability to carry on its business substantially as now conducted or which would adversely affect Customer's financial condition or operations.

(j) Transactions. All Checks and business transactions of Customer are, and will be, bona fide and all signatures on Checks are authentic and authorized;

(k) Rule Compliance. Customer conducts its business and submits Checks and Files in compliance with this Product Schedule, the Procedures, applicable law and the Rules;

(l) Computer Virus. No Files or Checks contain any computer viruses or other harmful, intrusive or invasive codes.

12. Returned Checks.

(a) Chargeback of Returned Checks. If Images of Checks deposited by Customer are dishonored or otherwise returned unpaid by the drawee financial institution, or are returned by a clearing agent for any reason, including, but not limited, to issues relating to the quality of the Image, Customer understands and agrees that, since Customer either maintains the original Check or has destroyed the original Check in accordance with Section 0 of this Product Schedule, the original Check will not be returned, and Financial Institution may charge back an Image of the Check to Customer's Account. Customer understands and agrees that the Image may be in the form of an electronic or paper reproduction of the original Check or a substitute check. Unless otherwise instructed by Financial Institution, Customer agrees not to deposit the original Check if an Image or other debit as previously described is charged back to Customer.

(b) Special Instructions. Customer may request that Financial Institution re-present returned Images of Checks to the drawee or process returned Images of Checks according to instructions provided by Customer to Financial Institution (the "**Special Instructions**"). These Special Instructions may be given to Financial Institution in a separate document in conjunction with or subsequent to the execution of this Product Schedule. Financial Institution shall not be bound by such Special Instructions until such time as Financial Institution has agreed in writing to accept the Special Instructions. Notwithstanding the fact that Financial Institution has agreed to accept the Special Instructions, Financial Institution may, in its sole discretion, disregard the Special Instructions and charge the returned Check back to Customer Account to which the Checks were deposited. In the event that Customer has requested that returned Images of Checks be re-presented, in no event will Financial Institution re-present an Image of a Check in excess of the limit established or permitted for the number of times that a Check may be re-presented. Customer may change or amend the Special Instructions by providing Financial Institution a written request to change or amend the Special Instructions. Changes or amendments to the Special Instructions shall not become effective until acknowledged and accepted in writing by Financial Institution. Customer hereby agrees to pay Financial Institution the fees for processing returned Checks and Special Instructions contained in Financial Institution's then current schedule of fees for such services.

13. Fees and Charges. So long as this Product Schedule remains in effect, Customer agrees to pay to Financial Institution the normal deposit account service charges established from time to time by Financial Institution and, in addition thereto, the fees and charges set forth in the Fee Schedule attached to this Product Schedule as **Schedule C** or provided from time to time hereafter to Customer, and all such other fees and charges as may be agreed upon from time to time by Customer and Financial Institution.

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Customer authorizes Financial Institution to deduct any charges for the Remote Deposit Service from any Account, even if such deduction causes an overdraft in the Account. Should Customer fail or refuse to pay any charges under this Product Schedule, Customer agrees to pay all collection costs (including reasonable attorney's fees) which may be incurred by Financial Institution. Financial Institution shall have the right to increase or decrease charges imposed for the Remote Deposit Service and will notify Customer of the changes, to the extent required by law. Customer's use of the Remote Deposit Service after changes have been made shall constitute Customer's agreement to the same.

In addition to the Remote Deposit Service fees, Customer agrees to pay all taxes, tariffs and assessments levied or imposed by any government agency in connection with the Remote Deposit Service, this Product Schedule, and/or the software or equipment made available to Customer (excluding any income tax payable by Financial Institution). Customer is also responsible for the costs of any communication lines and any data processing charges payable to third parties.

14. Amendments. Except as provided in Section 13, the Financial Institution may amend this Product Schedule from time to time upon written notice to the Customer. If performance of services under this Product Schedule would result in a violation of any present or future statute, regulation, or governmental policy to which the Financial Institution is subject, then this Product Schedule shall be amended to the extent necessary to comply with such statute, regulation, or policy. Alternatively, the Financial Institution may terminate this Product Schedule if it deems such action necessary or appropriate under the circumstances. The Financial Institution shall have no liability to the Customer because of any such violation, amendment, or termination. Any practices or course of dealings between the Financial Institution and the Customer, or any procedures or operational alterations used by them, shall not constitute a modification of this Product Schedule or the Rules, nor shall they be construed as an amendment to this Product Schedule or the Rules.

15. Notices, Instructions, Etc.

(a) Except as stated herein, the Financial Institution shall not be required to act upon any notice or instruction received from the Customer or any other person, or to provide any notice or advice to the Customer or any other person with respect to any matter.

(b) The Financial Institution shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by an authorized representative of Customer, and any such communication shall be deemed to have been signed by such person. Such notice shall be effective on the second Business Day following the day received by the Financial Institution.

(c) Except as stated herein, any written notice or other written communication required or permitted to be given under this Product Schedule shall be delivered or sent by US mail, if to Customer, at the address of Customer on the books of Financial Institution and if to Financial Institution, at the following address:

First Port City Bank
Attn: Deposit Operations
400 W Shotwell Street
Bainbridge, GA 39819

unless another address is substituted by notice delivered or sent as provided hereon. Except as otherwise stated herein, any such notice shall be deemed given when received.

16. Data Media and Records. All magnetic tapes, security procedures and related records used by the Financial Institution for transactions contemplated by this Product Schedule shall be and remain the Financial Institution's property. The Financial Institution may, at its sole discretion, make available such information upon the Customer's request. Any expenses incurred by the Financial Institution in making such information available to the Customer shall be paid by the Customer.

17. Cooperation in Loss Recovery Efforts. In the event of any damages for which Financial Institution or Customer may be liable to each other or to a third party pursuant to the services provided under this Product Schedule, Financial Institution and Customer will undertake reasonable efforts to cooperate with each other, as permitted by applicable law, in performing loss recovery efforts and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a third party.

18. Confirmation: Account Reconciliation. Financial Institution will provide notice of receipt of deposits to Customer's Account on the periodic statement for such Account. Customer is responsible for detecting and reporting to Financial Institution any discrepancy between Customer's records and the records Financial Institution provides to Customer. If Customer does not detect and notify Financial Institution of such a discrepancy within 30 days of Customer's receipt of any terminal printout, mailed report or periodic statement (each a "**Report**"), whichever is received first, then such transactions shall be considered correct, and Customer shall be precluded from asserting such error or discrepancy against Financial Institution.

19. Update Notice. Customer shall provide written notice to Financial Institution of any changes to the information previously provided by Customer to Financial Institution, including, but not limited to, any additional locations, any change in business, any new business, the identity of principals and/or owners, the form of business organization, type of goods and services provided and method of conducting sales. Such notice must be received by Financial Institution within 5 business days of the change. Customer shall provide any additional information requested by Financial Institution within 5 days of such request. Financial Institution retains the right to: (i) review Customer's Checks, Files and business activities from time to time to confirm Customer is conducting business as stated by Customer at the time of the execution of this Product Schedule and (ii) re-price or terminate the Remote Deposit Service based on changes to information previously provided to Financial Institution by Customer.

20. Financial Institution's Duties. Financial Institution's duties and responsibilities are limited to those described in this Product Schedule, the Deposit Agreement and any other agreements governing the Accounts. Financial Institution will use commercially reasonable care in performing its responsibilities under this Product Schedule.

21. Financial Institution's Responsibilities. Customer agrees to monitor its account balances and charges, to promptly notify Financial Institution if any Report conflicts with Customer's records, and to refrain from acting on information it has reason to believe is erroneous. In all instances, Financial Institution's and, if the services of a third-party provider are utilized in the provision of the Remote Deposit Service, such third party's sole liability to Customer shall be limited to the correction of any errors made. Financial Institution shall not be responsible for suspension of performance of all or any of its obligations, responsibilities or covenants hereunder, whether expressed or implied, if at any time, or from time to time, compliance therewith is prevented or hindered by, or are in conflict with, any federal or state law, regulation or rule, the order of any court of competent jurisdiction, any act of God or of the public enemy, war, epidemic, strike, or work stoppages of the U.S. Postal Service and commercial carrier(s), or electric power disruption or shortage, telecommunications failure or computer failures; acts, omissions or errors of any carrier and/or agent operating between Customer and Financial Institution or Financial Institution and any Federal Reserve Bank or other agency utilized to exercise transfers or any recipients of transferred funds; any incorrect, unauthorized or fraudulent use or other fraud by any person other than Financial Institution's employees; or, without limiting the generality of the foregoing, any other cause or circumstance beyond Financial Institution's control or other conditions or circumstances not wholly controlled by Financial Institution, which would prohibit, retard or otherwise affect Financial Institution's complete or partial performance under this Product Schedule.

22. Internet Disclaimer. Financial Institution does not, and cannot, control the flow of any documents, files, data or other information via the Internet, whether to or from Financial Institution's network, other portions of the Internet or otherwise. Such flow depends in large part on the performance of Internet services provided or controlled by third parties. Actions or inactions of such third parties can impair or disrupt Customer's connections to the Internet (or portions thereof).

Financial Institution cannot guarantee that such events will not occur. Accordingly, Financial Institution disclaims any and all liability arising out of, resulting from or related to, such events, and in no event shall Financial Institution be liable for any damages of any kind (whether in contract, in tort or otherwise) that are attributable or in any way related to the Internet infrastructure or Customer's or Financial Institution's ability or inability to connect to the Internet.

23. Indemnification and Liability; Third-Party Claims. Customer hereby indemnifies Financial Institution and each of its parents, subsidiaries and affiliates and their respective officers, directors, employees, partners, agents, insurers and attorneys (each and "**Indemnified Party**" and, collectively, the "**Indemnified Parties**") for, and holds each of the Indemnified Parties harmless from and against, all actions, causes of action, claims, damages, liabilities and expenses (including reasonable attorneys' fees) of any nature or kind (including those by third parties) arising out of, or related to, this Product Schedule, including all actions, causes of action, claims, damages, liabilities and expenses arising out of, related to or resulting from: (a) Customer's (i) failure to report required changes, (ii) transmission of incorrect data to Financial Institution or (iii) failure to maintain compliance with the Rules, (iv) destruction of original Checks, (v) deposit of an electronic representation of a substitute check into an Account instead of an original Check, (vi) deposit of a prohibited check; (b) Financial Institution's (i) provision of the Remote Deposit Service, (ii) action or inaction in accordance with, or in reliance upon, any instructions or information received from any person reasonably believed by Financial Institution to be an authorized representative of Customer, (c) Customer's breach of any of Customer's warranties, representations and/or obligations under this Product Schedule or any other agreement between Customer and Financial Institution, including, but not limited to, the Deposit Agreement, and the terms of this paragraph shall survive the termination of this Product Schedule. and/or (d) Customer's breach or violation of any Rules; provided, however, Customer is not obligated to indemnify Financial Institution for any damages solely and proximately caused by Financial Institution's gross negligence or willful misconduct.

24. Third Parties; Maintenance.

(a) Remote Deposit Service from Others. Customer may be using special equipment, services or software provided by a third party to assist it in processing Checks and Files hereunder (each a "**Third Party**" and, if more than one, "**Third Parties**"). Customer (i) agrees that any Third Party is acting as Customer's agent in the delivery of Checks and Files to Financial Institution, and (ii) agrees to assume full responsibility and liability for any failure of that Third Party to comply with the Rules or this Product Schedule. Financial Institution will not be liable for any losses or additional costs incurred by Customer as a result of any error by a Third Party or a malfunction of equipment provided by a Third Party. Customer shall provide at least 10 days advance written notice to Financial Institution in the event it uses any such Third Party. Customer is solely responsible for maintaining compliance with the requirements of any Third Party, including obtaining any software updates. Financial Institution shall not have any responsibility for any Check or File handled by a Third Party until that point in time when Financial Institution accepts and approves a Check or File from such Third Party for processing.

(b) Equipment Maintenance. Excluding the Bank-provided scanner, customer shall be solely responsible for obtaining and properly maintaining its equipment and system requirements, its electrical services, and telephone system, including computer equipment, Internet connectivity, scanning terminals (unless contracted with Financial Institution) and any other equipment or items necessary to receive the Remote Deposit Service. Financial Institution shall not be liable to Customer, in any manner whatsoever, for any type of errors, losses, damages or other claims related to Customer's failure to do so.

25. Use of Trademarks. Customer may not use Financial Institution's name or trademarks without the express written consent of Financial Institution. If Customer is permitted to use any of Financial Institution's name, trademarks or promotional materials, Customer will not indicate, directly or indirectly, that Financial Institution endorses, or is connected in any way with, any of Customer's goods or services.

26. Financial Information and Audit. Financial Institution may from time-to-time request information from Customer in order to evaluate a continuation of the Remote Deposit Service to be provided by Financial Institution hereunder and/or adjustment of any limits set by this Product Schedule. Customer agrees to provide the requested financial information immediately upon request by Financial Institution, in the form required by Financial Institution. Customer authorizes Financial Institution to investigate or reinvestigate at any time any information provided by Customer in connection with this Product Schedule or the Remote Deposit Service and to request reports from credit bureaus and reporting agencies for such purpose. Upon request by Financial Institution, Customer hereby authorizes Financial Institution to enter Customer's business premises for the purpose of ensuring that Customer is in compliance with this Product Schedule and Customer specifically authorizes Financial Institution to perform an audit of Customer's operational controls, risk management practices, staffing and the need for training and ongoing support, and information technology infrastructure. Customer hereby acknowledges and agrees that Financial Institution shall have the right to mandate specific internal controls at Customer's location(s) and Customer shall comply with any such mandate. In addition, Customer hereby agrees to allow Financial Institution to review available reports of independent audits performed at the Customer location related to information technology, the Remote Deposit Service and any associated operational processes. Customer agrees that if requested by Financial Institution, Customer will complete a self-assessment of Customer's operations, management, staff, systems, internal controls, training and risk management practices that would otherwise be reviewed by Financial Institution in an audit of Customer. If Customer refuses to provide the requested financial information, or if Financial Institution concludes, in its sole discretion, that the risk of Customer is unacceptable, or if Customer refuses to give Financial Institution access to Customer's premises, Financial Institution may terminate the Remote Deposit Service according to the provisions hereof.

27. Confidential Information and Proprietary Right in Data. All information of a business nature relating to the assets, liabilities or other business affairs disclosed to Financial Institution by Customer and Customer's customers in connection with this Product Schedule is confidential. Except as allowed by applicable law, Financial Institution shall not disclose or permit access to any such information by any person, firm or corporation. Financial Institution shall cause its officers, employees and agents to take such action as shall be reasonably necessary to preserve and protect the confidentiality of such information, by disclosing such information only to persons needing to have access thereto for the performance of the Financial Institution's obligations under this Product Schedule or to any other party to which Financial Institution may be required by law to report such information. Customer agrees to hold confidential, and to use only in connection with the Remote Deposit Service, all information furnished to Customer by Financial Institution or by third parties from whom Financial Institution has secured the right to use the Remote Deposit Service, including, but not limited to, Financial Institution's product and service pricing structure, system design, programming techniques or other unique techniques. In addition, should Customer at any time receive or acquire any information relating to another Customer of Financial Institution, Customer shall promptly return such information to Financial Institution and not reveal such information to any other party and shall not make use of such information for its own benefit or otherwise. Financial Institution's and Customer's obligations and agreements under this paragraph shall not apply to any information supplied that was known to either party prior to the disclosure by the other, is or becomes generally available to the public other than by breach of this Product Schedule or otherwise becomes lawfully available on a non-confidential basis from a third party who is not under an obligation of confidence to either party. Notwithstanding anything to the contrary contained herein, it is understood and agreed by the parties hereto that the performance of the Remote Deposit Service is or might be subject to regulation and examination by authorized representatives of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation and/or a State regulatory agency, and Customer agrees to the release by Financial Institution of Customer's reports, information, assurances and other data and information as may be required under applicable laws and regulations. Customer agrees that any specifications or programs developed by Financial Institution in connection with this Product Schedule or supplied or made available to Customer by Financial Institution, are the exclusive property of Financial Institution, its agents, suppliers or contractors, and further agrees that such material shall not be copied or used in any manner or for any purpose without the express written consent of Financial Institution. This clause shall survive the termination of the Product Schedule.

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28. Entire Agreement. This Product Schedule (including the Schedules attached) together with the Depository Agreement and the Master Agreement, is the complete and exclusive statement of the agreement between the Financial Institution and the Customer with respect to the subject matter hereof and supersedes any prior agreement(s) between the Financial Institution with respect to such subject matter. In the event of any inconsistency between the terms of this Product Schedule, the Depository Agreement or the Master Agreement, the terms of this Product Schedule shall govern. In the event performance of the services provided herein in accordance with the terms of this Product Schedule would result in a violation of any present or future statute, regulation or government policy to which the Financial Institution is subject, and which governs or affects the transactions contemplated by this Product Schedule, then this Product Schedule shall be deemed amended to the extent necessary to comply with such statute, regulation or policy, and the Financial Institution shall incur no liability to the Customer as a result of such violation or amendment. No course of dealing between the Financial Institution and the Customer will constitute a modification of this Product Schedule, the Rules, or the security procedures, or constitute an agreement between the Financial Institution and the Customer regardless of whatever practices and procedures the Financial Institution and the Customer may use.

29. Financial Accommodation. Customer and Financial Institution agree that this Product Schedule and the Service constitute an agreement to provide a "financial accommodation" as defined in 11 U.S.C. §365.

30. No Third-Party Beneficiaries. This Product Schedule shall not be construed to confer any rights or remedies upon any person not a party to this Product Schedule, whether as a third-party beneficiary or otherwise, against Customer or Financial Institution, their respective successors, assigns and affiliates. The Customer may not assign this Agreement or any of the rights or duties hereunder to any person without the Financial Institution's prior written consent.

31. Waiver. The Financial Institution may waive enforcement of any provision of this Agreement. Any such waiver shall not affect the Financial Institution's rights with respect to any other transaction or modify the terms of this Agreement.

32. Binding Agreement; Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and assigns. This Agreement is not for the benefit of any other person, and no other person shall have any right against the Financial Institution or the Customer hereunder.

33. Headings. Headings are used for reference purposes only and shall not be deemed part of this Agreement.

34. Severability. If any provision of this Agreement shall be determined to be invalid, illegal, or unenforceable to any extent, the remainder of this Agreement shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

35. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Georgia, without reference to its conflict of law's provisions, and applicable federal law.

36. Termination. This Product Schedule may be terminated by Financial Institution or Customer upon thirty (30) days' written notice. The Service will automatically terminate if the Account is closed for any reason. Termination of the Service will not terminate Customer's or Financial Institution's rights or obligations under this Product Schedule with respect to events or actions that occurred before termination.

This Product Schedule must be signed on behalf of Customer by an Authorized Customer Representative.

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IN WITNESS WHEREOF, the parties hereto have executed this Product Schedule through their duly authorized officers on the dates indicated below.

CUSTOMER:

City of Fernandina Beach FL

By: _____
(Signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

FINANCIAL INSTITUTION:

First Port City Bank

By: _____
(Signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

REMOTE DEPOSIT CAPTURE PRODUCT SCHEDULE

SCHEDULE A - ACCOUNT INFORMATION, DEPOSIT LIMITS, CUT-OFF TIME

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Authorized Account(s) _____

_____

_____

Transaction Limits

The total dollar amount **per deposited item** transmitted by Customer shall not exceed $ _____

The total dollar amount **per deposit** transmitted by Customer shall not exceed $_____

The total dollar amount **per day** transmitted by Customer shall not exceed $ _____

Daily Cut-off Time

Cut-off Time is 4:00PM ET (Standard or Daylight) on a business day we are open.

This Product Schedule addendum must be signed on behalf of Customer by an Authorized Customer Representative.

CUSTOMER: City of Fernandina Beach FL

By: _____
(Signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

FIRST PORT CITY BANK

REMOTE DEPOSIT CAPTURE PRODUCT SCHEDULE

SCHEDULE B - REMOTE DEPOSIT CAPTURE HARDWARE LIST

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List of Hardware:

Scanner(s) License. If the Scanner(s) is provided by Financial Institution as part of this Service, Financial Institution hereby grants to Customer a nontransferable non-exclusive license ("License") to use the Scanner(s) listed in this Schedule B ("Scanner(s)") only in connection with the Service provided by Financial Institution. Customer accepts the License subject to the terms and conditions set forth in the following sections.

(i) **OWNERSHIP OF SCANNER(S)**. Customer acknowledges the Scanner(s) is and shall at all times remain the sole and exclusive property of Financial Institution and agrees that Customer will do nothing inconsistent with such ownership. Customer agrees that nothing in this License shall give Customer any right, title or interest in the Scanner(s) other than the right to use the Scanner(s) in accordance with this License, and Customer agrees that it will not attack the validity of this License.

(ii) **USE.** Customer shall use the Scanner(s) in a careful and proper manner in accordance with the Documentation and shall comply with and conform to all federal, state, municipal, and other laws, ordinances and regulations in any way relating to the possession, use or maintenance of the Scanner(s). If at any time during the term hereof, Financial Institution supplies the Customer with labels, plates or other markings, stating that the Scanner(s) is owned by Financial Institution, the Customer shall affix and keep them upon a prominent place on the Scanner(s). The Customer shall limit the use of the Scanner(s) to the processing of transactions with Financial Institution pursuant to this Product Schedule. The Customer may not use the Scanner(s) to facilitate processing transactions with any other person without the prior express written authorization of Financial Institution.

(iii) **RECEIPT OF SCANNER(S)**. Customer agrees that Financial Institution will deliver or ship the Scanner(s) to Customer at the address designated by Customer in this Product Schedule. Customer acknowledges that delivery or shipment to the address designated by Customer shall be considered receipt of the Scanner(s) by Customer.

(iv) **INSPECTION**. Customer shall inspect the Scanner(s) within 24 hours after receipt thereof. Unless Customer, within this period of time, gives written notice to Financial Institution specifying any defect in or other proper objection to the Scanner(s), Customer agrees that it shall be conclusively presumed, as between Financial Institution and Customer, that Customer has fully inspected and acknowledged that the Scanner(s) is in good condition and repair, and that Customer is satisfied with and has accepted the Scanner(s) in such good condition and repair. Financial Institution shall at any and all times during business hours have the right to enter into and upon the premises where the Scanner(s) may be located for the purpose of inspecting the same or observing its use. Customer shall give Financial Institution immediate notice of any attachment or other judicial process affecting Scanner(s) and shall, whenever requested by Financial Institution, advise Financial Institution of the exact location of the Scanner(s).

(v) **MAINTENANCE.** Customer shall maintain the Scanner(s) in working order by following the instructions for proper use, care and cleaning of the Scanner(s) provided to Customer. In the event that the Scanner(s) does not function in accordance with the manufacture's specifications, Financial Institution shall either repair or replace the Scanner(s) within three (3) business days from the date of receipt of notification from the Customer. Financial Institution shall not repair or replace the Scanner(s) if it is lost or damaged as provided in Section (vi), or because of misuse, negligence or failure of Customer to follow instructions for proper use, care and cleaning of the Scanner(s).

(vi) **LOSS AND DAMAGE.** In the event of loss or damage of any kind to the Scanner(s), or any part thereof, Customer shall make a payment to Financial Institution in an amount contained in an invoice submitted by Financial Institution to

Customer ("Invoice Amount"). Payment shall be due within thirty (30) calendar days of receipt of the invoice from Financial Institution. Failure to make such payment shall be a default under Section (xi) of this Schedule B.

(vii) **SURRENDER OF SCANNER(S).** Within fifteen (15) calendar days of the expiration or earlier termination of this Product Schedule, with respect to the Scanner(s), Customer shall return the Scanner(s) to Financial Institution in good repair, condition and working order (ordinary wear and tear resulting from proper use thereof alone excepted), or Customer shall pay Financial Institution the Invoice Amount contained in an invoice submitted to Customer upon termination. If Customer fails to return the Scanner(s), or if the Scanner(s) is not in good working order and repair upon return, or if Customer fails to pay the Invoice Amount, such failure shall be a default under Section (xi) of this Schedule B.

(viii) **LOCATION OF SCANNER(S)**. Without the written permission of Financial Institution, Customer will not permit the Scanner(s) to be removed from the Customer's business addresses and Customer shall not physically locate the Scanner(s) outside of the United States.

Customer must notify Financial Institution if the scanner(s) moves from the location(s) assigned below:

Scanner#_____ Physical Location (address, city, state and zip): 204 Ash Street Fernandina Beach, FL 32034

Scanner#_____ Physical Location (address, city, state and zip): _____

Scanner#_____ Physical Location (address, city, state and zip): _____

(ix) **PERSONAL PROPERTY**. The Scanner(s) is, and shall at all times remain, personal property notwithstanding that the Scanner(s) or any part thereof may now be, or hereafter become, in any manner affixed or attached to, or imbedded in, or permanently resting upon, real property or any building thereon, or attached in any manner to what is permanent as by means of cement, plaster, nails, bolts, screws or otherwise.

(x) **ENCUMBRANCES**. Customer shall not do any act that will in any way encumber the title of Financial Institution in and to the Scanner(s). In the event the Scanner(s) becomes the subject of any lien or encumbrance through the action of Customer, Customer shall indemnify and hold harmless Financial Institution from all costs, losses or expenses with respect thereto, and Customer shall immediately pay any such lien and obtain a release thereof.

(xi) **DEFAULT**. If Customer fails to pay any amount herein provided within thirty (30) calendar days after the same is due and payable, Financial Institution shall have the right to take possession of the Scanner(s), without demand or notice, wherever same may be located, without any court order or other process of law. Customer hereby waives any and all damages occasioned by such taking of possession. Any such taking of possession shall constitute a termination of this Product Schedule. The Financial Institution may also debit the Customer's Account or Settlement Reserve for amounts due and payable to Financial Institution.

(xii) **FINANCIAL INSTITUTION'S EXPENSES**. Customer shall pay Financial Institution all costs and expenses, including reasonable attorney fees, incurred by Financial Institution in exercising any of its rights or remedies hereunder or in enforcing any of the terms, conditions or provisions hereof.

REMOTE DEPOSIT CAPTURE PRODUCT SCHEDULE

SCHEDULE C – SCHEDULE OF FEES

Rev 02-2024

Fee Schedule: Customer authorizes Financial Institution to debit any of the following fees from Customer's Account from time to time as appropriate:

Initial RDC Setup Fee	$ 100.00 One-time Fee
Scanner Purchase	$ **(Bank's cost)** Per Scanner, if Customer wishes to own.
Transaction Item	$ 5.00 Per Deposit
	$ 0.05 Per Deposited Item
Deposit Return	$ 50.00 Per Item
RDC Service Fee	$ 10.00 Per Month
Special Handling Fee	**$ 25.00 /**hr. minimum 1 hour

FIRST PORT CITY BANK

REMOTE DEPOSIT CAPTURE PRODUCT SCHEDULE

SCHEDULE D – CUSTOMER INFORMATION

Rev 02-2024

Company Name: City of Fernandina Beach FL

Legal Business Name: _____

Tax ID #: _____

Doing Business as Name(s): _____

Street Address: 204 Ash Street

City, State Zip: Fernandina Beach, FL 32034

Company Phone Number: _____

Company Fax Number: _____

Business Website Address: _____

Business Structure (Sole Prop, Corp, LLC, etc.): _____

Type of Business: _____

Business Description: _____

Owner Name: _____ % Ownership: _____

Primary Contact Name: _____ Primary Contact Title: _____

Primary Contact Number: _____ Primary Contact Email: _____

Secondary Contact Name: _____ Secondary Contact Title: _____

Secondary Contact Number: _____

Secondary Contact Email: _____

Authorized Account: _____ Authorized Account: _____

Authorized Account: _____ Authorized Account: _____

REMOTE DEPOSIT CAPTURE PRODUCT SCHEDULE

SCHEDULE E – AFFILIATE BUSINESS AND CUSTOMER PSEUDONYMS

Rev 02-2024

In reference to Terms and Conditions, Section 3. (a), the following entity names and/or pseudonyms may appear in the Payee field of checks deposited by Customer City of Fernandina Beach FL.

The list below is inclusive of all acceptable Payees as of the date below. Customer will notify the Financial Institution in writing if this list needs to be revised.

Payee Name	Affiliate or Pseudonym?	Effective Date

This Product Schedule Addendum must be signed on behalf of Customer by an Authorized Customer Representative.

CUSTOMER: City of Fernandina Beach FL

By: _____
(Signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

REMOTE DEPOSIT CAPTURE PRODUCT SCHEDULE

SCHEDULE F – DESIGNATION OF AUTHORITY

Rev 02-2024

This form is used when Customer wishes to delegate authority to sign various authorization forms to someone other than the person who signed the authorization for the Remote Deposit Capture Agreement.

By signing below, Customer authorizes the incumbent of the specified position listed in Section A or each person listed in Section B below, acting alone, to execute documents that Financial Institution may request, and any amendments or renewals pertaining to the use of Services, including but not limited to designating one or more persons authorized to initiate, amend, cancel, confirm or verify the authenticity of instructions to Financial Institution for Services (whether given orally, electronically or by fax instructions and to revoke any authorization granted to such person ad he or she deems appropriate. The signer of this form has the same authority described above for the Remote Deposit Capture Service with Financial Institution, unless otherwise specified. Financial Institution is entitled to rely on this delegation until written notice of its revocation is received by Financial Institution.

Guidelines for Completion: Fill out either Section A or Section B, or both, depending on your specific needs.

To delegate authority to any person holding a specific title, fill out Section A.

To delegate authority to specific individuals by name, fill out Section B.

For each name or title, indicate "Remote Deposit Capture" in the "Service" column if the person or title has authority to sign documents for all Remote Deposit Capture Services that Customer receives from Financial Institution. Otherwise, indicate specific Services for which the person or title has authority. For each name or title, indicate the entity or entities for which the person or title has authority to sign documents.

A. To Delegate Authority to Any Person Holding a Specific Positions/Titles

Title	Service	Entity

B. To Delegate Authority to Specific Individuals

Name	Service	Entity	Specimen Signature

Customer Authorization

Customer Authorization Instructions: The same person who signed the Remote Deposit Capture Agreement form must sign this Remote Deposit Capture Delegation of Authority form.

CUSTOMER's Legal Name: City of Fernandina Beach FL

By: _____
(Signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

REMOTE DEPOSIT CAPTURE PRODUCT SCHEDULE

SCHEDULE G – HOLIDAY SCHEDULE

Rev 02-2024

The Financial Institution will be closed on the following standard holidays observed by the Federal Reserve Bank. The Financial Institution will not accept remote deposits for processing on the following days, as well as all Saturdays and Sundays. Likewise, deposits should not be effective dated for these days.

New Year's Day	January 1
Martin Luther King's Birthday	Third Monday in January
Presidents Day	Third Monday in February
Memorial Day	Last Monday in May
Juneteenth National Independence Day	June 19
Independence Day	July 4
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veterans Day	November 11
Thanksgiving Day	Fourth Thursday in November
Christmas Day	December 25)

Note: *If January 1, June 19, July 4, November 11, or December 25 fall on a Sunday, the next following Monday is a standard Federal Reserve Bank holiday.*

FIRST PORT
CITY BANK
Putting *People* First



Wire Transfer
Agreement

K

By signing this Wire Transfer Product Schedule ("Product Schedule") City of Fernandina Beach FL "Customer," "you," "your," "its" or "User") hereby requests First Port City Bank (FPCB) ("Financial Institution," "our," "us," or "we") to provide the Service described in this Product Schedule. Customer agrees that this Product Schedule sets forth the terms and conditions pursuant to which Financial Institution will provide to Customer the Service outlined herein and is entered into as a Product Schedule under the Business Online Banking and Master Cash Management Agreement ("Master Agreement"). Financial Institution and Customer agree that by executing this Product Schedule, Customer acknowledges receipt of and agrees to the terms of the Master Agreement. Terms not otherwise defined in this Product Schedule shall have the meaning ascribed to those terms in the Master Agreement. In the event of inconsistency between a provision of this Product Schedule, the Uniform Commercial Code (the "UCC"), the Master Agreement, and/or the Depository Agreement, the provisions of this Product Schedule shall prevail.

Therefore, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, FPCB and Customer, intending to be legally bound, do hereby agree as follows:

1. **Authorization to Accept Payment Orders.** First Port City Bank (FPCB) is authorized to accept and/or execute "Payment Orders," as that term is defined in Article 4A of the Uniform Commercial Code issued by Customer, Administrators(s), User(s) Authorized Customer Representatives or Authorized Customer Agents, as those terms are defined herein.

   1.1. **Online Banking Payment Orders; Designation of Administrator.** The most secure method for the issuance of Payment Orders and the method recommended by FPCB is via Online Banking. Customer acknowledges and agrees that the commercially reasonable security procedure offered by FPCB is the security procedure used in conjunction with Online Banking. In order to submit Payment Orders via Online Banking, Customer must designate at least one Administrator in accordance with the Master Agreement. Administrator(s) shall be responsible for designating those persons who Customer authorizes to make Payment Orders on its behalf ("User(s)"). Administrator(s) may also set dollar limits on funds transfer amounts for Users per account. FPCB shall not be responsible for the limits established by Customer's Administrator(s). FPCB shall be entitled to rely on the designations made by the Customer's Administrator(s) and shall not be responsible for matching the names of the Customer Users designated by the Administrator(s) to names or titles listed in Customer's banking resolutions. Customer agrees that any such online Payment Order shall comply with FPCB's disbursement and security policies, which are subject to change without notice to Customer.

   1.2. **Written or Oral Payment Orders.** Issuance of a Payment Order by any means other than through Online Banking is a rejection by Customer of the security procedure offered by FPCB to Customer and constitutes Customer's selection of a security procedure chosen by Customer. Customer hereby expressly agrees to be bound by any Payment Order, whether or not authorized, issued in its name and accepted by FPCB in compliance with the Security Procedure, defined below. By one or more written resolutions acceptable to the FPCB and certified by Customer in accordance with Schedule A attached hereto, Customer shall designate those individuals (herein referred to as "Customer's Authorized Representative(s)") who shall be authorized to designate, on Schedule B attached hereto or other form acceptable to FPCB, one or more "Authorized Customer Agents" as the sole representatives of Customer authorized to transmit and verify funds transfer instructions hereunder on behalf of Customer that are not issued via Online Banking, and shall indicate on such Schedule the functions that each Authorized Customer Agent is authorized to conduct on behalf of Customer. Designation of Authorized Customer Agents may be altered or revoked from time to time upon written notice to the FPCB from any of Customer's Authorized Representative, provided that the FPCB may in its sole discretion act upon verbal notice of revocation which FPCB reasonably believes to be from any Customer's Authorized Representative(s), which revocation shall later be confirmed in writing by a Customer's Authorized Representative. FPCB shall be entitled to deem any person having knowledge of any security codes required in order to initiate funds transfer instructions under this Product Schedule to be an Authorized Customer Agent. Customer may establish dollar limits and limits on daily number of Payment Orders for Authorized Customer Agents. Such limits, if any, shall be designated in Schedule B.

2. **Execution and Acceptance of Payment Orders.** First Port City Bank (FPCB) is hereby authorized to honor, execute and accept each and every Payment Order received by it in the name of the Customer as sender and initiated by an Administrator or User via Online Banking or issued by an Authorized Customer Agent. If FPCB elects to accept Payment Orders issued by Customer, FPCB shall use reasonable efforts to comply with the Payment Order in paying the proceeds

to the beneficiary, if FPCB is also the beneficiary's financial institution, or in executing the Payment Order if FPCB is not also the beneficiary's financial FPCB to ensure that payment is made to the beneficiary on the payment date. FPCB shall be entitled to deem any person having knowledge of any security codes required in order to initiate Payment Orders under this Product Schedule to be an Authorized Customer Agent. FPCB may, in all cases, rely on and accept Payment Orders issued on behalf of Customer by any individual(s) authorized by Customer to sign checks on any of Customer's depository accounts with FPCB.

3. **Security Procedures.** In addition to, and without limiting the generality of, the Security Procedure provisions of the Master Agreement, Customer shall comply with the "Security Procedures" set forth in this Product Schedule, including Schedule C attached hereto and made a part hereof, and Customer acknowledges and agrees that the Security Procedures constitute commercially reasonable security procedures under applicable law for the initiation of Payment Orders.

4. **Settlement**. First Port City Bank (FPCB) is not obligated by this Product Schedule to honor, execute, or accept any Payment Order. If FPCB elects to accept Payment Orders issued by Customer, Customer agrees to settle for all Payment Orders issued by Customer, Customer's Administrator(s), User(s), Authorized Customer Agent(s) or Payment Orders otherwise made effective against Customer. Settlement shall be made by Customer to FPCB in any manner specified by FPCB. Notwithstanding the foregoing, FPCB is hereby authorized to charge the account designated by Customer ("Authorized Account") as settlement for Payment Orders issued by Customer. Customer shall designate the Authorized Account in Schedule F attached hereto and made a part hereof. Customer shall maintain sufficient collected funds in the Authorized Account to settle for the Payment Order at the time that the Payment Order is issued. FPCB may, in its sole discretion, transfer funds from the Authorized Account in excess of the collected balance and thereby create an overdraft. In this event, Customer shall promptly reimburse FPCB upon demand in the amount of the overdraft together with any interest fees or charges which would otherwise be charged to Customer as a result of an overdrawn account based upon the FPCB's account rules and pricing schedules. If FPCB elects to pay Customer's account in the overdraft on any one or more occasions, it shall not be considered a waiver of FPCB's rights to refuse to do so at any other time nor shall it be an agreement by FPCB to pay checks or other items in the overdraft. FPCB shall have the right to charge other accounts maintained by Customer with FPCB that are not designated as an Authorized Account if FPCB accepts the Payment Order and the designated Authorized Account does not have sufficient balances to settle for the Payment Order. FPCB may process Payment Orders in any order convenient to FPCB and FPCB may charge items, including settlement for Payment Orders, in any order or sequence selected by FPCB.

5. **Method of Issuance of Payment Orders.**

5.1. Issuance of Payment Orders. Customer may issue Payment Orders via Online Banking, by secure e-mail, telephone, or in writing. Payment Orders may only be executed on a "Business Day" which is Monday through Friday, excluding Federal holidays. Payment Orders received before the cut-off time established by FPCB will be processed on the same Business Day. Payment Orders received on a non-Business Day or after the cut-off time on a Business Day will be treated as being received on the next Business Day. The funds transfer cut-off times are described in Schedule F. Customer acknowledges that FPCB shall have no obligation to ascertain the identity of the beneficiary or the beneficiary's financial institution and shall have the right to reject any Payment Order that does not identify the account number and address of the beneficiary and the identifying number of the beneficiary's financial institution. Customer further acknowledges that FPCB is not responsible for detecting any Customer error contained in any Payment Order sent by the Customer to FPCB. FPCB may, at its option, record electronically all telephonic instructions received by FPCB from Customer without further notification and may retain such recordings for any period of time selected by FPCB. Customer consents to the recording of such telephone conversations. The decision of whether to record a particular conversation is within FPCB's discretion, and FPCB has no liability for failure to record.

5.2. Repetitive Instructions. First Port City Bank (FPCB) will transfer funds on a repetitive basis to other Customer accounts or third-party accounts as described in written instructions to FPCB signed by an Administrator or Authorized Customer Agent as contained in Schedule E attached hereto and made a part hereof. The transfers will be considered repetitive if they are to be affected at least monthly with the original written instructions remaining constant except for the date and dollar amount of the transfer involved. FPCB shall assign a unique code for each repetitive transfer which Customer shall furnish to FPCB at the time the transfer request is made.

6. **Errors in Payment Orders.** Customer agrees that First Port City Bank (FPCB) shall have no obligation to discover errors in Payment Orders and shall not be liable to Customer for errors made by Customer, including but not limited to errors made in identifying the beneficiary, or an intermediary or beneficiary's financial institution, or for errors in the amount of the Payment Order. FPCB shall likewise have no duty to discover and shall not be liable for duplicate Payment Orders issued by Customer. In the event that Customer makes an error or issues a duplicate Payment Order, Customer shall indemnify, defend all claims, and hold FPCB harmless from any loss, damages, or expenses, including but not limited to attorneys' fees, incurred by FPCB as the result of completion of the funds transfer.

7. **Use of Account Numbers**. The Customer is notified, and hereby acknowledges, that in executing or otherwise acting on a Payment Order First Port City Bank (FPCB) shall rely solely and exclusively upon identifying account or identification numbers of a beneficiary, beneficiary's financial institution or intermediary financial institution and shall not rely on the name of the beneficiary. Likewise, acceptance of a Payment Order may be made by a beneficiary's financial institution on the basis of an identifying or financial institution account number even if it identifies a person different from the named beneficiary. Customer is liable for and must settle with FPCB for any funds transfer initiated by Customer that identifies the beneficiary by account or identifying number or by name and account or identifying number. FPCB shall have no duty to detect any inconsistency between the name and number contained in a Payment Order and the Customer shall be responsible for any inconsistencies. The Customer shall indemnify and hold FPCB harmless from and against any loss, liability, expense or damage that the FPCB may incur as a result of such inconsistency, including, without limitation, attorneys' fees and expenses of litigation.

8. **Amendments and Cancellations.**

   8.1. A Payment Order may be canceled by the Customer, provided the cancellation instruction is received by First Port City Bank (FPCB), and verified pursuant to the Security Procedures in effect, at a time and in a manner affording FPCB a reasonable opportunity to act prior to FPCB's acceptance of the Payment Order.

   8.2. First Port City Bank (FPCB) is not obligated to amend or cancel a Payment Order after acceptance, but if in FPCB's sole discretion, it agrees with Customer to do so, it may condition such amendment or cancellation upon compliance with the Security Procedures. Any cancellation of a Payment Order by FPCB shall relieve FPCB of any obligation to act on such Payment Order and any amendment of a Payment Order by FPCB shall relieve FPCB of any obligation to act on such Payment Order in its un-amended form.

   8.3. Customer acknowledges and agrees that after a Payment Order has been accepted by the beneficiary's financial institution, return of such funds must be authorized by the beneficiary and First Port City Bank (FPCB) has no responsibility to procure the return of such funds. If Customer asks FPCB to recover funds which FPCB has already transferred, FPCB shall be under no obligation to do so. If Customer deposits with FPCB an amount reasonably determined in good faith by FPCB to approximate the costs and expenses (including attorney's fees) which FPCB may incur in attempting to recover the funds transferred, FPCB may, in its sole discretion make an attempt to recover the funds. In lieu of such a deposit, FPCB may request Customer to provide a bond or other assurance of payment reasonably satisfactory to FPCB. Upon such deposit, or the supplying of such other assurance, FPCB may take such action as it deems reasonable under the circumstances, including, for example, sending a request to reverse the transfer to any financial institution that received such funds. In no event, however, shall FPCB be deemed to have guaranteed or otherwise assured the recovery of any portion of the amount transferred, nor to have accepted responsibility for any amount transferred.

9. **Rejection of Payment Order.** Customer agrees that First Port City Bank (BPCB) has no obligation to accept a Payment Order and therefore may reject any Payment Order issued by Customer. FPCB has no obligation to notify Customer of the rejection of the Payment Order issued by Customer but FPCB may so notify at its option. FPCB shall have no liability to Customer for rejection of a Payment Order and shall not be liable to pay interest to Customer even if the amount of Customer's Payment Order is fully covered by a withdrawable credit balance in an Authorized Account of Customer or FPCB has otherwise received full payment from Customer.

10. **Use of Correspondents, Agents, and Systems**.

    10.1. The Customer agrees that in executing any Payment Order First Port City Bank (FPCB) may make use of such correspondents, agents and Payment Order and communication systems as it deems necessary or desirable to

execute such Payment Order. To the fullest extent permitted by law (a) such correspondents, agents and systems shall be deemed to be agents of the Customer and FPCB shall not be liable for any errors, negligence, suspension, or default of any of them or for any failure to identify the beneficiary or any mistake in payment by any of them, and (b) FPCB shall not be liable for any errors, mutilations, mis-delivery, or failure of delivery in the transmission of any Payment Order by such correspondents, agents and Payment Order and communication systems or for any suspension of any means of communication or for any imposition of a censorship, exchange control or other restriction by such correspondents, agents and Payment Order and communication systems, all such risk being borne by the Customer.

10.2. Each Payment Order, amendment or cancellation thereof, carried out through a funds transfer system will be governed by all applicable funds transfer system rules, whether or not First Port City Bank (FPCB) is a member of the system. Any Payment Order or cancellation thereof may be transmitted by any financial institution by use of the funds transfer system of the Federal Reserve Financial Institution ("Fedwire"). The rights and obligations of FPCB and the Customer with respect to any Payment Order, any part of which is carried out through the use of the Fedwire, will be governed by any applicable laws, the regulations of the Board of Governors of the Federal Reserve System, and the operating circulars of the Federal Reserve Financial Institution. The Customer acknowledges FPCB's right to reserve, adjust, stop payment, or delay posting of an executed Payment Order is subject to the laws, regulations, circulars, and rules described in this Section 10.2.

11. Compliance with Laws. Customer agrees to comply with all applicable laws, rules, procedures and regulations with respect to the use of its accounts at First Port City Bank (FPCB) and its use of the service described in this Product Schedule. FPCB will comply with regulations issued by the U.S. Treasury's Office of Foreign Assets Control ("OFAC"). It shall be the responsibility of Customer to obtain information regarding such OFAC regulations. (This information may be obtained directly from the OFAC Compliance Hotline at 800-540-OFAC or from OFAC's home page site at www.ustreas.gov/ofac). If any Payment Order is to a person or entity listed on OFAC's list of Specially Designated Nationals and Blocked Persons, by law FPCB shall not complete the transfer and shall "block" the funds until such time that OFAC issues a written release to FPCB.

12. Unauthorized Transactions and Other Errors. First Port City Bank (FPCB) shall provide the Customer with advices describing each Payment Order paid or executed on behalf of the Customer. Such advices shall be emailed to recipient(s) designated by the Customer not later than the business day following the day of execution or payment to a beneficiary of a Payment Order or as determined by FPCB in its discretion. The Customer shall notify FPCB of any discrepancy between the Payment Order and the related funds transfer, or of any unauthorized transaction or other error on the next business day following receipt of any advice or within 30 calendar days of the delivery or mailing by FPCB (whichever occurs first) of any statement of account relating to the Authorized Account, whichever is earlier, which time limits Customer agrees are reasonable. If notification of an unauthorized transaction or other error is communicated orally, it shall be confirmed promptly in writing. The Customer will be deemed to have received any advices and statements of account that are mailed by FPCB five business days after such mailing. FPCB shall have no liability to the Customer for any loss or damage sustained by the Customer arising out of any Payment Order referenced in a statement of account for the Authorized Account or in an individual advice, and no legal proceeding or action shall be brought by Customer against FPCB to recover such loss or damage, unless (a) Customer shall have given the written notice as provided for herein, and (b) such legal proceeding or action shall be commenced within the period established by UCC 4A. Customer waives any right to seek or enforce payment of attorneys' fees related thereto.

13. Indemnification. In addition to, and without limiting the generality of, the indemnification provisions of the Master Agreement, Customer shall be liable to First Port City Bank (FPCB) for and shall indemnify and hold FPCB and its affiliates and their respective officers, directors, employees and agents harmless from and against any and all claims, causes of action, damages, expenses (including reasonable attorneys' fees and other legal expenses), liabilities and other losses arising or resulting from acts or omissions of Customer, or from the provision of invalid or inaccurate data by Customer or by any other person or entity acting on Customer's behalf, including without limitation (a) a breach by Customer of any provision of this Product Schedule; (b) FPCB's debiting or crediting of the account of any person or entity as requested by Customer; and (c) the failure to act or the delay of any financial institution other than FPCB.

14. Limitation of Liability. In addition to, and without limiting the generality of, the limitation of liability provisions of the Master Agreement:

14.1. First Port City Bank (FPCB) shall be responsible only for performing the funds transfer services described in this Product Schedule and shall be liable only for its own gross negligence or willful misconduct in performing these Services. FPCB shall not be liable for acts or omission by Customer or any other person or entity, including without limitation any funds transfer systems, any Federal Reserve Financial Institution, any beneficiary's financial institution and any beneficiary, none of which shall be deemed the FPCB's agent. In addition to the "Force Majeure" provisions of the Master Agreement, FPCB shall be excused from delaying or failing to execute a funds transfer due to any changes in the rules, regulations and policies of the Federal Reserve Board that affect FPCB's ability to send or receive funds at any time, for any reason, if the funds transfer would result in the FPCB's exceeding any limitation on its intra-day net funds position established through Federal Reserve guidelines or if the funds transfer would result in violating any present or future risk control program of the Federal Reserve or a rule or regulation of any other governmental regulatory authorities.

14.2. Except as otherwise required by applicable law, First Port City Bank (FPCB) shall not be liable for any loss or liability arising from (a) any inaccuracy or failure to act on the part of any person not within FPCB's reasonable control, including but not limited to the failure of any other financial institution(s) to provide accurate or timely information to FPCB or the Customer, (b) the failure of other financial institutions to accept payment orders, (c) Customer's negligence, wrongful act or breach of this Product Schedule, or (d) any ambiguity or inaccuracy in any instruction given to FPCB by Customer.

14.3. ANY LIABILITY OF FIRST PORT CITY BANK (FPCB) FOR LOSS OF INTEREST RESULTING FROM ITS ERROR OR DELAY SHALL BE CALCULATED USING A RATE EQUAL TO THE FEDERAL FUNDS RATE AT THE FEDERAL RESERVE FINANCIAL INSTITUTION OF NEW YORK FOR THE PERIOD INVOLVED. PAYMENT WILL BE MADE BY CREDITING THE APPROPRIATE ACCOUNT AT THE FINANCIAL INSTITUTION INVOLVED IN THE FUNDS TRANSFER. FPCB SHALL NOT BE RESPONSIBLE FOR CUSTOMER'S ATTORNEYS' FEES.

15. International Payment Orders. Fund transfers to beneficiaries outside of the United States may be paid to the beneficiary in the foreign currency of the country to which the funds are transferred. It is the responsibility of Customer to notify the beneficiary that the funds originated in U.S. dollars may be paid to the beneficiary in the currency of the country to which the funds are transferred at First Port City Bank (FPCB) buying rate of exchange for funds transfers.

16. Customer Cooperation. In the event that First Port City Bank (FPCB) is entitled under the law governing mistake and restitution to recover from any beneficiary all or any part of a funds transfer made to such beneficiary hereunder, Customer shall upon FPCB's request but without expense to FPCB testify in any legal proceedings and otherwise take any action necessary to assist or enable FPCB to recover from such beneficiary. Customer hereby consents to FPCB's disclosure to government authorities of information concerning the Customer and transactions under this Product Schedule that FPCB believes to be appropriate or necessary to fulfill legal recordkeeping and reporting requirements.

17. Furnishing Information. Upon request the Customer will provide First Port City Bank (FPCB) with any transaction information necessary for FPCB to handle inquiries and tracing, or otherwise to comply with applicable laws and regulations relating to Payment Orders, including but not limited to, dollar amounts, account(s) affected, dates and names of beneficiaries and third parties involved in the transfer.

18. Transactions with Financial Institutions. If the Customer is a financial institution (as defined in UCC 4A), and under applicable law the Customer is not deemed the originator of the order to which a Payment Order relates, the Customer agrees to indemnify and hold First Port City Bank (FPCB) harmless for any loss or liability owed to such originator to the extent that such loss or liability would not have been incurred if the Customer had been an originator.

19. Entire Agreement. The Business Account Agreement governing Customer's account (the "Account Agreement"), the Master Agreement, and this Product Schedule (a) constitute the entire agreement between First Port City Bank (FPCB) and Customer regarding the use of FPCB's funds transfer service; (b) supersede any prior agreements between the FPCB and Customer regarding funds transfers and (c) shall be binding upon and enforceable against Customer's successors and assigns. If any inconsistency exists between the Account Agreement and this Product Schedule, the terms of this Product Schedule shall control. If any part of this Product Schedule is found to be invalid, illegal or unenforceable, the remaining provisions shall remain in effect.

20. **Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Georgia, without reference to its conflict of law's provisions, and applicable federal law.

21. **Amendments; Termination.** First Port City Bank (FPCB) may amend this Product Schedule from time to time as set forth in the Master Agreement. FPCB and Customer may terminate this Product Schedule as set forth in the Master Agreement.

22. **Payment for Services.** Customer shall pay First Port City Bank (FPCB) the charges for the services provided in connection with this Product Schedule and the Master Agreement, as set forth in Schedule G and in FPCB's Limit and Fees Schedule, which can be obtained by contacting FPCB and is hereby incorporated by reference and made a part hereof.

23. **Notices, Instructions, Etc.** Except as stated herein, any written notice or other written communication required or permitted to be given under this Product Schedule shall be delivered or sent by US mail, if to Customer, at the address of Customer on the books of First Port City Bank (FPCB) and if to FPCB, at the address set forth in the Master Agreement and pursuant to requirements of the Notice provisions thereof.

This Product Schedule must be signed on behalf of Customer by an Authorized Customer Representative.

IN WITNESS WHEREOF, the parties hereto have executed this Product Schedule through their duly authorized officers on the dates indicated below.

CUSTOMER: City of Fernandina Beach FL

By: _____
(signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

First Port City Bank:

By: _____
(signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

RESOLUTION

SCHEDULE A
TO WIRE TRANSFER PRODUCT SCHEDULE

I, _____, _____ (Title) of City of Fernandina Beach FL, (herein called "Company"), hereby certify that the Company is a: (check one)

Type of Organization:		**Governing Body:**	
☐	Corporation	☐	Board of Directors
☐	Limited Liability Company	☐	Members and/or Managers
☐	Partnership	☐	Partners
☐	Sole Proprietorship	☐	Owner
☐	Public Funds	☐	Treasurer

Formed under the laws of _____.

At a meeting of the Governing Body of the _____ held at its office in the city of _____ on _____ pursuant to due notice, at which a quorum of the Governing Body was present, on motion, duly seconded, the following resolutions were unanimously adopted:

The Governing Body in consideration of First Port City Bank (FPCB) entering into a Wire Transfer Product Schedule with Company resolves that

(1) The following officer(s) of Company:

Typed or Printed
Name: _____
Title: _____

(signature) _____

Typed or Printed
Name: _____
Title: _____

(signature) _____

Typed or Printed
Name: _____
Title: _____

(signature)_____

Typed or Printed
Name: _____
Title: _____

(signature) _____

is/are hereby designated as "Company's Authorized Representative(s)" and authorized, for and on behalf of Company: (i) to execute and deliver to First Port City Bank (FPCB), the Product Schedule (including all appendices) attached hereto, which has been reviewed and approved by the Governing Body; (ii) to designate not less than two (2) Authorized Company Agents in accordance with the Product Schedule as the representatives of Company authorized to transmit and verify transfer instructions to FPCB; (iii) to modify, substitute, or revoke, in accordance with the Product Schedule, the designation of Authorized Company Agents; (iv) to execute and deliver to FPCB, in accordance with the Product Schedule, any waiver or special

agreement between Company and FPCB respecting Company Callback procedures or additional Security Procedures, including any such waiver or special agreement respecting FPCB's standard of care or obligating Company to indemnify FPCB; and (v) to execute and deliver to FPCB any other written agreement, amendment, or notice respecting the rights and obligations of the parties to the Product Schedule.

(2) First Port City Bank (FPCB) shall be entitled to rely on this Resolution for the identification of the names and signatures of the persons holding the aforementioned offices of Company until such resolution or resolutions are superseded by a later resolution. FPCB shall be indemnified against and held harmless by Company from any and all claims, demands, losses, damages, costs or expenses (included but not limited to, attorneys' fees incurred in the enforcement hereof) in connection with or arising out of FPCB's honoring any signature or other request of any person so certified or refusing to honor any signature or other request not so certified by this Resolution.

(3) Any and all actions taken by any of the officers or representatives of Company, for and on behalf and in the name of Company, with First Port City Bank (FPCB) prior to the adoption of this Resolution, including but not limited to requests for funds transfers and the negotiation of funds transfer agreements, are hereby ratified, confirmed and approved in all respects for all purposes.

(4) This Resolution will continue in full force and effect until First Port City Bank (FPCB) shall receive (i) a subsequent Resolution which shall have the effect of canceling the previous Resolution; or (ii) notice in writing from the Secretary or any Assistant Secretary of Company of the revocation thereof by a resolution duly adopted by the Board.

(5) This Resolution shall, when delivered to First Port City Bank (FPCB), constitute a part of the Product Schedule. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Product Schedule.

This is to certify that the above is a true and correct copy of the resolutions unanimously adopted, on the motion duly seconded, at a meeting of the Governing Body of City of Fernandina Beach FL an entity organized under the laws of _____ held at its office in the city of _____ on _____ pursuant to due notice at which meeting a quorum of the Governing Body was present; and that said resolutions are duly entered upon the Minute Book of Company and are now in full force and effect.

Signed and delivered to First Port City Bank, this ____ day of _____, 20____.

COMPANY: City of Fernandina Beach FL

_____

BY:

(Secretary or Cashier)

SCHEDULE B - AUTHORIZED CUSTOMER AGENTS

When executed by First Port City Bank (FPCB) and Customer, this Schedule shall constitute a part of the Wire Transfer Product Schedule in effect between FPCB and Customer. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Product Schedule.

In accordance with that certain Wire Transfer Product Schedule between the undersigned Customer and FPCB, the following individuals are hereby designated as Authorized Customer Agents and the representatives of Customer authorized to transmit and/or verify funds transfer instructions in connection with the below-referenced account to FPCB on behalf of Customer:

LISTING OF PERSONS AUTHORIZED TO INITIATE OR AUTHENTICATE

Name	Wire Limit(s)	Phone Number	Account Number(s)

LISTING OF PERSONS AUTHORIZED TO AUTHENTICATE

Name	Wire Limit(s)	Phone Number	Account Number(s)

This Schedule must be signed on behalf of Customer by Customer's Authorized Representative.

CUSTOMER: City of Fernandina Beach FL _____

BY: _____ Date: _____

Signature of Authorized Customer Agent [1]

Name: PROFORMA

Title: PROFORMA

[1] This person must also be authorized to execute the Funds Transfer Agreement between Company and Bank. Signatures by other persons will not be accepted.

SCHEDULE C – FUNDS TRANSFER SECURITY PROCEDURES

SECURITY PROCEDURES

When executed by First Port City Bank (FPCB) and Customer, this Schedule shall constitute a part of the Wire Transfer Product Schedule in effect between FPCB and Customer. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Product Schedule.

The following are the Security Procedures referred to in the Product Schedule between the undersigned Customer and FPCB. Customer acknowledges that the Security Procedures are commercially reasonable in the context of the Customer's operation, requirements, and internal procedures.

The following Security Procedures shall apply with respect to all funds transfers (or amendments or cancellations thereto) of Customer under the Product Schedule:

Online Banking Wire Transfer Security Procedures

1. Personal Identification Numbers ("PIN"). In addition to the User ID and Password and other security procedures required to initiate Funds Transfer Services, First Port City Bank (FPCB) shall issue PINs to each Authorized Customer Agent, for use in the initiation or verification of funds transfer instruction. It is the Administrator's sole responsibility to ensure that such PINs are distributed to the proper Authorized Customer Agent(s). FPCB shall be entitled to reissue replacement PINs as the FPCB, in its sole discretion, shall from time to time deem advisable.
2. Customer Callback. FPCB shall verify funds transfer instruction, as a condition to FPCB's execution of same, by way of return telephone call to an Authorized Customer Agent other than the Authorized Customer Agent originating such instructions (hereinafter referred to as "Customer Callback").
3. Security Tokens: The customer can choose between a hard or soft token. The use of a token is mandatory for on-line wires. Customer must select one:

   Hardware Token ☐ Software token ☐
4. The following disclaimer will be placed on each wire confirmation sent to customers from FPCB Wire Operations.

   This is confirmation of the Wire Transfer of Funds described above. Customer must review the information provided and notify First Port City Bank (FPCB) of any discrepancies by calling (229) 246-6200. Customer assumes any and all liability if they fail to notify FPCB immediately.

The following security controls are recommended by First Port City Bank. Please indicate acceptance or declination of these controls:

Dual Control: One person initiates the transaction and a second person approves

Accept ☑ Decline ☐

Malware Protection Software:

Accept ☑ Decline ☐

Implementation of Security Patches and Updates:

Accept ☑ Decline ☐

SCHEDULE C – FUNDS TRANSFER
SECURITY PROCEDURES
(Continued)

Non-Online Banking Wire Transfer Security Procedures

1. Personal Identification Numbers ("PIN") - In addition to the User ID and Password and other security procedures required to initiate Funds Transfer Services, First Port City Bank (FPCB) shall issue PINs to each Authorized Customer Agent, for use in the initiation or verification of funds transfer instruction. It is the Administrator's sole responsibility to ensure that such PINs are distributed to the appropriate Authorized Customer Agent(s). FPCB shall be entitled to reissue replacement PINs as FPCB, in its sole discretion, shall from time to time deem advisable.

2. Customer Callback - First Port City Bank (FPCB) shall verify funds transfer instruction, as a condition to the FPCB's execution of same, by way of return telephone call to an Authorized Customer Agent other than the Authorized Customer Agent originating such instructions (hereinafter referred to as "Customer Callback").

3. The following disclaimer will be placed on each wire confirmation sent to customers from FPCB Wire Operations.

   This is confirmation of the Wire Transfer of Funds described above. Customer must review the information provided and notify First Port City Bank (FPCB) of any discrepancies by calling (229) 246-6200. Customer assumes any and all liability if they fail to notify FPCB immediately.

This Schedule must be signed on behalf of Customer by Customer's Authorized Representative.

CUSTOMER: City of Fernandina Beach FL

BY: _____ Date: PROFORMA

Signature of Authorized Customer Agent [1]

Name: PROFORMA

Title: PROFORMA

[1] This person must also be authorized to execute the Funds Transfer Agreement between Company and Bank. Signatures by other persons will not be accepted.

SCHEDULE D – CUSTOMER INFORMATION

Company Name: City of Fernandina Beach FL

Legal Business Name: _____

Tax ID #: _____ Doing Business as Name(s): _____

Street Address: 204 Ash Street

City, State Zip: Fernandina Beach, FL 32034

Company Phone Number: _____ Company Fax Number: _____

Business Website Address: _____

Business Structure (Sole Prop, Corp, LLC, etc.): _____

Type of Business: _____

Business Description: _____

Owner Name: _____ % Ownership: _____

Primary Contact Name: _____ Primary Contact Title: _____

Primary Contact Number: _____ Primary Contact Email: _____

Secondary Contact Name: _____ Secondary Contact Title: _____

Secondary Contact Number: _____ Secondary Contact Email: _____

SCHEDULE E - FUNDS TRANSFER AUTHORIZATION AGREEMENT - REPETITIVE TRANSFERS

Set forth below are the details of any repetitive or automatic standing transfers referred to in the Wire Transfer Product Schedule between Customer and First Port City Bank (FPCB). FPCB is hereby authorized and directed to assign a repetitive transfer number and establish each transfer described below as a repetitive transfer with that number.

Customer will use the assigned number to request such transfers in the future.

For First Port City Bank Use Only **Repetitive Wire Number**	**Beneficiary Name**	**Beneficiary Account Number**	**Beneficiary Financial Institution Routing Number**	**FPCB Customer Account Number to Debit**

This Schedule must be signed on behalf of Customer by Customer's Authorized Representative.

CUSTOMER: City of Fernandina Beach FL

BY: _____ Date: PROFORMA

Signature of Authorized Customer Agent [1]

Name: PROFORMA

Title: PROFORMA

[1] This person must also be authorized to execute the Funds Transfer Agreement between Company and Bank. Signatures by other persons will not be accepted.

SCHEDULE F – AUTHORIZED ACCOUNTS, WIRE PROCESSING LIMITS, CUT-OFF TIMES

Authorized Wire Transfer Accounts (Authorized Accounts)

Account Name	Account Type	Account Number

Wire Processing Limits

Maximum Amount of any Wire Transfer Request shall not exceed $ _____

Total Aggregate Wire Transfer Daily Limit $ _____ *(The maximum amount of Wire Transfers that can be initiated on a single Business Day.)*

Total Aggregate Wire Transfer Monthly Limit $ _____ *(The maximum amount of Wire Transfers that can be initiated over a 30-day period.)*

Daily Cut-off Times – on each business day that the Bank is open, excluding holidays

Domestic Wire Transfers: Cut-off Time is 4:00PM ET (Standard or Daylight)

International Wire Transfers: Cut-off Time is 3:00PM ET (Standard or Daylight)

This Schedule must be signed on behalf of Customer by Customer's Authorized Representative.

CUSTOMER: City of Fernandina Beach FL

BY: _____ Date: PROFORMA

Signature of Authorized Customer Agent [1]

Name: PROFORMA

Title: PROFORMA

[1] This person must also be authorized to execute the Funds Transfer Agreement between Company and Bank. Signatures by other persons will not be accepted.

SCHEDULE G – SCHEDULE OF FEES

Fee Schedule: Customer authorizes Financial Institution to debit any of the following fees from Customer's Account from time to time as appropriate:

Initial Wire Setup Fee	$ 100.00	One-time Fee
Incoming Wires	$ 18.00	Per Transaction
Outgoing Domestic Wires	$ 18.00	Per Transaction
Outgoing Domestic Wires	$ 13.00	Per Transaction initiated via Business Online Banking
Outgoing International Wires	$ 43.00	Per Transaction
Outgoing International Wires	$ 38.00	Per Transaction initiated via Business Online Banking
Wire Advice Fee	$ 0.00	Per Advice sent via automated email
Wire Advice Fee (Manual)	$ 5.00	Per Advice sent via U.S. Mail, Phone or Fax
Wire Manager Service Fee	$ 10.00	Per Month
Special Handling Fee	$ 25.00	/hr. minimum 1 hour

FIRST PORT
CITY BANK
Putting *People* First



Stop Payment **Agreement**

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Stop Payment Agreement

First Port City Bank does not maintain a separate standalone Stop Payment Agreement. All stop payment terms, conditions, and procedures are clearly outlined within our standard **Deposit Account Terms and Conditions**, specifically in **Section 9 on Page 5**. For your reference, the applicable portion of the agreement is provided below.

(9) Stop Payments

The rules in this section cover stopping payment of items such as checks and drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, may be established by law or our policy. If we have not disclosed these rules to you elsewhere, you may ask us about those rules.

We may accept an order to stop payment on any item from any one of you. You must make any stop-payment order in the manner required by law, it must be made in a signed and dated writing, and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. Because the most effective way for us to execute a stop-payment order is by using an automated process, to be effective, your stop-payment order must precisely identify the number, date, and amount of the item, and the payee.

You may stop payment on any item drawn on your account whether you sign the item or not. Your stop-payment order is effective for six months. Your order will lapse after that time if you do not renew the order in writing before the end of the six-month period. We are not obligated to notify you when a stop-payment order expires.

If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order.

Our stop-payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

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ICS Deposit **Agreement**

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ICS Deposit Placement Agreement

You, the undersigned, enter into this ICS Deposit Placement Agreement ("*Agreement*") with the following financial institution ("*we*" or "*us*"):

First Port City Bank

This Agreement states the terms and conditions on which we will endeavor to place deposits for you at depository institutions through ICS®, the IntraFi Cash Service® of IntraFi LLC ("*IntraFi*").

1. Deposit Placement

(a) Subject to the terms and conditions of this Agreement, we will act as your agent in placing deposits for you through ICS. Schedule 1 describes the procedure by which we will place deposits for you through ICS. Schedule 2 describes the account type and placement feature that we will use.

(b) Each depository institution at which deposits may be placed through ICS ("*Destination Institution*") will be one at which deposit accounts are insured by the Federal Deposit Insurance Corporation ("*FDIC*") up to the FDIC standard maximum deposit insurance amount ("*SMDIA*") of $250,000.

(c) **A LIST IDENTIFYING INTRAFI NETWORK BANKS, WHICH ARE FDIC-INSURED DEPOSITORY INSTITUTIONS, APPEARS AT HTTPS://WWW.INTRAFI.COM/NETWORK-BANKS. CERTAIN CONDITIONS MUST BE SATISFIED FOR "PASS-THROUGH" FDIC DEPOSIT INSURANCE COVERAGE TO APPLY.** IntraFi network banks may be added or removed without notice. As described below, you may designate any Destination Institution as ineligible to receive your funds.

(d) Subject to the terms and conditions of this Agreement, when we place deposits in a deposit account at a Destination Institution for your funds placed through ICS ("*Deposit Account*"), the amount of our outstanding placements for you at the Destination Institution through ICS and through CDARS®, the Certificate of Deposit Account Registry Service®, will not exceed $250,000.

(e) On the signature page of this Agreement, you will enter a unique alphanumeric identifier for you ("*Depositor Identifier*"). You will enter your federal taxpayer identification number ("*TIN*") as your Depositor Identifier, unless you do not have a TIN, in which case you will enter an alternate identifier that we approve.

(f) You will use the same Depositor Identifier for all placement of deposits for you through ICS or CDARS by us or any other institution.

(g) Deposits that we place for you in Deposit Accounts will be "deposits," as defined by federal law, at the Destination Institutions.

(h) Each Deposit Account, including the principal balance and the accrued interest, will be a deposit obligation solely of the Destination Institution at which it is held. It will not be a deposit obligation of us or of any other person or entity.

2. Agency and Custodial Relationship

(a) We will act as your agent in placing deposits for you through ICS. Under a separate agreement with you that grants us custodial powers ("*Custodial Agreement*"), we will also act as your custodian for the Deposit Accounts. The Bank of New York Mellon ("*BNY*") provides services that support deposit placement through ICS, including acting as our sub-custodian.

(b) As your custodian, we will open on our records, either directly or with the assistance of BNY, a custodial account in which we will hold your interests in the Deposit Accounts ("*Custodial Account*"). We may permit you to have multiple Custodial Accounts.

(c) Each Deposit Account will be recorded (i) on the records of a Destination Institution in the name of BNY, as our sub-custodian, (ii) on the records of BNY in our name, as your custodian, and (iii) on our records in your name. The recording will occur in a manner that permits the Deposit Account to be FDIC-insured to the same extent as if it were recorded on the records of a Destination Institution in your name.

(d) For purposes of Article 8 of the Uniform Commercial Code, we will act as your securities intermediary for, and will treat as financial assets, the Deposit Accounts and all your security entitlements and other related interests and assets with respect to the Deposit Accounts, and we will treat you as entitled to exercise the rights that constitute the Deposit Accounts.

(e) All interests that we hold for the Deposit Accounts will be held by us only as your securities intermediary and will not be our property. You will be the owner of the funds in the Deposit Accounts and any interest on those funds.

(f) You may terminate the custodial relationship between you and us at any time. You may not transfer the Deposit Accounts to another custodian, but you may dismiss us as your custodian for a Deposit Account and request that it be recorded on the records of the Destination Institution in your name.

(g) We will endeavor to cause any request from you pursuant to Section 2(f) to be promptly forwarded to the Destination Institution. Each Destination Institution has agreed that it will promptly fulfill any such request, subject to its customer identification policies and other account opening terms and conditions.

(h) If a Deposit Account has been recorded on the records of a Destination Institution in your name pursuant to this Section 2, you will be able to enforce your rights in the Deposit Account directly against the Destination Institution, but we will no longer have any custodial responsibility for it and you will not be able to enforce any rights against the Destination Institution through us.

(i) If we were to become insolvent, our receiver or other successor in interest could transfer custody of the Deposit Accounts, and our rights and obligations under this Agreement, to a new custodian. Alternatively, you could exercise your right to have the Deposit Accounts recorded on the records of the Destination Institutions in your name pursuant to this Section 2.

3. Interest Rate

(a) The interest rate for the Deposit Accounts at Destination Institutions ("*Interest Rate*") will be the then-current rate that we specify, which may be any rate (including zero) and which we may modify at any time. Interest compounds daily. Through your continued participation in ICS, you accept each applicable Interest Rate.

(b) If we permit you to have more than one Custodial Account, we may specify a different Interest Rate for each Custodial Account.

(c) Payment of the full amount of all accrued interest on a Deposit Account at a Destination Institution will be solely the responsibility of the Destination Institution. Neither we nor any other person or entity will be indebted to you for such payment.

4. Placement Procedures

4.1. Account Type, ICS Settlement, and Statements

(a) Settlement of payments to and from participating institutions in ICS through BNY that includes the type of deposits we place for you ("*ICS Settlement*") will occur each day that is not a Saturday, a Sunday, or another day on which banks in New York, New York, are authorized or required by law or regulation to close ("*Business Day*").

(b) You may confirm through the DCP (i) the aggregate principal balance in the Deposit Accounts ("*Program Balance*") and (ii) the principal balance and accrued interest of the Deposit Accounts at each Destination Institution as of the preceding Business Day or, after ICS Settlement-related processing, as of that Business Day.

(c) We will provide you with a periodic statement of custodial holdings for your funds placed through ICS that will include, as of the end of the statement period, your Program Balance, your principal balance at each Destination Institution, and the total interest and annual percentage yield for the period.

(d) The account information available on the DCP as described in Section 4.1(b), and the periodic statements described in Section 4.1(c), will be the only evidence that you receive of your ownership of the funds. You should retain the account statements.

4.2. Triggering Events

(a) Funds will be transferred to or from the Deposit Accounts in response to an event specified in this Agreement that triggers such movement ("*Triggering Event*"). A Triggering Event may result in a transfer of funds from a root account with us that contains your funds ("*Root Account*") to the Deposit Accounts at ICS Settlement ("*Program Deposit*") or a transfer of funds from the Deposit Accounts to the Root Account at ICS Settlement ("*Program Withdrawal*").

(b) Schedule 1 sets forth Triggering Events applicable to your deposits.

4.3. Program Deposits

(a) Subject to the terms and conditions of this Agreement, and except as provided in Section 4.3(b), a Triggering Event for a Program Deposit will result in a transfer of funds to the Deposit Accounts at ICS Settlement the *next* Business Day ("*Regular Program Deposit*").

(b) Schedule 1 may provide that a transfer of funds to the Deposit Accounts at ICS Settlement on the *same* Business Day ("*Same-Day Program Deposit*") is available and, if so, the cutoff time for you to request a Same-Day Program Deposit ("*Same-Day Deposit Cutoff Time*").

(c) We may impose a maximum Program Balance amount for deposits that we place for you through ICS and will inform you of any such amount we impose. Even if a Triggering Event for a Program Deposit occurs, we may choose not to transfer the amount to the Deposit Accounts if it would cause the Program Balance to exceed the maximum.

4.4. Program Withdrawals

(a) Subject to the terms and conditions of this Agreement, and except as provided in Section 4.4(b), a Triggering Event for a Program Withdrawal will result in a transfer of funds from the Deposit Accounts at ICS Settlement the *next* Business Day ("*Regular Program Withdrawal*").

(b) Schedule 1 may provide that a transfer of funds from your Deposit Accounts at ICS Settlement on the *same* Business Day ("*Same-Day Program Withdrawal*") is available and, if so, the cutoff time for you to request a Same-Day Program Withdrawal ("*Same-Day Withdrawal Cutoff Time*").

4.5. Withdrawal Advances; Security Interest

(a) If Schedule 1 states that we will advance funds to you in anticipation of a Program Withdrawal, or if we otherwise decide in our discretion to advance funds to you in anticipation of a Program Withdrawal, you will owe the amount of these funds to us and we will retain from the funds we receive at ICS Settlement the amount we have advanced to you.

(b) With respect to any amount that you owe to us pursuant to Section 4.5(a):

(i) you grant us, and acknowledge that we have, a security interest in, and a lien on, the Deposit Accounts, related security entitlements, and other related interests and assets that we may hold for you as custodian and securities intermediary pursuant to the Custodial Agreement for the amount that you owe to us,

(ii) if a Destination Institution fails before a Program Withdrawal is completed, we may retain the amount of the Program Withdrawal from the proceeds of your FDIC insurance claim to satisfy the amount that you owe to us, and

(iii) to the extent that the amount that you owe to us is not satisfied from the interests and assets we are holding for you pursuant to the Custodial Agreement, or from the proceeds of any FDIC insurance claim, the amount remains owed by you to us and is payable on demand.

(c) If, in a separate agreement, you have granted us a security interest in the Deposit Accounts or in any security entitlements or other interests or assets relating to the Deposit Accounts as collateral for a loan to you or otherwise, we may decline to honor a request for a Program Withdrawal, or decline to honor a debit transaction in the Root Account that would trigger a Program Withdrawal or be funded by a Program Withdrawal, to the extent the Program Withdrawal would cause your Program Balance to fall below the loan amount or other amount that you have agreed to maintain in the Deposit Accounts or to which the security interest applies. If, in a separate agreement, you have granted us a security interest in the Root Account, we also may decline to honor transactions in the Root Account in accordance with the separate agreement.

4.6. Account Type and Withdrawal Limit, If Any

(a) Deposits that we place for you at a Destination Institution will be placed in a Deposit Account that is a demand deposit account ("*DDA*") or a Deposit Account that is a money market deposit account ("*MMDA*"), as provided in Schedule 2. In accordance with federal regulations, each Destination Institution reserves the right to require written notice of an intended withdrawal from an MMDA not less than seven days before the withdrawal is made. Each Destination Institution has agreed that it will not exercise this right for ICS deposits unless it does so for all savings deposits it holds, including those not received through ICS.

(b) Schedule 2 provides (i) that we will place deposits for you in DDAs, (ii) that we will place deposits for you in MMDAs, or (iii) that we may place deposits for you in DDAs, MMDAs, or both.

(c) Schedule 2 also provides, if MMDAs will or may be used, (i) that an MMDA Program Withdrawal limit of six per month applies or (ii) that no MMDA Program Withdrawal limit applies.

(d) If a Program Withdrawal limit applies and you exceed the six permitted Program Withdrawals from MMDAs in a month:

(i) We may (A) transfer all the remaining funds in the MMDAs to the Root Account associated with the Custodial Account for the MMDAs or (B), if you also have a Custodial Account for DDA deposits, transfer all the remaining funds in the MMDAs to the Custodial Account for DDA deposits.

(ii) In subsequent months we may effect either such transfer at the time of your sixth Program Withdrawal.

(e) If you exceed the six permitted Program Withdrawals from MMDAs in multiple months, we may also make the Custodial Account for the MMDAs ineligible for Program Deposits.

5. Placement Feature

5.1. Reciprocal and One-Way

(a) We are eligible to use a feature of ICS in which, when we place deposits, we receive matching deposits placed by other participating institutions in ICS and may pay a fee to IntraFi ("*Reciprocal Feature*").

(b) We are also eligible to use a feature of ICS in which, when we place deposits, we do not receive matching deposits, but we and IntraFi may receive fees from Destination Institutions ("*One-Way Feature*").

(c) Schedule 2 provides (i) that we may use either the Reciprocal Feature or the One-Way Feature, (ii) that we will use only the Reciprocal Feature, or (iii) that we will use only the One-Way Feature.

5.2. Placement Feature and Rate

(a) Interest on the Deposit Accounts will be earned at the specified Interest Rate regardless of whether the Reciprocal Feature or the One-Way Feature is used.

(b) When the Reciprocal Feature is used, the fee paid to IntraFi may affect rate determination. When the One-Way Feature is used, fees paid by Destination Institutions, or cost-of-funds rates for Destination Institutions, may affect rate determination.

(c) If we are eligible to use the Reciprocal Feature, and you authorize us to use either the Reciprocal Feature or the One-Way Feature, we may use a feature with greater benefits to you, to us, or both.

5.3. Placement Requirements

(a) Under the laws of some states, governmental units may submit deposits for placement through a deposit placement network only if the placing institution is located in the state and receives matching deposits of an equal maturity, if any, and an equal amount.

(b) If you are a state governmental unit, or if you are otherwise subject to restrictions on the placement of deposits for you, you are responsible for determining whether deposit placement in accordance with this Agreement satisfies any applicable restrictions.

6. Daily Allocation and Depositor Control

6.1. Daily Allocation; Review and Consent

(a) The process for allocating Program Deposits, Program Withdrawals, and funds already on deposit reflects various considerations, including the need for certain Destination Institutions to receive deposits in amounts that they have placed for their own customers and possible limits on the amounts that an institution is authorized to place or a Destination Institution has agreed to receive. Applicable deposit amounts may change from day to day. Accordingly, the allocation of funds takes place each Business Day.

(b) The set of Destination Institutions to which your funds on deposit are allocated on a Business Day, and the amount allocated to each Destination Institution, may differ from a previous Business Day's allocation. A different allocation may involve the movement of funds from one Destination Institution to another Destination Institution, even though you do not have a Program Deposit or a Program Withdrawal. Such movements of funds will not affect the Interest Rate.

(c) You exercise control over the allocation of your funds through direct contact with us and through the DCP. You are responsible for reviewing the important information we provide you through the DCP, including information regarding proposed allocations that we provide each Business Day. In addition, on request at any time, we will provide you with a list of all Destination Institutions.

(d) Although we will not allocate your funds to Destination Institutions that you exclude or reject as set forth below, you authorize and consent to the allocation of your funds at Destination Institutions that you approve, or do not exclude or reject, as set forth below.

6.2. Destination Institution Exclusions

(a) You may enter the name of any depository institution on a list of exclusions from eligibility to receive deposits we place for you through ICS ("*Exclusions List*").

(b) You may add institutions to your Exclusions List in a manner we specify, which may be by entering exclusions on Schedule 2, by entering them through the DCP, or in another manner.

(c) An Exclusions List, and any changes to it, will be effective within one Business Day after the first Business Day on which we have received the Exclusions List or changes to it from you or you have entered them on the DCP.

6.3. Depositor Control Panel

(a) You must be capable of using, and you agree to use, the Depositor Control Panel ("*DCP*"), an online tool, to review provisional allocations of deposits and for other purposes. You also agree to receive notices that may be posted on the DCP or sent to you by email. The address of the Depositor Control Panel is https://www.depositorcontrol.com.

(b) You represent that you have a computer with Internet access, an e-mail address, the ability to download and print information from the DCP, and the knowledge and experience to use an online tool for DCP functionality. In addition, you acknowledge that you must obtain and maintain all equipment and services necessary for access to the DCP.

(c) To access the DCP, you must create login credentials. To create your login credentials, click on the applicable link on the DCP home page. Alternatively, we may send to you an email containing a link that will enable you to create login credentials. If we have enabled access by you to the DCP using a single-sign-on system that we provide, you may not be able to self-register for the DCP in the manner described above.

(d) From within the DCP, you may invite a user to create login credentials that will permit the user to access your DCP account. Such users may have access to your account information and DCP functionality, and you are responsible for their acts or omissions.

6.4. Depositor Placement Review

(a) Each Business Day, your aggregate principal balance that will be in Deposit Accounts after that day's ICS Settlement will be provisionally allocated to Destination Institutions. The amount allocated will reflect your Program Balance as of the last ICS Settlement, plus any Program Deposit that will occur at the day's ICS Settlement, minus any Program Withdrawal that will occur at the day's ICS Settlement. The allocation may provide that previously-deposited funds will be removed from a Destination Institution and deposited in another Destination Institution.

(b) After the provisional allocation occurs on a Business Day, but before allocation becomes final at ICS Settlement, Depositor Placement Review ("*DPR*") will occur through the DCP. Even if a Destination Institution is not on your Exclusions List, the final allocation that day will not allocate your funds to the Destination Institution if you reject it during DPR through the DCP. Your rejection of a Destination Institution will be effective only if you submit it before DPR ends.

(c) The DPR period each Business Day will be as follows: 3:00 PM to 3:15 PM Eastern time. Daylight Saving Time applies when nationally in effect. We may change the DPR period by posting notice on the DCP in advance of the change.

(d) In DPR, you will see a list of Destination Institutions to which your funds are proposed to be allocated at ICS Settlement later that day ("*Proposed Placement List*"), reflecting the provisional allocation of all your funds, including funds that will be moved from one Destination Institution to another Destination Institution. The Proposed Placement List will include the principal balance allocated to each Destination Institution. If you review the Proposed Placement List, and you click the approval button or you do not reject any of the Destination Institutions on the list, you will be approving the allocation and your funds will be allocated in accordance with the list.

(e) If you reject any of the Destination Institutions on the Proposed Placement List, you will be approving allocation to Destination Institutions on the list that you do not reject. After entering rejections, if sufficient time remains in DPR, you will have the opportunity to review a list of other Destination Institutions to which your funds could be allocated ("*Alternate Placement List*"). If you click the approval button for the Alternate Placement List, or you do not reject any of the Destination Institutions on it, you will be approving the allocation of your funds to any of the listed Destination Institutions. If you reject any of the Destination Institutions on the Alternate Placement List, you will be approving allocation to listed Destination Institutions that you do not reject. Your funds may be allocated to any combination of Destination Institutions on the Proposed Placement List and the Alternate Placement List that you do not reject.

(f) If the provisional allocation on a Business Day would result in funds of yours currently at a Destination Institution being moved to another Destination Institution and you reject the other Destination Institution

in DPR that Business Day, the funds will not necessarily remain at the first Destination Institution. The funds will be allocated to a Destination Institution that you do not reject or returned to the Root Account.

(g) A Destination Institution that you reject in DPR will also be added to your Exclusions List, for purposes of future allocations, within one Business Day after the Business Day on which you submit the rejection.

(h) We do not guarantee that all your funds will be allocated to Destination Institutions on any particular day, even if they were allocated to Destination Institutions on a previous day. Exclusions and rejections of Destination Institutions may increase the chance that funds will not be allocated. If funds not yet transferred to the Deposit Accounts are not allocated to a Destination Institution on a Business Day, the funds will remain in the Root Account. If funds previously transferred to the Deposit Accounts are not allocated to a Destination Institution on a Business Day, the funds will be returned to the Root Account.

7. FDIC Insurance Considerations

7.1. Deposit Insurance Coverage

(a) You may obtain information about FDIC deposit insurance coverage by visiting the FDIC website at http://www.fdic.gov or by contacting the FDIC by letter, email, or telephone.

(b) All of your deposits at a Destination Institution in the same insurable capacity (whether you are acting directly or through an intermediary) will be aggregated for the SMDIA. You should add to your Exclusions List any depository institution at which you have other deposits in the same insurable capacity. Insurable capacities include, among others, individual accounts and joint accounts.

(c) You are responsible for determining whether deposits we place for you are maintained in separate insurable capacities. Separate divisions within a corporate entity are not eligible for separate insurance coverage, and a separate TIN or other Depositor Identifier does not establish a separate insurable capacity.

(d) We will use the Depositor Identifier to identify you, and we will place deposits for you on the understanding that you are not submitting deposits for placement in ICS or CDARS under more than one Depositor Identifier in the same insurable capacity.

(e) The requirements for FDIC deposit insurance coverage of the deposits of governmental units, including the United States government, state and local governments, the District of Columbia, and the Commonwealth of Puerto Rico, are set forth in FDIC regulations. If you are a governmental unit, you are responsible for determining whether the requirements for deposit insurance have been met. We are not responsible for losses resulting from the placement of deposits that are not eligible for FDIC deposit insurance.

(f) Records that we maintain, or that BNY maintains for us, reflecting ownership of the Deposit Accounts will be used to establish your eligibility for deposit insurance coverage. Accordingly, you must immediately report to us any changes in ownership information so that there will be accurate information to provide to the FDIC if a Destination Institution fails and the FDIC pays its insured deposits by cash payment. The FDIC could also require you to provide additional documentation.

7.2. Responsibility to Monitor Deposits; Available Information

(a) You are responsible for monitoring the total amount of your funds at each Destination Institution in each insurable capacity to determine the extent of FDIC deposit insurance coverage available to you for deposits at that Destination Institution. You should confirm that each placement of your funds at Destination Institutions is consistent with your exclusions and rejections.

(b) You can obtain publicly available financial information on Destination Institutions from the National Information Center of the Federal Reserve System at www.ffiec.gov/nicpubweb/nicweb/nichome.aspx.

7.3. Uninsured Deposits

(a) Although we will not place a deposit for you through ICS at any one Destination Institution in an amount that exceeds the SMDIA, a deposit that we place for you will not be eligible for FDIC insurance coverage at a Destination Institution before it becomes a deposit at the Destination Institution or after it is withdrawn from the Destination Institution.

(b) A deposit in the Root Account will be aggregated with your other deposits with us in the same insurable capacity for application of the SMDIA of $250,000.

(c) If you cannot accept the risk of having a deposit with us that is not fully insured, you will be responsible for making arrangements with us, if we offer

them, to have the deposits collateralized, protected by a properly-executed repurchase sweep arrangement, or otherwise adequately protected, in a manner consistent with applicable law. You should consult your legal advisor to determine whether a collateralization arrangement is consistent with applicable law.

(d) If you cannot accept the risk of having a deposit with us that is not fully insured, and we do not offer arrangements of the kind described in Section 7.3(c) or we offer them but you do not make such arrangements with us, you should not submit deposits for placement through ICS.

7.4. Deposit Insurance Payments

(a) In case of the liquidation of, or other closing or winding up of the affairs of, an insured depository institution, the FDIC is generally required by law to pay each insured deposit "as soon as possible," either by cash payment or by transferring the deposit to another insured depository institution. It is possible, however, that an insurance payment could be delayed. Neither we nor any other person or entity will be obligated to advance funds to you with respect to an insurance payment or to make any payment to you in satisfaction of a loss you might incur as a result of a delay in an insurance payment.

(b) If a Destination Institution at which we place deposits for you is closed and the FDIC does not transfer deposits that include your funds to another insured depository institution, but will make a deposit insurance cash payment, we will cause a deposit insurance claim for your funds to be filed with the FDIC, and we will credit to you the proceeds of the deposit insurance claim that we receive for your funds, subject to any valid security interest.

(c) If the FDIC makes a deposit insurance cash payment for a Deposit Account at a closed Destination Institution, the FDIC is required by law to pay the principal amount plus unpaid accrued interest to the date of the closing of the Destination Institution, as prescribed by law, subject to the SMDIA. No interest is earned on a Deposit Account at a Destination Institution after it closes.

(d) If the FDIC transfers the deposits of a closed Destination Institution to another insured depository institution, the acquiring institution may assume a Deposit Account. The acquiring institution may change the rate at which it pays interest on the assumed Deposit Account, subject to your right to withdraw the funds.

8. Additional Considerations

8.1. Compare Rates

(a) We are not acting as your investment advisor with respect to the placement of funds using ICS, and we are not advising you about alternative investments. You are responsible for comparing the rates of return and other features of the Deposit Accounts to other available deposit accounts and other kinds of investments before choosing placement through ICS.

(b) The Interest Rate may be higher or lower than a cost-of-funds rate for a Destination Institution, an interest rate for another customer, or interest rates on comparable deposits available directly from us, from the Destination Institutions at which the Deposit Accounts are held, from other Destination Institutions, or from insured depository institutions that are not Destination Institutions.

8.2. Allocation Considerations

(a) The ICS allocation process is subject to applicable law and may be affected by our objectives, IntraFi's objectives, or both, including administrative convenience, reduction of costs, and enhancement of profits.

(b) Participating institutions in the ICS service may make compensatory payments resulting in payments to other participating institutions, or receive compensatory payments resulting from payments by other participating institutions, including compensatory payments that reflect the difference between an interest rate for deposits placed by an institution and a rate at which the receiving institution would otherwise pay interest.

8.3. Mutual Institution Rights

(a) Your funds may be placed in a Deposit Account at a Destination Institution that is in the mutual form of organization. Such a Deposit Account will be recorded on the records of the mutual institution in the name of the sub-custodian and not in your name. The sub-custodian will not attend or vote at any meeting of the depositor members of a mutual institution, or exercise any subscription rights in a mutual institution's mutual-to-stock conversion, either on its own behalf or on your behalf.

(b) If we receive from the sub-custodian notice of a meeting of depositor members of a mutual institution or other materials or information relating to a mutual institution's mutual-to-stock conversion, we may forward

such notice, materials, or information to you. If you wish to receive such notice, materials, or information directly from the mutual institution, or if you wish to attend or vote at any meeting of the depositor members of the mutual institution or receive subscription rights, you must, before the applicable record date (a date that is usually at least one year before the mutual institution's board of directors adopts a plan of conversion), dismiss us as your custodian and have the Deposit Account recorded on the records of the mutual institution in your name pursuant to Section 2(f).

9. Other Provisions

9.1. Release and Use of Identifying Information

(a) We may provide information that identifies you ("*Identifying Information*"), including your name, your TIN or other Depositor Identifier, and information on your deposits, to a party that provides services in connection with ICS ("*Service Provider*"), including IntraFi and BNY. A Service Provider may use Identifying Information in providing services in connection with ICS.

(b) We or a Service Provider may also provide Identifying Information to a Destination Institution at which your funds are deposited, but will do so only to the extent necessary to comply with a request by you or your agent or to comply with applicable law. In addition, we or a Service Provider may provide Identifying Information to the FDIC in connection with a deposit insurance claim.

(c) Except as provided in Section 9.1(a) or Section 9.1(b), we will not provide Identifying Information to any party unless we determine that (i) we are required by applicable law to do so or (ii) we are permitted by applicable law to do so and have reasonable grounds to do so to protect our own legal or business interests or the legal or business interests of IntraFi or BNY.

(d) IntraFi may use and disclose any and all analyses, comparisons, indexes, or other data or information assembled, compiled, or otherwise developed by IntraFi, including information regarding aggregated activity of ICS depositors, as long as it does not individually identify you.

9.2. Tax Reporting and Withholding

(a) To the extent required by applicable law, we will file with the U.S. Internal Revenue Service ("IRS"), and furnish to you, IRS Form 1099-INT or its equivalent, or IRS Form 1042-S or its equivalent, for interest paid on the Deposit Accounts by the Destination Institutions.

(b) If we are notified by the IRS that backup withholding is required for interest on the Deposit Accounts, or if we otherwise determine that we are required by applicable law to collect such backup withholding, we will collect it and pay it to the IRS.

9.3. Liability and Dispute Resolution

(a) We will maintain, directly or through a Service Provider, appropriate records of our placements for you. We will not place deposits for you through ICS at a Destination Institution that is the subject of a then-effective exclusion on your Exclusions List, at a Destination Institution that is the subject of a then-effective rejection by you, or at a Destination Institution under one Depositor Identifier in an amount that exceeds the SMDIA.

(b) If all or part of your funds in a Deposit Account at a Destination Institution are uninsured because of our failure to comply with the requirements set forth in Section 9.3(a), and if the Destination Institution fails and you do not otherwise recover the uninsured portion, we will reimburse you for your documented loss of the uninsured portion that you do not otherwise recover.

(c) SUBJECT TO OUR REIMBURSEMENT OBLIGATION IN SECTION 9.3(b), AND EXCEPT AS MAY BE OTHERWISE REQUIRED BY APPLICABLE LAW, WE WILL NOT BE LIABLE, AND IN NO EVENT WILL INTRAFI OR BNY BE LIABLE, TO YOU OR TO ANY OTHER PERSON OR ENTITY FOR ANY LOSS OR DAMAGE INCURRED OR ALLEGEDLY INCURRED IN CONNECTION WITH THIS AGREEMENT. WITHOUT LIMITING THE FOREGOING, WE, INTRAFI, AND BNY WILL NOT HAVE ANY LIABILITY TO YOU OR ANY OTHER PERSON OR ENTITY FOR: (i) ANY LOSS ARISING OUT OF OR RELATING TO A CAUSE OVER WHICH WE DO NOT HAVE DIRECT CONTROL, INCLUDING THE FAILURE OF ELECTRONIC OR MECHANICAL EQUIPMENT OR COMMUNICATION LINES, TELEPHONE OR OTHER INTERCONNECT PROBLEMS, UNAUTHORIZED ACCESS, THEFT, OPERATOR ERRORS, GOVERNMENT RESTRICTIONS, OR FORCE MAJEURE (*E.G.*, EARTHQUAKE, FLOOD, SEVERE OR EXTRAORDINARY WEATHER CONDITIONS, NATURAL DISASTERS OR OTHER ACT OF GOD, FIRE, ACTS OF WAR, TERRORIST ATTACKS, INSURRECTION, RIOT, STRIKES, LABOR DISPUTES OR SIMILAR PROBLEMS, ACCIDENT, ACTION OF GOVERNMENT, COMMUNICATIONS, SYSTEM OR POWER FAILURES, OR EQUIPMENT OR SOFTWARE MALFUNCTION), (ii) DELAY IN ANY FDIC INSURANCE PAYMENT, (iii) THE FINANCIAL CONDITION OF ANY DESTINATION INSTITUTION OR THE ACCURACY OF ANY FINANCIAL INFORMATION ABOUT ANY DESTINATION INSTITUTION, OR (iv) ANY SPECIAL, INDIRECT,

PUNITIVE, INCIDENTAL, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS).

(d) ANY DISPUTE ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT WILL BE GOVERNED BY THE DISPUTE RESOLUTION, ARBITRATION, CHOICE OF LAW, VENUE, WAIVER OF JURY TRIAL, AND COSTS RELATED TO DISPUTES PROVISIONS, IF ANY, CONTAINED IN THE CUSTODIAL AGREEMENT.

9.4. Miscellaneous

(a) This Agreement constitutes the entire agreement between you and us relating to the placement of deposits through ICS and any other matter herein, supersedes prior agreements, understandings, negotiations, representations, and proposals, whether written or oral, relating to any matter herein, and may not be amended by any oral representation or oral agreement. This Section 9.4(a) will not affect the validity of any written addenda to this Agreement into which we have entered with you.

(b) Schedule 1 and Schedule 2 are incorporated into and made part of this Agreement. We may amend this Agreement, including any Schedule, prospectively by giving you written notice of the amendment at least fourteen (14) days before the effective date of the amendment, which will be specified in the notice or, if no effective date is specified in the notice, the date that is fourteen (14) days after we give you written notice of the amendment. We may provide written notice of the amendment by means of a posting on the DCP, an entry on your account statement, an email message, or a printed letter.

(c) Either party may terminate this Agreement on written notice to the other, but the obligations of both parties will survive with respect to any funds deposited at the time of termination. In addition, the provisions of this Section 9.4 will survive termination.

(d) Except as provided in Section 2(i), this Agreement may not be assigned, in whole or in part, by either party except by operation of law or as required by applicable law, and any purported assignment in violation hereof is void.

(e) The headings in this Agreement are not intended to describe, interpret, define, or limit the scope, meaning, or intent of this Agreement or any clause in it. Except as otherwise specified, a reference to a Section is a reference to a section of this Agreement. A reference to a Schedule is a reference to a schedule to this Agreement. The term “applicable law” refers to all applicable statutes, rules, regulations, and judicial orders, whether federal, state, or local. The words “include,” “includes,” and “including” do not imply exclusion.

(f) This Agreement and, unless otherwise provided in the Custodial Agreement, the Custodial Agreement may be executed in counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument. This Agreement and, unless otherwise provided in the Custodial Agreement, the Custodial Agreement will be valid, binding, and enforceable against you and us when executed by one of the following means that we accept: (i) an original manual signature, (ii) a DocuSign® eSignature or another electronic signature that we accept, or (iii) a faxed, scanned (including in a PDF document), or photocopied signature that we accept. Each DocuSign® eSignature, other electronic signature, or faxed, scanned, or photocopied signature that we accept shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original signature, and you and we waive any objection to the contrary.

The remainder of this page is intentionally left blank.

By signing below, you ("*Depositor*") and we ("*Relationship Institution*") agree to be legally bound by this ICS Deposit Placement Agreement, effective when you and we have signed it. If the Custodial Account will be a joint account, each owner of the Custodial Account must sign this Agreement.

RELATIONSHIP INSTITUTION

Institution: First Port City Bank

Signature: _____

Name and title of authorized signatory:

_____

_____

Date signed: _____

SOLE OR PRIMARY DEPOSITOR

Depositor: _____

Signature: _____

Name and title of authorized signatory (if not individual):

_____

_____

Depositor TIN or approved alternate identifier (and type):

_____

Email: _____

Date signed: _____

ADDITIONAL DEPOSITOR (FOR JOINT ACCOUNT)

Depositor: _____

Signature: _____

Depositor TIN or approved alternate identifier (and type):

_____

Email: _____

Date signed: _____

ADDITIONAL DEPOSITOR (FOR JOINT ACCOUNT)

Depositor: _____

Signature: _____

Depositor TIN or approved alternate identifier (and type):

_____

Email: _____

Date signed: _____

(Add signature lines as needed.)

IntraFi

Schedule 1 to ICS Deposit Placement Agreement

Program Deposits and Program Withdrawals

This **Schedule 1** is part of the ICS Deposit Placement Agreement ("*Agreement*"). Terms not defined in this Schedule 1 have the meanings, if any, assigned elsewhere in the Agreement.

1. Specified Terms

(a) For DDAs, the Target Balance, Minimum Sweep Amount, and Minimum Return Amount are as follows:

Target Balance	Minimum Sweep Amount	Minimum Return Amount
$	$	$

(b) For MMDAs, the Target Balance, Minimum Sweep Amount, and Minimum Return Amount are as follows:

Target Balance	Minimum Sweep Amount	Minimum Return Amount
$	$	$

(c) The Same-Day Deposit Cutoff Time is as follows:

☐ (insert time) ☐ AM ☐ PM (check AM or PM) ☐ Eastern ☐ Central ☐ Mountain ☐ Pacific (check time zone)

Daylight Saving Time applies when nationally in effect unless checked here ☐

2. Program Deposits

(a) The Triggering Event for a Regular Program Deposit is a net change in your Root Account balance that causes it to exceed the Target Balance by more than the Minimum Sweep Amount. After posting all your Root Account activity for a Business Day, we will determine whether your Root Account balance exceeds the Target Balance by more than the Minimum Sweep Amount. Subject to the terms and conditions of this Agreement, if such a Triggering Event occurs, we will transfer the amount by which your Root Account balance exceeds the Target Balance to the Deposit Accounts at ICS Settlement on the next Business Day.

(b) The Triggering Event for a Same-Day Program Deposit is a Same-Day Program Deposit request by you that we receive and accept before the Same-Day Deposit Cutoff Time on a Business Day. Subject to the terms and conditions of this Agreement, if such a Triggering Event occurs, we will transfer the requested amount to the Deposit Accounts at ICS Settlement later on the same Business Day.

(c) If a Triggering Event for a Program Deposit occurs, we may debit the Root Account and credit a holding account before the transfer of funds to the Deposit Accounts occurs at ICS Settlement. Funds held in a holding account may not accrue interest prior to ICS Settlement.

3. Program Withdrawals

(a) All Program Withdrawals will be Regular Program Withdrawals, which occur on the Business Day following the Triggering Event. The Triggering Event for a Program Withdrawal is a net change in your Root Account balance, after the posting of all your Root Account activity for a Business Day, that causes it (exclusive of any amounts that we credit as advances in anticipation of a Program Withdrawal) to be less than the Target Balance by more than the Minimum Return Amount. Subject to the terms and conditions of this Agreement, if such a Triggering Event occurs, we will transfer an amount from the Deposit Accounts at ICS Settlement on the next Business Day, up to the available amount in the Deposit Accounts, sufficient to restore your Root Account balance to the Target Balance.

(b) Subject to the terms and conditions of this Agreement, and subject to the rules and cutoff times that otherwise apply to root accounts with us, we will honor your debit transactions in the Root Account so long as the sum of your Root Account balance and your balance in the Deposit Accounts of the applicable type, after taking into account any pending Program Deposits and any pending Program Withdrawals, is not less than zero. We will do so even if the amount of the debit transaction exceeds your Root Account balance. You will owe us any amounts that we credit as advances in anticipation of a Program Withdrawal, and we will retain those amounts from the funds we receive at ICS Settlement.

(c) If a Triggering Event for a Program Withdrawal occurs, we may credit the Root Account and debit a holding account before the transfer of funds from the Deposit Accounts occurs at ICS Settlement.

Schedule 2 to ICS Deposit Placement Agreement

Account Type, Placement Feature, and Exclusions

This **Schedule 2** is part of the ICS Deposit Placement Agreement ("*Agreement*"). Terms not defined in this Schedule 2 have the meanings, if any, assigned elsewhere in the Agreement.

1. Account Type

☐ We will place deposits for you in DDAs.

☐ We will place deposits for you in MMDAs.

☐ We may place deposits for you in DDAs, MMDAs, or both.

(Check one above.)

→

☐ You may use up to six MMDA Program Withdrawals per month.

☐ No per-month MMDA Program Withdrawal limit applies.

(If MMDAs will or may be used, check one above.)

2. Placement Feature

☐ We may use the Reciprocal Feature, the One-Way Feature, or both in placing deposits for you.

☐ We will use only the Reciprocal Feature in placing deposits for you.

☐ We will use only the One-Way Feature in placing deposits for you.

(Check one above.)

3. Exclusions

(a) You may place depository institutions on your Exclusions List by identifying them in the list below, unless we specify another means by which you will provide your Exclusions List.

(b) The Exclusions List should include the city and state of the depository institution's main office (rather than the city and state of a branch location). The Exclusions List may also include the institution's FDIC certificate number or transit routing number. If you do not list any exclusions enter "none" under Name of Institution on the first line (but your signature after a blank list will constitute your acknowledgment that you have not listed any exclusions).

(c) Exclusions List:

Name of Depository Institution	City and State	FDIC Certificate or Routing Number

(Add lines if necessary.)

Signature of sole or primary Depositor

Custodial Agreement

You, the undersigned, enter into this Custodial Agreement ("*Agreement*") with the following financial institution ("*we*" or "*us*"):

1. Pursuant to this Agreement, you authorize us to hold and act as your custodian with respect to all deposit accounts, including all time deposits, money market deposit accounts, and demand deposit accounts, issued or established pursuant to the CDARS Deposit Placement Agreement, the ICS Deposit Placement Agreement, or a predecessor agreement ("*Deposit Accounts*") for funds of yours placed as deposits through CDARS®, the Certificate of Deposit Account Registry Service®, or ICS®, the IntraFi Cash Service®, and all your security entitlements and other related interests and assets with respect to the Deposit Accounts ("*Related Entitlements*"). The custodial account in which we will hold the Deposit Accounts and Related Entitlements ("*Custodial Account*") comprises all the CDARS and ICS custodial accounts that we maintain for you.

2. As your custodian, we may (i) cause the Deposit Accounts to be titled in our name or in the name of our sub-custodian, (ii) collect for your account all interest and other payments of income or principal pertaining to the Deposit Accounts, (iii) endorse on your behalf any check or other instrument received for your account that requires endorsement, (iv) in accordance with your instructions, deposit your funds in, or withdraw your funds from, the Deposit Accounts, (v) in accordance with your instructions, deliver or transfer funds from another account with us to the Deposit Accounts or deliver or transfer funds from the Deposit Accounts to another account with us, (vi) for Deposit Accounts that are time deposits, surrender for payment for your account maturing CDs and those for which early withdrawal is requested, (vii) execute and deliver or file on your behalf all appropriate receipts and releases and other instruments, including whatever certificates may be required from custodians or may be necessary to obtain exemption from taxes and to name you when required for the purpose of the instrument, and (viii) take such other actions as are customary or necessary to effectuate the purposes of this Agreement.

3. For purposes of Article 8 of the Uniform Commercial Code in applicable state law ("*UCC*"), we will act as your securities intermediary for, and will treat as financial assets, any Deposit Accounts and Related Entitlements that we hold for you pursuant to this Agreement. The Custodial Account will be a securities account, as defined in the UCC.

4. We may comply with any writ of attachment, execution, garnishment, tax levy, restraining order, subpoena, warrant, or other legal process that we believe (correctly or otherwise) to be valid. We may notify you of such process by telephone, electronically, or in writing. If we are not fully reimbursed for records research, imaging, photocopying, and handling costs by the party that served the process, we may charge such costs to your account, in addition to any minimum fee we charge for complying with legal processes.

5. We may honor any legal process that is served personally, by mail, or by electronic mail or facsimile transmission at any of our offices or an office of our agent (including locations other than where the funds, records, or property sought is held), even if the law requires personal delivery at the office where your account or records are maintained.

6. We will have no liability to you for any good-faith act or omission by us in connection with this Agreement. You agree to indemnify us and our sub-custodian, and to hold us and our sub-custodian harmless from, all expenses (including counsel fees), liabilities, and claims arising out of any good-faith act or omission by us in connection with this Agreement or compliance with any legal process relating to the Custodial Account that we believe (correctly or otherwise) to be valid. You agree to pay any service charges that we impose on the Custodial Account.

7. You may be an individual in an individual capacity, more than one individual in a joint capacity, or a trust, partnership, corporation, or other legal entity. We may accept instructions on your behalf from any individual who signs this Agreement as or on behalf of a Depositor and from any of the following individuals:

Name	Title or Legal Capacity

(Add lines if necessary.)

The remainder of this page is intentionally left blank.

By signing below, you ("*Depositor*") and we ("*Relationship Institution*") agree to be legally bound by this Custodial Agreement, effective when you and we have signed it. If the Custodial Account will be a joint account, each owner of the Custodial Account must sign this Agreement.

RELATIONSHIP INSTITUTION

Institution: _____

Signature: _____

Name and title of authorized signatory:

_____

_____

Date signed: _____

SOLE OR PRIMARY DEPOSITOR

Depositor: _____

Signature: _____

Name and title of authorized signatory (if not individual):

_____

_____

Depositor TIN or approved alternate identifier (and type):

_____

Email: _____

Date signed: _____

ADDITIONAL DEPOSITOR (FOR JOINT ACCOUNT)

Depositor: _____

Signature: _____

Depositor TIN or approved alternate identifier (and type):

_____

Email: _____

Date signed: _____

ADDITIONAL DEPOSITOR (FOR JOINT ACCOUNT)

Depositor: _____

Signature: _____

Depositor TIN or approved alternate identifier (and type):

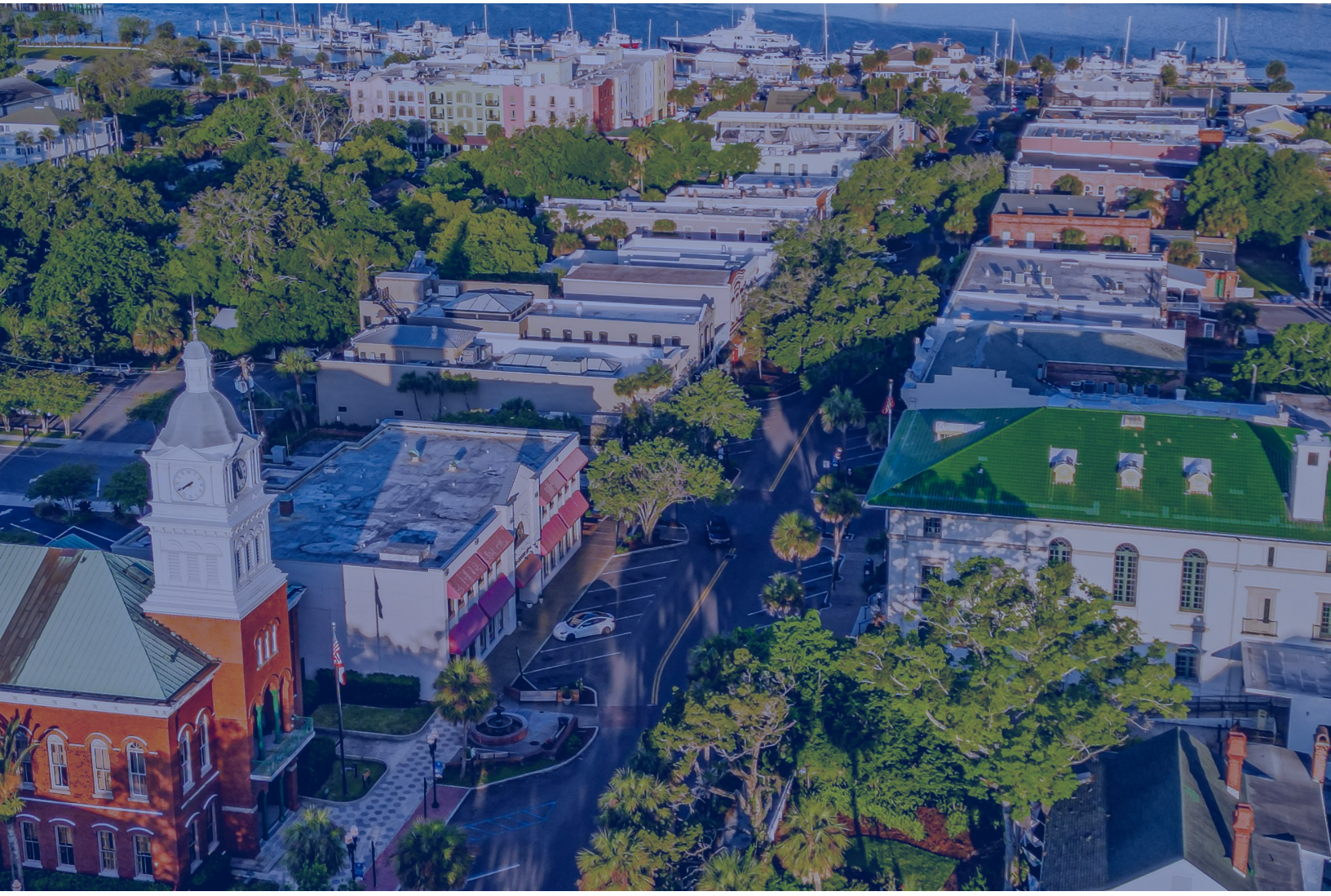
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Email: _____

Date signed: _____

(Add signature lines as needed.)

FIRST PORT
CITY BANK
Putting *People* First



Overnight Sweep Facility & Basis Point Reduction

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Overnight Sweep Facility & Basis Point Reduction

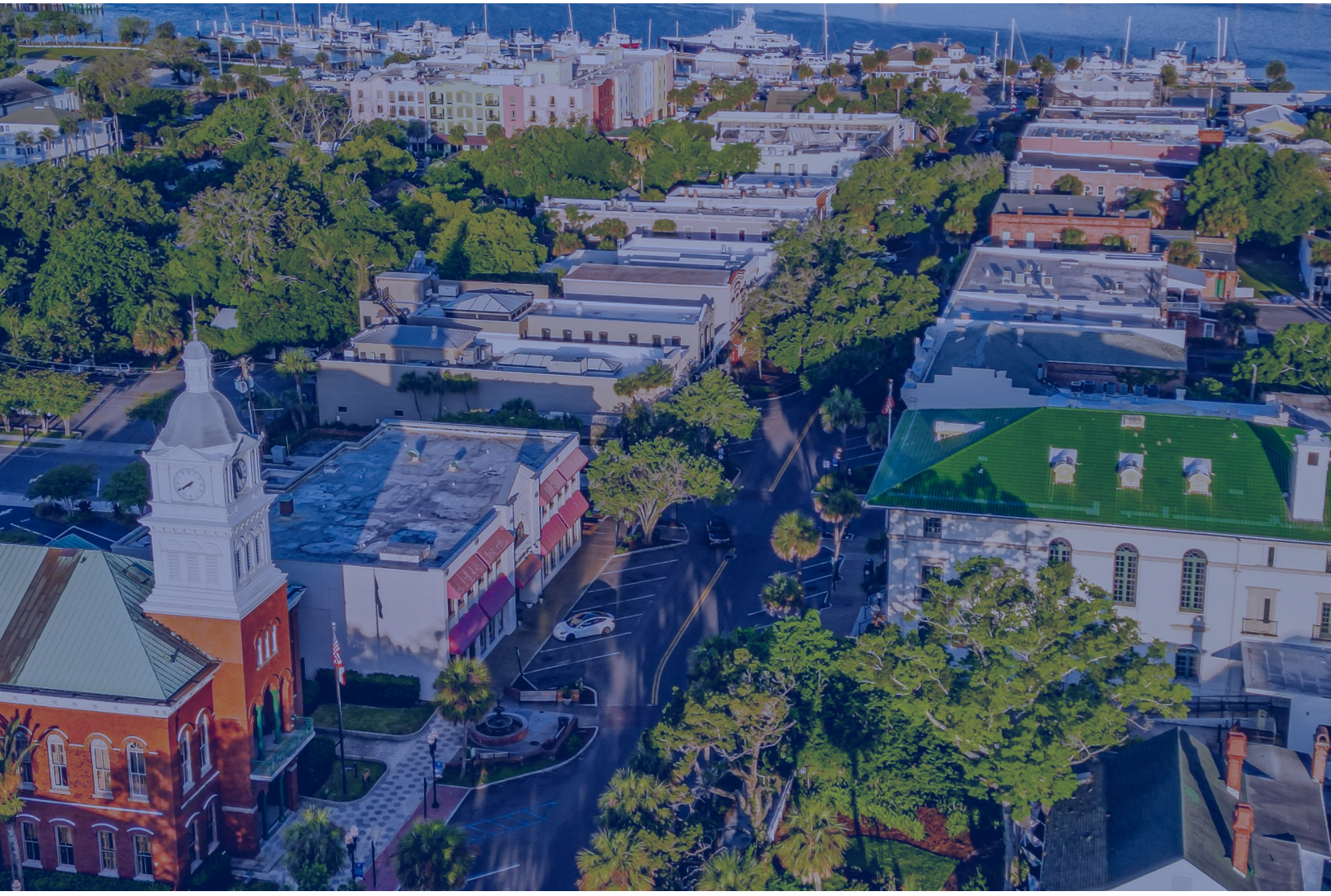
For the overnight sweep facility, FPCB is a member of the IntraFi Network, just as COFB's current banking provider. IntraFi is a network of participating banks that allows us to insure our customers' deposits for amounts over the FDIC limit of $250,000, up to $160 million.

There are **NO** basis point reductions.

IntraFi is a nationally recognized deposit placement network that enables First Port City Bank to provide enhanced cash management solutions with access to multi-million-dollar FDIC insurance coverage across participating financial institutions.

Through IntraFi services such as ICS® (Insured Cash Sweep®) and CDARS®, the City can place large deposits with First Port City Bank while maintaining full FDIC protection, daily liquidity, and streamlined reporting—all through a single trusted banking relationship. This structure delivers maximum security, operational efficiency, and safety of public funds without sacrificing local service and accountability.

FIRST PORT
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Assigned Relationship & Treasury Management Officers

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Relationship & Treasury Management Officers

Your entire Account and Operations Management Teams live and work in Nassau County. In addition to providing direct office contact information, we will also provide COFB with personal cell phone numbers to ensure immediate access when needed.

COFB Relationship Manager

Sheryl Ross lives and works in Fernandina Beach and brings more than 30 years of experience in building business relationships, commercial banking, cash-management implementation, merchant services, and client relationship strategy. She works closely with municipalities and community organizations to deliver reliable, efficient banking solutions, ensuring a seamless transition from initial planning through full implementation.



Sheryl Ross
AVP & Business Relationship Officer

Designated Account Executive

Beth Boles is a proud Fernandina Beach native who both lives and works in Nassau County. With 27 years of local banking experience, her extensive background in Deposit Operations / Treasury Services and deep industry knowledge make her an exceptional asset to the City of Fernandina Beach.



Beth Boles
VP & Manager of Deposit Operations/Treasury Services

Relationship & Treasury Management Officers (Cont.)

Designated Account Executive (Alternate)

Scott Curtis lives and works in Fernandina Beach and brings more than 30 years of operations experience to First Port City Bank. He oversees the Bank's day-to-day operational functions and works closely with the management team to drive advancements in technology, streamline operations, and continuously enhance the customer experience.



Scott Curtis
SVP & Chief Operations Officer (COO)

BEST CUSTOMER SERVICE The Post Searchlight 2025

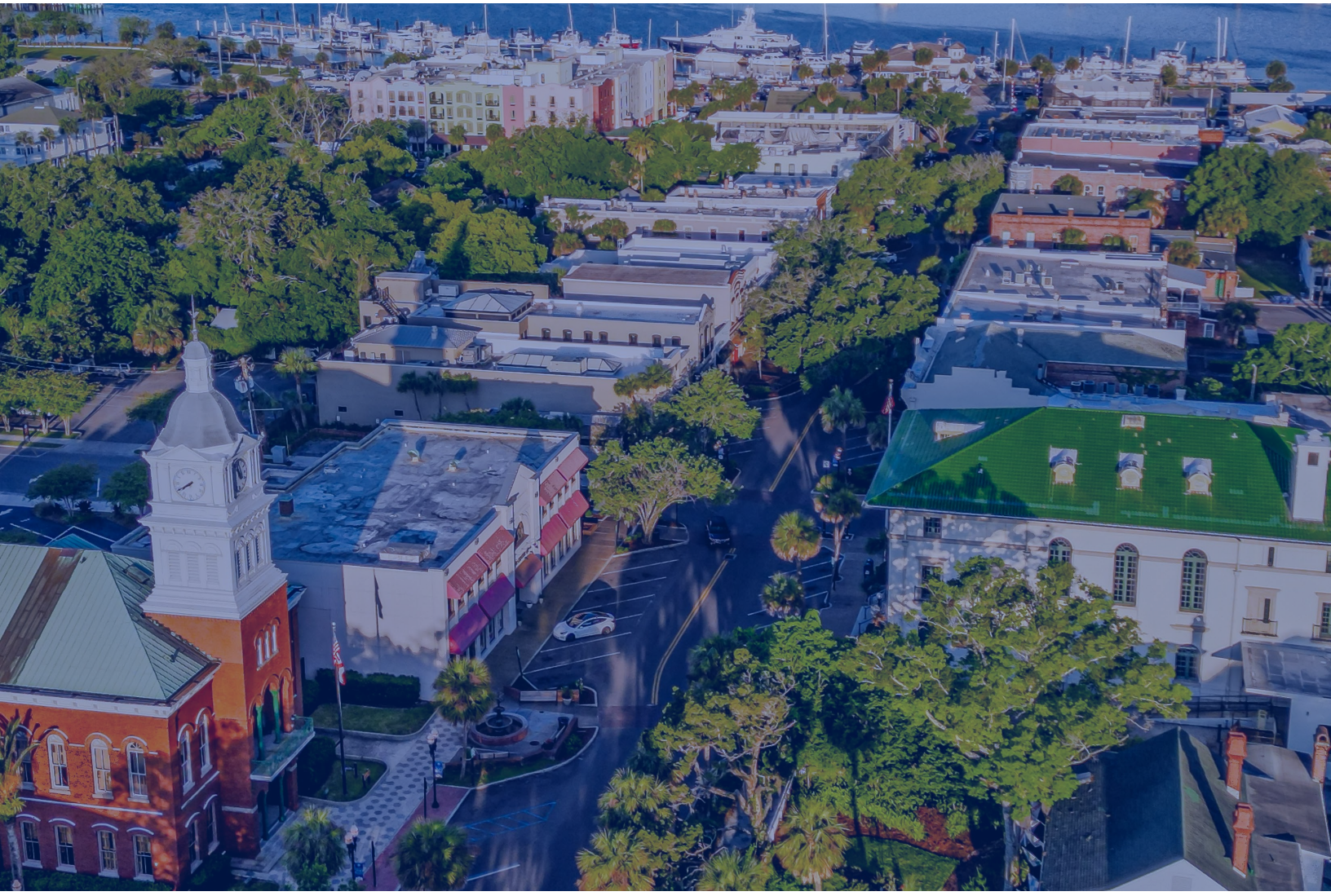
BEST BANK The Post Searchlight 2025

BEST PLACE TO WORK The Post Searchlight 2025

Additional Management/Support Team Members in Nassau County That Will Support the City of Fernandina Beach

Michael Brooks – SVP & Florida Market Leader
Charleston Garrett – AVP & Branch Manager
Tim Ayers – SVP & Chief Strategies Officer/Chief Risk Officer
Sonya Robbins – VP & Yulee Branch Manager
Lea Scott – VP & Senior Compliance/CRA/BSA Officer

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Bank Privacy Policy

N

Rev. 12/2010

FACTS WHAT DOES FIRST PORT CITY BANK DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and Wire Transfer instructions
- Account balances and Payment history
- Transaction history and Checking account information

When you are *no longer* our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons First Port City Bank chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does FIRST PORT CITY BANK share?	Can you limit this sharing?
For our everyday business purposes - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes - to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes - information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes - information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share

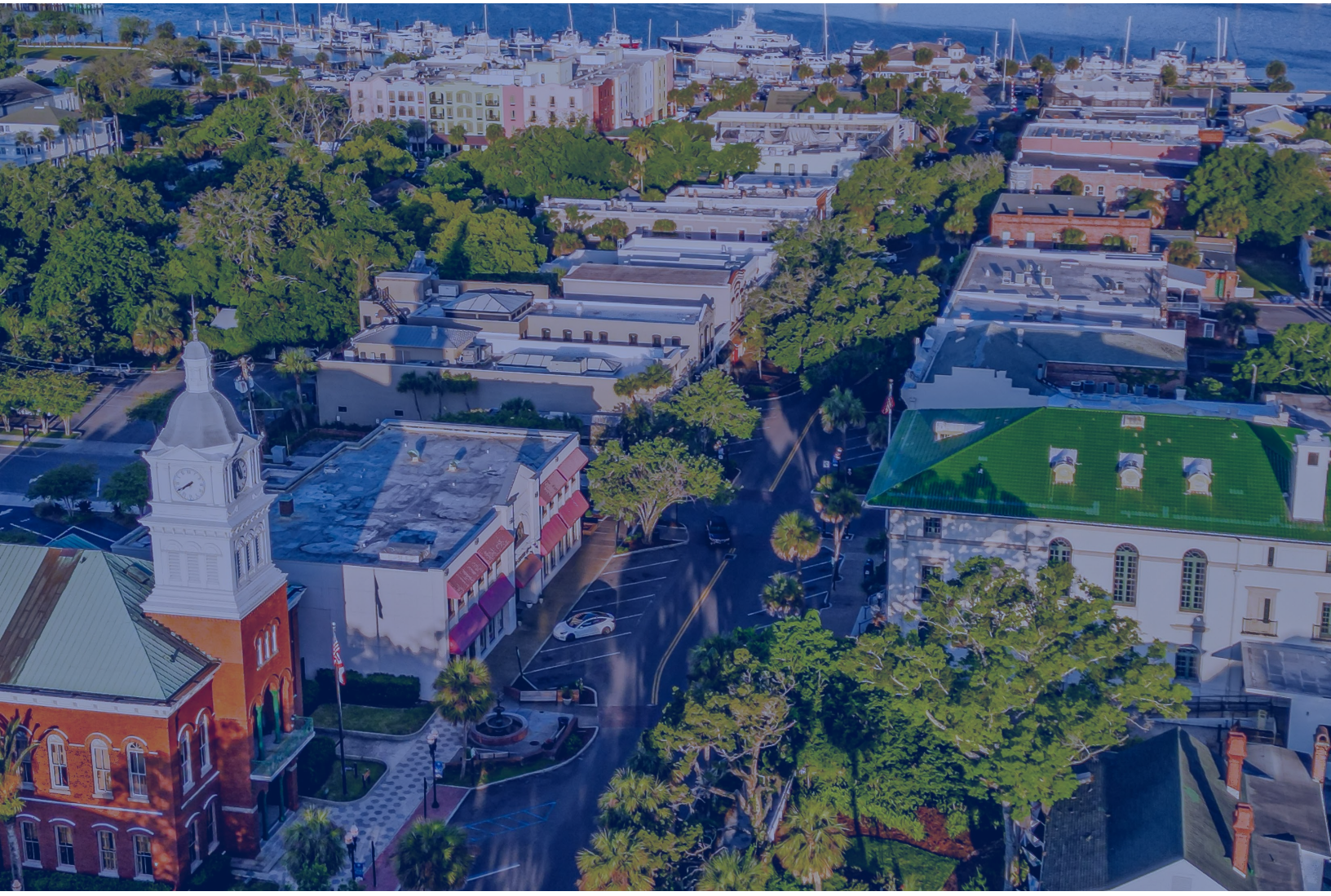
Questions? Call 229-246-6200 or go to www.firstportcity.com

First Port City Bank

What We Do	
How does First Port City Bank protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We limit access to information to those empoyees for whom access is appropriate.
How does First Port City Bank collect my personal information?	We collect your personal information, for example, when you ■ Open an account or Deposit money ■ Pay your bills or Apply for a loan ■ Use your credit or debit card We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only ■ sharing for affiliates' everyday business purposes - information about your creditworthiness ■ affiliates from using your information to market to you ■ sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.

Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and non-financial companies. ■ *First Port City Bank does not share with our affiliates. Our affiliates include, Port City Holding Company.*
Nonaffiliates	Companies not related by common ownership or control. They can be financial and non-financial companies. ■ *First Port City Bank does not share with nonaffiliates so they can market to you.*
Joint Marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. ■ *First Port City Bank does not jointly market.*

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Descriptions, Comparisons, User Requirements, Bank Capabilities And Costs for Prospective Services

O

Prospective Services

Enhanced Operational Support & Employee Banking Benefits

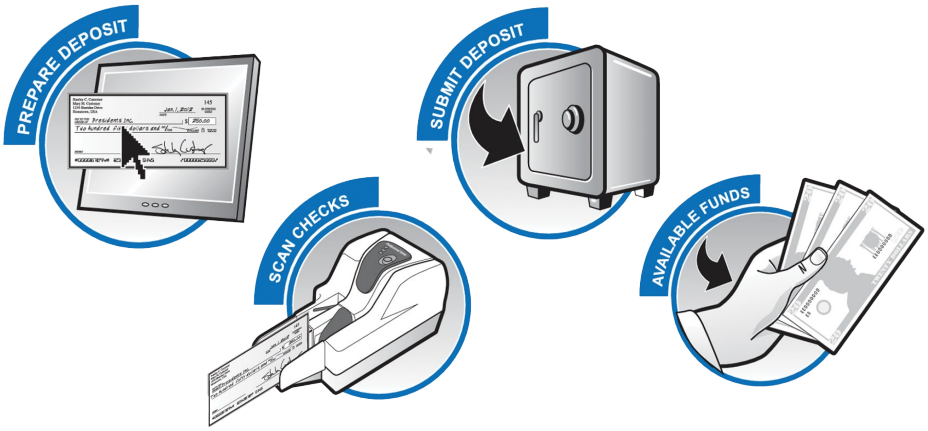
First Port City Bank is committed to delivering secure, efficient, innovative, and employee-focused banking solutions for the City of Fernandina Beach. Our approach prioritizes uninterrupted service, improved cash-handling safety, and exceptional convenience for City employees. From redundant equipment safeguards to on-site cash deposit solutions and personalized employee banking services, FPCB ensures reliability, efficiency, and ease of access across all locations.

Core Services & Benefits Include:

Remote Deposit Capture – Spare Scanner on Site

To ensure continuity of operations, FPCB will maintain a spare Remote Deposit Capture multi-feed scanner at the City of Fernandina Beach's preferred location, as well as at our Fernandina Beach branch, should the City experience any equipment issues.

*Scanner Fee Waiver: If COFB maintains an average collected balance of $2.0 million, Scanner fees will be waived.



Prospective Services (Cont.)

Smart Safe – Same-Day Credit & On-Site Cash Deposits

Smart Safe allows cash to be securely deposited at each location as it is received, eliminating the time, labor, and safety risks associated with transporting cash to the bank multiple times per week. Daily reporting, separate employee user access, dual controls, armored courier pickup, and **same-day credit** are all included.

Smart Safe Fee Waiver: If COFB maintains an average collected balance of $2.0 million, all Smart Safe fees will be waived.

Industry Leading Bulk Note Capacity
First in Class Note Accepting Speed
Flexible Storage Options
Easy Maintenance







PRODUCT SPECS & VIDEO OVERVIEW

[KD 10]

[KR 10]

[KD 100]

Model	KD 10	KR10	KD 100
Inlet Capacity	100	200	200
Acceptance Speed	5 note/sec	5 note/sec 3 coin/sec	16 note/sec
Storage Capacity	2,000 Cassette 4,500 Canvas Bag	2,000 Cassette 4 x 100 Recycling	10,000 Semi Stacking Canvas Bag 15,000 Canvas Bag
Options	Daily Credit Online Dashboard Dual Authentication	Daily Credit Online Dashboard Dual Authentication	Daily Credit Online Dashboard Dual Authentication

*Specification subject to change without notice.

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SmartSafe Technology – Accelerated Funds Availability

First Port City Bank's SmartSafe technology modernizes cash handling by providing same-day provisional credit for deposits, allowing clients to begin earning interest immediately. Unlike traditional courier-based cash collection — where funds collected after a scheduled pickup are not credited until the following business day — SmartSafe deposits are verified, reported, and credited the same day.

This accelerated crediting process improves liquidity, enhances cash flow visibility, and reduces idle cash exposure. For municipalities such as the City, this means collected funds begin working sooner, generating interest revenue earlier and strengthening overall treasury efficiency.
By combining enhanced security, real-time reporting, and faster crediting, SmartSafe delivers a safer, more efficient, and more financially advantageous alternative to traditional armored courier deposit methods.

**Smartsafe(s) are in addition to regular courier pickups.*

Same-Day ACH with Bill Bay

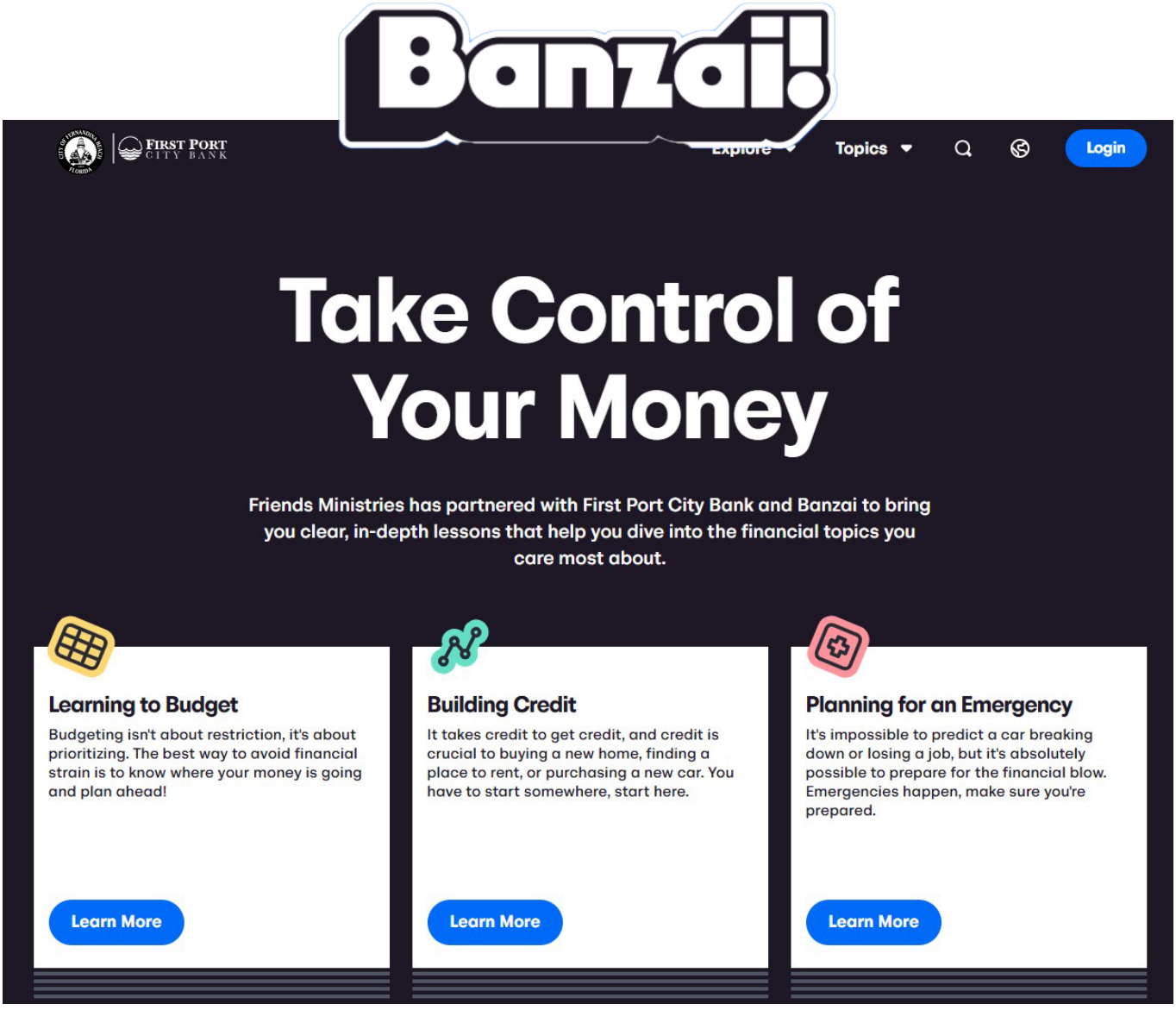
First Port City Bank offers Same-Day ACH functionality fully integrated within our Bill Bay platform, providing a fast, efficient alternative to traditional wire transfers. Payments submitted before 3:00 PM are processed and settled the same business day, allowing vendors and payees to receive funds quickly without the higher costs typically associated with wire transfers.

Same-Day ACH delivers the speed businesses need, the convenience of integrated bill payment processing, and a more cost-effective solution for time-sensitive transactions — all within one streamlined platform.

Prospective Services (Cont.)

Co-Branded Financial Literacy Online Portal

As part of our commitment to empowering the communities we serve, First Port City Bank is pleased to offer the City of Fernandina Beach a fully **co-branded Financial Literacy Online Portal** at **no cost** to the City or its employees. This secure digital platform can be seamlessly linked directly from the City's internal intranet site, providing employees with 24/7 access to trusted, easy-to-understand financial education resources.



Prospective Services (Cont.)

4.00% APY Personal Checking for Employees

Employees are eligible for a **4.00% APY personal checking account** with only two simple requirements:

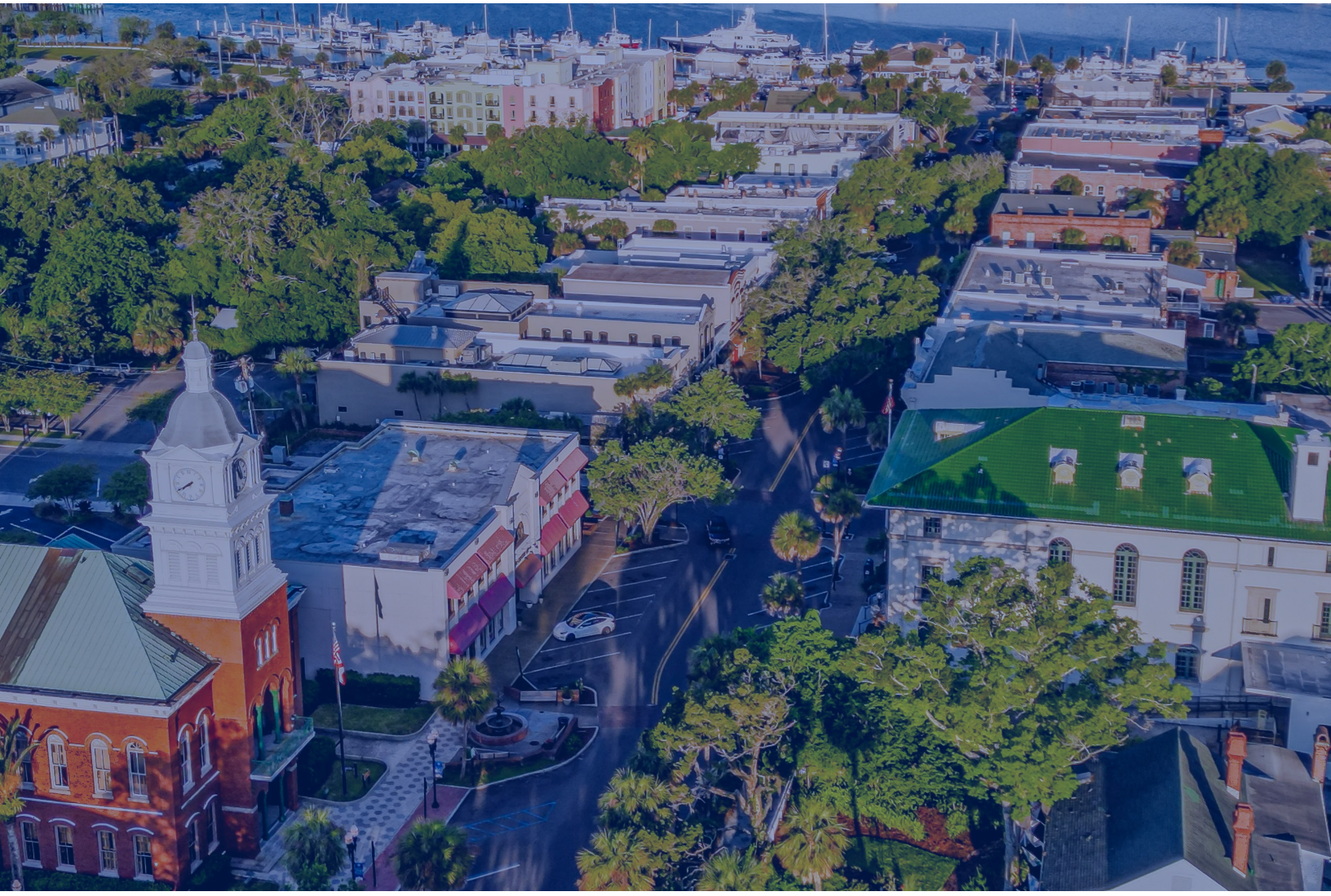
- 10 debit card purchases per month
- Enrollment in e-Statements





On-Site Employee Account Opening

FPCB can visit each City location to personally meet with employees who wish to open personal accounts, providing a streamlined and convenient enrollment experience.



Audited Financial Statements
Two Recent Years

P



2023 Audited Financials

PORT CITY HOLDING CO., INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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Hutchins Clenney Rumsey Huckaby | PC
Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

To the Stockholders and Board of Directors
Port City Holding Co., Inc.
Bainbridge, Georgia

Opinion

We have audited the accompanying consolidated financial statements of Port City Holding Co., Inc. (a Georgia Corporation) and Subsidiary, which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of income, comprehensive income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Port City Holding Co., Inc. and Subsidiary as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Port City Holding Co., Inc. and Subsidiary and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Port City Holding Co., Inc. and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

To the Stockholders and Board of Directors
Port City Holding Co., Inc.
Bainbridge, Georgia

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Port City Holding Co., Inc. and Subsidiary's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Port City Holding Co., Inc. and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Hutchins Clenney Ramsey Huckaby, P.C.

Albany, Georgia
May 29, 2024

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

Assets	**2023**	2022
Cash and due from banks	**$ 9,213,323**	$ 8,189,656
Interest-bearing deposits in banks	**18,155,957**	22,958,457
Cash and cash equivalents equivalents	**27,369,280**	31,148,113
Time deposits in other banks	**-**	500,000
Securities available for sale, at fair value	**45,225,841**	48,121,615
Restricted equity securities, at cost	**346,100**	241,600
Loans	**394,241,629**	330,899,925
Less allowance for credit losses	**5,367,261**	4,515,428
Loans, net	**388,874,368**	326,384,497
Loans held for sale	**2,127,900**	608,964
Premises and equipment, net	**6,645,335**	6,867,776
Cash surrender value of bank owned life insurance	**7,710,378**	7,476,997
Deferred income taxes, net	**2,667,425**	2,633,356
Accrued interest receivable	**2,253,322**	1,781,714
Other assets	**1,436,730**	1,448,425
Total assets	**$ 484,656,679**	$ 427,213,057
Liabilities and Stockholders' Equity		
Liabilities:		
Noninterest-bearing deposits	**$ 98,667,897**	$ 97,212,090
Interest-bearing deposits	**339,174,276**	288,585,640
Total deposits	**437,842,173**	385,797,730
Deferred directors compensation	**1,663,187**	1,400,514
Accrued interest payable	**812,767**	220,503
Other liabilities	**644,094**	197,886
Total liabilities	**440,962,221**	387,616,633
Commitments and Contingencies (See Note 12)		
Stockholders' Equity:		
Common stock, par value $10 per share; 500,000 shares authorized; 275,759 and 274,180 shares issued and oustanding as of December 31, 2023 and 2022, respectively	**2,757,590**	2,741,800
Additional paid-in capital	**14,356,460**	13,991,395
Retained earnings	**30,377,824**	27,517,301
Accumulated other comprehensive loss	**(3,797,416)**	(4,654,072)
Total stockholders' equity	**43,694,458**	39,596,424
Total liabilities and stockholders' equity	**$ 484,656,679**	$ 427,213,057

See Notes to Consolidated Financial Statements.

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Interest Income		
Loans, including fees	**$ 22,980,182**	$ 15,792,723
Investment securities	**1,231,135**	1,053,941
Interest-bearing deposits and time deposits in banks	**1,187,563**	390,081
Total interest income	**25,398,880**	17,236,745
Interest Expense		
Deposits	**8,575,114**	2,074,977
Other borrowings	**14**	111,853
Total interest expense	**8,575,128**	2,186,830
Net interest income	**16,823,752**	15,049,915
Provision for credit losses	**898,000**	1,330,000
Net interest income after provision for credit losses	**15,925,752**	13,719,915
Noninterest Income		
Service charges on deposit accounts and other fees	**1,144,525**	854,381
Net gain on sales of securities available for sale	**49**	2,465
Net gain on sales of loans	**458,351**	1,641,159
Other noninterest income	**635,596**	577,247
Total noninterest income	**2,238,521**	3,075,252
Noninterest Expense		
Salaries and employee benefits	**8,284,613**	7,255,671
Data processing fees	**1,269,586**	981,154
Occupancy and equipment expense	**1,416,475**	1,263,938
Professional fees	**342,816**	307,658
FDIC insurance assessment	**292,575**	279,761
Other noninterest expense	**2,126,839**	2,143,551
Total noninterest expense	**13,732,904**	12,231,733
Income before provision for income taxes	**4,431,369**	4,563,434
Income tax expense	**933,306**	983,725
Net income	**$ 3,498,063**	$ 3,579,709
Basic earnings per common share	**$ 12.73**	$ 16.67
Diluted earnings per common share	**$ 12.37**	$ 16.15

See Notes to Consolidated Financial Statements.

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
Net income	**$ 3,498,063**	$ 3,579,709
Other comprehensive income (loss):		
Net unrealized gains (losses) on securities available for sale arising during the period, net of tax (benefit) of $296,948 and ($1,672,922), respectively	**856,692**	(4,828,125)
Reclassification adjustment for net gains included in net income, net of tax of $13 and $634, respectively	**(36)**	(1,831)
Total other comprehensive income (loss)	**856,656**	(4,829,956)
Comprehensive income (loss)	**$ 4,354,719**	$ (1,250,247)

See Notes to Consolidated Financial Statements.

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Stockholders' Equity
	Shares	Par Value					
Balance, December 31, 2021	193,412	$ 2,311,060	$ 7,206,347	$ 24,434,345	$ 175,884	(5,077,519)	$ 29,050,117
Net income	-	-	-	3,579,709	-	-	3,579,709
Cash dividends paid, $2.31 per share	-	-	-	(496,753)	-	-	(496,753)
Common stock issued	43,074	430,740	6,091,525	-	-	-	6,522,265
Treasury stock activity, net	37,694	-	539,560	-	-	5,077,519	5,617,079
Stock options expense	-	-	153,963	-	-	-	153,963
Other comprehensive loss	-	-	-	-	(4,829,956)	-	(4,829,956)
Balance, December 31, 2022	274,180	2,741,800	13,991,395	27,517,301	(4,654,072)	-	39,596,424
Net income	-	-	-	3,498,063	-	-	3,498,063
Cash dividends paid, $2.32 per share	-	-	-	(637,540)	-	-	(637,540)
Common stock issued	1,579	15,790	208,033	-	-	-	223,823
Treasury stock activity, net	-	-	57	-	-	-	57
Stock options expense	-	-	156,975	-	-	-	156,975
Other comprehensive income	-	-	-	-	856,656	-	856,656
Balance, December 31, 2023	275,759	$ 2,757,590	$ 14,356,460	$ 30,377,824	$ (3,797,416)	$ -	$ 43,694,458

See Notes to Consolidated Financial Statements.

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
OPERATING ACTIVITIES		
Net income	**$ 3,498,063**	$ 3,579,709
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	**415,991**	408,864
Provision for credit losses	**898,000**	1,330,000
Recoveries of charged-off loans	**87,125**	6,460
Net amortization of securities available for sale	**42,086**	115,310
Net gain on sales of securities available for sale	**(49)**	(2,465)
Net loss on disposal of premises and equipment	**-**	69
Net earnings on bank owned life insurance	**(233,381)**	(139,948)
Deferred income tax benefit	**(331,004)**	(382,980)
Stock options expense	**156,975**	153,963
Deferred directors compensation expense	**262,673**	255,492
Net change in:		
Interest receivable	**(471,608)**	(552,694)
Interest payable	**592,264**	137,683
Other assets and liabilities	**364,900**	244,976
Net cash provided by operating activities	**5,282,035**	5,154,439
INVESTING ACTIVITIES		
Net decrease in time deposits in other banks	**500,000**	996,105
Proceeds from calls, maturities and paydowns of securities available for sale	**5,038,082**	5,270,498
Proceeds from sales of securities available for sale	**545,900**	520,160
Purchases of securities available for sale	**(1,576,651)**	(25,508,189)
Net increase in loans	**(63,381,996)**	(66,866,366)
Net (increase) decrease in loans held for sale	**(1,518,936)**	942,425
Net (increase) decrease in restricted equity securities	**(104,500)**	126,900
Purchases of bank owned life insurance	**-**	(4,250,000)
Purchases of premises and equipment	**(193,550)**	(482,837)
Net cash used in investing activities	**(60,691,651)**	(89,251,304)
FINANCING ACTIVITIES		
Net increase in deposits	**52,044,443**	23,785,545
Net decrease in other borrowings	**-**	(7,245,238)
Common stock issued	**223,823**	6,522,265
Treasury stock activity, net	**57**	5,617,079
Dividends paid	**(637,540)**	(496,753)
Net cash provided by financing activities	**51,630,783**	28,182,898
Net decrease in cash and cash equivalents	**(3,778,833)**	(55,913,967)
Cash and cash equivalents at beginning of year	**31,148,113**	87,062,080
Cash and cash equivalents at end of year	**$ 27,369,280**	$ 31,148,113
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	**$ 7,982,864**	$ 2,049,147
Cash paid during the year for income taxes	**$ 1,243,943**	$ 1,412,660
NONCASH TRANSACTION		
Loan charge-offs	**$ 40,292**	$ 12,308
Loans transferred to other real estate owned	**$ -**	$ -

See Notes to Consolidated Financial Statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Port City Holding Co., Inc. (the "Company") is a bank holding company whose principal activity is the ownership and management of its wholly-owned subsidiary, First Port City Bank (the "Bank"). The Bank generates commercial, agricultural, mortgage and consumer loans and receives deposits from customers located primarily in Bainbridge and Donalsonville, Georgia. In 2019, the Bank opened a branch in both Yulee, Florida and Fernandina Beach, Florida. The Company is regulated by the Federal Reserve Bank and is subject to periodic examinations. The Bank operates under a state charter and provides a full range of banking services. As a state-chartered institution, the Bank is subject to regulation by the Federal Deposit Insurance Corporation and the Georgia State Department of Banking and Finance.

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, the Bank. Significant intercompany accounts and transactions have been eliminated in consolidation.

Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for credit losses, other-than-temporary impairment of investment securities, the valuation of foreclosed assets, the valuation of deferred tax assets and the fair value of financial instruments.

While management uses available information to recognize losses on loans and to determine the carrying value of foreclosed assets, further reductions in the carrying amounts of loans and foreclosed assets may be necessary based on changes in local economic conditions. In addition, regulatory agencies, as an integral part of their examination process, periodically review the estimated losses on loans and the carrying value of foreclosed assets. Such agencies may require the Company to recognize additional losses based on their judgments about information available to them at the time of their examination. Because of these factors, it is reasonably possible that the estimated losses on loans and the carrying value of foreclosed assets may change materially in the near term. However, the amount of the change that is reasonably possible cannot be estimated.

Cash and Cash Equivalents

The Company considers cash on hand, cash items in process of collection, amounts due from depository institutions, and interest-bearing deposits in other depository institutions to be cash and cash equivalents for purposes of the statement of cash flows. Cash flows from time deposits in other banks, loans, restricted equity securities, deposits, other borrowings and treasury stock activity are reported net.

The Federal Reserve Bank is no longer requiring the Bank to maintain a reserve requirement as of December 31, 2023 or 2022. The Federal Reserve Bank does not have plans to reimplement the reserve requirement in the near future but reserves the right to increase the reserve percentage at a future date. The Company may also be required to maintain minimum deposit levels with correspondent banks in conjunction with federal funds accommodation lines.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents (continued)

The Company maintains amounts due from banks which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts.

Investment Securities

All investment securities are classified as available for sale and recorded at fair value with unrealized gains and losses excluded from earnings and reported in accumulated other comprehensive income, net of the related deferred income tax effect. At December 31, 2023, there were no known events that have occurred that would require an impairment evaluation of these investments.

The amortization of purchase premiums and accretion of discounts are recognized in interest income using the interest method over the lives of the securities. Realized gains and losses on security transactions, determined using the specific identification method, are included in earnings on the settlement date. Declines in the fair value of securities below their cost that are deemed to be other-than-temporary are reflected in earnings as realized losses.

Restricted Equity Securities

Restricted equity securities consist of stock in the Federal Home Loan Bank and Farmer Mac. The securities have no quoted market values and are carried at cost. At their discretion, the entities may declare dividends on the stock. Management reviews for impairment based on the ultimate recoverability of the cost bases in the investments.

Loans and Interest Income

Loans are reported at principal amounts outstanding net of deferred loan origination fees and the allowance for credit losses. Interest on all loans is calculated by using the simple interest method on the daily balance of the principal amount outstanding. Loan origination fees are deferred and recognized over the term of the loan. Loan origination costs are recognized at the time the loan is recorded. The accrual of interest on loans is discontinued when, in management's opinion, the borrower may be unable to meet payments as they become due, unless the loan is well-secured and in process of collection. Past due status is based on contractual terms of the loan. In all cases, loans are placed on nonaccrual or charged off at an earlier date if collection of principal or interest is considered doubtful. All interest accrued, but not collected for loans that are placed on nonaccrual or charged off, is reversed against interest income or charged to the allowance, unless management believes that the accrual of interest is recoverable through the liquidation of collateral.

Interest income on nonaccrual loans is recognized on either the cash-basis or cost-recovery method, until the loans are returned to accrual status. Loans are returned to accrual status when the loan has been performing according to the contractual terms for a period of not less than six months and future payments are reasonably assured.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Credit Losses ("ACL") – Loans

The current expected credit loss (“CECL”) approach requires an estimate of the credit losses expected over the life of an exposure (or pool of exposures). It replaced the incurred loss approach’s threshold that delayed the recognition of a credit loss until it was probable a loss event was incurred. The estimate of expected credit losses is based on relevant information about past events, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts. Historical loss experience is generally the starting point for estimating expected credit losses. The Company then considers whether the historical loss experience should be adjusted for asset-specific risk characteristics or current conditions at the reporting date that did not exist over the historical period used. The Company also considers future economic conditions and portfolio performance as part of a reasonable and supportable forecast period.

The ACL is a valuation account that is deducted from the loans' amortized cost basis to present the net amount expected to be collected on the loans. Loans are charged off against the ACL when management believes the uncollectibility of a loan balance is confirmed. In the event that collection of principal becomes uncertain, the Company has policies in place to reverse accrued interest in a timely manner, therefore, the Company has made a policy election to exclude accrued interest from the measurement of the ACL.

Management determines the ACL balance using relevant available information from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. Historical credit behaviors along with model judgments provide the basis for the estimation of expected credit losses. Adjustments to modeled loss estimates may be made for differences in current loan-specific risk characteristics such as differences in underwriting standards, portfolio mix, delinquency level, or term as well as for changes in environmental conditions, such as changes in economic conditions, property values, or other relevant factors. For the majority of loans and leases, the ACL is calculated using a discounted cash flow methodology applied at the portfolio level.

Expected credit losses are reflected in the allowance for credit losses through a charge to the provision for credit losses. The ACL-loans is measured on a collective basis when similar risk characteristics exist. The Company calculates the ACL for each portfolio segment using a discounted cash flow methodology at the portfolio level, with loss rates, prepayment assumptions and curtailment assumptions driven by each loan’s collateral type.

Loans that do not share risk characteristics are evaluated on an individual basis. When management determines that foreclosure is probable or when the borrower is experiencing financial difficulty at the reporting date and repayment is expected to be provided substantially through the operation or sale of the collateral, expected credit losses are based on the fair value of the collateral at the reporting date, adjusted for selling costs as appropriate or the present value of expected cash flows.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Credit Losses - Loans (Prior to the Adoption of ASU 2016-13)

Prior to the adoption of ASU 2016-13, the ACL was an amount that represented a reserve for probable incurred losses in the loan portfolio. The ACL was evaluated on a regular basis by management and was based upon management's periodic review of various risks in the loan portfolio highlighted by historical experience, the nature and volume of the loan portfolio, overall portfolio quality, review of specific problem loans, current economic conditions that may affect the borrower's ability to pay, estimated value of any underlying collateral, and prevailing economic conditions. This evaluation was inherently subjective as it required estimates that were susceptible to significant revision as more information became available. The ACL evaluation did not include the effects of expected losses on specific loans or groups of loans that were related to future events or expected changes in economic conditions.

The ACL consisted of specific and general components. The specific component included loans management considered impaired and other loans or groups of loans that management classified with higher risk characteristics. For such loans that were classified as impaired, an allowance was established when the discounted cash flows, collateral value, or observable market price of the impaired loan was lower than the carrying value of that loan. The general component covered non-classified loans and was based on historical loss experience adjusted for qualitative factors.

The Company segregated the loan portfolio by type of loan and utilized this segregation in evaluating exposure to risks within the portfolio. In addition, based on internal reviews and external reviews performed by independent loan reviewers and regulatory authorities, the Company further segregated the loan portfolio by loan grades based on an assessment of risk for a particular loan or group of loans. In establishing allowances, management considered historical loan loss experience but adjusted this data with a significant emphasis on data such as risk ratings, current loan quality trends, current economic conditions, and other factors in the markets where the Company operates. Factors considered include, among others, current valuations of real estate in their markets, unemployment rates, the effect of weather conditions on agricultural related entities, and other significant local economic events.

Allowance for Credit Losses – Off-Balance Sheet Credit Exposures

Management estimates expected credit losses on commitments to extend credit over the contractual period during which the Company is exposed to credit risk on the underlying commitments. The ACL on off-balance sheet credit exposures is adjusted as a provision for credit loss expense. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded over its estimated life. The ACL is calculated using the same aggregate reserve rates calculated for the funded portion of loans at the portfolio level applied to the amount of commitments expected to fund.

Allowance for Credit Losses – Available-for-Sale Securities ("AFS")

For AFS debt securities in an unrealized loss position, the Company first assesses whether it intends to sell, or whether it is more likely than not that it will be required to sell the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through income. For AFS debt securities that do not meet the aforementioned criteria, the Company evaluates whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, management considers the extent to which fair value is less than amortized cost, any changes to the rating of the security by a rating agency, and adverse conditions specifically related to the security, among other factors. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Credit Losses – Available-for-Sale Securities ("AFS") (continued)

If the present value of cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an ACL is recorded for the credit loss, limited by the amount that the fair value is less than the amortized cost basis. Any amount of unrealized loss that has not been recorded through an ACL is recognized in other comprehensive income. Accrued interest receivable on AFS debt securities is excluded from the estimate of credit losses.

Changes in the ACL are recorded as provision for (or reversal of) credit loss expense. Losses are charged against the ACL when management believes the uncollectibility of an AFS security is confirmed or when either of the criteria regarding intent or requirement to sell is met.

Premises and Equipment

Premises and equipment are carried at cost with depreciation computed using the straight-line method. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in earnings for the period. The cost of maintenance and repairs which do not improve or extend the useful life of the respective asset is charged to earnings as incurred whereas significant improvements are capitalized.

Foreclosed Assets

Foreclosed assets represent other real estate owned and other repossessions acquired through, or in lieu of, loan foreclosure or other proceedings. Foreclosed assets are held for sale and are initially recorded at fair value less estimated selling costs. Any write down to fair value at the time of transfer to foreclosed assets is charged to the allowance for credit losses. Subsequent to foreclosure, valuations are periodically performed by management and the assets are carried at the lower of the carrying amount or fair value less costs to sell. Costs of improvements are capitalized, whereas costs relating to holding foreclosed assets and subsequent write downs to the value are expensed. There were no foreclosed assets held as of December 31, 2023 and 2022.

Comprehensive Income

Accounting principles generally require that recognized revenue, expenses, gains and losses be included in net income. Although certain changes in assets and liabilities, such as unrealized gains and losses on available for sale securities, are reported as a separate component of the equity section of the balance sheet; such items, along with net income, are components of comprehensive income.

Income Taxes

The income tax accounting guidance results in two components of income tax expense: current and deferred. Current income tax expense reflects taxes to be paid or refunded for the current period by applying the provisions of the enacted tax law to the taxable income or excess of deductions over revenues. The Company determines deferred income taxes using the liability (or balance sheet) method. Under this method, the net deferred tax asset or liability is based on the tax effects of the differences between the book and tax bases of assets and liabilities, and enacted changes in tax rates and laws are recognized in the period in which they occur.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (continued)

Deferred income tax expense results from changes in deferred tax assets and liabilities between periods. Deferred tax assets are recognized if it is more likely than not, based on the technical merits, that the tax position will be realized or sustained upon examination. The term more likely than not means a likelihood of more than 50 percent; the terms examined and upon examination also include resolution of the related appeals or litigation processes, if any. A tax position that meets the more-likely-than-not recognition threshold is initially and subsequently measured as the largest amount of tax benefit that has a greater than 50 percent likelihood of being realized upon settlement with a taxing authority that has full knowledge of all relevant information. The determination of whether or not a tax position has met the more-likely-than-not recognition threshold considers the facts, circumstances, and information available at the reporting date and is subject to management's judgment. Deferred tax assets may be reduced by deferred tax liabilities and a valuation allowance if, based on the weight of evidence available, it is more likely than not that some portion or all of a deferred tax asset will not be realized. Any effect of a change in federal and state income tax rates on deferred tax assets and liabilities is recognized in income tax expense in the period that includes the enactment date.

The consolidated federal income tax returns of the Company and the Bank for 2022, 2021, and 2020 are subject to examination by the IRS, generally for three years after they were filed.

Earnings Per Share

Basic earnings per share are computed by dividing net income by the weighted average number of common shares outstanding during the period. The weighted average number of shares outstanding used to calculate basic earnings per share were 274,853 and 214,731 for the years ended December 31, 2023 and 2022, respectively.

Diluted earnings per share reflects additional potential common shares that would have been outstanding if dilutive potential common shares had been issued, as well as any adjustment to income that would result from the assumed issuance. Potential common shares that may be issued by the Company relate to outstanding vested stock options. The dilutive shares outstanding used to calculate diluted earnings per share were 282,888 and 221,711 for the years ended December 31, 2023 and 2022, respectively.

Stock Compensation Plans

Stock compensation accounting guidance requires that the compensation cost relating to share-based payment transactions be recognized in financial statements. That cost will be measured based on the grant date fair value of the equity or liability instruments issued. The stock compensation accounting guidance covers a wide range of share-based compensation arrangements including stock options, restricted share plans, performance-based awards, share appreciation rights and employee share purchase plans.

The stock compensation accounting guidance requires that compensation cost for all stock awards be calculated and recognized over the employees' service period, generally defined as the vesting period. For awards with graded-vesting, compensation cost is recognized on a straight-line basis over the requisite service period for the entire award. A Black-Scholes model is used to estimate the fair value of stock options, while the market price of the Company's common stock at the date of grant is used for restricted stock awards and stock grants.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Transfers of Financial Assets

Transfers of financial assets are accounted for as sales, when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from the Company - put presumptively beyond the reach of the transferor and its creditors, even in bankruptcy or other receivership, (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (3) the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity or the ability to unilaterally cause the holder to return specific assets.

Servicing Rights

In accordance with ASC 860-50, the Company recognizes a servicing asset or liability for a servicing contract when the transfer of a financial asset meets the requirements for a sale. The Company originates government guaranteed loans and sells the guaranteed portion of the loan with the servicing right retained. The servicing fee received is based on a percentage of the loan principal balance. The fee is received for performing loan administration functions such as collecting loan payments and maintaining loan records. For the period ending December 31, 2023 and 2022, included as a component of noninterest income was approximately $271,000 and $209,000, respectively, in loan servicing fee income.

As of December 31, 2023 and 2022, included as a component of other assets is a servicing asset totaling approximately $714,000 and $648,000, respectively. The Company has elected to measure servicing assets on a class-by-class basis. As of December 31, 2023, all servicing assets are measured using the fair value method. Under the fair value method, servicing assets are measured at fair value at each reporting date with changes in the fair value of the assets reported in earnings. The Company recognizes the inherent risk in measuring servicing assets at fair value and may implement instruments to mitigate the income statement effect of changes in the fair value of servicing assets. The fair value of the Company's servicing asset is determined using a discounted cash flow model. Inputs used in the discount cash flow model include market prepayment data, market trading results, coupon par values and discount rate assumptions.

Leases

The Company recognizes its leases on the balance sheet as required under ASU No. 2016-02 "Leases (Topic 842)". The lease standard requires recognition of both an operating right-of-use asset and operating lease liability as determined based on the present value of remaining minimum lease payments, discounted using the Company's incremental borrowing rate as of the date the Company entered the lease or adopted ASU No. 2016-02. Management implemented the standard under a modified retrospective approach and has elected to apply several of the available practical expeditions, including:

- Carryover of historical lease determination and lease classification conclusions.
- Carryover of historical initial deposit cost balance for existing leases.
- Accounting for lease and non-lease components in contracts in which the Company is a lessee as a single lease component.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue from Contracts with Customers

The Company records revenue from contracts with customers in accordance with Accounting Standards Codification Topic 606, "Revenue from Contracts with Customers" ("Topic 606"). Under Topic 606, the Company must identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract and recognize revenue when (or as) the Company satisfies a performance obligation. Significant revenue has not been recognized in the current reporting period that results from performance obligations satisfied in previous periods.

The majority of the Company's revenues come from interest income and other sources, including loans and securities, that are not subject to Topic 606. Services within the scope of Topic 606 include service charges on deposit accounts, data processing fees, debit card and ATM fees, all of which are presented within noninterest income. The Company enters into various contracts with customers to provide these traditional banking services on a routine basis. The Company's performance obligations are generally service-related and provided on a daily, monthly or quarterly basis. The performance obligations are generally satisfied as services are rendered and the fees are collected at such time, or shortly thereafter. It is not typical for contracts to require significant judgment to determine the transaction price. See Note 17 for additional information.

Advertising

Advertising costs are expensed as incurred. Advertising costs were approximately $183,000 and $176,000 for the period ending December 31, 2023 and 2022, respectively.

Reclassifications

Certain reclassifications were made to the prior year's presentation to conform to the current year.

Fair Value of Financial Instruments

Fair values of financial instruments are estimates using relevant market information and other assumptions, as disclosed in Note 16. Fair value estimates involve uncertainties and matters of significant judgment. Changes in assumptions or in market conditions could significantly affect the estimates.

Subsequent Events

The Company has evaluated all transactions, events, and circumstances for consideration or disclosure through May 29, 2024, the date these consolidated financial statements were available to be issued and has reflected or disclosed those items within the consolidated financial statements and related footnotes as deemed appropriate.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

On January 1, 2023, the Company adopted ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments,* as amended, which replaces the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, including loan receivables, loan commitments, leases, financial guarantees, and held to maturity debt securities. It also applies to off-balance sheet credit exposures not accounted for as insurance (loan commitments, standby letters of credit, financial guarantees, and other similar instruments) and net investments in leases recognized by a lessor in accordance with Topic 842 on leases. In addition, ASC 326 made changes to the accounting for available for sale debt securities. One such change is to require credit losses to be presented as an allowance rather than as a write-down on available for sale debt securities management does not intend to sell or believes that it is more likely than not they will be required to sell.

The Company adopted ASC 326 using the modified retrospective method for all financial assets measured at amortized cost and off-balance-sheet credit exposures. Results for reporting periods beginning after January 1, 2023 are presented under ASC 326 while prior period amounts continue to be reported in accordance with previously applicable GAAP. The Company did not record a change to retained earnings as of January 1, 2023 for the cumulative effect of adopting ASC 326.

In addition, for available for sale debt securities, the new methodology replaces the other-than-temporary impairment model and requires the recognition of an allowance for reductions in a security's fair value attributable to declines in credit quality, instead of a direct write-down of the security when a valuation decline is determined to be other-than-temporary. There was no financial impact related to this implementation. The Company has made a policy election to exclude accrued interest from the amortized cost basis of debt securities and report accrued interest in accrued interest receivable in the consolidated balance sheets.

ASU No. 2022-02 – *Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures* ("ASU 2022-02"). ASU 2022-02 eliminates the troubled debt restructuring ("TDR") measurement and recognition guidance and requires that entities evaluate whether the modification represents a new loan or a continuation of an existing loan consistent with the accounting for other loan modifications. Additional disclosures relating to modifications to borrowers experiencing financial difficulty are required under ASU 2022-02. ASU 2022-02 also requires disclosure of current-period gross write-offs. The Company adopted this ASU effective January 1, 2023 on a prospective basis. (if applicable - except for the amendments related to recognition and measurement of TDRs, which were adopted using the modified retrospective method).

NOTE 2. INVESTMENT SECURITIES

Investment securities have been classified in the consolidated balance sheets according to management's intent. The carrying amount of investment securities available for sale and their approximate fair values are summarized as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2023:				
U.S. Government & federal agencies	**$ 17,714,005**	**$ -**	**$ (1,317,068)**	**$ 16,396,937**
Mortgage-backed securities – residential	**10,947,159**	**-**	**(1,410,143)**	**9,537,016**
Mortgage-backed securities - commercial	**7,653,141**	**-**	**(933,831)**	**6,719,310**
State, county & municipal securities	**9,002,346**	**31,793**	**(1,347,541)**	**7,686,598**
Domestic corporate debt securities	**5,022,864**	**-**	**(136,884)**	**4,885,980**
	$ 50,339,515	**$ 31,793**	**$ (5,145,467)**	**$ 45,225,841**

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2022:				
U.S. Government & federal agencies	$ 20,881,560	$ -	$ (1,784,462)	$ 19,097,098
Mortgage-backed securities – residential	11,663,047	-	(1,625,149)	10,037,898
Mortgage-backed securities - commercial	7,734,836	-	(995,246)	6,739,590
State, county & municipal securities	9,586,804	933	(1,665,343)	7,922,394
Domestic corporate debt securities	4,522,636	-	(198,001)	4,324,635
	$ 54,388,883	$ 933	$ (6,268,201)	$ 48,121,615

The Company elected to exclude accrued interest receivable from the amortized cost basis of available-for-sale securities disclosed throughout this note. As of December 31, 2023 and 2022, accrued interest receivable for available-for-sale securities totaled $227,435 and $230,503, respectively, and is included in the "accrued interest receivable" line item on the Company's consolidated balance sheet.

The amortized cost and fair value of investment securities as of December 31, 2023, by contractual maturity, are shown below. Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties. SBA loan pools and mortgage-backed securities are shown separately in the following maturity summary.

	Amortized Cost	Fair Value
Due in one year or less	$ 6,488,141	$ 6,354,690
Due from one to five years	8,521,645	8,070,226
Due from five to ten years	3,910,206	3,449,807
Over ten years	7,311,545	6,201,968
U.S. Government agencies (SBA loan pools)	5,507,678	4,892,824
Mortgage-backed securities	18,600,300	16,256,326
	$ 50,339,515	$ 45,225,841

NOTE 2. INVESTMENT SECURITIES (CONTINUED)

The following tables show the gross unrealized losses and fair value of the Company's investment securities, aggregated by category and length of time that securities have been in a continuous unrealized loss position, at December 31, 2023 and 2022.

	Less Than Twelve Months		**Over Twelve Months**	
	Gross Unrealized Losses	**Fair Value**	**Gross Unrealized Losses**	**Fair Value**
December 31, 2023:				
U.S. Government & federal agencies	**$ -**	**$ -**	**$ (1,317,068)**	**$ 16,396,937**
Mortgage-backed securities – residential	**(2,870)**	**439,127**	**(1,407,273)**	**9,097,889**
Mortgage-backed securities - commercial	**(48,008)**	**538,765**	**(885,823)**	**6,180,545**
State, county & municipal securities	**(698)**	**40,173**	**(1,346,843)**	**6,666,675**
Domestic corporate debt securities	**(18,497)**	**2,509,850**	**(118,387)**	**1,876,130**
	$ (70,073)	**$ 3,527,915**	**$ (5,075,394)**	**$ 40,218,176**

	Less Than Twelve Months		Over Twelve Months	
	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value
December 31, 2022:				
U.S. Government & federal agencies	$ (853,605)	$ 14,195,490	$ (930,857)	$ 4,901,608
Mortgage-backed securities – residential	(1,056,046)	7,218,685	(569,103)	2,819,213
Mortgage-backed securities - commercial	(583,139)	5,010,081	(412,107)	1,729,509
State, county & municipal securities	(911,449)	5,375,769	(753,894)	1,984,157
Domestic corporate debt securities	(115,513)	2,916,270	(82,488)	908,365
	$ (3,519,752)	$ 34,716,295	$ (2,748,449)	$ 12,342,852

At December 31, 2023, there were one hundred and three available-for-sale securities that had unrealized losses. U.S. Treasury and agency securities, state, county & municipal securities, and agency mortgage-backed securities are issued, guaranteed or otherwise supported by the United States government, an agency of the United States, or a government sponsored enterprise. In analyzing an issuer's financial condition, management considers whether the securities are issued by the federal government or its agencies, whether downgrades by bond rating agencies have occurred and the results of reviews of the issuer's financial condition. The unrealized losses are largely due to increases in market interest rates over the yields available at the time the underlying securities were purchased. As management has the ability to hold debt securities until maturity, or for the foreseeable future if classified as available-for-sale, no declines are deemed to be other than temporary. As of December 31, 2023, no ACL was established for investment securities available for sale.

NOTE 2. INVESTMENT SECURITIES (CONTINUED)

Restricted equity securities consist of the following:

	December 31,	
	2023	2022
Federal Home Loan Bank stock	**$ 338,600**	$ 234,100
Farmer Mac stock	**7,500**	7,500
	$ 346,100	$ 241,600

Proceeds from sales of securities available for sale for the year ended December 31, 2023 amounted to $545,900 with gross realized gains of $49.

Proceeds from sales of securities available for sale for the year ended December 31, 2022 amounted to $520,160 with gross realized gains of $2,465.

Investment securities with a carrying value of approximately $5,274,000 and $42,604,000 at December 31, 2023 and 2022, respectively, were pledged to secure public deposits as required by law.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES

Portfolio Segmentation

In accordance with U.S. GAAP, the loan portfolio was disaggregated into five segments and further disaggregated into classes for certain disclosures. A portfolio segment is defined as the level at which an entity develops and documents a systematic method for determining its allowance for credit losses. The segments used in the portfolio include commercial real estate; residential real estate; commercial; ag production; and consumer and other. The commercial real estate segment has been divided into three classes; construction and development; farmland; and other. The residential real estate segment has been divided into three classes; construction and development; 1-4 family; and multifamily. Commercial, ag production, and consumer and other loans are considered classes in themselves.

The composition of the Company's loan portfolio at December 31, 2023 and 2022 are shown below:

	2023	2022
Commercial real estate		
Construction and development	$ **41,966,192**	$ 41,433,311
Farmland	**17,962,339**	16,843,498
Other commercial	**148,059,868**	103,209,457
Residential real estate		
Construction and development	**22,020,811**	25,887,600
1-4 family	**116,304,318**	100,310,306
Multifamily	**7,464,201**	7,204,199
Commercial	**25,546,254**	22,117,025
Ag production	**10,579,118**	10,164,082
Consumer & other	**6,361,523**	5,329,367
Gross loans	**396,264,624**	332,498,845
Deferred loan fees	**(1,208,448)**	(856,712)
Loan discounts	**(814,547)**	(742,208)
Allowance for credit losses	**(5,367,261)**	(4,515,428)
Loans, net	$ **388,874,368**	$ 326,384,497

The Company elected to exclude accrued interest receivable from the amortized cost basis of loans disclosed throughout this note. As of December 31, 2023 and 2022, accrued interest receivable for loans totaled $2,025,887 and $1,547,509, respectively, and is included in the "accrued interest receivable" line item on the Company's consolidated balance sheet.

The Company grants loans and extensions of credit to individuals and a variety of firms and corporations located within the Bank's markets. Although the Company has a diversified loan portfolio, 89% of the portfolio is concentrated in loans secured by real estate as of December 31, 2023 and 2022, respectively.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Portfolio Segmentation (continued)

The following describe risk characteristics relevant to each of the portfolio segments:

Commercial Real Estate: The commercial real estate loans consist of construction and development, farmland, and other commercial real estate loans.

Construction and development loans consist of loans to builders and commercial borrowers. These loans are secured by real estate. These loans are vulnerable to changes in economic conditions. Further, the nature of these loans is such that they are difficult to evaluate and monitor. The risk of loss on construction and development loans is dependent on the accuracy of the initial estimates of property value upon completion of the projects, and the estimated costs (including interest) of the projects.

Farmland loans are typically repaid from business cash flow and are secured by the underlying farmland.

Other commercial real estate loans include owner occupied loans where the primary source of repayment are cash flows from the ongoing operations and activities conducted by the owners. Underwriting criteria for these loans require initial and on-going reviews of borrower cash flows. Economic conditions impacting cash flows of the borrowers or declines in collateral values are risk to this loan type. This class also includes income producing properties such as office and industrial buildings and retail shopping centers. These loans are repaid from rent income derived from the properties.

Residential Real Estate: The residential real estate loans consist of construction and development, 1-4 family, and multifamily real estate loans.

Construction and development loans consist of loans to builders and individuals for the construction of primary residences. These loans are secured by real estate. Loans are typically repaid through the sale or refinance of the underlying property.

1-4 family loans are repaid by various means such as a borrower’s income, sale of the property, or rental income derived from the property.

Multifamily loans are mortgage real estate loans for the closed-end purchase or refinancing of mortgages for apartment complexes and condominiums. These loans are secured by multifamily properties primarily located in the Company’s market area. The financial strength of the borrowers, income from the properties, and collateral values of the properties are assessed as part of the underwriting criteria of these loans. Risks associated with these loans include reductions in cash flow of the property due to market conditions and vacancy rates and declines in collateral values of properties securing the loans.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Portfolio Segmentation (continued)

Commercial: Commercial loans are made to small and medium sized companies in the Company's market area. Commercial loans are generally used for working capital purposes or for acquiring equipment, inventory or furniture. Primarily all of the Company's commercial loans are secured loans, along with a small amount of unsecured loans. The Company's underwriting analysis consists of a review of the financial statements of the borrower, the lending history of the borrower, the debt service capabilities of the borrower, the projected cash flows of the business, the value of the collateral, if any, and whether the loans is guaranteed by the principals of the borrower. These loans are generally secured by the accounts receivable, inventory and equipment. Commercial loans are typically made on the basis of the borrower's ability to make repayment from the cash flow of the borrower's business, which makes them of higher risk than residential loans and the collateral securing loans may be difficult to appraise and may fluctuate in value based on the success of the business. The Company seeks to minimize these risks through its underwriting standards.

Ag Production: These loans are generally made to farmers for various purposes related to crops, livestock, related equipment/machinery, and other farm operations. Repayment is primarily dependent on the personal income of the borrower and income from farming operations, which can be impacted by economic and other market conditions. As a general practice, the Company takes as collateral a security interest in the underlying crops, livestock, equipment, etc. Such loans are monitored via inspections and/or evaluations, as applicable.

Consumer & other: Consumer and other loans are extended for various purposes, including purchases of automobiles, recreation vehicles, and boats. The Company also offers home improvement loans, lines of credit, personal loans, and deposit account collateralized loans. Repayment of these loans is primarily dependent on the personal income of the borrowers, which can be impacted by economic conditions in their market areas such as unemployment levels. Loans to consumers are extended after a credit evaluation, including the creditworthiness of the borrower(s), the purpose of the credit, and the secondary source of repayment. Consumer loans are made at fixed and variable interest rates and may be made on terms of up to five years. Risk is mitigated by the fact that the loans are of smaller individual amounts and spread over a large number of borrowers.

Credit Risk Management

The Company employs a credit risk management process with defined policies, accountability and routine reporting to manage credit risk in the loan portfolio segments. Credit risk management is guided by credit policies that provide for a consistent and prudent approach to underwriting and approvals of credits. Within the Loan Policy, procedures exist that elevate the approval requirements as credits become larger and more complex. All loans are individually underwritten, risk-rated, approved and monitored.

Responsibility and accountability for adherence to underwriting policies and accurate risk ratings lies in each portfolio segment. For the consumer portfolio segment, the risk management process focuses on managing customers who become delinquent in their payments. For the commercial, agricultural and real estate portfolio segments, the risk management process focuses on underwriting new business and, on an ongoing basis, monitoring the credit of the portfolios, including an internal review on the largest credits on an annual basis or more frequently as needed.

Credit quality and trends in the loan portfolio segments are measured and monitored regularly. Detailed reports, by product, collateral, accrual status, etc., are reviewed by senior management, the Loan Committee and the Board of Directors.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Credit Risk Management (continued)

As previously mentioned in Note 1, since the adoption of ASC 326 on January 1, 2023, the ACL for loans represents management's estimate of life of loan credit losses in the portfolio as of the end of the period.

The following table presents the balance sheet activity in the ACL by portfolio segment for loans for the year ended December 31, 2023.

	Balance December 31, 2022	Charge-Offs	Recoveries	Provision for credit losses on loans	Balance December 31, 2023
Commercial Real Estate:					
Construction	$ 561,546	$ -	$ 8,305	$ 1,655	$ 571,506
Farmland	111,921	-	-	1,366	113,287
Other Commercial	1,982,874	(9,789)	-	539,700	2,512,785
Residential Real Estate:					
Construction	468,007	-	-	(165,643)	302,364
1-4 Family	886,840	-	77,642	(72,896)	891,586
Multifamily	135,359	-	-	(36,011)	99,348
Commercial	155,022	(30,503)	-	40,860	165,379
Ag Production	120,115	-	1,163	(20,570)	100,708
Consumer & other	39,797	-	15	(700)	39,112
Unallocated	53,947	-	-	517,239	571,186
Total allowance for credit losses on loans	$ 4,515,428	$ (40,292)	$ 87,125	$ 805,000	$ 5,367,261

Activity in the allowance for credit losses for the period ending December 31, 2022 is summarized by loan segment below:

	Commercial Real Estate	Residential Real Estate	Commercial	Ag Production	Consumer & Other	Unallocated	Total
Beginning balance	$ 1,768,824	$ 1,098,701	$ 44,768	$ 48,719	$ 65,913	$ 164,351	$ 3,191,276
Charge-offs	-	-	-	(5,000)	(7,308)	-	(12,308)
Recoveries	4,959	1,051	-	-	450	-	6,460
Provision	882,558	390,454	110,254	76,396	(19,258)	(110,404)	1,330,000
Ending balance	$ 2,656,341	$ 1,490,206	$ 155,022	$ 120,115	$ 39,797	$ 53,947	$ 4,515,428

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Credit Risk Management (continued)

The following table details the allowance for credit losses by portfolio segment for the year ended December 31, 2023 by loan segment:

Allowance for Credit Losses	Commercial Real Estate	Residential Real Estate	Commercial	Ag Production	Consumer & Other	Unallocated	Total
Ending balance	$ 3,197,578	$ 1,293,298	$ 165,379	$ 100,708	$ 39,112	$ 571,186	$ 5,367,261
Individually analyzed collateral dependent	$ 43,701	$ -	$ -	$ 11,204	$ -	$ -	$ 54,905
Collectively analyzed	$ 3,153,877	$1,293,298	$ 165,379	$ 89,504	$ 39,112	$ 571,186	$ 5,312,356

Loans	Commercial Real Estate	Residential Real Estate	Commercial	Ag Production	Consumer & Other	Unallocated	Total
Ending balance	$ 207,988,399	$ 145,789,330	$ 25,546,254	$ 10,579,118	$ 6,361,523	$ -	$ 396,264,624
Individually analyzed collateral dependent	$ 1,966,950	$ 111,335	$ 23,715	$ 99,304	$ 3,771	$ -	$ 2,205,075
Collectively analyzed	$206,021,449	$ 145,677,995	$ 25,522,539	$ 10,479,814	$ 6,357,752	$ -	$ 394,059,549

The following table details the allowance for credit losses on the basis of the Company's impairment methodology at December 31, 2022 by loan segment:

Allowance for Credit Losses	Commercial Real Estate	Residential Real Estate	Commercial	Ag Production	Consumer & Other	Unallocated	Total
Ending balance	$ 2,656,341	$ 1,490,206	$ 155,022	$ 120,115	$ 39,797	$ 53,947	$ 4,515,428
Individually evaluated for impairment	$ -	$ -	$ 6,712	$ 12,013	$ -	$ -	$ 18,725
Collectively evaluated for impairment	$ 2,656,341	$1,490,206	$ 148,310	$ 108,102	$ 39,797	$ 53,947	$ 4,496,703

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Credit Risk Management (continued)

Loans	Commercial Real Estate	Residential Real Estate	Commercial	Ag Production	Consumer & Other	Unallocated	Total
Ending balance	$ 161,486,266	$ 133,402,105	$ 22,117,025	$ 10,164,082	$ 5,329,367	$ -	$ 332,498,845
Individually evaluated for impairment	$ -	$ 72,009	$ 6,712	$ 100,013	$ -	$ -	$ 178,734
Collectively evaluated for impairment	$161,486,266	$ 133,330,096	$ 22,110,313	$ 10,064,069	$ 5,329,367	$ -	$ 332,320,111

Internal risk-ratings, or grades, are assigned to each loan based on an analysis of the financial strength, collateral, and other credit attributes underlying each loan. Management analyzes the resulting ratings, as well as other external statistics and factors such as delinquency, to track the migration performance of the portfolio balances. The rating methodology complies with the asset classification system promulgated by the federal banking agencies. Loan grades range from one to eight, with one-graded loans having the least credit risk, as defined below:

Excellent (Grade 1) – Highest quality. Loans fully secured by cash, cash equivalents, or the unconditional guaranty of U.S. Government Agency security.

Superior (Grade 2) – Above average quality. Minimal risk of loss. Borrowers with strong, stable financial trends. Strong cash flow, covering debt service requirements and some portion of capital expenditures. Alternative sources of repayment are evident and financial ratios are comparable to or exceed the industry norms. Trends are positive. Prominent position in the industry or local economy. Industry performance is above average. Management strong in most areas and backup depth is good. Individuals with stable and reliable cash flow and above average liquidity and cash flow. Collateral is marketable and adequate to liquidate the debt, if necessary. Modest risk from exposure to contingent liabilities.

Satisfactory (Grade 3) – Average quality. Cash flow is adequate to cover all debt service requirements but not capital expenditures. Balance sheet may be leveraged but still comparable to the industry. Financial trends stable to mixed over long term but no significant concerns exist at this time. Generally stable industry outlook may have some cyclical characteristics. Average position in industry or local economy. Management is considered capable and stable. Individuals with reliable cash flow but alternative sources of repayment would require sale of assets that may be considered illiquid. Financial position has been leveraged to an average degree or individual has an average net worth position considering income and debt. Loans in this category should be performing satisfactorily.

Watch (Grade 4) – Below average quality. Loan conditions require more frequent monitoring than the higher grades. Stability is lacking in the primary repayment source, cash flow, credit history or liquidity; however, the instability is manageable and considered temporary. Overall trends are not yet adverse. Individuals whose source of income or cash flow have become unstable or limited. Income may decline due to current business or economic conditions. The individual has a somewhat highly leveraged condition and limited capital. Moderate history of some degree of slow payment may be exhibited.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Credit Risk Management (continued)

Special Mention (Grade 5) – Included in this category are loans which do not presently expose the Company to a sufficient degree of risk to warrant adverse classification but do possess credit deficiencies deserving management's close attention. Failure to correct deficiencies could result in greater credit risk in the future. Ordinarily, such borderline credits have characteristics which corrective management attention would remedy. Specific negative events within the obligor or the industry jeopardize cash flow and repayment. Borrower is taking positive steps to improve situation. Individuals who exhibit some degree of weakness in financial condition. Moderate delinquency may exist from time to time.

Substandard (Grade 6) – Substandard loans are inadequately protected by the current sound net worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified must have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the bank will sustain some loss if the deficiencies are not corrected.

Doubtful (Grade 7) – Loans classified doubtful have all the weaknesses inherent in those classified substandard with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently known facts, conditions and values, highly questionable and improbable. The possibility of loss is high. A full or partial reserve may be warranted.

Loss (Grade 8) – Loans classified loss are considered uncollectible and of such little value that their continuance as bankable assets is not warranted. This classification does not mean that the loan has absolutely no recovery or salvage value but rather it is not practical or desirable to defer writing off this basically worthless asset even though partial recovery may be affected in the future.

Internal risk ratings by loan segment and class as of December 31, 2023 and 2022, respectively, are presented in the following tables. Balances presented are based on book balance, or recorded investment.

The following table presents the internal risk ratings by loan segment and class as of December 31, 2023.

	Pass	Special Mention	Substandard	Doubtful	Total
Commercial real estate					
Construction and development	$ 41,954,942	$ 11,250	$ -	$ -	$ 41,966,192
Farmland	17,962,339	-	-	-	17,962,339
Other commercial	142,423,333	3,918,540	1,717,995	-	148,059,868
Residential real estate					
Construction and development	22,020,811	-	-	-	22,020,811
1-4 family	115,904,804	399,514	-	-	116,304,318
Multifamily	7,464,201	-	-	-	7,464,201
Commercial	25,413,170	109,369	-	23,715	25,546,254
Ag production	10,479,814	-	99,304	-	10,579,118
Consumer & other	6,337,142	20,609	3,772	-	6,361,523
Ending balance	$ 389,960,556	$ 4,459,282	$ 1,821,071	$ 23,715	$ 396,264,624

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Credit Risk Management (continued)

The following table presents the internal risk ratings by loan segment and class as of December 31, 2022.

	Pass	Special Mention	Substandard	Total
Commercial real estate				
Construction and development	$ 41,433,311	$ -	$ -	$ 41,433,311
Farmland	16,819,346	24,152	-	16,843,498
Other commercial	103,167,572	41,885	-	103,209,457
Residential real estate				
Construction and development	25,887,600	-	-	25,887,600
1-4 family	100,177,012	133,294	-	100,310,306
Multifamily	7,204,199	-	-	7,204,199
Commercial	22,032,624	77,689	6,712	22,117,025
Ag production	10,028,682	35,387	100,013	10,164,082
Consumer & other	5,314,865	14,502	-	5,329,367
Ending balance	$ 332,065,211	$ 326,909	$ 106,725	$ 332,498,845

There were no loans rated doubtful as of December 31, 2022. There were no loans rated loss as of December 31, 2023 or 2022.

Past Due Loans

A loan is considered past due if any required principal and interest payments have not been received as of the date such payments were required to be made under the terms of the loan agreement. Generally, management places loans on non-accrual when there is a clear indication that the borrower's cash flow may not be sufficient to meet payments as they become due, which is generally when a loan is 90 days past due.

The following table presents the aging of past due loans as of December 31, 2023 by segment and class. Balances presented are based on book balance, or recorded investment.

	Current	30-89 Days Past Due	Past Due > 90 Days & Accruing	Nonaccrual	Total
Commercial real estate					
Construction and development	$ 41,966,192	$ -	$ -	$ -	$ 41,966,192
Farmland	17,962,339	-	-	-	17,962,339
Other commercial	147,229,052	39,914	-	790,902	148,059,868
Residential real estate					
Construction and development	22,020,811	-	-	-	22,020,811
1-4 Family	115,903,177	289,806	-	111,335	116,304,318
Multifamily	7,464,201	-	-	-	7,464,201
Commercial	25,512,581	9,958	-	23,715	25,546,254
Ag production	10,553,793	25,325	-	-	10,579,118
Consumer & other	6,357,752	-	-	3,771	6,361,523
Ending balance	$ 394,969,898	$ 365,003	$ -	$ 929,723	$ 396,264,624

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Past Due Loans (continued)

The following table presents the aging of past due loans as of December 31, 2022 by segment and class. Balances presented are based on book balance, or recorded investment.

	Current	30-89 Days Past Due	Past Due > 90 Days & Accruing	Nonaccrual	Total
Commercial real estate					
Construction and development	$ 41,433,311	$ -	$ -	$ -	$ 41,433,311
Farmland	16,843,498	-	-	-	16,843,498
Other commercial	103,209,457	-	-	-	103,209,457
Residential real estate					
Construction and development	25,887,600	-	-	-	25,887,600
1-4 Family	100,188,116	-	-	122,190	100,310,306
Multifamily	7,204,199	-	-	-	7,204,199
Commercial	22,110,313	6,712	-	-	22,117,025
Ag production	10,164,082	-	-	-	10,164,082
Consumer & other	5,329,367	-	-	-	5,329,367
Ending balance	$ 332,369,943	$ 6,712	$ -	$ 122,190	$ 332,498,845

Nonaccrual Loans

The following table is a summary of the Company's nonaccrual loans by loan segment and class as of December 31, 2023.

	Nonaccrual Loans with No Related ACL	Nonaccrual Loans with a Related ACL	Total Nonaccrual Loans
Commercial real estate			
Construction and development	$ -	$ -	$ -
Farmland	-	-	-
Other commercial	541,948	248,954	790,902
Residential real estate			
Construction and development	-	-	-
1-4 Family	111,335	-	111,335
Multifamily	-	-	-
Commercial	23,715	-	23,715
Ag production	-	-	-
Consumer & other	3,771	-	3,771
Ending balance	$ 680,769	$ 248,954	$ 929,723

There was no interest income recorded on nonaccrual loans during the twelve months ended December 31, 2023.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Impaired Loans

Total impaired loans as of December 31, 2022 are disaggregated by segment and class below.

Impaired Loans Without a Valuation Allowance	Recorded Investment	Unpaid Principal	Related Allowance	Average Balance	Interest Income Recognized
Commercial real estate					
Construction and development	$ -	$ -	$ -	$ -	$ -
Farmland	-	-	-	-	-
Other commercial	-	-	-	-	-
Residential real estate					
Construction and development	-	-	-	-	-
1-4 Family	72,009	72,009	-	80,372	6,226
Multifamily	-	-	-	-	-
Commercial	-	-	-	-	-
Ag production	-	-	-	-	-
Consumer & other	-	-	-	-	-
	$ 72,009	$ 72,009	$ -	$ 80,372	$ 6,226

Impaired Loans With a Valuation Allowance	Recorded Investment	Unpaid Principal	Related Allowance	Average Balance	Interest Income Recognized
Commercial real estate					
Construction and development	$ -	$ -	$ -	$ -	$ -
Farmland	-	-	-	-	-
Other commercial	-	-	-	-	-
Residential real estate					
Construction and development	-	-	-	-	-
1-4 Family	123,054	123,054	1,120	61,527	5,124
Multifamily	-	-	-	-	-
Commercial	6,712	6,712	6,712	3,356	441
Ag production	100,013	100,013	12,013	109,855	6,531
Consumer & other	-	-	-	-	-
	$ 229,779	$ 229,779	$ 19,845	$ 174,738	$ 12,096
Total impaired loans	$ 301,788	$ 301,788	$ 19,845	$ 255,110	$ 18,322

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Loan Modifications

The allowance for credit losses incorporates an estimate of lifetime expected credit losses and is recorded on each asset upon asset origination or acquisition. The starting point for the estimate of the allowance for credit losses is historical loss information, which includes losses from modifications of receivables to borrowers experiencing financial difficulty. The Company uses a discounted cash flow methodology to determine the allowance for credit losses. An assessment of whether a borrower is experiencing financial difficulty is made on the date of a modification.

Because the effect of most modifications made to borrowers experiencing financial difficulty is already included in the allowance for credit losses because of the measurement methodologies used to estimate the allowance, a change to the allowance for credit losses is generally not recorded upon modification. The Company could modify loans by providing principal forgiveness on certain of its real estate loans. When principal forgiveness is provided, the amortized cost basis of the asset is written off against the allowance for credit losses. The amount of the principal forgiveness is deemed to be uncollectible; therefore, that portion of the loan is written off, resulting in a reduction of the amortized cost basis and a corresponding adjustment to the allowance for credit losses.

In some cases, the Company will modify a certain loan by providing multiple types of concessions. Typically, one type of concession, such as a term extension, is granted initially. If the borrower continues to experience financial difficulty, another concession, such as principal forgiveness, may be granted. Upon the Company's determination that a modified loan, or portion of a loan, has subsequently been deemed uncollectible, the loan, or portion of the loan, is written off.

The following table presents loans modified due to borrowers experiencing financial difficulty for the period ending December 31, 2023.

	Rate and Payment Concession	Total Loans
Commercial real estate		
Construction and development	$ -	$ -
Farmland	-	-
Other commercial	5,313,150	5,313,150
Residential real estate		
Construction and development	-	-
1-4 Family	-	-
Multifamily	-	-
Commercial	23,715	23,715
Ag production	-	-
Consumer & other	14,809	14,809
Ending balance	$ 5,351,674	$ 5,351,674

There were three loans modified with rate and payment concessions during 2023. There were no commitments to lend additional funds to these borrowers as of December 31, 2023.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Loan Modifications (continued)

Prior to adoption of ASU 2022-02 on January 1, 2023, the restructuring of a loan was considered a troubled debt restructuring ("TDR") if both the borrower was experiencing financial difficulties and the Company had granted a concession to the terms of the loan. Concessions may have included interest rate reductions to below market interest rates, principal forgiveness, restructured amortization schedules and other actions intended to minimize potential losses.

At December 31, 2022, impaired loans included loans that were classified as Troubled Debt Restructurings (“TDRs”). The restructuring of a loan is considered a TDR if both (i) the borrower is experiencing financial difficulties and (ii) the creditor has granted a concession.

In assessing whether or not a borrower is experiencing financial difficulties, the Company considers information currently available regarding the financial condition of the borrower. This information includes, but is not limited to, whether (i) the debtor is currently in payment default on any of its debt; (ii) a payment default is probable in the foreseeable future without the modification; (iii) the debtor has declared or is in the process of declaring bankruptcy and (iv) the debtor's projected cash flow is sufficient to satisfy contractual payments due under the original terms of the loan without a modification.

The Company considers all aspects of the modification to loan terms to determine whether or not a concession has been granted to the borrower. Key factors considered by the Company include the debtor's ability to access funds at a market rate for debt with similar risk characteristics, the significance of the modification relative to unpaid principal balance or collateral value of the debt, and the significance of a delay in the timing of payments relative to the original contractual terms of the loan. The most common concessions granted by the Company generally include one or more modifications to the terms of the debt, such as (i) a reduction in the interest rate for the remaining life of the debt, (ii) an extension of the maturity date at an interest rate lower than the current market rate for new debt with similar risk, (iii) a temporary period of interest-only payments, and (iv) a reduction in the contractual payment amount for either a short period or remaining term of the loan.

There was one commercial loan totaling $6,712 that was modified in 2022 and designated as TDR as of December 31, 2022. The TDR designation related to a borrower experiencing financial difficulties where a payment concession was granted. The subject TDR was considered impaired as of December 31, 2022 and carried a specific reserve equivalent to the unpaid principal balance.

There were no charge-offs recorded for 2022 modifications designated as a TDR. Any changes in the recorded investment before and after the restructuring date were due to borrower pay downs. There were no loans modified as a TDR during 2022 that were ninety days or more past due and still accruing interest as of December 31, 2022.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Related Party Loans

In the normal course of business, the Bank conducts transactions with directors, officers, stockholders and their affiliates. Transactions with related parties are made on terms comparable to those available to other Bank customers. The interest rates on these loans are substantially the same as rates prevailing at the time of the transactions and repayment terms are customary for the type of loan involved. Changes in related party loans are as follows:

	Years Ended December 31,	
	2023	2022
Balance, beginning of year	**$ 4,534,175**	$ 4,405,479
Changes in related party status	**1,731,594**	-
Net advances (repayments)	**(688,962)**	128,696
Balance, end of year	**$ 5,576,807**	$ 4,534,175

NOTE 4. OTHER REAL ESTATE OWNED

There was no other real estate owned as of December 31, 2023 and 2022. There was no residential real estate in process of foreclosure as of December 31, 2023 and 2022.

NOTE 5. PREMISES AND EQUIPMENT

Premises and equipment as of December 31, 2023 and 2022 were as follows:

	2023	2022
Land	**$ 1,942,083**	$ 1,870,831
Bank premises	**4,990,437**	4,979,674
Furniture, fixtures and equipment	**3,754,694**	3,652,308
	10,687,214	10,502,813
Accumulated depreciation	**(4,041,879)**	(3,635,037)
	$ 6,645,335	$ 6,867,776

NOTE 6. DEPOSITS

A summary of interest-bearing deposits as of December 31, 2023 and 2022 were as follows:

	2023	2022
Interest-bearing demand	**$ 43,461,204**	$ 47,797,769
Savings	**137,466,517**	158,181,669
Time deposits, less than or equal to $250,000	**111,348,961**	60,982,362
Time deposits, more than $250,000	**46,897,594**	21,623,840
	$ 339,174,276	$ 288,585,640

NOTE 6. DEPOSITS (CONTINUED)

The scheduled maturities of time deposits at December 31, 2023 were as follows:

One year or less	**$** 137,068,340
Over one through three years	18,710,176
Over three years	2,468,039
	$ 158,246,555

At December 31, 2023 and 2022, overdraft deposits reclassified to loans totaled $134,130 and $35,133, respectively.

At December 31, 2023, the Company had deposits from related parties totaling approximately $10,216,000.

NOTE 7. BANK-OWNED LIFE INSURANCE

In 2015, the Bank purchased single premium life insurance policies insuring the lives of certain officers. In 2016, 2017, 2018, 2019, 2020 and 2022, the Bank purchased new policies on additional officers. The cash surrender value of the life insurance policies at December 31, 2023 and 2022, is $7,710,378 and $7,476,997, respectively.

NOTE 8. LOAN SERVICING ASSETS

As of December 31, 2023 and 2022, included as a component of other assets is a loan servicing asset. The activity in the balance of the Company's loan servicing asset for the period ending December 31, 2023 and 2022 is as follows:

	2023	2022
Balance, beginning of year	**$ 647,935**	$ 357,925
Recognition of servicing obligation from transfer of financial assets	**121,513**	221,694
Disposals	**(33,899)**	-
(Decrease) increase in fair value due to market factors	**(21,176)**	68,316
Balance, end of year	**$ 714,373**	$ 647,935

For the period ending December 31, 2023 and 2022, included as a component of noninterest income was ($55,075) and $68,316, respectively, in fair value adjustments related to the Company's loan servicing asset.

NOTE 9. EMPLOYEE BENEFIT PLANS

Deferred Compensation Plan

On January 1, 2005, the Bank implemented the "Deferred Compensation Plan for Directors". The plan is an unfunded, non-qualified deferred compensation agreement. The deferred compensation plan is available for all members of the Bank's board of directors with participation available on a voluntary basis. Under the plan, participating board members defer monthly meeting fees which also accrue interest at an interest rate established by the plan. Participation remains in effect unless an individual is no longer a member of the Bank's board of directors or voluntarily exits the plan. The accrued benefits for the deferred compensation amounted to $1,663,187 and $1,400,514 at December 31, 2023 and 2022, respectively. Deferred compensation expense for the year ended December 31, 2023 and 2022 was $262,673 and $255,492, respectively.

NOTE 9. EMPLOYEE BENEFIT PLANS (CONTINUED)

Employee Profit Sharing Plan

The Company offers the benefit of participating in a 401(k) profit sharing plan to eligible employees. Eligible employees may make voluntary contributions to the plan through payroll deductions on a pre-tax basis. The Company also matches the employee contributions up to a 4% total contribution of the employee's compensation. All Company and employee contributions are subject to certain limitations set by law. For the year ended December 31, 2023 and 2022, expenses attributable to the plan amounted to $222,059 and $200,568, respectively.

Supplemental Executive Retirement Pension Plan

The Bank established a "Supplemental Executive Retirement Plan" in November of 2022 and entered into agreements with certain executive officers under this plan. Participants in the plan participate on a noncontributing basis. Information pertaining to the activity in the plan as of and for the year ended December 31, 2023 is as follows:

Reconciliation of Benefit Obligation:		
Benefit Obligation at Beginning of the Period	$	-
Service Cost		115,286
Interest Cost		-
(Gain)/Loss		-
Surrendered Benefits		-
Benefits Paid		-
Benefit Obligation at End of the Period	$	115,286
Benefits Expected to be Paid:		
2024	$	-
2025		-
2026		-
2027		-
2028		20,833
2029-2033		308,333
Net Periodic Pension Cost:		
Service Cost	$	115,286
Interest Cost		-
(Gain)/Loss Recognized		-
Prior Service Cost Recognized		-
Total	$	115,286

NOTE 9. EMPLOYEE BENEFIT PLANS (CONTINUED)

Stock Options

The Company's Board of Directors authorized the establishment of the 2000 Incentive Stock Option Plan. Options granted under the plan expire based upon the terms within each stock option agreement. Options vest cumulatively from the grant date on each annual anniversary date. In the event that an individual granted options under the plan ceases employment with the Company, the unexercised portion of the granted options will cease to vest. Vested options shall expire, terminate and become un-exercisable on the thirtieth day following the date on which the individual's service terminated. If an individual's service with the Company is terminated for cause, granted options will expire, terminate and become un-exercisable as of the termination date. Forfeitures are accounted for in the period for which they occur.

Compensation expense for incentive stock options is based on the market price of the Company stock at the grant date. Compensation expense is recognized proportionally over the respective vesting period. The fair value of the Company's stock is estimated based upon the Black-Scholes pricing model. Volatility of the Company's stock is based upon the average change in the Company's book value per share. For the year end December 31, 2023 and 2022, the Company recognized compensation expense for incentive stock option agreements of $156,975 and $153,963, respectively.

A summary of outstanding stock options for the year ended December 31, 2023 is presented below:

	Number	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Under Option, beginning of period	28,195	$118.38	5.49	$3,337,788
Granted	2,000	$159.16	9.22	$318,310
Exercised	465	$85.57	-	$39,790
Forfeited	-	-	-	-
Under Option, end of period	29,730	$121.64	4.89	$3,616,308
Options unvested, beginning of period	14,212	$124.53	6.29	$1,769,874
Options unvested, end of period	11,687	$130.83	5.99	$1,529,066
Options vested, during the period	4,525	$123.43	5.18	$558,541
Options exercisable, end of the period	18,047	$115.68	4.17	$2,087,670

NOTE 9. EMPLOYEE BENEFIT PLANS (CONTINUED)

Stock Options (continued)

As of December 31, 2023, unrecognized compensation expense related to unvested incentive stock options totaled $439,235.

During 2023, vested options totaling 465 were exercised which resulted in cash proceeds to the Company of $39,790.

NOTE 10. OTHER BORROWINGS

Advances from the Federal Home Loan Bank ("FHLB") at December 31, 2023 and 2022 amounted to $-. The advances are secured by investment securities, residential real estate loans, and commercial real estate loans. At December 31, 2023, total available borrowings with the FHLB, based on the availability of qualifying collateral, amounted to approximately $42,448,000, of which approximately $8,309,000 was available to be drawn. The Company entered into standby letters of credit with the Federal Home Loan Bank ("FHLB") to secure certain public deposits in lieu of pledging securities. The letters of credit totaled $34,139,000 as of December 31, 2023.

NOTE 11. INCOME TAXES

The components of income tax expense for the years ended December 31, 2023 and 2022 were as follows:

	2023	2022
Current tax provision		
Federal	**$ 1,144,921**	$ 1,191,180
State	**119,389**	175,525
Deferred income tax	**(331,004)**	(382,980)
	$ 933,306	$ 983,725

NOTE 11. INCOME TAXES (CONTINUED)

The Company's income tax expense differs from the amount computed by applying the federal income tax statutory rate to income before income taxes. A reconciliation of the differences for the year ended December 31, 2023 and 2022 follows:

	2023	2022
Pretax income at statutory federal rate	**$ 930,587**	$ 958,321
Increase (decrease) resulting from:		
State taxes, net of federal tax benefit	**38,073**	61,962
Tax exempt income	**(38,781)**	(43,864)
Non-deductible interest expense	**19,154**	2,618
Tax exempt bank owned life insurance	**(49,010)**	(29,389)
Stock options expense	**30,240**	32,332
Other items, net	**3,043**	1,745
	$ 933,306	$ 983,725

The components of deferred income taxes at December 31, 2023 and 2022 were as follows:

	2023	2022
Net deferred tax asset:		
Allowance for credit losses	**$ 1,235,204**	$ 1,029,607
Allowance for credit losses- unfunded commitments	**23,752**	-
Deferred compensation	**424,778**	357,691
Premises and equipment	**(352,587)**	(403,065)
Nonaccrual interest	**16,825**	32,733
Net unrealized loss on securities available for sale	**1,319,453**	1,616,390
	$ 2,667,425	$ 2,633,356

NOTE 12. COMMITMENTS & CONTINGENCIES

Credit Related Financial Instruments

The Company is a party to financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit. Those instruments involve, to varying degrees, elements of credit risk in excess of the amount recognized in the balance sheet. The contractual amounts of those instruments reflect the extent of involvement the Company has in particular classes of financial instruments.

The exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and standby letters of credit is represented by the contractual amount of those instruments. The same credit policies are used in making commitments and conditional obligations as for on-balance-sheet instruments. In most cases, collateral is required to support financial instruments with credit risk.

NOTE 12. COMMITMENTS & CONTINGENCIES (CONTINUED)

Credit Related Financial Instruments (continued)

A summary of the Company's commitments as of December 31, 2023 and 2022, respectively, is approximately as follows:

	2023	2022
Commitments to extend credit	**$ 60,589,482**	$ 61,813,617
Standby letters of credit	**6,605,026**	6,476,026
	$ 67,194,508	$ 68,289,643

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments may expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The Company evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by the Company, upon extension of credit is based on management's credit evaluation. Collateral held varies but may include unimproved and improved real estate, certificates of deposit or personal property.

Standby letters of credit are conditional commitments issued by the Company to guarantee the performance of a customer to a third party. Those uncollateralized guarantees are primarily issued to local businesses. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers.

The Company may maintain an allowance for off-balance sheet credit exposures such as unfunded balances for existing lines of credit, commitments to extend future credit, as well as both standby and commercial letters of credit when there is a contractual obligation to extend credit and when this extension of credit is not unconditionally cancellable. The allowance for off-balance sheet credit exposures is adjusted as a provision for credit loss expense. The estimate includes consideration of the likelihood that funding will occur, which is based on a historical funding study derived from internal information, and an estimate of expected credit losses on commitments expected to be funded over its estimated life, which are the same loss rates that are used in computing the allowance for credit losses on loans. The allowance for credit losses for unfunded commitments is included in other liabilities on the consolidated balance sheet. Following consideration of funding rates, cancellable provisions in loan agreements, and the overall level of unfunded commitments, the Company recorded an allowance for unfunded loan commitments of $93,000 as of December 31, 2023. The allowance for unfunded loan commitments was established via a provision for credit loss expense of $93,000.

Unused Lines of Credit

The Bank has unsecured federal funds lines of credit with four correspondent financial institutions providing borrowing capacity up to $20,500,000 with interest determined at the time of any advance. The arrangements are reviewed annually for renewal of the credit line.

Contingencies

The Company and the Bank are subject to a certain amount of claims and litigation which arise in the normal course of business activities. Management uses applicable accounting standards to determine if contingencies are required to be accrued or disclosed in the consolidated financial statements.

NOTE 13. CONCENTRATIONS

The Company originates primarily commercial, agricultural, agribusiness, commercial real estate, residential real estate and consumer loans to its customers. A substantial portion of the Company's customers' abilities to honor their contracts is dependent on economic stability in Southwest Georgia.

As set forth in Note 3, a large portion of the Company's loan portfolio is concentrated in real estate loans. As of December 31, 2023, approximately 89% of the Company's loan portfolio is secured by real estate. A substantial portion of these loans is secured by real estate in the Company's primary market area. Accordingly, the ultimate collectability of the loan portfolio is susceptible to changes in real estate conditions in the Company's primary market area. The other significant concentrations of credit by type of loan are also set forth in Note 3. The Company, as a matter of policy, does not extend credit to any single borrower or group of related borrowers in excess of the Bank's secured legal lending limit.

The Bank may extend credit on terms that result in a concentration of credit risk. As of December 31, 2023, the Bank reported approximately $9,319,000 in loans that were originated with regulatory loan to value exceptions.

At various times throughout the year, the Company maintains cash balances and federal funds sold with other financial institutions which exceed federally insured limits. The Company monitors the capital adequacy of these financial institutions on a quarterly basis.

As of December 31, 2023, the Bank had one customer deposit relationship that exceeded 5% of total deposits.

NOTE 14. REGULATORY MATTERS

The Bank is subject to various regulatory capital requirements administered by state and federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

The Basel III capital rules, implemented in the U.S. with certain changes mandated by the Dodd-Frank Act, strengthen the definition of regulatory capital, increase risk-based capital requirements, and make selected changes to the calculation of risk-weighted assets. The rules became effective January 1, 2015, for the Bank, subject to a transition period for several aspects, including the capital conversation buffer and certain regulatory capital adjustments and deductions, as described below. Under the Basel III capital rules, the minimum capital requirements for the Bank include a common equity Tier 1 (CET1) ratio of 4.5%; Tier 1 capital ratio of 6%; total capital ratio of 8%; and leverage ratio of 4%. When fully phased-in on January 1, 2019, the Basel III capital rules included a capital conversation buffer of 2.5% that is added on top of each of the minimum risk-based capital ratios. The implementation of the capital conservation buffer began on January 1, 2016 at the 0.625% level and increased to 1.25% at January 1, 2017. The buffer continued to be phased-in over a two-year period (increasing by 0.625% on each subsequent January 1 until it reached 2.5% on January 1, 2019). Under the Basel III capital rules, the Bank is well capitalized if it has a CET1 ratio of 6.5% or greater, a Tier 1 risk-based capital ratio of 8% or greater, a total risk-based capital ratio of 10% or greater, a leverage ratio of 5% or greater and are not subject to any written agreement, order, capital directive or prompt corrective action directive from a federal and/or state banking regulatory agency to meet and maintain a specific capital level for any capital measure.

NOTE 14. REGULATORY MATTERS (CONTINUED)

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios (set forth in the following table) of common equity Tier I capital, Tier I, and total capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier 1 capital (as defined) to average assets (as defined). Management believes, as of December 31, 2023 and 2022, that the Bank met all capital adequacy requirements to which they are subject.

As of December 31, 2023, the most recent notification from the regulatory authorities categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Bank must maintain minimum Common Equity Tier I, Tier I risk-based, total risk-based, and Tier 1 leverage ratios as set forth in the following table. There are no conditions or events since that notification that management believes have changed the institution's category.

The Bank's actual capital amounts and ratios are presented in the table below.

	Actual		Minimum Capital Requirement		Minimum To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2023 ($ in thousands):						
Total Capital (to Risk Weighted Assets)	**$ 51,494**	**13.47%**	**$ 30,585**	**8.00%**	**$ 38,231**	**10.00%**
Common Equity Tier I Capital (to Risk Weighted Assets)	**$ 46,708**	**12.22%**	**$ 17,204**	**4.50%**	**$ 24,850**	**6.50%**
Tier I Capital (to Risk Weighted Assets)	**$ 46,708**	**12.22%**	**$ 22,938**	**6.00%**	**$ 30,585**	**8.00%**
Tier I Capital (to Average Assets)	**$ 46,708**	**9.87%**	**$ 18,922**	**4.00%**	**$ 23,653**	**5.00%**
As of December 31, 2022 ($ in thousands):						
Total Capital (to Risk Weighted Assets)	$ 47,787	14.85%	$ 25,752	8.00%	$ 32,190	10.00%
Common Equity Tier I Capital (to Risk Weighted Assets)	$ 43,757	13.59%	$ 14,486	4.50%	$ 20,924	6.50%
Tier I Capital (to Risk Weighted Assets)	$ 43,757	13.59%	$ 19,314	6.00%	$ 25,752	8.00%
Tier I Capital (to Average Assets)	$ 43,757	10.49%	$ 16,686	4.00%	$ 20,857	5.00%

NOTE 15. LIMITATION ON DIVIDENDS

The board of directors of any state-chartered bank in Georgia may declare and pay cash dividends on its outstanding capital stock, up to specified limits, without any request for approval of the Bank's regulatory agency if certain conditions are met. These restrictions are based on the level of regulatory classified assets, the prior year's net earnings, and the ratio of equity capital to total assets. The amount of cash dividends available for payment in 2024, without prior approval, is approximately $1,831,000.

NOTE 16. FAIR VALUE MEASUREMENTS

Determination of Fair Value

The Company uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. In accordance with the *Fair Value Measurements and Disclosures* topic (FASB ASC 820), the fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in many instances, there are no quoted market prices for the Company's various financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

The fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions.

Fair Value Hierarchy

In accordance with this guidance, the Company groups its financial assets and financial liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

Level 1 - Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Valuation is based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.

Level 3 - Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Company's policy is to recognize transfers between levels of the fair value hierarchy on the actual date of the event or circumstance that caused the transfer. There were no transfers of assets or liabilities between levels of the fair value hierarchy during the period.

NOTE 16. FAIR VALUE MEASUREMENTS (CONTINUED)

Assets and Liabilities Measured at Fair Value on a Recurring Basis: Assets and liabilities measured at fair value on a recurring basis are summarized below. For available for sale securities, the Company obtains fair value measurements from an independent pricing service. The fair value measurements consider observable data that may include exchange prices, dealer quotes, market spreads, cash flows, the US Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the bond's terms and conditions.

	Fair Value Measurements Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Netting**	**Total Carrying Value**
December 31, 2023:					
Securities available for sale					
Debt securities	**$ -**	**$ 44,725,841**	**$ 500,000**	**$ -**	**$ 45,225,841**
Loan servicing asset	**-**	**-**	**714,373**	**-**	**714,373**
Total assets at fair value	**$ -**	**$ 44,725,841**	**$ 1,214,373**	**$ -**	**$ 45,940,214**

	Fair Value Measurements Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Netting	Total Carrying Value
December 31, 2022:					
Securities available for sale					
Debt securities	$ -	$ 47,621,615	$ 500,000	$ -	$ 48,121,615
Loan servicing asset	-	-	647,935	-	647,935
Total assets at fair value	$ -	$ 47,621,615	$ 1,147,935	$ -	$ 48,769,550

Should transparency in input factors diminish, additional obligations could be classified as level 3 assets in the future. No transfers were made between level 1 or 2 assets measured at fair value on a recurring basis during 2023 or 2022.

NOTE 16. FAIR VALUE MEASUREMENTS (CONTINUED)

Assets Measured at Fair Value on a Nonrecurring Basis: Under certain circumstances, management makes adjustments to fair value for assets and liabilities although they are not measured at fair value on an ongoing basis. The following table presents the financial instruments carried on the consolidated balance sheet by caption and by level in the fair value hierarchy at December 31, 2023 and 2022 measured at fair value on a nonrecurring basis.

	Fair Value Measurements Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Netting**	**Total Carrying Value**
December 31, 2023:					
Collateral-dependent loans	**$ -**	**$ -**	**$ 2,205,075**	**$ -**	**$ 2,205,075**
Other real estate owned	**-**	**-**	**-**	**-**	**-**
Total	**$ -**	**$ -**	**$ 2,205,075**	**$ -**	**$ 2,205,075**

	Fair Value Measurements Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Netting	Total Carrying Value
December 31, 2022:					
Impaired loans	$ -	$ -	$ 178,734	$ -	$ 178,734
Other real estate owned	-	-	-	-	-
Total	$ -	$ -	$ 178,734	$ -	$ 178,734

Collateral-Dependent Loans

The Company classifies a loan as collateral-dependent when a borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the operation or sale of collateral. Commercial loans have collateral that is comprised of real estate and business assets. Consumer loans have collateral that is substantially comprised of residential real estate.

The fair value of collateral-dependent loans is measured based on the value of the collateral securing these loans. Collateral-dependent loans are classified within Level 3 of the fair value hierarchy. Collateral may be real estate and/or business assets including equipment, inventory, and/or accounts receivable. The Company primarily determines the value of the collateral based on independent appraisals performed by qualified licensed appraisers. These appraisals may utilize a single valuation approach or a combination of approaches including comparable sales and the income approach. Appraised values are discounted for costs to sell and may be discounted further based on management's historical knowledge, changes in market conditions from the date of the most recent appraisal, and/or management's expertise and knowledge of the customer and the customer's business. Such discounts by management are subjective and are typically significant unobservable inputs for determining fair value. The Company also prepares internal real estate collateral evaluations for smaller balance loans. For loan secured by equipment, automobiles and other personal property, the Company will rely on third party pricing sources. Collateral-dependent loans are reviewed and evaluated on at least a quarterly basis and adjusted accordingly, based on the same factors discussed above.

NOTE 16. FAIR VALUE MEASUREMENTS (CONTINUED)

Impaired Loans

Loans considered impaired under ASC 310-10-35, *Receivables*, are loans for which, based on current information and events, it is probable that the Company will be unable to collect all principal and interest payments due in accordance with the contractual terms of the loan agreement. Impaired loans can be measured based on the present value of expected payments using the loan's original effective rate as the discount rate, the loan's observable market price, or the fair value of the collateral less selling costs if the loan is collateral dependent.

The fair value of impaired loans were primarily measured based on the value of the collateral securing these loans. Impaired loans are classified within Level 3 of the fair value hierarchy. Collateral may be real estate and/or business assets including equipment, inventory, and/or accounts receivable. The Company primarily determines the value of the collateral based on independent appraisals performed by qualified licensed appraisers. These appraisals may utilize a single valuation approach or a combination of approaches including comparable sales and the income approach. Appraised values are discounted for costs to sell and may be discounted further based on management's historical knowledge, changes in market conditions from the date of the most recent appraisal, and/or management's expertise and knowledge of the customer and the customer's business. Such discounts by management are subjective and are typically significant unobservable inputs for determining fair value. The Company also prepares internal real estate collateral evaluations for smaller balance loans. For loan secured by equipment, automobiles and other personal property, the Company will rely on third party pricing sources. Impaired loans are reviewed and evaluated on at least a quarterly basis for additional impairment and adjusted accordingly, based on the same factors discussed above.

Other Real Estate Owned

Other real estate owned, consisting of properties obtained through foreclosure or in satisfaction of loans, are initially recorded at fair value less estimated costs to sell upon transfer of the loans to other real estate. Subsequently, other real estate is carried at the lower of carrying value or fair value less costs to sell. Fair values are generally based on third party appraisals of the property and are classified within Level 3 of the fair value hierarchy. The appraisals are sometimes further discounted based on management's historical knowledge, and/or changes in market conditions from the date of the most recent appraisal, and/or management's expertise and knowledge of the customer and the customer's business. Such discounts are typically significant unobservable inputs for determining fair value. In cases where the carrying amount exceeds the fair value, less estimated costs to sell, a loss is recognized in noninterest expense.

For Level 3 assets measured at fair value on a non-recurring basis as of December 31, 2023, the significant unobservable inputs primarily used in the fair value measurements are shown below:

	Carrying Amount	Valuation Technique	Significant Unobservable Input
Nonrecurring:			
Collateral-dependent loans	$ 2,205,075	Appraisal/In-house	Appraisal discounts (5-10%)
Other real estate owned	-	Appraisal/In-house	Appraisal discounts (5-10%)

NOTE 17. REVENUE FROM CONTRACTS WITH CUSTOMERS

Service charges on deposit accounts, other service charges, commissions and fees and gains/losses on the sale of other real estate are included within the noninterest income portion of the consolidated financial statements. The following provides information on the Company's sources of noninterest income within the scope of ASC 606 for the periods indicated.

Service Charges and Other Fees

Service charges and other fees include deposit account maintenance fees, overdraft fees, wire transfer fees, sweep fees and safe deposit box fees. Revenue is recognized for these services either over time, corresponding with a deposit accounts' monthly cycle, or at a point in time for transaction-related services and fees. Payment for service charges on deposit accounts is primarily received immediately or in the following month through a direct charge to customers' accounts. Safe deposit box rental income is recognized on a monthly basis as the Bank's performance obligation is satisfied. For the years ended December 31, 2023 and 2022, there were $446,813 and $258,907, respectively, in service charges and other fees.

ATM Surcharges and Interchange Fees

ATM fees are transaction-based fees recognized at the time the transaction is executed as that is the point at which the Bank satisfies the performance obligation. Debit card interchange fees are earned from debit cardholder transactions conducted through various payment networks. Interchange fees from debit cardholders transactions represent a percentage of the underlying transaction amount and are recognized daily, concurrently with the transaction processing services provided to the debit cardholder. For the years ended December 31, 2023 and 2022, there was $737,377 and $619,654, respectively, in ATM surcharges and interchange fees.

Gains/Losses on the Sale of Other Real Estate Owned

Net gains and losses on sales of other real estate owned are recorded in other noninterest income in the Company's consolidated financial statements. The Company records a gain or loss from the sale of other real estate owned when control of the property transfers to the buyer, which generally occurs at the time of an executed deed. When the Company finances the sale of other real estate owned to the buyer, the Company assesses whether the buyer is committed to perform their obligations under the contract and whether collectability of the transaction price is probable. Once these criteria are met, the other real estate owned asset is derecognized and the gain or loss on sale is recorded upon the transfer of control of the property to the buyer. For the year end December 31, 2023 and 2022, there were no sales of other real estate owned.

NOTE 18. PARENT COMPANY ONLY FINANCIAL STATEMENTS

The following information presents the condensed financial statements for Port City Holding Co., Inc. as of December 31, 2023 and 2022.

Condensed Balance Sheets

	2023	2022
Assets		
Cash	**$ 680,772**	$ 468,638
Investment in subsidiary	**42,985,075**	39,102,984
Other assets	**49,016**	82,738
Total assets	**$ 43,714,863**	$ 39,654,360
Liabilities and Stockholders' Equity		
Liabilities		
Other borrowings	**$ -**	$ -
Other liabilities	**20,405**	57,936
Total liabilities	**20,405**	57,936
Stockholders' Equity	**43,694,458**	39,596,424
Total liabilities and stockholders' equity	**$ 43,714,863**	$ 39,654,360

Condensed Statements of Income

	2023	2022
Income		
Dividends from subsidiary	**$ 637,540**	$ 496,753
Total income	**637,540**	496,753
Expenses		
Interest expense	**-**	58,625
Other expenses	**168,100**	171,688
Total expenses	**168,100**	230,313
Income before income tax benefit and equity in undistributed earnings of subsidiary	**469,440**	266,440
Income tax benefit	**3,188**	23,860
Income before equity in undistributed earnings of subsidiary	**472,628**	290,300
Equity in undistributed earnings of subsidiary	**3,025,435**	3,289,409
Net income	**$ 3,498,063**	$ 3,579,709

NOTE 18. PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

Condensed Statements of Cash Flows

	2023	2022
Operating Activities:		
Net income	**$ 3,498,063**	$ 3,579,709
Adjustments to reconcile net income to net cash provided by operating activities:		
Equity in undistributed earnings of subsidiary	**(3,025,435)**	(3,289,409)
Stock options expense	**156,975**	153,963
Net change in other assets & other liabilities	**(3,809)**	(23,822)
Net cash provided by operating activities	**625,794**	420,441
Financing Activities:		
Treasury stock activity, net	**57**	5,617,079
Capital contributions to subsidiary	**-**	(9,760,186)
Common stock issued	**223,823**	6,522,265
Net decrease in other borrowings	**-**	(2,100,000)
Dividends paid	**(637,540)**	(496,753)
Net cash used in financing activities	**(413,660)**	(217,595)
Net increase in cash	**212,134**	202,846
Cash at beginning of year	**468,638**	265,792
Cash at end of year	**$ 680,772**	$ 468,638

Hutchins Clenney Rumsey Huckaby | PC
Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Stockholders and Board of Directors
Port City Holding Co., Inc.
Bainbridge, Georgia

We have audited the consolidated financial statements of Port City Holding Co., Inc. and its Subsidiary, First Port City Bank, as of and for the year ended December 31, 2023 and our report thereon dated May 29, 2024 expressed an unmodified opinion on those consolidated financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in Schedules I and II is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Hutchins Clenney Rumsey Huckaby, P.C.

Albany, Georgia
May 29, 2024

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

SCHEDULE I
CONSOLIDATING BALANCE SHEET
DECEMBER 31, 2023

	First Port City Bank	Parent	Combined	Eliminations	Consolidated
Assets					
Cash and due from banks	$ 9,213,323	$ 680,772	$ 9,894,095	$ (680,772)	$ 9,213,323
Interest-bearing deposits in banks	18,155,957	-	18,155,957	-	18,155,957
Securities available for sale, at fair value	45,225,841	-	45,225,841	-	45,225,841
Restricted equity securities, at cost	346,100	-	346,100	-	346,100
Investment in subsidiary	-	42,985,075	42,985,075	(42,985,075)	-
Loans	394,241,629	-	394,241,629	-	394,241,629
Less allowance for credit losses	5,367,261	-	5,367,261	-	5,367,261
Loans, net	388,874,368	-	388,874,368	-	388,874,368
Loans held for sale	2,127,900	-	2,127,900	-	2,127,900
Premises and equipment, net	6,645,335	-	6,645,335	-	6,645,335
Cash surrender value of bank owned life insurance	7,710,378	-	7,710,378	-	7,710,378
Deferred income taxes, net	2,667,425	-	2,667,425	-	2,667,425
Accrued interest receivable	2,253,322	-	2,253,322	-	2,253,322
Other assets	1,408,077	(20,367)	1,387,710	49,020	1,436,730
Total assets	$ 484,628,026	$ 43,645,480	$ 528,273,506	$ (43,616,827)	$ 484,656,679
Liabilities and Stockholders' Equity					
Deposits					
Noninterest-bearing deposits	$ 99,348,669	$ -	$ 99,348,669	$ (680,772)	$ 98,667,897
Interest-bearing deposits	339,174,276	-	339,174,276	-	339,174,276
Total deposits	438,522,945	-	438,522,945	(680,772)	437,842,173
Deferred directors compensation	1,663,187	-	1,663,187	-	1,663,187
Accrued interest payable	812,767	-	812,767	-	812,767
Other liabilities	644,053	(48,978)	595,075	49,019	644,094
Total liabilities	441,642,952	(48,978)	441,593,974	(631,753)	440,962,221
Stockholders' Equity					
Common stock	756,000	2,757,590	3,513,590	(756,000)	2,757,590
Additional paid-in capital	25,277,108	14,356,460	39,633,568	(25,277,108)	14,356,460
Retained earnings	20,749,382	30,377,824	51,127,206	(20,749,382)	30,377,824
Accumulated other comprehensive loss	(3,797,416)	(3,797,416)	(7,594,832)	3,797,416	(3,797,416)
Total stockholders' equity	42,985,074	43,694,458	86,679,532	(42,985,074)	43,694,458
Total liabilities and stockholders' equity	$ 484,628,026	$ 43,645,480	$ 528,273,506	$ (43,616,827)	$ 484,656,679

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

SCHEDULE II
CONSOLIDATING STATEMENT OF INCOME
DECEMBER 31, 2023

	First Port City Bank	Parent	Combined	Eliminations	Consolidated
Interest income					
Loans, including fees	$ 22,980,182	$ -	$ 22,980,182	$ -	$ 22,980,182
Investment securities	1,231,135	-	1,231,135	-	1,231,135
Interest-bearing deposits and time deposits in banks	1,187,563	-	1,187,563	-	1,187,563
	25,398,880	-	25,398,880	-	25,398,880
Interest expense					
Deposits	8,575,114	-	8,575,114	-	8,575,114
Other borrowings	14	-	14	-	14
	8,575,128	-	8,575,128	-	8,575,128
Net interest income	16,823,752	-	16,823,752	-	16,823,752
Provision for credit losses	898,000	-	898,000	-	898,000
Net interest income after provision for credit losses	15,925,752	-	15,925,752	-	15,925,752
Noninterest income					
Dividend income from subsidiary	-	637,540	637,540	(637,540)	-
Equity in undistributed earnings of subsidiary	-	3,025,435	3,025,435	(3,025,435)	-
Service charges on deposit accounts and other fees	1,144,525	-	1,144,525	-	1,144,525
Net gain on sales of securities available for sale	49	-	49	-	49
Net gain on sales of loans	458,351	-	458,351	-	458,351
Other noninterest income	635,596	-	635,596	-	635,596
	2,238,521	3,662,975	5,901,496	(3,662,975)	2,238,521
Noninterest expense					
Salaries and employee benefits	8,127,638	156,975	8,284,613	-	8,284,613
Data processing fees	1,269,586	-	1,269,586	-	1,269,586
Occupancy and equipment expense	1,415,775	700	1,416,475	-	1,416,475
Professional fees	338,891	3,925	342,816	-	342,816
FDIC insurance assessment	292,575	-	292,575	-	292,575
Other noninterest expense	2,120,339	6,500	2,126,839	-	2,126,839
	13,564,804	168,100	13,732,904	-	13,732,904
Income tax expense (benefit)	936,494	(3,188)	933,306	-	933,306
Net income	$ 3,662,975	$ 3,498,063	$ 7,161,038	$ (3,662,975)	$ 3,498,063



2024 Audited Financials

PORT CITY HOLDING CO., INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

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Hutchins Clenney Rumsey Huckaby | PC
Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

To the Stockholders and Board of Directors
Port City Holding Co., Inc.
Bainbridge, Georgia

Opinion

We have audited the accompanying consolidated financial statements of Port City Holding Co., Inc. (a Georgia Corporation) and Subsidiary, which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of income, comprehensive income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Port City Holding Co., Inc. and Subsidiary as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Port City Holding Co., Inc. and Subsidiary and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Port City Holding Co., Inc. and Subsidiary's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

To the Stockholders and Board of Directors
Port City Holding Co., Inc.
Bainbridge, Georgia

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Port City Holding Co., Inc. and Subsidiary's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Port City Holding Co., Inc. and Subsidiary's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Hutchins Clenney Ramsey Huckaby, P.C.

Albany, Georgia
May 29, 2025

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2024 AND 2023

Assets	**2024**	2023
Cash and due from banks	**$ 10,903,296**	$ 9,213,323
Interest-bearing deposits in banks	**37,799,810**	18,155,957
Cash and cash equivalents equivalents	**48,703,106**	27,369,280
Securities available for sale, at fair value	**47,197,990**	45,225,841
Restricted equity securities, at cost	**386,300**	346,100
Loans	**445,331,240**	394,241,629
Less allowance for credit losses	**5,718,980**	5,367,261
Loans, net	**439,612,260**	388,874,368
Loans held for sale	**-**	2,127,900
Premises and equipment, net	**7,817,001**	6,645,335
Cash surrender value of bank owned life insurance	**7,948,777**	7,710,378
Deferred income taxes, net	**2,911,830**	2,667,425
Accrued interest receivable	**2,680,515**	2,253,322
Other assets	**1,574,909**	1,436,730
Total assets	**$ 558,832,688**	$ 484,656,679
Liabilities and Stockholders' Equity		
Liabilities:		
Noninterest-bearing deposits	**$ 96,468,128**	$ 98,667,897
Interest-bearing deposits	**409,468,778**	339,174,276
Total deposits	**505,936,906**	437,842,173
Deferred directors compensation	**1,861,927**	1,663,187
Accrued interest payable	**948,329**	812,767
Other liabilities	**945,584**	644,094
Total liabilities	**509,692,746**	440,962,221
Commitments and Contingencies (See Note 12)		
Stockholders' Equity:		
Common stock, par value $10 per share; 500,000 shares authorized; 282,285 and 275,759 shares issued as of December 31, 2024 and 2023, respectively	**2,822,850**	2,757,590
Additional paid-in capital	**15,203,611**	14,356,460
Retained earnings	**35,209,767**	30,377,824
Accumulated other comprehensive loss	**(3,931,195)**	(3,797,416)
Treasury stock, at cost, 871 shares as of December 31, 2024	**(165,091)**	-
Total stockholders' equity	**49,139,942**	43,694,458
Total liabilities and stockholders' equity	**$ 558,832,688**	$ 484,656,679

See Notes to Consolidated Financial Statements.

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Interest Income		
Loans, including fees	**$ 30,113,085**	$ 22,980,182
Investment securities	**1,301,283**	1,231,135
Interest-bearing deposits in banks	**2,352,679**	1,187,563
Total interest income	**33,767,047**	25,398,880
Interest Expense		
Deposits	**14,120,152**	8,575,114
Other borrowings	**14**	14
Total interest expense	**14,120,166**	8,575,128
Net interest income	**19,646,881**	16,823,752
Provision for credit losses	**457,000**	898,000
Net interest income after provision for credit losses	**19,189,881**	15,925,752
Noninterest Income		
Service charges on deposit accounts and other fees	**1,372,618**	1,144,525
Net gain on sales of securities available for sale	**-**	49
Net gain on sales of loans	**538,022**	458,351
Other noninterest income	**674,131**	626,425
Total noninterest income	**2,584,771**	2,229,350
Noninterest Expense		
Salaries and employee benefits	**8,546,775**	8,284,613
Data processing fees	**1,449,548**	1,269,586
Occupancy and equipment expense	**1,565,641**	1,416,475
Professional fees	**430,392**	342,816
FDIC insurance assessment	**393,297**	292,575
Other noninterest expense	**2,324,068**	2,117,868
Total noninterest expense	**14,709,721**	13,723,933
Income before provision for income taxes	**7,064,931**	4,431,169
Income tax expense	**1,586,802**	933,106
Net income	**$ 5,478,129**	$ 3,498,063
Basic earnings per common share	**$ 19.67**	$ 12.73
Diluted earnings per common share	**$ 19.16**	$ 12.37

See Notes to Consolidated Financial Statements.

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Net income	**$ 5,478,129**	$ 3,498,063
Other comprehensive income (loss):		
Net unrealized gains (losses) on securities available for sale arising during the period, net of (benefit) tax of ($46,374) and $296,948, respectively	**(133,779)**	856,692
Reclassification adjustment for net gains included in net income, net of tax of $13	-	(36)
Total other comprehensive income (loss)	**(133,779)**	856,656
Comprehensive income	**$ 5,344,350**	$ 4,354,719

See Notes to Consolidated Financial Statements.

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock		Total Stockholders' Equity
	Shares	Par Value				Shares	Cost	
Balance, December 31, 2022	274,180	$ 2,741,800	$ 13,991,395	$ 27,517,301	$ (4,654,072)	-	$ -	$ 39,596,424
Net income	-	-	-	3,498,063	-	-	-	3,498,063
Cash dividends paid, $2.32 per share	-	-	-	(637,540)	-	-	-	(637,540)
Common stock issued	1,579	15,790	208,033	-	-	-	-	223,823
Treasury stock activity, net	-	-	57	-	-	-	-	57
Stock options expense	-	-	156,975	-	-	-	-	156,975
Other comprehensive income	-	-	-	-	856,656	-	-	856,656
Balance, December 31, 2023	275,759	2,757,590	14,356,460	30,377,824	(3,797,416)	-	-	43,694,458
Net income	-	-	-	5,478,129	-	-	-	5,478,129
Cash dividends paid, $2.32 per share	-	-	-	(646,186)	-	-	-	(646,186)
Common stock issued	6,526	65,260	667,590	-	-	-	-	732,850
Treasury stock activity, net	-	-	-	-	-	871	(165,091)	(165,091)
Stock options expense	-	-	179,561	-	-	-	-	179,561
Other comprehensive loss	-	-	-	-	(133,779)	-	-	(133,779)
Balance, December 31, 2024	282,285	$ 2,822,850	$ 15,203,611	$ 35,209,767	$ (3,931,195)	871	$ (165,091)	$ 49,139,942

See Notes to Consolidated Financial Statements.

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
OPERATING ACTIVITIES		
Net income	**$ 5,478,129**	$ 3,498,063
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	**443,617**	415,991
Provision for credit losses	**457,000**	898,000
Recoveries of charged-off loans	**48,883**	87,125
Net (accretion) amortization of securities available for sale	**(35,821)**	42,086
Net gain on sales of securities available for sale	**-**	(49)
Net earnings on bank owned life insurance	**(238,399)**	(233,381)
Deferred income tax benefit	**(198,031)**	(331,004)
Stock options expense	**179,561**	156,975
Deferred directors compensation expense	**316,399**	262,673
Net change in:		
Interest receivable	**(427,193)**	(471,608)
Interest payable	**135,562**	592,264
Other assets and liabilities	**126,311**	364,900
Net cash provided by operating activities	**6,286,018**	5,282,035
INVESTING ACTIVITIES		
Net decrease in time deposits in other banks	**-**	500,000
Proceeds from calls, maturities and paydowns of securities available for sale	**9,184,211**	5,038,082
Proceeds from sales of securities available for sale	**-**	545,900
Purchases of securities available for sale	**(11,300,692)**	(1,576,651)
Net increase in loans	**(51,206,775)**	(63,381,996)
Net (increase) decrease in loans held for sale	**2,127,900**	(1,518,936)
Net (increase) decrease in restricted equity securities	**(40,200)**	(104,500)
Purchases of premises and equipment	**(1,615,283)**	(193,550)
Net cash used in investing activities	**(52,850,839)**	(60,691,651)
FINANCING ACTIVITIES		
Net increase in deposits	**68,094,733**	52,044,443
Payments on deferred directors compensation plans	**(117,659)**	-
Common stock issued	**732,850**	223,823
Treasury stock activity, net	**(165,091)**	57
Dividends paid	**(646,186)**	(637,540)
Net cash provided by financing activities	**67,898,647**	51,630,783
Net increase (decrease) in cash and cash equivalents	**21,333,826**	(3,778,833)
Cash and cash equivalents at beginning of year	**27,369,280**	31,148,113
Cash and cash equivalents at end of year	**$ 48,703,106**	$ 27,369,280
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	**$ 13,984,604**	$ 7,982,864
Cash paid during the year for income taxes	**$ 1,760,887**	$ 1,243,943
NONCASH TRANSACTION		
Loan charge-offs	**$ 117,164**	$ 40,292
Loans transferred to other real estate owned	**$ -**	$ -

See Notes to Consolidated Financial Statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Port City Holding Co., Inc. (the "Company") is a bank holding company whose principal activity is the ownership and management of its wholly-owned subsidiary, First Port City Bank (the "Bank"). The Bank generates commercial, agricultural, mortgage and consumer loans and receives deposits from customers located primarily in Bainbridge and Donalsonville, Georgia. In 2019, the Bank opened a branch in both Yulee, Florida and Fernandina Beach, Florida. The Company is regulated by the Federal Reserve Bank and is subject to periodic examinations. The Bank operates under a state charter and provides a full range of banking services. As a state-chartered institution, the Bank is subject to regulation by the Federal Deposit Insurance Corporation and the Georgia State Department of Banking and Finance.

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, the Bank. Significant intercompany accounts and transactions have been eliminated in consolidation.

Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for credit losses, other-than-temporary impairment of investment securities, the valuation of foreclosed assets, the valuation of deferred tax assets and the fair value of financial instruments.

While management uses available information to recognize losses on loans and to determine the carrying value of foreclosed assets, further reductions in the carrying amounts of loans and foreclosed assets may be necessary based on changes in local economic conditions. In addition, regulatory agencies, as an integral part of their examination process, periodically review the estimated losses on loans and the carrying value of foreclosed assets. Such agencies may require the Company to recognize additional losses based on their judgments about information available to them at the time of their examination. Because of these factors, it is reasonably possible that the estimated losses on loans and the carrying value of foreclosed assets may change materially in the near term. However, the amount of the change that is reasonably possible cannot be estimated.

Cash and Cash Equivalents

The Company considers cash on hand, cash items in process of collection, amounts due from depository institutions, and interest-bearing deposits in other depository institutions to be cash and cash equivalents for purposes of the statement of cash flows. Cash flows from time deposits in other banks, loans, restricted equity securities, deposits, other borrowings and treasury stock activity are reported net.

The Federal Reserve Bank is no longer requiring the Bank to maintain a reserve requirement as of December 31, 2024 or 2023. The Federal Reserve Bank does not have plans to reimplement the reserve requirement in the near future but reserves the right to increase the reserve percentage at a future date. The Company may also be required to maintain minimum deposit levels with correspondent banks in conjunction with federal funds accommodation lines.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents (continued)

The Company maintains amounts due from banks which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts.

Investment Securities

All investment securities are classified as available for sale and recorded at fair value with unrealized gains and losses excluded from earnings and reported in accumulated other comprehensive income, net of the related deferred income tax effect. At December 31, 2024, there were no known events that have occurred that would require an impairment evaluation of these investments.

The amortization of purchase premiums and accretion of discounts are recognized in interest income using the interest method over the lives of the securities. Realized gains and losses on security transactions, determined using the specific identification method, are included in earnings on the settlement date. Declines in the fair value of securities below their cost that are deemed to be other-than-temporary are reflected in earnings as realized losses.

Restricted Equity Securities

Restricted equity securities consist of stock in the Federal Home Loan Bank and Farmer Mac. The securities have no quoted market values and are carried at cost. At their discretion, the entities may declare dividends on the stock. Management reviews for impairment based on the ultimate recoverability of the cost bases in the investments.

Loans and Interest Income

Loans are reported at principal amounts outstanding net of deferred loan origination fees and the allowance for credit losses. Interest on all loans is calculated by using the simple interest method on the daily balance of the principal amount outstanding. Loan origination fees are deferred and recognized over the term of the loan. Loan origination costs are recognized at the time the loan is recorded. The accrual of interest on loans is discontinued when, in management's opinion, the borrower may be unable to meet payments as they become due, unless the loan is well-secured and in process of collection. Past due status is based on contractual terms of the loan. In all cases, loans are placed on nonaccrual or charged off at an earlier date if collection of principal or interest is considered doubtful. All interest accrued, but not collected for loans that are placed on nonaccrual or charged off, is reversed against interest income or charged to the allowance, unless management believes that the accrual of interest is recoverable through the liquidation of collateral.

Interest income on nonaccrual loans is recognized on either the cash-basis or cost-recovery method, until the loans are returned to accrual status. Loans are returned to accrual status when the loan has been performing according to the contractual terms for a period of not less than six months and future payments are reasonably assured.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Credit Losses ("ACL") – Loans

The current expected credit loss (“CECL”) approach requires an estimate of the credit losses expected over the life of an exposure (or pool of exposures). It replaced the incurred loss approach’s threshold that delayed the recognition of a credit loss until it was probable a loss event was incurred. The estimate of expected credit losses is based on relevant information about past events, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts. Historical loss experience is generally the starting point for estimating expected credit losses. The Company then considers whether the historical loss experience should be adjusted for asset-specific risk characteristics or current conditions at the reporting date that did not exist over the historical period used. The Company also considers future economic conditions and portfolio performance as part of a reasonable and supportable forecast period.

The ACL is a valuation account that is deducted from the loans' amortized cost basis to present the net amount expected to be collected on the loans. Loans are charged off against the ACL when management believes the uncollectibility of a loan balance is confirmed. In the event that collection of principal becomes uncertain, the Company has policies in place to reverse accrued interest in a timely manner, therefore, the Company has made a policy election to exclude accrued interest from the measurement of the ACL.

Management determines the ACL balance using relevant available information from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. Historical credit behaviors along with model judgments provide the basis for the estimation of expected credit losses. Adjustments to modeled loss estimates may be made for differences in current loan-specific risk characteristics such as differences in underwriting standards, portfolio mix, delinquency level, or term as well as for changes in environmental conditions, such as changes in economic conditions, property values, or other relevant factors. For the majority of loans and leases, the ACL is calculated using a discounted cash flow methodology applied at the portfolio level.

Expected credit losses are reflected in the allowance for credit losses through a charge to the provision for credit losses. The ACL-loans is measured on a collective basis when similar risk characteristics exist. The Company calculates the ACL for each portfolio segment using a discounted cash flow methodology at the portfolio level, with loss rates, prepayment assumptions and curtailment assumptions driven by each loan’s collateral type.

Loans that do not share risk characteristics are evaluated on an individual basis. When management determines that foreclosure is probable or when the borrower is experiencing financial difficulty at the reporting date and repayment is expected to be provided substantially through the operation or sale of the collateral, expected credit losses are based on the fair value of the collateral at the reporting date, adjusted for selling costs as appropriate or the present value of expected cash flows.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Credit Losses – Off-Balance Sheet Credit Exposures

Management estimates expected credit losses on commitments to extend credit over the contractual period during which the Company is exposed to credit risk on the underlying commitments. The ACL on off-balance sheet credit exposures is adjusted as a provision for credit loss expense. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded over its estimated life. The ACL is calculated using the same aggregate reserve rates calculated for the funded portion of loans at the portfolio level applied to the amount of commitments expected to fund.

Allowance for Credit Losses – Available-for-Sale Securities ("AFS")

For AFS debt securities in an unrealized loss position, the Company first assesses whether it intends to sell, or whether it is more likely than not that it will be required to sell the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through income. For AFS debt securities that do not meet the aforementioned criteria, the Company evaluates whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, management considers the extent to which fair value is less than amortized cost, any changes to the rating of the security by a rating agency, and adverse conditions specifically related to the security, among other factors. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security.

If the present value of cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an ACL is recorded for the credit loss, limited by the amount that the fair value is less than the amortized cost basis. Any amount of unrealized loss that has not been recorded through an ACL is recognized in other comprehensive income. Accrued interest receivable on AFS debt securities is excluded from the estimate of credit losses.

Changes in the ACL are recorded as provision for (or reversal of) credit loss expense. Losses are charged against the ACL when management believes the uncollectibility of an AFS security is confirmed or when either of the criteria regarding intent or requirement to sell is met.

Premises and Equipment

Premises and equipment are carried at cost with depreciation computed using the straight-line method. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in earnings for the period. The cost of maintenance and repairs which do not improve or extend the useful life of the respective asset is charged to earnings as incurred whereas significant improvements are capitalized.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreclosed Assets

Foreclosed assets represent other real estate owned and other repossessions acquired through, or in lieu of, loan foreclosure or other proceedings. Foreclosed assets are held for sale and are initially recorded at fair value less estimated selling costs. Any write down to fair value at the time of transfer to foreclosed assets is charged to the allowance for credit losses. Subsequent to foreclosure, valuations are periodically performed by management and the assets are carried at the lower of the carrying amount or fair value less costs to sell. Costs of improvements are capitalized, whereas costs relating to holding foreclosed assets and subsequent write downs to the value are expensed. There were no foreclosed assets held as of December 31, 2024 and 2023.

Comprehensive Income

Accounting principles generally require that recognized revenue, expenses, gains and losses be included in net income. Although certain changes in assets and liabilities, such as unrealized gains and losses on available for sale securities, are reported as a separate component of the equity section of the balance sheet; such items, along with net income, are components of comprehensive income.

Income Taxes

The income tax accounting guidance results in two components of income tax expense: current and deferred. Current income tax expense reflects taxes to be paid or refunded for the current period by applying the provisions of the enacted tax law to the taxable income or excess of deductions over revenues. The Company determines deferred income taxes using the liability (or balance sheet) method. Under this method, the net deferred tax asset or liability is based on the tax effects of the differences between the book and tax bases of assets and liabilities, and enacted changes in tax rates and laws are recognized in the period in which they occur.

Deferred income tax expense results from changes in deferred tax assets and liabilities between periods. Deferred tax assets are recognized if it is more likely than not, based on the technical merits, that the tax position will be realized or sustained upon examination. The term more likely than not means a likelihood of more than 50 percent; the terms examined and upon examination also include resolution of the related appeals or litigation processes, if any. A tax position that meets the more-likely-than-not recognition threshold is initially and subsequently measured as the largest amount of tax benefit that has a greater than 50 percent likelihood of being realized upon settlement with a taxing authority that has full knowledge of all relevant information. The determination of whether or not a tax position has met the more-likely-than-not recognition threshold considers the facts, circumstances, and information available at the reporting date and is subject to management's judgment. Deferred tax assets may be reduced by deferred tax liabilities and a valuation allowance if, based on the weight of evidence available, it is more likely than not that some portion or all of a deferred tax asset will not be realized. Any effect of a change in federal and state income tax rates on deferred tax assets and liabilities is recognized in income tax expense in the period that includes the enactment date.

The consolidated federal income tax returns of the Company and the Bank for 2023, 2022, and 2021 are subject to examination by the IRS, generally for three years after they were filed.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Earnings Per Share

Basic earnings per share are computed by dividing net income by the weighted average number of common shares outstanding during the period. The weighted average number of shares outstanding used to calculate basic earnings per share were 278,485 and 274,853 for the years ended December 31, 2024 and 2023, respectively.

Diluted earnings per share reflects additional potential common shares that would have been outstanding if dilutive potential common shares had been issued, as well as any adjustment to income that would result from the assumed issuance. Potential common shares that may be issued by the Company relate to outstanding vested stock options. The dilutive shares outstanding used to calculate diluted earnings per share were 285,896 and 282,888 for the years ended December 31, 2024 and 2023, respectively.

Stock Compensation Plans

Stock compensation accounting guidance requires that the compensation cost relating to share-based payment transactions be recognized in financial statements. That cost will be measured based on the grant date fair value of the equity or liability instruments issued. The stock compensation accounting guidance covers a wide range of share-based compensation arrangements including stock options, restricted share plans, performance-based awards, share appreciation rights and employee share purchase plans.

The stock compensation accounting guidance requires that compensation cost for all stock awards be calculated and recognized over the employees' service period, generally defined as the vesting period. For awards with graded-vesting, compensation cost is recognized on a straight-line basis over the requisite service period for the entire award. A Black-Scholes model is used to estimate the fair value of stock options, while the market price of the Company's common stock at the date of grant is used for restricted stock awards and stock grants.

Transfers of Financial Assets

Transfers of financial assets are accounted for as sales, when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from the Company - put presumptively beyond the reach of the transferor and its creditors, even in bankruptcy or other receivership, (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (3) the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity or the ability to unilaterally cause the holder to return specific assets.

Servicing Rights

In accordance with ASC 860-50, the Company recognizes a servicing asset or liability for a servicing contract when the transfer of a financial asset meets the requirements for a sale. The Company originates government guaranteed loans and sells the guaranteed portion of the loan with the servicing right retained. The servicing fee received is based on a percentage of the loan principal balance. The fee is received for performing loan administration functions such as collecting loan payments and maintaining loan records. For the period ending December 31, 2024 and 2023, included as a component of noninterest income was approximately $276,000 and $271,000, respectively, in loan servicing fee income.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Servicing Rights (continued)

As of December 31, 2024 and 2023, included as a component of other assets is a servicing asset totaling approximately $707,000 and $714,000, respectively. The Company has elected to measure servicing assets on a class-by-class basis. As of December 31, 2024, all servicing assets are measured using the fair value method. Under the fair value method, servicing assets are measured at fair value at each reporting date with changes in the fair value of the assets reported in earnings. The Company recognizes the inherent risk in measuring servicing assets at fair value and may implement instruments to mitigate the income statement effect of changes in the fair value of servicing assets. The fair value of the Company's servicing asset is determined using a discounted cash flow model. Inputs used in the discount cash flow model include market prepayment data, market trading results, coupon par values and discount rate assumptions.

Leases

The Company recognizes its leases on the balance sheet as required under ASU No. 2016-02 "Leases (Topic 842)". The lease standard requires recognition of both an operating right-of-use asset and operating lease liability as determined based on the present value of remaining minimum lease payments, discounted using the Company's incremental borrowing rate as of the date the Company entered the lease or adopted ASU No. 2016-02. Management implemented the standard under a modified retrospective approach and has elected to apply several of the available practical expeditions, including:

- Carryover of historical lease determination and lease classification conclusions.
- Carryover of historical initial deposit cost balance for existing leases.
- Accounting for lease and non-lease components in contracts in which the Company is a lessee as a single lease component.

Revenue from Contracts with Customers

The Company records revenue from contracts with customers in accordance with Accounting Standards Codification Topic 606, "Revenue from Contracts with Customers" ("Topic 606"). Under Topic 606, the Company must identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract and recognize revenue when (or as) the Company satisfies a performance obligation. Significant revenue has not been recognized in the current reporting period that results from performance obligations satisfied in previous periods.

The majority of the Company's revenues come from interest income and other sources, including loans and securities, that are not subject to Topic 606. Services within the scope of Topic 606 include service charges on deposit accounts, data processing fees, debit card and ATM fees, all of which are presented within noninterest income. The Company enters into various contracts with customers to provide these traditional banking services on a routine basis. The Company's performance obligations are generally service-related and provided on a daily, monthly or quarterly basis. The performance obligations are generally satisfied as services are rendered and the fees are collected at such time, or shortly thereafter. It is not typical for contracts to require significant judgment to determine the transaction price. See Note 17 for additional information.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising

Advertising costs are expensed as incurred. Advertising costs were approximately $153,000 and $183,000 for the period ending December 31, 2024 and 2023, respectively.

Reclassifications

Certain reclassifications were made to the prior year's presentation to conform to the current year.

Fair Value of Financial Instruments

Fair values of financial instruments are estimates using relevant market information and other assumptions, as disclosed in Note 16. Fair value estimates involve uncertainties and matters of significant judgment. Changes in assumptions or in market conditions could significantly affect the estimates.

Subsequent Events

The Company has evaluated all transactions, events, and circumstances for consideration or disclosure through May 29, 2025, the date these consolidated financial statements were available to be issued and has reflected or disclosed those items within the consolidated financial statements and related footnotes as deemed appropriate.

NOTE 2. INVESTMENT SECURITIES

Investment securities have been classified in the consolidated balance sheets according to management's intent. The carrying amount of investment securities available for sale and their approximate fair values are summarized as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2024:				
U.S. Government & federal agencies	**$ 11,090,882**	**$ -**	**$ (1,050,905)**	**$ 10,039,977**
Mortgage-backed securities – residential	**15,468,388**	**-**	**(1,507,966)**	**13,960,422**
Mortgage-backed securities - commercial	**11,565,218**	**-**	**(1,183,639)**	**10,381,579**
State, county & municipal securities	**9,851,201**	**-**	**(1,483,024)**	**8,368,177**
Domestic corporate debt securities	**4,516,128**	**12,619**	**(80,912)**	**4,447,835**
	$ 52,491,817	**$ 12,619**	**$ (5,306,446)**	**$ 47,197,990**

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2023:				
U.S. Government & federal agencies	$ 17,714,005	$ -	$ (1,317,068)	$ 16,396,937
Mortgage-backed securities – residential	10,947,159	-	(1,410,143)	9,537,016
Mortgage-backed securities - commercial	7,653,141	-	(933,831)	6,719,310
State, county & municipal securities	9,002,346	31,793	(1,347,541)	7,686,598
Domestic corporate debt securities	5,022,864	-	(136,884)	4,885,980
	$ 50,339,515	$ 31,793	$ (5,145,467)	$ 45,225,841

The Company elected to exclude accrued interest receivable from the amortized cost basis of available-for-sale securities disclosed throughout this note. As of December 31, 2024 and 2023, accrued interest receivable for available-for-sale securities totaled $231,117 and $227,435, respectively, and is included in the "accrued interest receivable" line item on the Company's consolidated balance sheet.

The amortized cost and fair value of investment securities as of December 31, 2024, by contractual maturity, are shown below. Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties. SBA loan pools and mortgage-backed securities are shown separately in the following maturity summary.

	Amortized Cost	Fair Value
Due in one year or less	$ 2,906,982	$ 2,878,506
Due from one to five years	6,608,678	6,217,102
Due from five to ten years	2,910,227	2,586,258
Over ten years	8,168,638	6,872,775
U.S. Government agencies (SBA loan pools)	4,863,686	4,301,348
Mortgage-backed securities	27,033,606	24,342,001
	$ 52,491,817	$ 47,197,990

NOTE 2. INVESTMENT SECURITIES (CONTINUED)

The following tables show the gross unrealized losses and fair value of the Company's investment securities, aggregated by category and length of time that securities have been in a continuous unrealized loss position, at December 31, 2024 and 2023.

	Less Than Twelve Months		**Over Twelve Months**	
	Gross Unrealized Losses	**Fair Value**	**Gross Unrealized Losses**	**Fair Value**
December 31, 2024:				
U.S. Government & federal agencies	**$ -**	**$ -**	**$ (1,050,905)**	**$ 10,039,977**
Mortgage-backed securities – residential	**(75,109)**	**6,020,650**	**(1,432,857)**	**7,939,772**
Mortgage-backed securities - commercial	**(251,959)**	**4,359,905**	**(931,680)**	**6,021,674**
State, county & municipal securities	**(60,163)**	**1,759,975**	**(1,422,861)**	**6,608,202**
Domestic corporate debt securities	**-**	**-**	**(80,912)**	**1,916,675**
	$ (387,231)	**$ 12,140,530**	**$ (4,919,215)**	**$ 32,526,300**

	Less Than Twelve Months		Over Twelve Months	
	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value
December 31, 2023:				
U.S. Government & federal agencies	$ -	$ -	$ (1,317,068)	$ 16,396,937
Mortgage-backed securities – residential	(2,870)	439,127	(1,407,273)	9,097,889
Mortgage-backed securities - commercial	(48,008)	538,765	(885,823)	6,180,545
State, county & municipal securities	(698)	40,173	(1,346,843)	6,666,675
Domestic corporate debt securities	(18,497)	2,509,850	(118,387)	1,876,130
	$ (70,073)	$ 3,527,915	$ (5,075,394)	$ 40,218,176

At December 31, 2024, there were one hundred and five available-for-sale securities that had unrealized losses. U.S. Treasury and agency securities, state, county & municipal securities, and agency mortgage-backed securities are issued, guaranteed or otherwise supported by the United States government, an agency of the United States, or a government sponsored enterprise. In analyzing an issuer's financial condition, management considers whether the securities are issued by the federal government or its agencies, whether downgrades by bond rating agencies have occurred and the results of reviews of the issuer's financial condition. The unrealized losses are largely due to increases in market interest rates over the yields available at the time the underlying securities were purchased. As management has the ability to hold debt securities until maturity, or for the foreseeable future if classified as available-for-sale, no declines are deemed to be other than temporary. As of December 31, 2024, no ACL was established for investment securities available for sale.

NOTE 2. INVESTMENT SECURITIES (CONTINUED)

Restricted equity securities consist of the following:

	December 31,	
	2024	2023
Federal Home Loan Bank stock	**$ 378,800**	$ 338,600
Farmer Mac stock	**7,500**	7,500
	$ 386,300	$ 346,100

There were no sales of securities available for sale for the year ended December 31, 2024.

Proceeds from sales of securities available for sale for the year ended December 31, 2023 amounted to $545,900 with gross realized gains of $49.

Investment securities with a carrying value of approximately $6,174,000 and $5,274,000 at December 31, 2024 and 2023, respectively, were pledged to secure public deposits as required by law.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES

Portfolio Segmentation

In accordance with U.S. GAAP, the loan portfolio was disaggregated into five segments and further disaggregated into classes for certain disclosures. A portfolio segment is defined as the level at which an entity develops and documents a systematic method for determining its allowance for credit losses. The segments used in the portfolio include commercial real estate; residential real estate; commercial; ag production; and consumer and other. The commercial real estate segment has been divided into three classes; construction and development; farmland; and other. The residential real estate segment has been divided into three classes; construction and development; 1-4 family; and multifamily. Commercial, ag production, and consumer and other loans are considered classes in themselves.

The composition of the Company's loan portfolio at December 31, 2024 and 2023 are shown below:

	2024	2023
Commercial real estate		
Construction and development	$ **33,161,899**	$ 41,966,192
Farmland	**22,138,245**	17,962,339
Other commercial	**164,980,444**	148,059,868
Residential real estate		
Construction and development	**16,161,607**	22,020,811
1-4 family	**147,818,048**	116,304,318
Multifamily	**12,645,340**	7,464,201
Commercial	**30,201,239**	25,546,254
Ag production	**13,153,693**	10,579,118
Consumer & other	**7,279,533**	6,361,523
Gross loans	**447,540,048**	396,264,624
Deferred loan fees	**(1,379,955)**	(1,208,448)
Loan discounts	**(828,853)**	(814,547)
Allowance for credit losses	**(5,718,980)**	(5,367,261)
Loans, net	$ **439,612,260**	$ 388,874,368

The Company elected to exclude accrued interest receivable from the amortized cost basis of loans disclosed throughout this note. As of December 31, 2024 and 2023, accrued interest receivable for loans totaled $2,449,398 and $2,025,887, respectively, and is included in the "accrued interest receivable" line item on the Company's consolidated balance sheet.

The Company grants loans and extensions of credit to individuals and a variety of firms and corporations located within the Bank's markets. Although the Company has a diversified loan portfolio, 89% of the portfolio is concentrated in loans secured by real estate as of December 31, 2024 and 2023, respectively.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Portfolio Segmentation (continued)

The following describe risk characteristics relevant to each of the portfolio segments:

Commercial Real Estate: The commercial real estate loans consist of construction and development, farmland, and other commercial real estate loans.

Construction and development loans consist of loans to builders and commercial borrowers. These loans are secured by real estate. These loans are vulnerable to changes in economic conditions. Further, the nature of these loans is such that they are difficult to evaluate and monitor. The risk of loss on construction and development loans is dependent on the accuracy of the initial estimates of property value upon completion of the projects, and the estimated costs (including interest) of the projects.

Farmland loans are typically repaid from business cash flow and are secured by the underlying farmland.

Other commercial real estate loans include owner occupied loans where the primary source of repayment are cash flows from the ongoing operations and activities conducted by the owners. Underwriting criteria for these loans require initial and on-going reviews of borrower cash flows. Economic conditions impacting cash flows of the borrowers or declines in collateral values are risk to this loan type. This class also includes income producing properties such as office and industrial buildings and retail shopping centers. These loans are repaid from rent income derived from the properties.

Residential Real Estate: The residential real estate loans consist of construction and development, 1-4 family, and multifamily real estate loans.

Construction and development loans consist of loans to builders and individuals for the construction of primary residences. These loans are secured by real estate. Loans are typically repaid through the sale or refinance of the underlying property.

1-4 family loans are repaid by various means such as a borrower’s income, sale of the property, or rental income derived from the property.

Multifamily loans are mortgage real estate loans for the closed-end purchase or refinancing of mortgages for apartment complexes and condominiums. These loans are secured by multifamily properties primarily located in the Company’s market area. The financial strength of the borrowers, income from the properties, and collateral values of the properties are assessed as part of the underwriting criteria of these loans. Risks associated with these loans include reductions in cash flow of the property due to market conditions and vacancy rates and declines in collateral values of properties securing the loans.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Portfolio Segmentation (continued)

Commercial: Commercial loans are made to small and medium sized companies in the Company's market area. Commercial loans are generally used for working capital purposes or for acquiring equipment, inventory or furniture. Primarily all of the Company's commercial loans are secured loans, along with a small amount of unsecured loans. The Company's underwriting analysis consists of a review of the financial statements of the borrower, the lending history of the borrower, the debt service capabilities of the borrower, the projected cash flows of the business, the value of the collateral, if any, and whether the loans is guaranteed by the principals of the borrower. These loans are generally secured by the accounts receivable, inventory and equipment. Commercial loans are typically made on the basis of the borrower's ability to make repayment from the cash flow of the borrower's business, which makes them of higher risk than residential loans and the collateral securing loans may be difficult to appraise and may fluctuate in value based on the success of the business. The Company seeks to minimize these risks through its underwriting standards.

Ag Production: These loans are generally made to farmers for various purposes related to crops, livestock, related equipment/machinery, and other farm operations. Repayment is primarily dependent on the personal income of the borrower and income from farming operations, which can be impacted by economic and other market conditions. As a general practice, the Company takes as collateral a security interest in the underlying crops, livestock, equipment, etc. Such loans are monitored via inspections and/or evaluations, as applicable.

Consumer & other: Consumer and other loans are extended for various purposes, including purchases of automobiles, recreation vehicles, and boats. The Company also offers home improvement loans, lines of credit, personal loans, and deposit account collateralized loans. Repayment of these loans is primarily dependent on the personal income of the borrowers, which can be impacted by economic conditions in their market areas such as unemployment levels. Loans to consumers are extended after a credit evaluation, including the creditworthiness of the borrower(s), the purpose of the credit, and the secondary source of repayment. Consumer loans are made at fixed and variable interest rates and may be made on terms of up to five years. Risk is mitigated by the fact that the loans are of smaller individual amounts and spread over a large number of borrowers.

Credit Risk Management

The Company employs a credit risk management process with defined policies, accountability and routine reporting to manage credit risk in the loan portfolio segments. Credit risk management is guided by credit policies that provide for a consistent and prudent approach to underwriting and approvals of credits. Within the Loan Policy, procedures exist that elevate the approval requirements as credits become larger and more complex. All loans are individually underwritten, risk-rated, approved and monitored.

Responsibility and accountability for adherence to underwriting policies and accurate risk ratings lies in each portfolio segment. For the consumer portfolio segment, the risk management process focuses on managing customers who become delinquent in their payments. For the commercial, agricultural and real estate portfolio segments, the risk management process focuses on underwriting new business and, on an ongoing basis, monitoring the credit of the portfolios, including an internal review on the largest credits on an annual basis or more frequently as needed.

Credit quality and trends in the loan portfolio segments are measured and monitored regularly. Detailed reports, by product, collateral, accrual status, etc., are reviewed by senior management, the Loan Committee and the Board of Directors.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Credit Risk Management (continued)

The following table presents the balance sheet activity in the ACL by portfolio segment for loans for the year ended December 31, 2024.

	Balance December 31, 2023	Charge-Offs	Recoveries	Provision for credit losses on loans	Balance December 31, 2024
Commercial Real Estate:					
Construction	$ 571,506	$ -	$ 7,446	$ (397,473)	$ 181,479
Farmland	113,287	-	-	(728)	112,559
Other Commercial	2,512,785	-	9,789	6,698	2,529,272
Residential Real Estate:					
Construction	302,364	-	-	(164,845)	137,519
1-4 Family	891,586	-	1,146	280,788	1,173,520
Multifamily	99,348	-	-	25,230	124,578
Commercial	165,379	(104,836)	30,502	179,656	270,701
Ag Production	100,708	-	-	(16,066)	84,642
Consumer & other	39,112	(12,328)	-	1,397	28,181
Unallocated	571,186	-	-	505,343	1,076,529
Total allowance for credit losses on loans	$ 5,367,261	$ (117,164)	$ 48,883	$ 420,000	$ 5,718,980

Activity in the allowance for credit losses for the period ending December 31, 2023 is summarized by loan segment below:

	Balance December 31, 2022	Charge-Offs	Recoveries	Provision for credit losses on loans	Balance December 31, 2023
Commercial Real Estate:					
Construction	$ 561,546	$ -	$ 8,305	$ 1,655	$ 571,506
Farmland	111,921	-	-	1,366	113,287
Other Commercial	1,982,874	(9,789)	-	539,700	2,512,785
Residential Real Estate:					
Construction	468,007	-	-	(165,643)	302,364
1-4 Family	886,840	-	77,642	(72,896)	891,586
Multifamily	135,359	-	-	(36,011)	99,348
Commercial	155,022	(30,503)	-	40,860	165,379
Ag Production	120,115	-	1,163	(20,570)	100,708
Consumer & other	39,797	-	15	(700)	39,112
Unallocated	53,947	-	-	517,239	571,186
Total allowance for credit losses on loans	$ 4,515,428	$ (40,292)	$ 87,125	$ 805,000	$ 5,367,261

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Credit Risk Management (continued)

The following table details the allowance for credit losses by portfolio segment for the year ended December 31, 2024 by loan segment:

Allowance for Credit Losses	Commercial Real Estate	Residential Real Estate	Commercial	Ag Production	Consumer & Other	Unallocated	Total
Ending balance	$ 2,823,310	$ 1,435,617	$ 270,701	$ 84,642	$ 28,181	$1,076,529	$ 5,718,980
Individually analyzed collateral dependent	$ 395,507	$ -	$ 8,350	$ 8,134	$ -	$ -	$ 411,991
Collectively analyzed	$ 2,427,803	$1,435,617	$ 262,351	$ 76,508	$ 28,181	$1,076,529	$ 5,306,989

Loans	Commercial Real Estate	Residential Real Estate	Commercial	Ag Production	Consumer & Other	Unallocated	Total
Ending balance	$ 220,280,588	$ 176,624,995	$ 30,201,239	$ 13,153,693	$ 7,279,533	$ -	$ 447,540,048
Individually analyzed collateral dependent	$ 14,560,945	$ -	$ 113,827	$ 164,171	$ 3,394	$ -	$ 14,842,337
Collectively analyzed	$205,719,643	$ 176,624,995	$ 30,087,412	$ 12,989,522	$ 7,276,139	$ -	$ 432,697,711

The following table details the allowance for credit losses on the basis of the Company's impairment methodology at December 31, 2023 by loan segment:

Allowance for Credit Losses	Commercial Real Estate	Residential Real Estate	Commercial	Ag Production	Consumer & Other	Unallocated	Total
Ending balance	$ 3,197,578	$ 1,293,298	$ 165,379	$ 100,708	$ 39,112	$ 571,186	$ 5,367,261
Individually evaluated for impairment	$ 43,701	$ -	$ -	$ 11,204	$ -	$ -	$ 54,905
Collectively evaluated for impairment	$ 3,153,877	$1,293,298	$ 165,379	$ 89,504	$ 39,112	$ 571,186	$ 5,312,356

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Credit Risk Management (continued)

Loans	Commercial Real Estate	Residential Real Estate	Commercial	Ag Production	Consumer & Other	Unallocated	Total
Ending balance	$ 207,988,399	$ 145,789,330	$ 25,546,254	$ 10,579,118	$ 6,361,523	$ -	$ 396,264,624
Individually evaluated for impairment	$ 1,966,950	$ 111,335	$ 23,715	$ 99,304	$ 3,771	$ -	$ 2,205,075
Collectively evaluated for impairment	$206,021,449	$ 145,677,995	$ 25,522,539	$ 10,479,814	$ 6,357,752	$ -	$ 394,059,549

Internal risk-ratings, or grades, are assigned to each loan based on an analysis of the financial strength, collateral, and other credit attributes underlying each loan. Management analyzes the resulting ratings, as well as other external statistics and factors such as delinquency, to track the migration performance of the portfolio balances. The rating methodology complies with the asset classification system promulgated by the federal banking agencies. Loan grades range from one to eight, with one-graded loans having the least credit risk, as defined below:

Excellent (Grade 1) – Highest quality. Loans fully secured by cash, cash equivalents, or the unconditional guaranty of U.S. Government Agency security.

Superior (Grade 2) – Above average quality. Minimal risk of loss. Borrowers with strong, stable financial trends. Strong cash flow, covering debt service requirements and some portion of capital expenditures. Alternative sources of repayment are evident and financial ratios are comparable to or exceed the industry norms. Trends are positive. Prominent position in the industry or local economy. Industry performance is above average. Management strong in most areas and backup depth is good. Individuals with stable and reliable cash flow and above average liquidity and cash flow. Collateral is marketable and adequate to liquidate the debt, if necessary. Modest risk from exposure to contingent liabilities.

Satisfactory (Grade 3) – Average quality. Cash flow is adequate to cover all debt service requirements but not capital expenditures. Balance sheet may be leveraged but still comparable to the industry. Financial trends stable to mixed over long term but no significant concerns exist at this time. Generally stable industry outlook may have some cyclical characteristics. Average position in industry or local economy. Management is considered capable and stable. Individuals with reliable cash flow but alternative sources of repayment would require sale of assets that may be considered illiquid. Financial position has been leveraged to an average degree or individual has an average net worth position considering income and debt. Loans in this category should be performing satisfactorily.

Watch (Grade 4) – Below average quality. Loan conditions require more frequent monitoring than the higher grades. Stability is lacking in the primary repayment source, cash flow, credit history or liquidity; however, the instability is manageable and considered temporary. Overall trends are not yet adverse. Individuals whose source of income or cash flow have become unstable or limited. Income may decline due to current business or economic conditions. The individual has a somewhat highly leveraged condition and limited capital. Moderate history of some degree of slow payment may be exhibited.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Credit Risk Management (continued)

Special Mention (Grade 5) – Included in this category are loans which do not presently expose the Company to a sufficient degree of risk to warrant adverse classification but do possess credit deficiencies deserving management's close attention. Failure to correct deficiencies could result in greater credit risk in the future. Ordinarily, such borderline credits have characteristics which corrective management attention would remedy. Specific negative events within the obligor or the industry jeopardize cash flow and repayment. Borrower is taking positive steps to improve situation. Individuals who exhibit some degree of weakness in financial condition. Moderate delinquency may exist from time to time.

Substandard (Grade 6) – Substandard loans are inadequately protected by the current sound net worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified must have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the bank will sustain some loss if the deficiencies are not corrected.

Doubtful (Grade 7) – Loans classified doubtful have all the weaknesses inherent in those classified substandard with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently known facts, conditions and values, highly questionable and improbable. The possibility of loss is high. A full or partial reserve may be warranted.

Loss (Grade 8) – Loans classified loss are considered uncollectible and of such little value that their continuance as bankable assets is not warranted. This classification does not mean that the loan has absolutely no recovery or salvage value but rather it is not practical or desirable to defer writing off this basically worthless asset even though partial recovery may be affected in the future.

Internal risk ratings by loan segment and class as of December 31, 2024 and 2023, respectively, are presented in the following tables. Balances presented are based on book balance, or recorded investment.

The following table presents the internal risk ratings by loan segment and class as of December 31, 2024.

	Pass	Special Mention	Substandard	Loss	Total
Commercial real estate					
Construction and development	$ 33,007,081	$ 154,818	$ -	$ -	$ 33,161,899
Farmland	20,615,003	-	1,523,242	-	22,138,245
Other commercial	151,185,779	8,851,193	4,943,472	-	164,980,444
Residential real estate					
Construction and development	16,161,607	-	-	-	16,161,607
1-4 family	145,667,516	2,150,532	-	-	147,818,048
Multifamily	12,645,340	-	-	-	12,645,340
Commercial	29,976,949	85,718	44,400	94,172	30,201,239
Ag production	13,062,890	-	90,803	-	13,153,693
Consumer & other	7,263,025	13,116	3,392	-	7,279,533
Ending balance	$ 429,585,190	$ 11,255,377	$ 6,605,309	$ 94,172	$ 447,540,048

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Credit Risk Management (continued)

The following table presents the internal risk ratings by loan segment and class as of December 31, 2023.

	Pass	Special Mention	Substandard	Doubtful	Total
Commercial real estate					
Construction and development	$ 41,954,942	$ 11,250	$ -	$ -	$ 41,966,192
Farmland	17,962,339	-	-	-	17,962,339
Other commercial	142,423,333	3,918,540	1,717,995	-	148,059,868
Residential real estate					
Construction and development	22,020,811	-	-	-	22,020,811
1-4 family	115,904,804	399,514	-	-	116,304,318
Multifamily	7,464,201	-	-	-	7,464,201
Commercial	25,413,170	109,369	-	23,715	25,546,254
Ag production	10,479,814	-	99,304	-	10,579,118
Consumer & other	6,337,142	20,609	3,772	-	6,361,523
Ending balance	$ 389,960,556	$ 4,459,282	$ 1,821,071	$ 23,715	$ 396,264,624

There were no loans rated doubtful as of December 31, 2024. There were no loans rated loss as of December 31, 2023.

Past Due Loans

A loan is considered past due if any required principal and interest payments have not been received as of the date such payments were required to be made under the terms of the loan agreement. Generally, management places loans on non-accrual when there is a clear indication that the borrower's cash flow may not be sufficient to meet payments as they become due, which is generally when a loan is 90 days past due.

The following table presents the aging of past due loans as of December 31, 2024 by segment and class. Balances presented are based on book balance, or recorded investment.

	Current	30-89 Days Past Due	Past Due > 90 Days & Accruing	Nonaccrual	Total
Commercial real estate					
Construction and development	$ 33,161,899	$ -	$ -	$ -	$ 33,161,899
Farmland	20,615,003	-	-	1,523,242	22,138,245
Other commercial	162,996,340	26,789	-	1,957,315	164,980,444
Residential real estate					
Construction and development	16,161,607	-	-	-	16,161,607
1-4 Family	147,483,514	334,534	-	-	147,818,048
Multifamily	12,645,340	-	-	-	12,645,340
Commercial	30,007,263	99,804	-	94,172	30,201,239
Ag production	13,064,195	16,129	-	73,369	13,153,693
Consumer & other	7,261,560	14,580	-	3,393	7,279,533
Ending balance	$ 443,396,721	$ 491,836	$ -	$ 3,651,491	$ 447,540,048

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Past Due Loans (continued)

The following table presents the aging of past due loans as of December 31, 2023 by segment and class. Balances presented are based on book balance, or recorded investment.

	Current	30-89 Days Past Due	Past Due > 90 Days & Accruing	Nonaccrual	Total
Commercial real estate					
Construction and development	$ 41,966,192	$ -	$ -	$ -	$ 41,966,192
Farmland	17,962,339	-	-	-	17,962,339
Other commercial	147,229,052	39,914	-	790,902	148,059,868
Residential real estate					
Construction and development	22,020,811	-	-	-	22,020,811
1-4 Family	115,903,177	289,806	-	111,335	116,304,318
Multifamily	7,464,201	-	-	-	7,464,201
Commercial	25,512,581	9,958	-	23,715	25,546,254
Ag production	10,553,793	25,325	-	-	10,579,118
Consumer & other	6,357,752	-	-	3,771	6,361,523
Ending balance	$ 394,969,898	$ 365,003	$ -	$ 929,723	$ 396,264,624

Nonaccrual Loans

The following table is a summary of the Company's nonaccrual loans by loan segment and class as of December 31, 2024.

	Nonaccrual Loans with No Related ACL	Nonaccrual Loans with a Related ACL	Total Nonaccrual Loans
Commercial real estate			
Construction and development	$ -	$ -	$ -
Farmland	1,523,242	-	1,523,242
Other commercial	362,402	1,594,913	1,957,315
Residential real estate			
Construction and development	-	-	-
1-4 Family	-	-	-
Multifamily	-	-	-
Commercial	94,172	-	94,172
Ag production	-	73,369	73,369
Consumer & other	3,393	-	3,393
Ending balance	$ 1,983,209	$ 1,668,282	$ 3,651,491

There was no interest income recorded on nonaccrual loans during the twelve months ended December 31, 2024.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Nonaccrual Loans (continued)

The following table is a summary of the Company's nonaccrual loans by loan segment and class as of December 31, 2023.

	Nonaccrual Loans with No Related ACL	Nonaccrual Loans with a Related ACL	Total Nonaccrual Loans
Commercial real estate			
Construction and development	$ -	$ -	$ -
Farmland	-	-	-
Other commercial	541,948	248,954	790,902
Residential real estate			
Construction and development	-	-	-
1-4 Family	111,335	-	111,335
Multifamily	-	-	-
Commercial	23,715	-	23,715
Ag production	-	-	-
Consumer & other	3,771	-	3,771
Ending balance	$ 680,769	$ 248,954	$ 929,723

There was no interest income recorded on nonaccrual loans during the twelve months ended December 31, 2023.

Loan Modifications

The allowance for credit losses incorporates an estimate of lifetime expected credit losses and is recorded on each asset upon asset origination or acquisition. The starting point for the estimate of the allowance for credit losses is historical loss information, which includes losses from modifications of receivables to borrowers experiencing financial difficulty. The Company uses a discounted cash flow methodology to determine the allowance for credit losses. An assessment of whether a borrower is experiencing financial difficulty is made on the date of a modification.

Because the effect of most modifications made to borrowers experiencing financial difficulty is already included in the allowance for credit losses because of the measurement methodologies used to estimate the allowance, a change to the allowance for credit losses is generally not recorded upon modification. The Company could modify loans by providing principal forgiveness on certain of its real estate loans. When principal forgiveness is provided, the amortized cost basis of the asset is written off against the allowance for credit losses. The amount of the principal forgiveness is deemed to be uncollectible; therefore, that portion of the loan is written off, resulting in a reduction of the amortized cost basis and a corresponding adjustment to the allowance for credit losses.

In some cases, the Company will modify a certain loan by providing multiple types of concessions. Typically, one type of concession, such as a term extension, is granted initially. If the borrower continues to experience financial difficulty, another concession, such as principal forgiveness, may be granted. Upon the Company's determination that a modified loan, or portion of a loan, has subsequently been deemed uncollectible, the loan, or portion of the loan, is written off.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Loan Modifications (continued)

The following table presents loans modified due to borrowers experiencing financial difficulty for the period ending December 31, 2024.

	Rate and Payment Concession	Total Loans
Commercial real estate		
Construction and development	$ -	$ -
Farmland	-	-
Other commercial	7,705,041	7,705,041
Residential real estate		
Construction and development	-	-
1-4 Family	251,527	251,527
Multifamily	-	-
Commercial	-	-
Ag production	-	-
Consumer & other	-	-
Ending balance	$ 7,956,568	$ 7,956,568

There were three loans modified with rate and payment concessions during 2024. There were no commitments to lend additional funds to these borrowers as of December 31, 2024.

The following table presents loans modified due to borrowers experiencing financial difficulty for the period ending December 31, 2023.

	Rate and Payment Concession	Total Loans
Commercial real estate		
Construction and development	$ -	$ -
Farmland	-	-
Other commercial	5,313,150	5,313,150
Residential real estate		
Construction and development	-	-
1-4 Family	-	-
Multifamily	-	-
Commercial	23,715	23,715
Ag production	-	-
Consumer & other	14,809	14,809
Ending balance	$ 5,351,674	$ 5,351,674

There were three loans modified with rate and payment concessions during 2023. There were no commitments to lend additional funds to these borrowers as of December 31, 2023.

NOTE 3. LOANS AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Related Party Loans

In the normal course of business, the Bank conducts transactions with directors, officers, stockholders and their affiliates. Transactions with related parties are made on terms comparable to those available to other Bank customers. The interest rates on these loans are substantially the same as rates prevailing at the time of the transactions and repayment terms are customary for the type of loan involved. Changes in related party loans are as follows:

	Years Ended December 31,	
	2024	2023
Balance, beginning of year	**$ 5,576,807**	$ 4,534,175
Changes in related party status	**(74,677)**	1,731,594
Net advances (repayments)	**(1,327,701)**	(688,962)
Balance, end of year	**$ 4,174,429**	$ 5,576,807

NOTE 4. OTHER REAL ESTATE OWNED

There was no other real estate owned as of December 31, 2024 and 2023. There was no residential real estate in process of foreclosure as of December 31, 2024 and 2023.

NOTE 5. PREMISES AND EQUIPMENT

Premises and equipment as of December 31, 2024 and 2023 were as follows:

	2024	2023
Land	**$ 2,449,398**	$ 1,942,083
Bank premises	**5,676,187**	4,990,437
Furniture, fixtures and equipment	**4,176,610**	3,754,694
	12,302,195	10,687,214
Accumulated depreciation	**(4,485,194)**	(4,041,879)
	$ 7,817,001	$ 6,645,335

NOTE 6. DEPOSITS

A summary of interest-bearing deposits as of December 31, 2024 and 2023 were as follows:

	2024	2023
Interest-bearing demand	**$ 45,063,868**	$ 43,461,204
Savings	**211,089,000**	137,466,517
Time deposits, less than or equal to $250,000	**103,984,898**	111,348,961
Time deposits, more than $250,000	**49,331,012**	46,897,594
	$ 409,468,778	$ 339,174,276

NOTE 6. DEPOSITS (CONTINUED)

The scheduled maturities of time deposits at December 31, 2024 were as follows:

One year or less	**$** 144,819,207
Over one through three years	7,185,312
Over three years	1,311,391
	$ 153,315,910

At December 31, 2024 and 2023, overdraft deposits reclassified to loans totaled $250,478 and $134,130, respectively.

At December 31, 2024 and 2023, the Company had deposits from related parties totaling approximately $7,896,000 and $10,216,000, respectively.

NOTE 7. BANK-OWNED LIFE INSURANCE

In 2015, the Bank purchased single premium life insurance policies insuring the lives of certain officers. In 2016, 2017, 2018, 2019, 2020 and 2022, the Bank purchased new policies on additional officers. The cash surrender value of the life insurance policies at December 31, 2024 and 2023, is $7,948,777 and $7,710,378, respectively.

NOTE 8. LOAN SERVICING ASSETS

As of December 31, 2024 and 2023, included as a component of other assets is a loan servicing asset. The activity in the balance of the Company's loan servicing asset for the period ending December 31, 2024 and 2023 is as follows:

	2024	2023
Balance, beginning of year	**$ 714,373**	$ 647,935
Recognition of servicing obligation from transfer of financial assets	**124,463**	121,513
Disposals	**(102,029)**	(33,899)
(Decrease) increase in fair value due to market factors	**(30,158)**	(21,176)
Balance, end of year	**$ 706,649**	$ 714,373

For the period ending December 31, 2024 and 2023, included as a component of noninterest income was $132,187 and $55,075, respectively, in fair value adjustments related to the Company's loan servicing asset.

NOTE 9. EMPLOYEE BENEFIT PLANS

Deferred Compensation Plan

On January 1, 2005, the Bank implemented the "Deferred Compensation Plan for Directors". The plan is an unfunded, non-qualified deferred compensation agreement. The deferred compensation plan is available for all members of the Bank's board of directors with participation available on a voluntary basis. Under the plan, participating board members defer monthly meeting fees which also accrue interest at an interest rate established by the plan. Participation remains in effect unless an individual is no longer a member of the Bank's board of directors or voluntarily exits the plan. The accrued benefits for the deferred compensation amounted to $1,861,927 and $1,663,187 at December 31, 2024 and 2023, respectively. Deferred compensation expense for the year ended December 31, 2024 and 2023 was $314,398 and $262,673, respectively.

NOTE 9. EMPLOYEE BENEFIT PLANS (CONTINUED)

Employee Profit Sharing Plan

The Company offers the benefit of participating in a 401(k) profit sharing plan to eligible employees. Eligible employees may make voluntary contributions to the plan through payroll deductions on a pre-tax basis. The Company also matches the employee contributions up to a 4% total contribution of the employee's compensation. All Company and employee contributions are subject to certain limitations set by law. For the year ended December 31, 2024 and 2023, expenses attributable to the plan amounted to $221,658 and $222,059, respectively.

Supplemental Executive Retirement Pension Plan

The Bank established a "Supplemental Executive Retirement Plan" in November of 2022 and entered into agreements with certain executive officers under this plan. Participants in the plan participate on a noncontributing basis. Information pertaining to the activity in the plan as of and for the year ended December 31, 2024 is as follows:

Reconciliation of Benefit Obligation:		
Benefit Obligation at Beginning of the Period	$	115,286
Service Cost		111,539
Interest Cost		5,569
(Gain)/Loss		-
Surrendered Benefits		-
Benefits Paid		-
Benefit Obligation at End of the Period	$	232,394
Benefits Expected to be Paid:		
2025	$	-
2026		-
2027		-
2028		20,833
2029		50,000
2030-2034		358,333
Net Periodic Pension Cost:		
Service Cost	$	111,539
Interest Cost		5,569
(Gain)/Loss Recognized		-
Prior Service Cost Recognized		-
Total	$	117,108

NOTE 9. EMPLOYEE BENEFIT PLANS (CONTINUED)

Stock Options

The Company's Board of Directors authorized the establishment of the 2000 Incentive Stock Option Plan. Options granted under the plan expire based upon the terms within each stock option agreement. Options vest cumulatively from the grant date on each annual anniversary date. In the event that an individual granted options under the plan ceases employment with the Company, the unexercised portion of the granted options will cease to vest. Vested options shall expire, terminate and become un-exercisable on the thirtieth day following the date on which the individual's service terminated. If an individual's service with the Company is terminated for cause, granted options will expire, terminate and become un-exercisable as of the termination date. Forfeitures are accounted for in the period for which they occur.

Compensation expense for incentive stock options is based on the market price of the Company stock at the grant date. Compensation expense is recognized proportionally over the respective vesting period. The fair value of the Company's stock is estimated based upon the Black-Scholes pricing model. Volatility of the Company's stock is based upon the average change in the Company's book value per share. For the year end December 31, 2024 and 2023, the Company recognized compensation expense for incentive stock option agreements of $179,561 and $156,975, respectively.

A summary of outstanding stock options for the year ended December 31, 2024 is presented below:

	Number	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Under Option, beginning of period	29,730	$121.64	4.89	$3,616,308
Granted	1,400	$181.27	9.37	$253,774
Exercised	6,551	$112.59	-	$737,565
Forfeited	151	$112.12	-	$16,929
Under Option, end of period	24,428	$127.54	4.41	$3,115,588
Options unvested, beginning of period	11,687	$130.83	5.99	$1,529,066
Options unvested, end of period	7,920	$143.02	6.11	$1,132,683
Options vested, during the period	5,016	$126.24	4.51	$633,227
Options exercisable, end of the period	16,512	$120.12	3.59	$1,983,353

NOTE 9. EMPLOYEE BENEFIT PLANS (CONTINUED)

Stock Options (continued)

As of December 31, 2024, unrecognized compensation expense related to unvested incentive stock options totaled $338,960.

During 2024, vested options totaling 6,551 were exercised which resulted in cash proceeds to the Company of $732,850.

NOTE 10. FEDERAL HOME LOAN BANK ADVANCES

There were no advances from the Federal Home Loan Bank ("FHLB") as of December 31, 2024 or 2023, respectively. Advances are secured by investment securities, residential real estate loans and commercial real estate loans. At December 31, 2024, total available borrowings with the FHLB, based on the availability of qualifying collateral, amounted to approximately $51,662,000, of which approximately $35,823,000 was available to be drawn. The Company entered into standby letters of credit with the FHLB to secure certain public deposits in lieu of pledging securities. The letters of credit totaled $15,839,000 as of December 31, 2024.

NOTE 11. INCOME TAXES

The components of income tax expense for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Current tax provision		
Federal	**$ 1,588,450**	$ 1,144,921
State	**196,383**	119,189
Deferred income tax	**(198,031)**	(331,004)
	$ 1,586,802	$ 933,106

NOTE 11. INCOME TAXES (CONTINUED)

The Company's income tax expense differs from the amount computed by applying the federal income tax statutory rate to income before income taxes. A reconciliation of the differences for the year ended December 31, 2024 and 2023 follows:

	2024	2023
Pretax income at statutory federal rate	**$ 1,483,636**	$ 930,587
Increase (decrease) resulting from:		
State taxes, net of federal tax benefit	**134,506**	37,873
Tax exempt income	**(46,734)**	(38,781)
Non-deductible interest expense	**29,692**	19,154
Tax exempt bank owned life insurance	**(50,064)**	(49,010)
Stock options expense	**32,760**	30,240
Other items, net	**3,006**	3,043
	$ 1,586,802	$ 933,106

The components of deferred income taxes at December 31, 2024 and 2023 were as follows:

	2024	2023
Net deferred tax asset:		
Allowance for credit losses	**$ 1,332,222**	$ 1,235,204
Allowance for credit losses- unfunded commitments	**32,950**	23,752
Deferred compensation	**471,905**	424,778
Premises and equipment	**(401,761)**	(352,587)
Nonaccrual interest	**110,690**	16,825
Net unrealized loss on securities available for sale	**1,365,824**	1,319,453
	$ 2,911,830	$ 2,667,425

NOTE 12. COMMITMENTS & CONTINGENCIES

Credit Related Financial Instruments

The Company is a party to financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit. Those instruments involve, to varying degrees, elements of credit risk in excess of the amount recognized in the balance sheet. The contractual amounts of those instruments reflect the extent of involvement the Company has in particular classes of financial instruments.

The exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and standby letters of credit is represented by the contractual amount of those instruments. The same credit policies are used in making commitments and conditional obligations as for on-balance-sheet instruments. In most cases, collateral is required to support financial instruments with credit risk.

NOTE 12. COMMITMENTS & CONTINGENCIES (CONTINUED)

Credit Related Financial Instruments (continued)

A summary of the Company's commitments as of December 31, 2024 and 2023, respectively, is approximately as follows:

	2024	2023
Commitments to extend credit	**$ 69,958,504**	$ 60,589,482
Standby letters of credit	**6,429,510**	6,605,026
	$ 76,388,014	$ 67,194,508

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments may expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The Company evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by the Company, upon extension of credit is based on management's credit evaluation. Collateral held varies but may include unimproved and improved real estate, certificates of deposit or personal property.

Standby letters of credit are conditional commitments issued by the Company to guarantee the performance of a customer to a third party. Those uncollateralized guarantees are primarily issued to local businesses. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers.

The Company may maintain an allowance for off-balance sheet credit exposures such as unfunded balances for existing lines of credit, commitments to extend future credit, as well as both standby and commercial letters of credit when there is a contractual obligation to extend credit and when this extension of credit is not unconditionally cancellable. The allowance for off-balance sheet credit exposures is adjusted as a provision for credit loss expense. The estimate includes consideration of the likelihood that funding will occur, which is based on a historical funding study derived from internal information, and an estimate of expected credit losses on commitments expected to be funded over its estimated life, which are the same loss rates that are used in computing the allowance for credit losses on loans. The allowance for credit losses for unfunded commitments is included in other liabilities on the consolidated balance sheet. Following consideration of funding rates, cancellable provisions in loan agreements, and the overall level of unfunded commitments, the Company recorded an allowance for unfunded loan commitments of $37,000 and $93,000 as of December 31, 2024 and 2023, respectively.

Unused Lines of Credit

The Bank has unsecured federal funds lines of credit with four correspondent financial institutions providing borrowing capacity up to $20,500,000 with interest determined at the time of any advance. The arrangements are reviewed annually for renewal of the credit line.

Contingencies

The Company and the Bank are subject to a certain amount of claims and litigation which arise in the normal course of business activities. Management uses applicable accounting standards to determine if contingencies are required to be accrued or disclosed in the consolidated financial statements.

NOTE 13. CONCENTRATIONS

The Company originates primarily commercial, agricultural, agribusiness, commercial real estate, residential real estate and consumer loans to its customers. A substantial portion of the Company's customers' abilities to honor their contracts is dependent on economic stability in Southwest Georgia.

As set forth in Note 3, a large portion of the Company's loan portfolio is concentrated in real estate loans. As of December 31, 2024, approximately 89% of the Company's loan portfolio is secured by real estate. A substantial portion of these loans is secured by real estate in the Company's primary market area. Accordingly, the ultimate collectability of the loan portfolio is susceptible to changes in real estate conditions in the Company's primary market area. The other significant concentrations of credit by type of loan are also set forth in Note 3. The Company, as a matter of policy, does not extend credit to any single borrower or group of related borrowers in excess of the Bank's secured legal lending limit.

The Bank may extend credit on terms that result in a concentration of credit risk. As of December 31, 2024, the Bank reported approximately $1,693,000 in loans that were originated with regulatory loan to value exceptions.

At various times throughout the year, the Company maintains cash balances and federal funds sold with other financial institutions which exceed federally insured limits. The Company monitors the capital adequacy of these financial institutions on a quarterly basis.

As of December 31, 2024, the Bank had two customer deposit relationships that exceeded 5% of total deposits.

NOTE 14. REGULATORY MATTERS

The Bank is subject to various regulatory capital requirements administered by state and federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

The Basel III capital rules, implemented in the U.S. with certain changes mandated by the Dodd-Frank Act, strengthen the definition of regulatory capital, increase risk-based capital requirements, and make selected changes to the calculation of risk-weighted assets. The rules became effective January 1, 2015, for the Bank, subject to a transition period for several aspects, including the capital conversation buffer and certain regulatory capital adjustments and deductions, as described below. Under the Basel III capital rules, the minimum capital requirements for the Bank include a common equity Tier 1 (CET1) ratio of 4.5%; Tier 1 capital ratio of 6%; total capital ratio of 8%; and leverage ratio of 4%. When fully phased-in on January 1, 2019, the Basel III capital rules included a capital conversation buffer of 2.5% that is added on top of each of the minimum risk-based capital ratios. The implementation of the capital conservation buffer began on January 1, 2016 at the 0.625% level and increased to 1.25% at January 1, 2017. The buffer continued to be phased-in over a two-year period (increasing by 0.625% on each subsequent January 1 until it reached 2.5% on January 1, 2019). Under the Basel III capital rules, the Bank is well capitalized if it has a CET1 ratio of 6.5% or greater, a Tier 1 risk-based capital ratio of 8% or greater, a total risk-based capital ratio of 10% or greater, a leverage ratio of 5% or greater and are not subject to any written agreement, order, capital directive or prompt corrective action directive from a federal and/or state banking regulatory agency to meet and maintain a specific capital level for any capital measure.

NOTE 14. REGULATORY MATTERS (CONTINUED)

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios (set forth in the following table) of common equity Tier I capital, Tier I, and total capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier 1 capital (as defined) to average assets (as defined). Management believes, as of December 31, 2024 and 2023, that the Bank met all capital adequacy requirements to which they are subject.

As of December 31, 2024, the most recent notification from the regulatory authorities categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Bank must maintain minimum Common Equity Tier I, Tier I risk-based, total risk-based, and Tier 1 leverage ratios as set forth in the following table. There are no conditions or events since that notification that management believes have changed the institution's category.

The Bank's actual capital amounts and ratios are presented in the table below.

	Actual		Minimum Capital Requirement		Minimum To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2024 ($ in thousands):						
Total Capital (to Risk Weighted Assets)	**$ 57,666**	**13.59%**	**$ 33,955**	**8.00%**	**$ 42,444**	**10.00%**
Common Equity Tier I Capital (to Risk Weighted Assets)	**$ 52,354**	**12.33%**	**$ 19,100**	**4.50%**	**$ 27,589**	**6.50%**
Tier I Capital (to Risk Weighted Assets)	**$ 52,354**	**12.33%**	**$ 25,466**	**6.00%**	**$ 33,955**	**8.00%**
Tier I Capital (to Average Assets)	**$ 52,354**	**9.41%**	**$ 22,257**	**4.00%**	**$ 27,821**	**5.00%**
As of December 31, 2023 ($ in thousands):						
Total Capital (to Risk Weighted Assets)	$ 51,494	13.47%	$ 30,585	8.00%	$ 38,231	10.00%
Common Equity Tier I Capital (to Risk Weighted Assets)	$ 46,708	12.22%	$ 17,204	4.50%	$ 24,850	6.50%
Tier I Capital (to Risk Weighted Assets)	$ 46,708	12.22%	$ 22,938	6.00%	$ 30,585	8.00%
Tier I Capital (to Average Assets)	$ 46,708	9.87%	$ 18,922	4.00%	$ 23,653	5.00%

NOTE 15. LIMITATION ON DIVIDENDS

The board of directors of any state-chartered bank in Georgia may declare and pay cash dividends on its outstanding capital stock, up to specified limits, without any request for approval of the Bank's regulatory agency if certain conditions are met. These restrictions are based on the level of regulatory classified assets, the prior year's net earnings, and the ratio of equity capital to total assets. The amount of cash dividends available for payment in 2025, without prior approval, is approximately $2,834,000.

NOTE 16. FAIR VALUE MEASUREMENTS

Determination of Fair Value

The Company uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. In accordance with the *Fair Value Measurements and Disclosures* topic (FASB ASC 820), the fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in many instances, there are no quoted market prices for the Company's various financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

The fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions.

Fair Value Hierarchy

In accordance with this guidance, the Company groups its financial assets and financial liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

Level 1 - Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities generally include debt and equity securities that are traded in an active exchange market. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 - Valuation is based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. The valuation may be based on quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.

Level 3 - Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which determination of fair value requires significant management judgment or estimation.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Company's policy is to recognize transfers between levels of the fair value hierarchy on the actual date of the event or circumstance that caused the transfer. There were no transfers of assets or liabilities between levels of the fair value hierarchy during the period.

NOTE 16. FAIR VALUE MEASUREMENTS (CONTINUED)

Assets and Liabilities Measured at Fair Value on a Recurring Basis: Assets and liabilities measured at fair value on a recurring basis are summarized below. For available for sale securities, the Company obtains fair value measurements from an independent pricing service. The fair value measurements consider observable data that may include exchange prices, dealer quotes, market spreads, cash flows, the US Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the bond's terms and conditions.

	Fair Value Measurements Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Netting**	**Total Carrying Value**
December 31, 2024:					
Securities available for sale					
Debt securities	**$ -**	**$ 46,697,990**	**$ 500,000**	**$ -**	**$ 47,197,990**
Loan servicing asset	**-**	**-**	**706,649**	**-**	**706,649**
Total assets at fair value	**$ -**	**$ 46,697,990**	**$ 1,206,649**	**$ -**	**$ 47,904,639**

	Fair Value Measurements Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Netting	Total Carrying Value
December 31, 2023:					
Securities available for sale					
Debt securities	$ -	$ 44,725,841	$ 500,000	$ -	$ 45,225,841
Loan servicing asset	-	-	714,373	-	714,373
Total assets at fair value	$ -	$ 44,725,841	$ 1,214,373	$ -	$ 45,940,214

Should transparency in input factors diminish, additional obligations could be classified as level 3 assets in the future. No transfers were made between level 1 or 2 assets measured at fair value on a recurring basis during 2024 or 2023.

NOTE 16. FAIR VALUE MEASUREMENTS (CONTINUED)

Assets Measured at Fair Value on a Nonrecurring Basis: Under certain circumstances, management makes adjustments to fair value for assets and liabilities although they are not measured at fair value on an ongoing basis. The following table presents the financial instruments carried on the consolidated balance sheet by caption and by level in the fair value hierarchy at December 31, 2024 and 2023 measured at fair value on a nonrecurring basis.

	Fair Value Measurements Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Netting**	**Total Carrying Value**
December 31, 2024:					
Collateral-dependent loans	**$ -**	**$ -**	**$ 14,842,337**	**$ -**	**$ 14,842,337**
Other real estate owned	**-**	**-**	**-**	**-**	**-**
Total	**$ -**	**$ -**	**$ 14,842,337**	**$ -**	**$ 14,842,337**

	Fair Value Measurements Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Netting	Total Carrying Value
December 31, 2023:					
Collateral-dependent loans	$ -	$ -	$ 2,205,075	$ -	$ 2,205,075
Other real estate owned	-	-	-	-	-
Total	$ -	$ -	$ 2,205,075	$ -	$ 2,205,075

Collateral-Dependent Loans

The Company classifies a loan as collateral-dependent when a borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the operation or sale of collateral. Commercial loans have collateral that is comprised of real estate and business assets. Consumer loans have collateral that is substantially comprised of residential real estate.

The fair value of collateral-dependent loans is measured based on the value of the collateral securing these loans. Collateral-dependent loans are classified within Level 3 of the fair value hierarchy. Collateral may be real estate and/or business assets including equipment, inventory, and/or accounts receivable. The Company primarily determines the value of the collateral based on independent appraisals performed by qualified licensed appraisers. These appraisals may utilize a single valuation approach or a combination of approaches including comparable sales and the income approach. Appraised values are discounted for costs to sell and may be discounted further based on management's historical knowledge, changes in market conditions from the date of the most recent appraisal, and/or management's expertise and knowledge of the customer and the customer's business. Such discounts by management are subjective and are typically significant unobservable inputs for determining fair value. The Company also prepares internal real estate collateral evaluations for smaller balance loans. For loan secured by equipment, automobiles and other personal property, the Company will rely on third party pricing sources. Collateral-dependent loans are reviewed and evaluated on at least a quarterly basis and adjusted accordingly, based on the same factors discussed above.

NOTE 16. FAIR VALUE MEASUREMENTS (CONTINUED)

Other Real Estate Owned

Other real estate owned, consisting of properties obtained through foreclosure or in satisfaction of loans, are initially recorded at fair value less estimated costs to sell upon transfer of the loans to other real estate. Subsequently, other real estate is carried at the lower of carrying value or fair value less costs to sell. Fair values are generally based on third party appraisals of the property and are classified within Level 3 of the fair value hierarchy. The appraisals are sometimes further discounted based on management's historical knowledge, and/or changes in market conditions from the date of the most recent appraisal, and/or management's expertise and knowledge of the customer and the customer's business. Such discounts are typically significant unobservable inputs for determining fair value. In cases where the carrying amount exceeds the fair value, less estimated costs to sell, a loss is recognized in noninterest expense.

For Level 3 assets measured at fair value on a non-recurring basis as of December 31, 2024, the significant unobservable inputs primarily used in the fair value measurements are shown below:

	Carrying Amount	Valuation Technique	Significant Unobservable Input
Nonrecurring:			
Collateral-dependent loans	$ 14,842,337	Appraisal/In-house	Appraisal discounts (5-10%)
Other real estate owned	-	Appraisal/In-house	Appraisal discounts (5-10%)

NOTE 17. REVENUE FROM CONTRACTS WITH CUSTOMERS

Service charges on deposit accounts, other service charges, commissions and fees and gains/losses on the sale of other real estate are included within the noninterest income portion of the consolidated financial statements. The following provides information on the Company's sources of noninterest income within the scope of ASC 606 for the periods indicated.

Service Charges and Other Fees

Service charges and other fees include deposit account maintenance fees, overdraft fees, wire transfer fees, sweep fees and safe deposit box fees. Revenue is recognized for these services either over time, corresponding with a deposit accounts' monthly cycle, or at a point in time for transaction-related services and fees. Payment for service charges on deposit accounts is primarily received immediately or in the following month through a direct charge to customers' accounts. Safe deposit box rental income is recognized on a monthly basis as the Bank's performance obligation is satisfied. For the years ended December 31, 2024 and 2023, there were $582,835 and $446,813, respectively, in service charges and other fees.

ATM Surcharges and Interchange Fees

ATM fees are transaction-based fees recognized at the time the transaction is executed as that is the point at which the Bank satisfies the performance obligation. Debit card interchange fees are earned from debit cardholder transactions conducted through various payment networks. Interchange fees from debit cardholders transactions represent a percentage of the underlying transaction amount and are recognized daily, concurrently with the transaction processing services provided to the debit cardholder. For the years ended December 31, 2024 and 2023, there was $818,926 and $737,377, respectively, in ATM surcharges and interchange fees.

NOTE 17. REVENUE FROM CONTRACTS WITH CUSTOMERS

Gains/Losses on the Sale of Other Real Estate Owned

Net gains and losses on sales of other real estate owned are recorded in other noninterest income in the Company's consolidated financial statements. The Company records a gain or loss from the sale of other real estate owned when control of the property transfers to the buyer, which generally occurs at the time of an executed deed. When the Company finances the sale of other real estate owned to the buyer, the Company assesses whether the buyer is committed to perform their obligations under the contract and whether collectability of the transaction price is probable. Once these criteria are met, the other real estate owned asset is derecognized and the gain or loss on sale is recorded upon the transfer of control of the property to the buyer. For the year end December 31, 2024 and 2023, there were no sales of other real estate owned.

NOTE 18. PARENT COMPANY ONLY FINANCIAL STATEMENTS

The following information presents the condensed financial statements for Port City Holding Co., Inc. as of December 31, 2024 and 2023.

Condensed Balance Sheets

	2024	2023
Assets		
Cash	**$ 689,426**	$ 680,772
Investment in subsidiary	**48,423,158**	42,985,075
Other assets	**71,712**	49,016
Total assets	**$ 49,184,296**	$ 43,714,863
Liabilities and Stockholders' Equity		
Liabilities		
Other liabilities	**$ 44,354**	$ 20,405
Total liabilities	**44,354**	20,405
Stockholders' Equity	**49,139,942**	43,694,458
Total liabilities and stockholders' equity	**$ 49,184,296**	$ 43,714,863

Condensed Statements of Income

	2024	2023
Income		
Dividends from subsidiary	**$ 646,186**	$ 637,540
Total income	**646,186**	637,540
Expenses		
Other expenses	**193,667**	168,300
Total expenses	**193,667**	168,300
Income before income tax benefit and equity in undistributed earnings of subsidiary	**452,519**	469,240
Income tax benefit	**3,746**	3,388
Income before equity in undistributed earnings of subsidiary	**456,265**	472,628
Equity in undistributed earnings of subsidiary	**5,021,864**	3,025,435
Net income	**$ 5,478,129**	$ 3,498,063

NOTE 18. PARENT COMPANY ONLY FINANCIAL STATEMENTS (CONTINUED)

Condensed Statements of Cash Flows

	2024	2023
Operating Activities:		
Net income	**$ 5,478,129**	$ 3,498,063
Adjustments to reconcile net income to net cash provided by operating activities:		
Equity in undistributed earnings of subsidiary	**(5,021,864)**	(3,025,435)
Stock options expense	**179,561**	156,975
Net change in other assets & other liabilities	**1,255**	(3,809)
Net cash provided by operating activities	**637,081**	625,794
Financing Activities:		
Treasury stock activity, net	**(165,091)**	57
Capital contributions to subsidiary	**(550,000)**	-
Common stock issued	**732,850**	223,823
Dividends paid	**(646,186)**	(637,540)
Net cash used in financing activities	**(628,427)**	(413,660)
Net increase in cash	**8,654**	212,134
Cash at beginning of year	**680,772**	468,638
Cash at end of year	**$ 689,426**	$ 680,772

Hutchins Clenney Rumsey Huckaby | PC
Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Stockholders and Board of Directors
Port City Holding Co., Inc.
Bainbridge, Georgia

We have audited the consolidated financial statements of Port City Holding Co., Inc. and its Subsidiary, First Port City Bank, as of and for the year ended December 31, 2024 and our report thereon dated May 29, 2025 expressed an unmodified opinion on those consolidated financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information in Schedules I and II is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Hutchins Clenney Rumsey Huckaby, P.C.

Albany, Georgia
May 29, 2025

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

SCHEDULE I
CONSOLIDATING BALANCE SHEET
DECEMBER 31, 2024

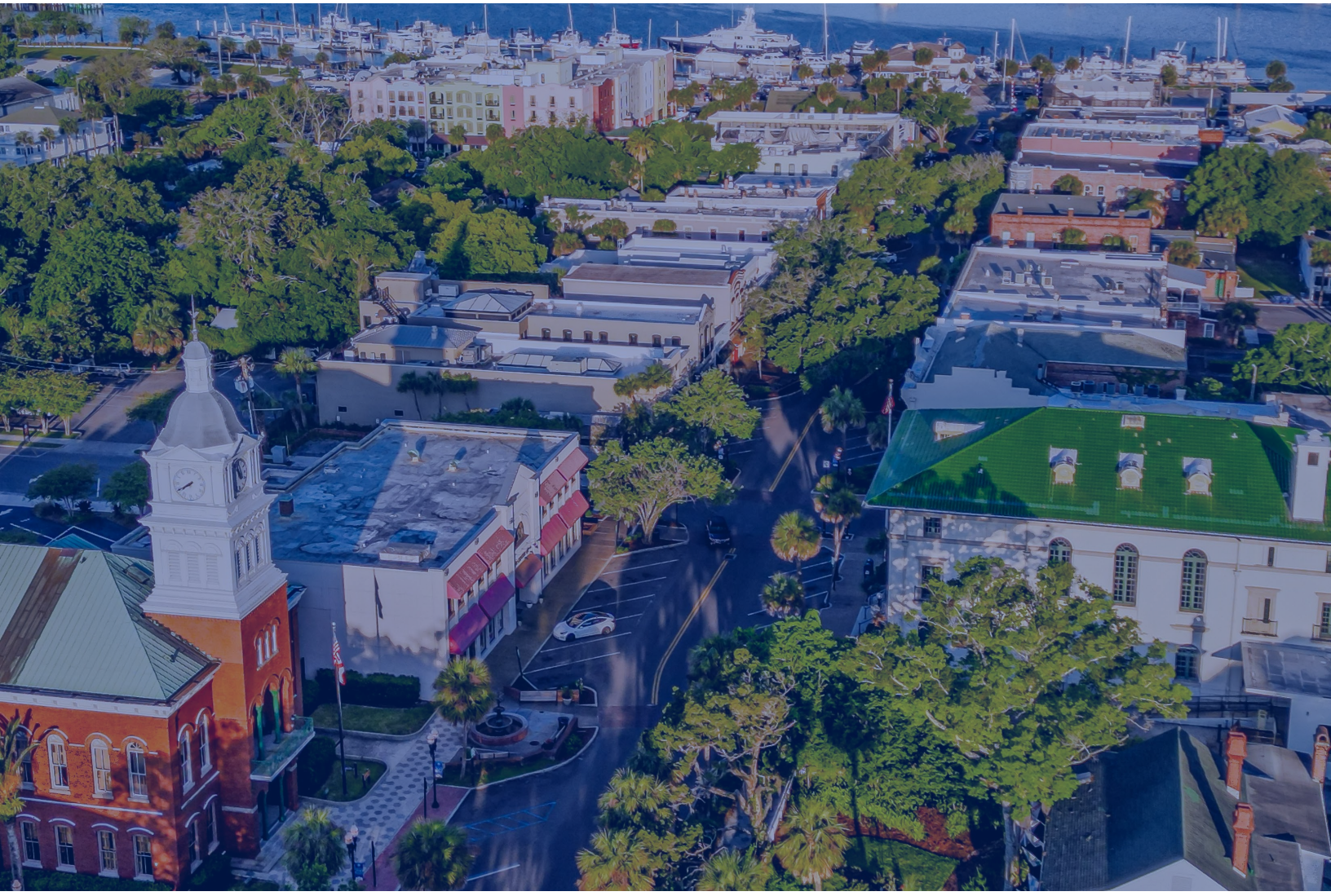
	First Port City Bank	Parent	Combined	Eliminations	Consolidated
Assets					
Cash and due from banks	$ 10,903,296	$ 689,426	$ 11,592,722	$ (689,426)	$ 10,903,296
Interest-bearing deposits in banks	37,799,810	-	37,799,810	-	37,799,810
Securities available for sale, at fair value	47,197,990	-	47,197,990	-	47,197,990
Restricted equity securities, at cost	386,300	-	386,300	-	386,300
Investment in subsidiary	-	48,423,158	48,423,158	(48,423,158)	-
Loans	445,331,240	-	445,331,240	-	445,331,240
Less allowance for credit losses	5,718,980	-	5,718,980	-	5,718,980
Loans, net	439,612,260	-	439,612,260	-	439,612,260
Loans held for sale	-	-	-	-	-
Premises and equipment, net	7,817,001	-	7,817,001	-	7,817,001
Cash surrender value of bank owned life insurance	7,948,777	-	7,948,777	-	7,948,777
Deferred income taxes, net	2,911,830	-	2,911,830	-	2,911,830
Accrued interest receivable	2,680,515	-	2,680,515	-	2,680,515
Other assets	1,547,510	(44,315)	1,503,195	71,714	1,574,909
Total assets	$ 558,805,289	$ 49,068,269	$ 607,873,558	$ (49,040,870)	$ 558,832,688
Liabilities and Stockholders' Equity					
Deposits					
Noninterest-bearing deposits	$ 97,157,554	$ -	$ 97,157,554	$ (689,426)	$ 96,468,128
Interest-bearing deposits	409,468,778	-	409,468,778	-	409,468,778
Total deposits	506,626,332	-	506,626,332	(689,426)	505,936,906
Deferred directors compensation	1,861,927	-	1,861,927	-	1,861,927
Accrued interest payable	948,329	-	948,329	-	948,329
Other liabilities	945,543	(71,673)	873,870	71,714	945,584
Total liabilities	510,382,131	(71,673)	510,310,458	(617,712)	509,692,746
Stockholders' Equity					
Common stock	756,000	2,822,850	3,578,850	(756,000)	2,822,850
Additional paid-in capital	25,827,108	15,203,611	41,030,719	(25,827,108)	15,203,611
Retained earnings	25,771,245	35,209,767	60,981,012	(25,771,245)	35,209,767
Accumulated other comprehensive loss	(3,931,195)	(3,931,195)	(7,862,390)	3,931,195	(3,931,195)
Treasury stock	-	(165,091)	(165,091)	-	(165,091)
Total stockholders' equity	48,423,158	49,139,942	97,563,100	(48,423,158)	49,139,942
Total liabilities and stockholders' equity	$ 558,805,289	$ 49,068,269	$ 607,873,558	$ (49,040,870)	$ 558,832,688

PORT CITY HOLDING CO., INC.
AND SUBSIDIARY

SCHEDULE II
CONSOLIDATING STATEMENT OF INCOME
DECEMBER 31, 2024

	First Port City Bank	Parent	Combined	Eliminations	Consolidated
Interest income					
Loans, including fees	$ 30,113,085	$ -	$ 30,113,085	$ -	$ 30,113,085
Investment securities	1,301,283	-	1,301,283	-	1,301,283
Interest-bearing deposits in banks	2,352,679	-	2,352,679	-	2,352,679
	33,767,047	-	33,767,047	-	33,767,047
Interest expense					
Deposits	14,120,152	-	14,120,152	-	14,120,152
Other borrowings	14	-	14	-	14
	14,120,166	-	14,120,166	-	14,120,166
Net interest income	19,646,881	-	19,646,881	-	19,646,881
Provision for credit losses	457,000	-	457,000	-	457,000
Net interest income after provision for credit losses	19,189,881	-	19,189,881	-	19,189,881
Noninterest income					
Dividend income from subsidiary	-	646,186	646,186	(646,186)	-
Equity in undistributed earnings of subsidiary	-	5,021,864	5,021,864	(5,021,864)	-
Service charges on deposit accounts and other fees	1,372,618	-	1,372,618	-	1,372,618
Net gain on sales of securities available for sale	-	-	-	-	-
Net gain on sales of loans	538,022	-	538,022	-	538,022
Other noninterest income	674,131	-	674,131	-	674,131
	2,584,771	5,668,050	8,252,821	(5,668,050)	2,584,771
Noninterest expense					
Salaries and employee benefits	8,367,214	179,561	8,546,775	-	8,546,775
Data processing fees	1,449,548	-	1,449,548	-	1,449,548
Occupancy and equipment expense	1,565,641	-	1,565,641	-	1,565,641
Professional fees	422,792	7,600	430,392	-	430,392
FDIC insurance assessment	393,297	-	393,297	-	393,297
Other noninterest expense	2,317,562	6,506	2,324,068	-	2,324,068
	14,516,054	193,667	14,709,721	-	14,709,721
Income tax expense (benefit)	1,590,548	(3,746)	1,586,802	-	1,586,802
Net income	$ 5,668,050	$ 5,478,129	$ 11,146,179	$ (5,668,050)	$ 5,478,129

FIRST PORT
CITY BANK
Putting *People* First



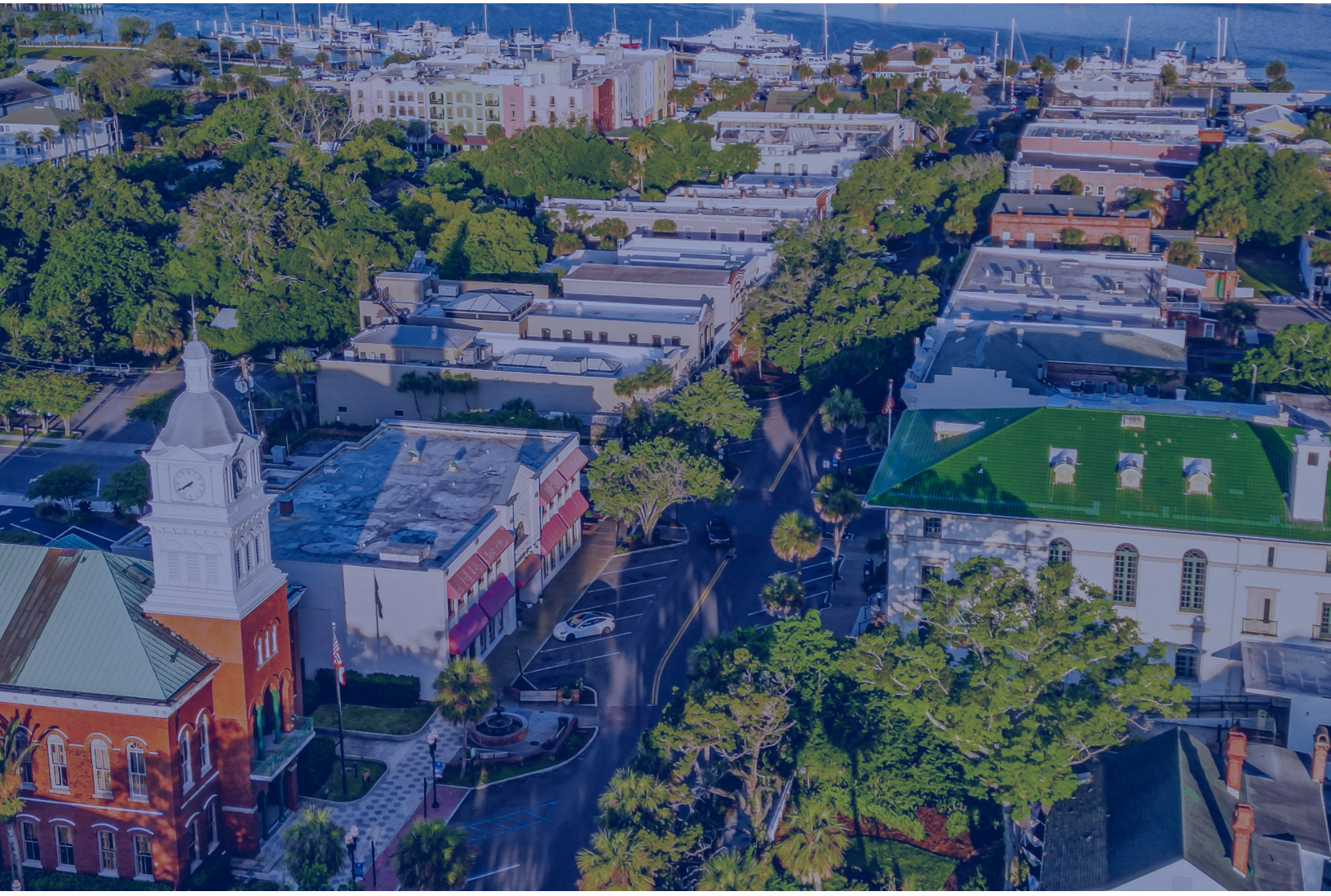
Bank References

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FIRST PORT
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Municipal References

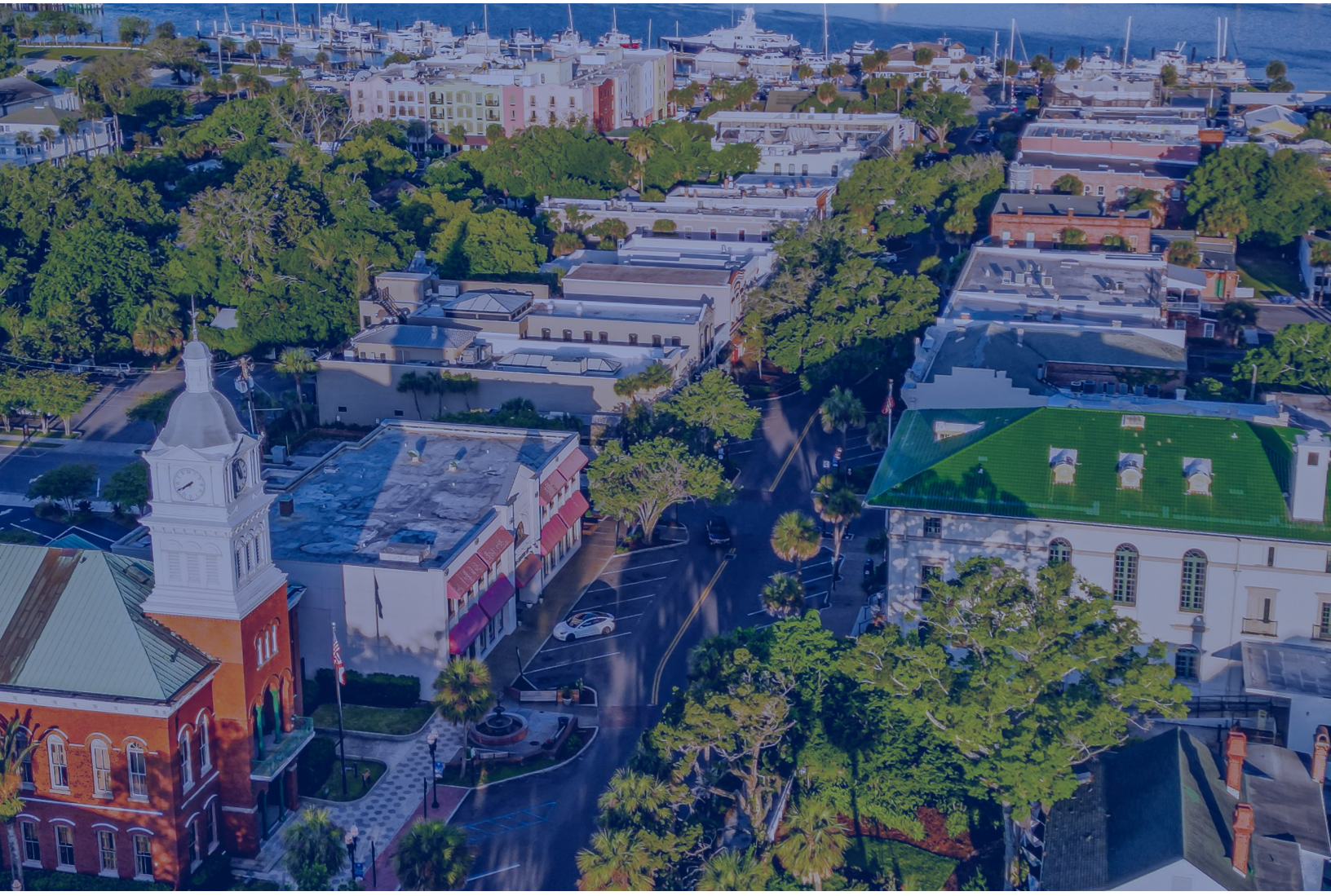
Municipality Name	Contact Information
John Drew, Nassau County Tax Collector 86130 License Road Fernandina Beach, FL 32034	Chad Miller, Director of Finance Cmiller@nassautaxes.com **904-491-7410**
Nassau County Property Appraiser 96135 Nassau Place, Suite 4 Yulee, FL 32097	Kevin Lilly, Property Appraiser Klilly@ncpafl.com **904-491-7300**
City of Bainbridge, Georgia 101 South Broad Street Bainbridge, GA 39818	Lisa Taylor, Admin Services Director LisaT@bainbridgecity.com **229-400-4094**
Decatur County Commissioners 912 Spring Creek Road Bainbridge, GA 39817	Michelle West, County Clerk Michelle@decaturcountyga.gov **229-248-3030**
City of Donalsonville 127 East Second Street, Donalsonville, GA 39845	Jeffrey Hatche, City Manager **Citymanager@donalsonvillega.org** **229-524-2118**



Bank Exceptions

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FIRST PORT
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Bank Agreement
Sample Document

S

Terms and Conditions of Your Account

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(1) Important Information about Procedures for Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

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(2) Agreement

This document, along with any other documents we give you pertaining to your account(s), is a contract (also referred to as "this agreement") that establishes rules which control your account(s) with us. Please read this carefully and retain it for future reference. If you open the account (whether in-person, electronically, or by any other method permitted by us) or continue to use the account after receiving a notice of change or amendment, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this agreement. If you have any questions, please ask us.

This agreement is subject to applicable federal laws, the laws of the state of Florida and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this agreement is to:

1. summarize some laws that apply to common transactions;
2. establish rules to cover transactions or events which the law does not regulate;
3. establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
4. give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this agreement is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document. Nothing in this agreement is intended to vary our duty to act in good faith and with ordinary care when required by law.

As used in this agreement the words "we," "our," and "us" mean the financial institution and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. However, this agreement does not intend, and the terms "you" and "your" should not be interpreted, to expand an individual's responsibility for an organization's liability. If this account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization. The headings in this agreement are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this agreement should be construed so the singular includes the plural and the plural includes the singular.

"Party" means a person who, by the terms of an account, has a present right, subject to request, to payment from the account other than as a beneficiary or agent.

(3) Liability

You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges, without notice to you, directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and we can deduct any amounts deposited into the account and apply those amounts to the shortage. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft.

You will be liable for our costs as well as for our reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account. This includes, but is not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account. This also includes any action that you or a third party takes regarding the account that causes us, in good faith, to seek the advice of an attorney, whether or not we become involved in the dispute. All costs and attorneys' fees can be deducted from your account when they are incurred, without notice to you.

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4:Form.CustomBrandTag
5:Form.WarrantyControl
6:Form.Barcode

(4) Deposits

We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Before settlement of any item becomes final, we act only as your agent, regardless of the form of indorsement or lack of indorsement on the item and even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned. Unless prohibited by law, we also reserve the right to charge back to your account the amount of any item deposited to your account or cashed for you which was initially paid by the payor bank and which is later returned to us due to an allegedly forged, unauthorized or missing indorsement, claim of alteration, encoding error, counterfeit cashier's check or other problem which in our judgment justifies reversal of credit. You authorize us to attempt to collect previously returned items without giving you notice, and in attempting to collect we may permit the payor bank to hold an item beyond the midnight deadline. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check or draft for deposit, we may require any third-party indorsers to verify or guarantee their indorsements, or indorse in our presence.

(5) Withdrawals

Important Terms for Accounts Where More Than One Person Can Withdraw. Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs to open the account or has authority to make withdrawals may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to indorse any item payable to you or your order for deposit to this account or any other transaction with us.

Postdated Checks. A postdated check is one which bears a date later than the date on which the check is written. We may properly pay and charge your account for a postdated check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. Because we process checks mechanically, your notice will not be effective and we will not be liable for failing to honor your notice unless it precisely identifies the number, date, amount and payee of the item.

Checks and Withdrawal Rules. If you do not purchase your check blanks from us, you must be certain that we approve the check blanks you purchase. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us or by any method we do not specifically permit. We may refuse any withdrawal or transfer request which is greater in number than the frequency permitted by our policy, or which is for an amount greater or less than any withdrawal limitations. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply any frequency limitations. In addition, we may place limitations on the account until your identity is verified.

Even if we honor a nonconforming request, we are not required to do so later. If you violate the stated transaction limitations (if any), in our discretion we may close your account or reclassify your account as another type of account. If we reclassify your account, your account will be subject to the fees and earnings rules of the new account classification.

If we are presented with an item drawn against your account that would be a "substitute check," as defined by law, but for an error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item.

Cash Withdrawals. We recommend you take care when making large cash withdrawals because carrying large amounts of cash may pose a danger to your personal safety. As an alternative to making a large cash withdrawal, you may want to consider a cashier's check or similar instrument. You assume full responsibility of any loss in the event the cash you withdraw is lost, stolen, or destroyed. You agree to hold us harmless from any loss you incur as a result of your decision to withdraw funds in the form of cash.

Multiple Signatures, Electronic Check Conversion, and Similar Transactions. An electronic check conversion transaction is a transaction where a check or similar item is converted into an electronic fund transfer as defined in the

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(5) Withdrawals, Continued

Electronic Fund Transfers regulation. In these types of transactions the check or similar item is either removed from circulation (truncated) or given back to you. As a result, we have no opportunity to review the signatures or otherwise examine the original check or item. You agree that, as to these or any items as to which we have no opportunity to examine the signatures, you waive any requirement of multiple signatures.

Notice of Withdrawal. We reserve the right to require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account, other than a time deposit or demand deposit, or from any other savings deposit as defined by Regulation D. (The law requires us to reserve this right, but it is not our general policy to use it.) Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your separately provided notice of penalty for early withdrawal.

(6) Ownership of Account and Beneficiary Designation

These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the account records. We reserve the right to refuse some forms of ownership and beneficiary designations on any or all of our accounts unless otherwise prohibited by law. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

Single-Party Account. Such an account is owned by one party.

Multiple-Party Account. Such an account is payable on request to one or more of two or more parties, whether or not a right of survivorship is mentioned.

Multiple-Party Account - Tenancy by the Entireties. The account is owned by two parties who are married to each other and hold the account as tenants by the entirety.

(7) Rights at Death

Single-Party Account. At the death of a party, ownership passes as part of the party's estate.

Multiple-Party Account With Right of Survivorship. At death of party, ownership passes to the surviving party or parties.

Multiple-Party Account Without Right of Survivorship. At death of party, deceased party's ownership passes as part of deceased party's estate.

Single-Party Account With Pay-on-Death Designation. At death of the party, ownership passes to the designated pay-on-death beneficiaries and is not part of the party's estate.

Multiple-Party Account With Right of Survivorship and Pay-on-Death Designation. At death of last surviving party, ownership passes to the designated pay-on-death beneficiaries and is not part of the last surviving party's estate.

(8) Business, Organization, and Association Accounts

Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. You represent that you have the authority to open and conduct business on this account on behalf of the entity. We may require the governing body of the entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the entity.

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(9) Stop Payments

The rules in this section cover stopping payment of items such as checks and drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, may be established by law or our policy. If we have not disclosed these rules to you elsewhere, you may ask us about those rules.

We may accept an order to stop payment on any item from any one of you. You must make any stop-payment order in the manner required by law, it must be made in a signed and dated writing, and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. Because the most effective way for us to execute a stop-payment order is by using an automated process, to be effective, your stop-payment order must precisely identify the number, date, and amount of the item, and the payee.

You may stop payment on any item drawn on your account whether you sign the item or not. Your stop-payment order is effective for six months. Your order will lapse after that time if you do not renew the order in writing before the end of the six-month period. We are not obligated to notify you when a stop-payment order expires.

If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order.

Our stop-payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

(10) Telephone Transfers

A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Limitations on the number of telephonic transfers from a savings account, if any, are described elsewhere.

(11) Amendments and Termination

We may amend or delete any term of this agreement. We may also add new terms to this agreement. In addition, we may suspend, modify, convert, or terminate a service, convert this account to another account type, or close this account for any reason. For any of these types of changes, we will give you reasonable notice in writing by any reasonable method including by mail, by any electronic communication method to which you have agreed, on or with a periodic statement, or through any other method permitted by law. If we close the account, we will tender the account balance to you or your agent personally, by mail, or by another agreed upon method.

Reasonable notice depends on the circumstances, and in some cases, such as when we cannot verify your identity or we suspect fraud, it might be reasonable for us to give you notice after the change becomes effective. For instance, if we suspect fraudulent activity with respect to your account, and if we deem it appropriate under the circumstances and necessary to prevent further fraud, we might immediately freeze or close your account and then give you notice.

Unless otherwise indicated in the notice of change, if we have notified you of a change to your account, and you continue to have your account after the effective date of the change, you have accepted and agreed to the new or modified terms. You should review any change in terms notice carefully as the notice will provide important information of which you may need to be aware.

We reserve the right to waive any term of this agreement. However, such waiver shall not affect our right to enforce the term at a later date.

If you request that we close your account, you are responsible for leaving enough money in the account to cover any outstanding items or transactions to be paid from the account. Once any outstanding items or transactions are paid, we will

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(11) Amendments and Termination, Continued

close the account and tender the account balance, if any, to you or your agent personally, by mail, or by another agreed upon method.

Any items and transactions presented for payment after the account is closed may be dishonored. Any deposits we receive after the account is closed may be returned. We will not be liable for any damages for not honoring any such debits or deposits received after the account is closed.

Note: Rules governing changes in interest rates are provided separately in the Truth-in-Savings disclosure or in another document. In addition, for changes governed by a specific law or regulation, we will follow the specific timing and format notice requirements of those laws or regulations.

(12) Correction of Clerical Errors

Unless otherwise prohibited by law, you agree, if determined necessary in our reasonable discretion, to allow us to correct clerical errors, such as obtaining your missing signature, on any account documents or disclosures that are part of our agreement with you. For errors on your periodic statement, please refer to the Statements section.

(13) Notices

Any written notice you give us is effective when we actually receive it, and it must be given to us according to the specific delivery instructions provided elsewhere, if any. We must receive any notice in time to have a reasonable opportunity to act on it. If a notice is regarding a check or other item, you must give us sufficient information to be able to identify the check or item, including the precise check or item number, amount, date and payee. Notice we give you via the United States Mail is effective when it is deposited in the United States Mail with proper postage and addressed to your mailing address we currently have on file. Notice we give you through your email of record, or other electronic method to which you agreed, will be treated as delivered to you when sent. Notice to any of you is notice to all of you.

(14) Statements

Your Duty to Report Unauthorized Signatures (Including Forgeries and Counterfeit Checks) and Alterations on Checks and Other Items. You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures (including forgeries and counterfeit checks) or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized signatures or alterations in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

Your Duty to Report Other Errors or Problems. In addition to your duty to review your statements for unauthorized signatures and alterations, you agree to examine your statement with reasonable promptness for any other error or problem - such as an encoding error or an unexpected deposit amount. Also, if you receive or we make available either your items or images of your items, you must examine them for any unauthorized or missing indorsements or any other problems. You agree that the time you have to examine your statement and items and report to us will depend on the circumstances.

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(14) Statements, Continued

However, this time period shall not exceed 60 days. Failure to examine your statement and items and report any errors to us within 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any errors on items identified in that statement and as between you and us the loss will be entirely yours.

Errors Relating to Electronic Fund Transfers or Substitute Checks *(For consumer accounts only)*. For information on errors relating to electronic fund transfers (e.g., online, mobile, debit card or ATM transactions) refer to your Electronic Fund Transfers disclosure and the sections on consumer liability and error resolution. For information on errors relating to a substitute check you received, refer to your disclosure entitled Substitute Checks and Your Rights.

Duty to Notify if Statement Not Received. You agree to immediately notify us if you do not receive your statement by the date you normally expect to receive it. Not receiving your statement in a timely manner is a sign that there may be an issue with your account, such as possible fraud or identity theft. Absent a lack of ordinary care by us, a failure to receive your statement in a timely manner does not extend the time you have to conduct your review under this agreement.

(15) Reimbursement of Federal Benefit Payments

If we are required for any reason to reimburse the federal government for all or any portion of a benefit payment that was directly deposited into your account, you authorize us to deduct the amount of our liability to the federal government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other available legal remedy to recover the amount of our liability.

(16) Temporary Account Agreement

If the account documentation indicates that this is a temporary account agreement, each person who signs to open the account or has authority to make withdrawals (except as indicated to the contrary) may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

(17) Setoff

We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt any of you owe us now or in the future. If this account is owned by one or more of you as individuals, we may set off any funds in the account against a due and payable debt a partnership owes us now or in the future, to the extent of your liability as a partner for the partnership debt. If your debt arises from a promissory note, then the amount of the due and payable debt will be the full amount we have demanded, as entitled under the terms of the note, and this amount may include any portion of the balance for which we have properly accelerated the due date.

This right of setoff does not apply to this account if prohibited by law. For example, the right of setoff does not apply to this account if: (a) it is an Individual Retirement Account or similar tax-deferred account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal only arises in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

(18) Check Processing

We process items mechanically by relying almost exclusively on the information encoded in magnetic ink along the bottom of the items. This means that we do not individually examine all of your items to determine if the item is properly completed,

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(18) Check Processing, Continued

signed and indorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that we have exercised ordinary care if our automated processing is consistent with general banking practice, even though we do not inspect each item. Because we do not inspect each item, if you write a check to multiple payees, we can properly pay the check regardless of the number of indorsements unless you notify us in writing that the check requires multiple indorsements.

We must receive the notice in time for us to have a reasonable opportunity to act on it, and you must tell us the precise date of the check, amount, check number and payee. We are not responsible for any unauthorized signature or alteration that would not be identified by a reasonable inspection of the item. Using an automated process helps us keep costs down for you and all account holders.

(19) Check Cashing

We may charge a fee for anyone that does not have an account with us who is cashing a check, draft or other instrument written on your account. We may also require reasonable identification to cash a check, draft or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint.

(20) Truncation, Substitute Checks, and Other Check Images

If you truncate an original check and create a substitute check, or other paper or electronic image of the original check, you warrant that no one will be asked to make payment on the original check, a substitute check or any other electronic or paper image, if the payment obligation relating to the original check has already been paid. You also warrant that any substitute check you create conforms to the legal requirements and generally accepted specifications for substitute checks. You agree to retain the original check in conformance with our policy for retaining original checks. You agree to indemnify us for any loss we may incur as a result of any truncated check transaction you initiate. We can refuse to accept substitute checks that have not previously been warranted by a bank or other financial institution in conformance with the Check 21 Act. Unless specifically stated in a separate agreement between you and us, we do not have to accept any other electronic or paper image of an original check.

(21) Remotely Created Checks

Like any standard check or draft, a remotely created check (sometimes called a telecheck, preauthorized draft or demand draft) is a check or draft that can be used to withdraw money from an account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the account owner (or a signature purported to be the signature of the account owner). In place of a signature, the check usually has a statement that the owner authorized the check or has the owner's name typed or printed on the signature line.

You warrant and agree to the following for every remotely created check we receive from you for deposit or collection: (1) you have received express and verifiable authorization to create the check in the amount and to the payee that appears on the check; (2) you will maintain proof of the authorization for at least 2 years from the date of the authorization, and supply us the proof if we ask; and (3) if a check is returned you owe us the amount of the check, regardless of when the check is returned. We may take funds from your account to pay the amount you owe us, and if there are insufficient funds in your account, you still owe us the remaining balance.

(22) Unlawful Internet Gambling Notice

Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund

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(22) Unlawful Internet Gambling Notice, Continued

transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling.

(23) ACH and Wire Transfers

This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. Credit entries may be made by ACH. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

(24) International ACH Transactions

Financial institutions are required by law to scrutinize or verify any international ACH transaction (IAT) that they receive against the Specially Designated Nationals (SDN) list of the Office of Foreign Assets Control (OFAC). This action may, from time to time, cause us to temporarily suspend processing of an IAT and potentially affect the settlement and/or availability of such payments.

(25) Facsimile Signatures

Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor items containing facsimile signatures, you authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us. You give us this authority regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

(26) Convenience Account Agent *(Single-Party Accounts only)*

A convenience account, as defined by Florida law, means a deposit account other than a certificate of deposit, in the name of one individual, in which one or more individuals have been designated as agent with the right to make deposits to and withdraw funds from or draw checks on such account on the owner's behalf. A single individual is the owner, and the agent is merely designated to conduct transactions on the owner's behalf. The owner does not give up any rights to act on the account, and the agent may not in any manner affect the rights of the owner or beneficiaries, if any, other than by withdrawing funds from the account. The owner is responsible for any transactions of the agent. We undertake no obligation to monitor transactions to determine that they are on the owner's behalf. The owner may terminate the agency at any time, and the agency is automatically terminated by the death of the owner. However, we may continue to honor the transactions of the agent until: (a) we have received written notice or have actual knowledge of the termination of agency, and (b) we have a reasonable opportunity to act on that notice or knowledge. We may refuse to accept the designation of a convenience account agent.

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(27) Restrictive Legends or Indorsements

The automated processing of the large volume of checks we receive prevents us from inspecting or looking for restrictive legends, restrictive indorsements or other special instructions on every check. For this reason, we are not required to honor any restrictive legend or indorsement or other special instruction placed on checks you write unless we have agreed in writing to the restriction or instruction. Unless we have agreed in writing, we are not responsible for any losses, claims, damages, or expenses that result from your placement of these restrictions or instructions on your checks. Examples of restrictive legends placed on checks are "must be presented within 90 days" or "not valid for more than $1,000.00." The payee's signature accompanied by the words "for deposit only" is an example of a restrictive indorsement.

(28) Account Transfer

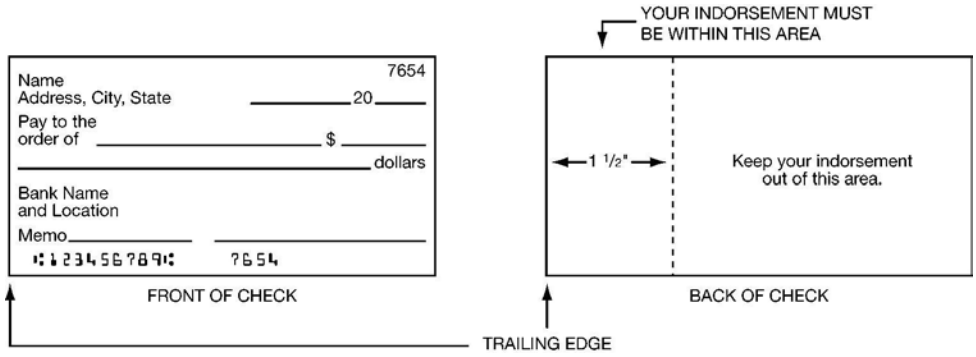
This account may not be transferred or assigned without our prior written consent.

(29) Indorsements

We may accept for deposit any item payable to you or your order, even if they are not indorsed by you. We may give cash back to any one of you. We may supply any missing indorsement(s) for any item we accept for deposit or collection, and you warrant that all indorsements are genuine.

To ensure that your check or share draft is processed without delay, you must indorse it (sign it on the back) in a specific area. Your entire indorsement (whether a signature or a stamp) along with any other indorsement information (e.g., additional indorsements, ID information, driver's license number, etc.) must fall within 1 1/2" of the "trailing edge" of a check. Indorsements must be made in blue or black ink, so that they are readable by automated check processing equipment.

As you look at the front of a check, the "trailing edge" is the left edge. When you flip the check over, be sure to keep all indorsement information within 1 1/2" of that edge.



It is important that you confine the indorsement information to this area since the remaining blank space will be used by others in the processing of the check to place additional needed indorsements and information. You agree that you will indemnify, defend, and hold us harmless for any loss, liability, damage or expense that occurs because your indorsement, another indorsement, or information you have printed on the back of the check obscures our indorsement. These indorsement guidelines apply to both personal and business checks.

(30) Death or Incompetence

You agree to notify us promptly if any person with a right to withdraw funds from your account(s) dies or is adjudicated (determined by the appropriate official) incompetent. We may continue to honor your checks, items, and instructions until: (a) we know of your death or adjudication of incompetence, and (b) we have had a reasonable opportunity to act on that knowledge. You agree that we may pay or certify checks drawn on or before the date of death or adjudication of

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(30) Death or Incompetence, Continued

incompetence for up to ten (10) days after your death or adjudication of incompetence unless ordered to stop payment by someone claiming an interest in the account.

(31) Fiduciary Accounts

Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. We are not responsible for the actions of a fiduciary, including the misuse of funds. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders. You understand that by merely opening such an account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any obligation to monitor or enforce the terms of the trust or letters.

(32) Credit Verification

You agree that we may verify credit and employment history by any necessary means, including preparation of a credit report by a credit reporting agency.

(33) Legal Actions Affecting Your Account

If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed "legal action" in this section), we will comply with that legal action as required by applicable law. However, nothing in this agreement shall be construed as a waiver of any rights you may have under applicable law with regards to such legal action. Subject to applicable law, we may, in our sole discretion, choose to freeze the assets in the account and not allow any payments or transfers out of the account, or take other action as may be appropriate under the circumstances, until there is a final court determination regarding the legal action. We may do these things even if the legal action involves less than all of you. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds in accordance with the legal action and applicable law. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys' fees, and our internal expenses) may be charged against your account, unless otherwise prohibited by applicable law. The list of fees applicable to your account(s) - provided elsewhere - may specify additional fees that we may charge for responding to certain legal actions.

(34) Account Security

Your Duty to Protect Account Information and Methods of Access. Our policy may require methods of verifying your identity before providing you with a service or allowing you access to your account. We can decide what identification is reasonable under the circumstances. For example, process and identification requirements may vary depending on whether they are online or in person. Identification may be documentary or physical and may include collecting a fingerprint, voiceprint, or other biometric information.

It is your responsibility to protect the account numbers and electronic access devices (e.g., an ATM card) we provide you for your accounts. You should also safeguard your username, password, and other access and identifying information when accessing your account through a computer or other electronic, audio, or mobile device or technology. If you give anyone authority to access the account on your behalf, you should exercise caution and ensure the trustworthiness of that agent. Do not discuss, compare, or share information about your account numbers with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to issue an electronic debit or to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access

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(34) Account Security, Continued

device or information and grant actual authority to make transfers to another person (a family member or coworker, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized. Your account number can also be used to electronically remove money from your account, and payment can be made from your account even though you did not contact us directly and order the payment.

You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

Positive Pay and Other Fraud Prevention Services. Except for consumer electronic fund transfers subject to Regulation E, you agree that if we offer you services appropriate for your account to help identify and limit fraud or other unauthorized transactions against your account, and you reject those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered. You will not be responsible for such transactions if we acted in bad faith or to the extent our negligence contributed to the loss. Such services include positive pay or commercially reasonable security procedures. If we offered you a commercially reasonable security procedure which you reject, you agree that you are responsible for any payment order, whether authorized or not, that we accept in compliance with an alternative security procedure that you have selected. The positive pay service can help detect and prevent check fraud and is appropriate for account holders that issue a high volume of checks, a lot of checks to the general public, or checks for large dollar amounts.

(35) Instructions From You

Unless required by law or we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission, email, voicemail, or phone call to a facsimile number, email address, or phone number not designated by us for a particular purpose or for a purpose that is unrelated to the request or instruction.

(36) Monitoring and Recording Telephone Calls and Account Communications

Subject to federal and state law, we may monitor or record phone calls for security reasons, to maintain a record, and to ensure that you receive courteous and efficient service. You consent in advance to any such recording.

To provide you with the best possible service in our ongoing business relationship for your account, we may need to contact you about your account from time to time by telephone, text messaging, or email. In contacting you about your account, we may use any telephone numbers or email addresses that you have previously provided to us by virtue of an existing business relationship or that you may subsequently provide to us.

You acknowledge that the number we use to contact you may be assigned to a landline, a paging service, a cellular wireless service, a specialized mobile radio service, other radio common carrier service, or any other service for which you may be charged for the call. You acknowledge that we may contact you by voice, voicemail, or text messaging. You further acknowledge that we may use pre-recorded voice messages, artificial voice messages, or automatic telephone dialing systems.

If necessary, you may change or remove any of the telephone numbers, email addresses, or other methods of contacting you at any time using any reasonable means to notify us.

(37) Claim of Loss

The following rules do not apply to a transaction or claim related to a consumer electronic fund transfer governed by Regulation E (e.g., an everyday/one-time consumer debit card or ATM transaction). The error resolution procedures for consumer electronic fund transfers can be found in our initial Regulation E disclosure generally titled, "Electronic Fund

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(37) Claim of Loss, Continued

Transfers." For other transactions or claims, if you claim a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, you agree to cooperate with us in the investigation of the loss, including giving us an affidavit containing whatever reasonable information we require concerning your account, the transaction, and the circumstances surrounding the loss. You will notify law enforcement authorities of any criminal act related to the claim of lost, missing, or stolen checks or unauthorized withdrawals. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys' fees incurred by you. You agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights or, at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.

(38) Early Withdrawal Penalties *(and involuntary withdrawals)*

We may impose early withdrawal penalties on a withdrawal from a time account even if you don't initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal. See your separately provided notice of penalty for early withdrawal for additional information.

(39) Changes in Name and Contact Information

You are responsible for notifying us of any change in your name, address, or other information we use to communicate with you. Unless we agree otherwise, notice of such a change must be made in writing. Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent information you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you.

(40) Resolving Account Disputes

We may place an administrative hold on the funds in your account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) others claiming an interest as survivors or beneficiaries of your account; or (3) a claim arising by operation of law. The hold may be placed for such period of time as we believe reasonably necessary to allow a legal proceeding to determine the merits of the claim or until we receive evidence satisfactory to us that the dispute has been resolved. We will not be liable for any items that are dishonored as a consequence of placing a hold on funds in your account for these reasons.

(41) Waiver of Notices

To the extent permitted by law, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your account. For example, if you deposit an item and it is returned unpaid or we receive a notice of nonpayment, we do not have to notify you unless required by federal Regulation CC or other law.

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(42) Additional Terms

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FIRST PORT CITY BANK

BUSINESS ONLINE BANKING & Master Cash Management Agreement

Rev 6-2024

The following information represents the Business Online Banking and Master Cash Management Agreement between City of Fernandina Beach FL (collectively, "Customer", "you", "your", "yours") and **First Port City Bank** ("Financial Institution," "we," "our," "ours"), dated _____, 20____ . This Master Agreement, including, as applicable, any related Authorization Form, the signature card, rate and fee schedule, and any applicable Product Schedule and other instructions and the terms and conditions contained herein relating to specific Services that may be provided in connection herewith (collectively, this "Master Agreement"), sets forth the terms and conditions governing the provision of Online Banking and Cash Management Services to you or anyone authorized by you and describes your and our rights, responsibilities and obligations. The Authorization Form for Online Banking and Cash Management Services is attached hereto as Exhibit "A" and is made an integral part of this Master Agreement. By completing and signing the Authorization Form, and/or using one or more of the Services, Customer agrees to, and shall be bound by, the terms, conditions, and provisions in this Master Agreement, including those for each Service the Customer has selected. Financial Institution, in its sole discretion, may not permit Customer to use the Service until Financial Institution has determined that Customer has accepted or executed the applicable documentation and otherwise provided appropriate information and specifications for the use of the Service, and until Financial Institution has had a reasonable opportunity to review the Authorization Form and activate the Service. In any event, Customer agrees that the use by Customer of any Service shall, without any further action or execution or acceptance of any documentation on the part of Customer, constitute Customer's acceptance of and agreement to Financial Institution's terms and conditions for the use of such Service as may be in effect as of the time of such usage, whether set forth in this Master Agreement, any applicable Product Schedule or otherwise prescribed by Financial Institution. In the event of a conflict between the terms of this Master Agreement and those of any Authorization Form, or Product Schedule, the terms of the Authorization Form, or Product Schedule as applicable, shall govern and control with respect to the Service at issue. To activate the Service, you must have at least one Account with us linked to the Service.

Therefore, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, you and Financial Institution, intending to be legally bound, do hereby agree as follows:

1. Definitions.

The following terms and definitions apply when used in this Master Agreement.

1.1. "**Access Device**" means access equipment, including but not limited to a personal computer or a Mobile Device that meets the requirements for use of the Service.

1.2. "**Access Device System**" means all software, hardware, Access Devices, or other equipment necessary to access the Services.

1.3. "**Account**" or "**Accounts**" means one or more checking, savings, money market deposit or loan account that you have with us.

1.4. "**Account Access**" means your ability to access account and transaction information on Accounts and transfer funds between Accounts through the Internet.

1.5. "**Account Agreement**" means the agreement between you and us that governs the use of your Account including the deposit account agreement, any funds availability agreement, electronic funds transfer agreement or disclosure, line of credit agreement, and our schedule of fees and charges.

1.6. "**Authorization Form**" means the Authorization for Online Banking and Cash Management Services form attached hereto as Exhibit "A."

1.7. "**Bill Payment Account**" means the Account(s) you have authorized us to debit for payment made to Payee(s) in connection with the Online Banking Service.

1.8. "**Bill Payment Service**" means our service available through Online Banking that allows you to pay or transfer funds to designated Payees based upon your instructions to us, via an Access Device.

1.9. "**Bill Payment**" or "**Payment**" means the remittance of funds, initiated through Online Banking Service, from a Bill Payment Account to a Payee.

1.10. "**Biometric Logon**" means an authentication method to assist in verifying your identity through collecting your unique facial or fingerprint image (image capture) or your voice characteristics (audio capture).

1.11. "**Business Day(s)**" means 09:00 a.m. to 04:30 p.m. ET (Standard or Daylight) Monday through Friday. Federal Holidays are not included. Some online transaction deadlines may vary from this definition.

1.12. "**Deposit Account Agreement**" has the meaning provided in Section 10.7.

1.13. "**Electronic**" means electrical, digital, magnetic, wireless, optical, or electromagnetic technology, or any other technology that entails similar capabilities.

1.14. "**Funds Transfer**" or "**Transfer**" means a transfer of funds, initiated through Online Banking Service, from one eligible account to another.

1.15. "**Mobile Device**" means an Access Device that is mobile, including but not limited to a mobile phone, smartphone, tablet, any personal data assistant, or other wireless device.

1.16. "**Online Banking**" or "**Service**" means the service(s) described in this Master Agreement.

1.17. "**Password**" means the confidential identification number or other code assigned to you by us or selected by you for identification purposes in connection with the use of our Online Banking Services.

1.18. "**Payee**" means any individual, financial institution, educational institution, company, merchant, or other entity you wish to pay using Online Banking Services.

1.19. "**PC**" means personal computer (including any personal data assistant or other wireless access device) that meets the requirements for use of Online Banking Services.

1.20. "**Product Schedule**" refers to a separate agreement for certain cash management services offered by Financial Institution.

1.21. "**Transfer**" means a transfer of funds, initiated through Online Business Services, from one eligible account to another.

1.22. "**Transfer Day**" means Monday - Friday, to 4:00 p.m., ET (Standard or Daylight). Federal holidays are not included.

Other definitions may be set forth elsewhere in this Master Agreement.

2. Setup and Use of Online Access Services.

2.1. Eligibility.

To have access to the Services you must be an authorized user of the Software you select, if required for use with the Equipment. You must also have at least one eligible deposit account with us. If you have more than one Account, you will have access through the Service to the Accounts you specify on the Authorization Form. If you specify more than one Account on the Authorization Form, we will "link" the Accounts together. Accounts which are "linked" under the Services will have one common owner and signer. Any signer, acting alone, must be authorized to access a linked account. Any non-linked account will not be accessible through the Service. Financial Institution may un-link any Account with or without notice in its sole discretion. Prior to your first use of Online Banking, Financial Institution will assign you a Username and Temporary Password, Biometric Logon, and/or other means of authentication approved by Financial Institution (collectively referred to as the "Access Code(s)"), required to gain access to Online Banking. The Online Banking system will ask you to change your Password the first time that you use the system.

"Eligible Accounts" include the following:

1. Checking (Demand Deposit) Accounts
2. Savings Accounts
3. Money Market Accounts
4. Loans
5. Certificates of Deposit

2.2. Security Procedure.

The use of the Access Code, in addition to other authentication methods described below, is a security procedure established by Financial Institution to authenticate the identity of the person attempting to gain access to the Service. The security procedure is not designed for the detection of errors. We may require you to change your Access Code from time to time for security reasons. You should keep your Access Code in a secure location. Any person having access to your Access Code will be able to access these Services and perform all transactions, including reviewing Account information and making Transfers to other Accounts and to other persons. **You are responsible for safeguarding the Access Codes. Providing these Access Codes to another person effectively constitutes a grant of authority to access your accounts.**

You agree to comply with the "Security Procedures" and any other Security Procedures Financial Institution directs you to use, and you acknowledge and agree that the Security Procedures, including (without limitation) any Access Code, password, personal identification number, user identification technology, multifactor token ("Security Device"), certificate, layered security, or other element, means, or method of authentication or identification used in connection with a Security Procedure, constitute commercially reasonable security procedures under applicable law for the initiation of the Services you utilize, including without limitation, transfers and access to confidential information. You authorize us to follow all instructions entered and transactions initiated using applicable Security Procedures unless and until you have notified us, according to notification procedures prescribed by us, that the Security Procedures or any Security Device has been stolen, compromised, or otherwise become known to persons other than you or your representative(s) and until we have had a reasonable opportunity to act upon such notice. You agree that the initiation of a transaction or instructions using applicable Security Procedures constitutes sufficient authorization for Financial Institution to execute such transaction or instruction notwithstanding any particular designation by you of authorized persons or signature requirements identified on any signature card or other documents relating to your deposit account maintained with Financial Institution, and you agree and intend that the submission of transactions and instructions using the Security Procedures shall be considered the same as your authorized written signature in authorizing us to execute such transaction or instruction. You acknowledge and agree that you shall be bound by all transactions initiated using such Security Procedures, whether authorized or unauthorized, and by all transactions and activity otherwise initiated by you, to the fullest extent allowed by law. You further acknowledge and agree that the Security Procedures are not designed to detect error in the transmission or content of communications or transaction initiated by you and that you bear the sole responsibility for detecting and preventing such error.

2.2.1. You agree to appoint and designate an administrator (the "Administrator") who will be authorized and responsible for creating and maintaining subsequent Usernames, Passwords, and tokens on your behalf, including assigning and revoking access privileges for persons to use the Service, ("User") and providing new and subsequent Security Devises to those Users. Financial Institution will provide Customer's designated Administrator, through United States postal mail, secure email and/or phone call as selected by Financial Institution at Financial Institution's option, with a User ID number and Password, and tokens to be distributed by the Administrator to each User with respect to one or more of the Services. Customer understands that the Administrator has the capability of providing administrative privileges identical to that of the Administrator to any User, including the ability to create and maintain subsequent User accounts and assigning and revoking access privileges. If these privileges are granted by the Administrator to a User, that User will also be considered an Administrator. Customer will be required to use the Security Device each time it accesses ACH, Remote Deposit (RDC) and/or Wire Services. Customer acknowledges that any Administrator shall have the ability to control security levels such as Service access and Service transaction limits, including without limitation the ability to assign dollar amount limits to transfers of funds. You also agree that the Administrator shall also have the authority on behalf of Customer to electronically accept and approve all agreements and amendments to agreements by and between Financial Institution and Customer, including but not limited to this Master Agreement.

2.2.2. You agree to keep all Security Procedures and Security Devices protected, secure, and strictly confidential and to provide or make available the same only to your authorized representative(s). You agree not to disclose or provide any Security Procedures or Security Devices to any unauthorized person. You also agree that Users shall not share Security Devices with each other. Where you can change or modify a Security Procedure from time to time (e.g., a password or Username), you agree to change those frequently to ensure the integrity of the Security Device. You agree to notify us immediately, according to notification procedures prescribed by us, if you believe that any Security Procedures or Security Device have been stolen, compromised, or otherwise become known to persons other than you or your authorized representative(s) or if you believe that any transaction or activity is unauthorized or in error. In the event of any actual or threatened breach of security, we may issue you a new Security Device or establish new Security Procedures as soon as reasonably practicable, but we shall not be liable to you or any third party for any delay in taking such actions. You agree to indemnify, defend all claims, and hold Financial Institution harmless from any loss, damages, or expenses, including but not limited to attorney's fees, caused by you, your employees', or agents' failure to keep the Security procedures or Security Device confidential and secure.

2.2.3. You agree to notify us immediately, according to notification procedures prescribed by us, if the authority of any authorized representative(s) shall change or be revoked. You shall recover and return to us any Security Devices in the possession of any of your authorized representative(s) whose authority to have the Security Device has been revoked.

2.2.4. We reserve the right to modify, amend, supplement, or cancel any or all Security Procedures, and/or to cancel or replace any Security Device, at any time and from time to time in our discretion. We will endeavor to give you reasonable notice of any change in Security Procedures; if we may make any change in Security Procedures without advance notice to you if we, in our judgment and discretion, believe such change to be necessary or desirable to protect the security of our systems and assets. Your implementation and use of any changed Security Procedures after any change in Security Procedures shall constitute your agreement to the change and your agreement that the applicable Security Procedures, as changed, are commercially reasonable and adequate for the purposes intended.

2.3. Access.

The Financial Institution will provide access to services selected by the Customer from time to time during the term of this Agreement subject to the terms stated in this document and, where applicable, the ACH Rules. The list of available services from which the Customer may select is detailed in the Customer Setup Questionnaire (Schedule A). You will designate in the fields provided in Schedule A the Services you are selecting as of the date of this Agreement. You may select additional Services or delete Services, but no such selection or deletion shall be operative until such time as we have received written notice of your election to add or delete Services and you have executed such supplemental agreements, if applicable, as we may deem appropriate. We will have a reasonable time after receipt of such notice to implement the requested Service. Supplemental agreements relating to the Services selected by the Customer shall be executed concurrently with this Agreement, or at such later time as additional Services are requested.

Services are generally accessible 24 hours a day, seven days a week, except that the Services may be inaccessible for a reasonable period daily for system maintenance. We are not liable under this Master Agreement or any applicable Product Schedule for failure to provide access due to a system failure or due to other unforeseen acts. We may modify, suspend, or terminate access to the Services at any time and for any reason without notice or refund of fees you have paid. The Financial Institution may change the terms and conditions of this Master Agreement or any applicable Product Schedule from time to time to conform with changes or advancements in our services, or as required by law or regulation. All such changes will be made according to the procedures outlined in Section 9.10. The use of Online Banking after the effective date of such changes will constitute your consent to the changes.

2.4. Equipment and Software Requirements.

To use the Services, you must first obtain your own personal Access Device with Internet connection capability and related equipment (the "Hardware"). You also must provide the type of Internet access required by the Hardware and/or Software, which requires a web browser with Java scripting capabilities and 128-bit SSL encryption. Also recommended is an internet connection speed of Cable, DSL, T1 or higher. , with one of the following supported browsers: Microsoft, Goggle Chrome, Firefox or Safari

Once the Hardware has been properly connected and any required Internet access has been established, you will be able to access the Services. You are and will remain solely responsible for the purchase, hookup, installation, loading, operation and maintenance of the Hardware, Software, and the Internet access service to your Access Device, and for all related costs. You are solely responsible for virus protection and maintenance of your Access Device. Financial Institution shall have no responsibility for failures, interruption, or other defects in the Services, which are occasioned by incompatible, improperly installed or improperly maintained hardware and software. The Financial Institution may add to, modify, or replace software programs used in conjunction with providing the Services under this Master Agreement or any applicable Product Schedule at its sole discretion and without notice, provided Services rendered to you are not substantially negatively affected or obligations altered. From time to time the Financial Institution may deem it necessary to provide training or retraining classes for you. You agree that you will require appropriate personnel to participate in such training. All rights, title and interest in and to (a) any and all software, including, but not limited to, the object and source codes therefore, and any and all updates, upgrades, fixes and enhancements thereto, together with any and all documentation, user guides and instructions pertaining thereto (everything in this clause (a), collectively, "Software"), and (b) any and all users guides, instructions and other documentation provided to, or used by, you in connection with the Services (everything in this clause (b) collectively, the "Documentation") shall be, and remain, the property of Financial Institution or any third party Software provider, as applicable. Unless otherwise expressly authorized, you may not (a) copy, reproduce, transmit, retransmit, disseminate, display, publish, sell, broadcast, circulate, distribute, transfer, assign, commercially exploit, reverse engineer, revere compile or create derivative works of, the Software in any form or (b) copy, reproduce, transmit, retransmit, disseminate, display, publish, sell, broadcast, circulate, distribute, transfer, assign, commercially exploit the Documentation.

3. Business Online Access Services.

3.1. Available Services.

Business Customers may use the Services to:

1. Make transfers between Accounts you may have with us.
2. Make Payments to a Payee from your Account(s) (Bill Payment Service).
3. Obtain Account balances. Your account balance is generally current as of 9:00 a.m. EST (Standard or Daylight) of each Business Day but may not include current transactions (such as checks cashed by a teller on the Business Day). In addition, your account balance may show funds that have been credited to your account but are not yet available for withdrawal.
4. Review recent transactions in your Accounts.
5. Transfer money to make loan payments.
6. Transfer money from Line of Credit to transactional accounts.
7. Communicate directly with Financial Institution via the Online Banking Secure Mail center.
8. Download account information in various formats.
9. Issue stop payment orders.
10. View check images.
12. Use the Bill Payment Service.
13. *Originate ACH entries.
14. *Subscribe to and use Positive Pay Services.
15. *Subscribe to and use Lockbox Services.

16. *Initiate Wire Transfer requests.
17. *Subscribe to and use Remote Deposit Capture
18. Utilize other services made available by Financial Institution from time to time

These activities are limited to the extent noted herein and, in the agreements, governing your various accounts with us.

*You must execute the applicable Product Schedules and be approved by the Financial Institution to use these services.

3.2. Additional Services.

Information about new services may be obtained from our website at www.firstportcity.com Not all the products or services described on the Financial Institution's website are available in all geographic areas. Therefore, you may not be eligible for all the products or services described. We reserve the right to determine your eligibility for any product or service. By using these services when they become available, you agree to be bound by the terms and conditions contained in this Master Agreement or separate agreements covering these services.

3.3. Restrictions; Limits.

In most cases you may use Online Banking to gain access to deposit accounts in which you have an unrestricted right to withdraw funds. However, the Financial Institution, as it may determine at any time and from time to time in its sole discretion, may deny Online Banking account access, restrict Online Banking account transactions, or place limits on the specific dollar amount of funds that may be withdrawn or transferred from any account.

3.4. Vendor.

You acknowledge and agree that the Service can be provided by an independent third-party service provider ("Vendor") as selected by Financial Institution, and that both the Vendor and the Service are subject to change from time to time without notice to you. You further acknowledge, agree, and stipulate that the Vendor is an independent contractor providing software and data transmission services and is not your agent or Financial Institution's agent. Neither the Financial Institution nor the Vendor is responsible for the actions or omissions of the other.

We will use reasonable efforts to make the Service available for your use on a continuous basis. The Service may be unavailable for short periods of time for regular or emergency system maintenance. We will endeavor to have our scheduled maintenance occur during non-peak hours. In addition, accessibility to the Service may be interrupted because of conditions beyond our control, including outages in Internet, cellular or other communications availability. We will use diligent efforts to re-establish the Services as promptly as possible. We do not promise the Service will always be available for your use. We may elect to discontinue this Service at any time. If we choose to discontinue the Service, we will provide you with reasonable notice in advance of that fact. We always reserve the right to take action to protect our systems and information, including denial of access to users of the Service.

4. Other Services and Additional Information.

4.1. Account Access.

Transfers and Payments from your Account will be deducted on the date you instruct us to process them. If the date you schedule a Transfer or Payment falls on a weekend or holiday, we will process your transaction the next Transfer Day. We may refuse to act on your Transfer instructions or Payment request if sufficient funds, including funds available under any overdraft protection plan, are not available in your Account on the date you want us to make the Transfer or Payment.

4.2. Processing Fund Transfers.

We can process a Transfer until 4:00 p.m. ET (Standard or Daylight) on a Transfer Day. If you request a Transfer after the cutoff time, the Transfer will be processed the following Transfer Day. If you schedule a Transfer for a future date, we will process the transaction after the close of business on that date, if that day is a Transfer Day.

You are fully obligated to us to provide sufficient funds for any payments or transfers you make or authorize to be made. If we complete a payment or transfer that you make or authorize and we subsequently learn that you have insufficient funds for the transaction, you agree that we may reverse the transaction or offset the shortage with funds from any other deposit account(s) you have with us to the extent permissible by the applicable law and the terms of any other relevant agreements.

If there are insufficient funds in your Account to make a Transfer or Payment, we may refuse to make the Transfer or Payment or we may make the Transfer or Payment and overdraw your Account. In either event, you are responsible for any non-sufficient funds ("NSF") charges that may apply.

4.3. Canceling Transfers or Payments.

You may cancel a pending Transfer or Payment transaction. However, to do so, we must receive your instructions to cancel prior to the cutoff time on the Transfer Day the transaction is scheduled to be processed. If we don't receive your instruction to cancel a transaction before that time, we may process the transaction.

4.4. Transfer(s) from Savings/Money Market Deposit Accounts.

Federal regulations no longer require us to limit, either by contract or in practice, the number of certain types of transfers from savings and money market deposit accounts.

4.5. E-Mails.

The Financial Institution will not immediately receive e-mails that you send. Therefore, you should not rely on e-mail if you need to communicate with the Financial Institution immediately. For example, if you need to stop payment on a check, to report a lost or stolen card, or to report an unauthorized transaction from one of your accounts, you should contact the Financial Institution immediately by calling the Online Banking Department (see Section 9.6). E-mail messages sent to the Financial Institution may not be secure. Do not send e-mail to the Financial Institution that contains any personal, non-public information. The Financial Institution will not act based on your e-mail requests until the Financial Institution receives your message and has a reasonable opportunity to act.

4.6. Overdrafts: Order of Payments, Transfers, and Other Withdrawals.

If funds are withdrawn from any of your accounts by means of electronic funds transfers, other than through Online Banking on the same business day as an Online Banking transaction, and if the account contains insufficient funds to enable both the electronic funds transfer and the Online Banking transfer to be made, then the electronic funds transfer will have priority and the Online Banking transfer will be refused or will result in an overdraft on your account. This is at the Financial Institution's sole discretion.

4.7. Bill Payment Service.

4.7.1. You can arrange, at your option, for the payment of your current, future, and recurring bills from your designated Bill Pay Account. For Bill Payment Service, your Payee list may include utility companies, merchants, financial institutions, insurance companies, individuals, etc. within the United States whom you wish to pay through Bill Payment Service. The Service maintains relationships with thousands of companies and manages their contact information for you. If the address or contact information changes, the companies contact the Service directly. If you search for a Company you wish to pay in the application and no results are found, you must enter the contact information manually. You must include the full name of the Payee and a complete mailing address and telephone number for each Payee, along with your account number with the Payee, the amount of the Payment, and whether the Payment is recurring. The Financial Institution reserves the right to decline to make Payments to certain persons and entities. You agree that Payments to Billers outside the United States or its territories are prohibited through the Service. Payments for taxes, Payments that are court-ordered, and government Payments are discouraged and must be scheduled at your own risk. For recurring Payments, it is the responsibility of the account owner or designated authorized users to update Payee account information such as address changes, account numbers, etc.

Payments are posted against your ledger balance, plus the available credit on your overdraft protection, if any, or other line of credit.

4.7.2. The earliest possible Scheduled Payment Date for each Payee (typically four (4) or fewer Business Days from the current date) will be designated within the application when you are scheduling the payment. Therefore, the application will not permit you to select a Scheduled Payment Date less than the earliest possible Scheduled Payment Date designated for each Payee. When scheduling payments, you must select a Scheduled Payment Date that is no later than the actual Due Date reflected on your Biller statement unless the Due Date falls on a non-Business Day. If the actual Due Date falls on a non-Business Day, you must select a Scheduled Payment Date that is at least one (1) Business Day before the actual Due Date. Scheduled Payment Dates must be prior to any late date or grace period. The Service offers Rush Delivery for an additional fee. Information about pricing is available within the system when Rush Delivery is selected.

You may schedule Payments to be initiated on a future date or on the same date of each month. Changes to previously scheduled Payments must be made before 5:00 p.m. ET (Standard or Daylight) the Business Day before the day it is to be initiated. If the transaction shows an (IN PROCESS) status, then the Payment cannot be modified or deleted. Although you can enter Payment information through the Service twenty-four (24) hours a day, seven (7) days a week, the Financial Institution only initiates on Business Days. Funds must be available in your Account on the scheduled payment date. After funds are withdrawn from your Account to make a Payment, we may make the Payment either by transferring funds electronically to the Payee or by mailing the Payee a check. If the Payment is sent electronically, the money is withdrawn from your account one business day after processing begins. If the company or person cannot receive electronic payments, we print a check and mail it to the address you provide. For some checks, the money is withdrawn one business day after processing begins. For others, the money is withdrawn when the company or person deposits or cashes the check. The Bill Payment Service will indicate whether a Payee is paid electronically or by check.

When you create a new Payee in the Bill Payment service, it has a temporary status until we have had sufficient time to set up the account and, for your business Payees, verify information about your account. The Bill Payment service may provide a calendar feature that estimates the expected date of delivery of a scheduled Payment. This feature is an estimate only and not a guarantee of Payment delivery on that date. You should schedule a Payment to a new Payee at least three (3) Business Days before any Payment due date, to allow us time to set up the Payee and verify information about your account with the Payee. Financial Institution is not liable for any service fees or late charges levied against you due to postal delays or processing delays by the Payee. There is no limit on the number of Payees or number of Payments that may be authorized. Financial Institution may, in its sole discretion, establish maximum payment amounts and aggregate daily limits. Electronic Payments are subject to the availability of sufficient funds in the designated checking account. However, Financial Institution reserves the right to impose limits at some future date, with proper written notice. You acknowledge and agree that if you describe a Payee inconsistently by name and account number, scheduled Bill Payment transactions to the Payee will occur based on the account number, even if it identifies a person other than the named Payee.

For all subsequent Payments, you agree to allow at least one to three (1-3) Business Days for electronic payments and at least three to five (3-5) Business Days for check payments between the date you schedule a Payment to be initiated and the Payment due date (that is, the due date shown on your invoice or provided in your agreement with the payee, not taking into account any applicable grace period). If you do not, you will be fully responsible for all late fees, finance charges or other actions taken by the Payee. If you schedule your Payment and follow all instructions provided, and the Payment is not received by the Payee in a timely manner, a representative of Financial Institution will work with the Payee on your behalf to have any late fees or charges reversed.

When you schedule a Bill Payment that will be made by check, you authorize us to issue a check drawn on your qualified designated checking account for the requested amount. If sufficient funds are not available in your

designated account when the check is presented for payment, we may refuse to honor the check and return it unpaid. At our sole discretion, we may elect to pay the check regardless of the insufficient funds. In either event, your qualified designated account will be charged our then current fee for processing insufficient items, whether the check is paid or returned, as applicable. You are responsible for any loss or penalty that you may incur due to a lack of sufficient funds or other conditions that may prevent the withdrawal of funds from your account.

4.7.3. If Payment is to be made electronically and your Account does not have sufficient funds to make a Payment as of the date the transfer or Payment is attempted or scheduled to be made, the Transfer or Payment will be canceled, and no further attempt will be made by Financial Institution to make the Transfer or Payment. Financial Institution shall have no obligation or liability if it does not complete a Transfer or Payment because there are insufficient funds in your account to process a transaction. In all cases, you are responsible for either making alternate arrangements for the Payment or rescheduling the Payment through the Service. In the case of recurring Payments, only the Payment currently scheduled will be canceled. Recurring Payments scheduled for future dates will not be affected.

4.7.4. Recurring Payments and Transfers are those made for the same amount, on the same date, on a weekly, bi-monthly, monthly basis, etc. Once started, recurring Payments and Transfers will be made automatically until you delete the Payment or Transfer or upon expiration. If the Payment is not a recurring Payment, it will be a "one-time Payment." One-time Payments do not recur and are not made until you enter the Payee and amount of the current bill and submit the Payment. A recurring Bill Payment Service check transaction that you want deleted must be deleted or the next Payment date changed five (5) Business Days before the desired Deliver By date. If the recurring payment is sent electronically, you must cancel the recurring model one (1) business day before the Deliver By date.

A stop payment cannot be placed on an Electronic Bill Payment transaction once issued. However, a stop payment can be placed on a Bill Payment transaction by Bill Payment check any time prior to 4:00 p.m. ET (Standard or Daylight) the business day before such check is scheduled for final payment.

There is no fee for deleting a Payment initiated through Bill Payment; however, a fee will apply for a stop on a Bill Payment check.

In the event a Payment is returned to us for any reason, you authorize us, in our sole and absolute discretion, to either research and correct the Payment information or to void the Payment and re-credit your Account.

4.7.5. If you do not schedule or process a Payment via the Bill Payment Service for any three (3) month period, we may terminate your Bill Payment Service. If you close your Bill Payment Account, or if we terminate your Bill Payment Service, your online bill payment information will be lost and all pending payments will be cancelled. If you decide to terminate the Bill Payment Service, you agree to cancel all future bill payments at the same time you cancel your Bill Payment Service, either by deleting those payments yourself using the Bill Payment Service or by calling us. This will ensure that future payments made by you will not be duplicated. We will automatically delete all outstanding payment orders (all one-time Payments and all Recurring Payments) once your Bill Payment Service has been terminated. Termination of the Bill Payment Service will not automatically close your Accounts and will not affect your obligations arising from past Bill Payment transactions.

4.8. Mobile Banking

4.8.1. The Mobile Banking Service is similar to Online Banking Service and refers generally to any service allowing an existing customer to access and view Accounts from a web-enabled mobile phone or device ("Mobile Device") whose network allows secure SSL traffic and supports WAP browsers. We do not guarantee the functionality of the Service on all wireless devices or networks; however, generally, the Service should be compatible with any web-enabled mobile phone or other Mobile Device, regardless of make, model, or mobile service provider. This proprietary solution adapts to any screen size and can change dynamically to present items on any screen in a pleasing format. The Mobile Banking Service allows you to view transaction history, view Account balances, view

account transaction history, transfer funds between Accounts, pay bills to payees, view alerts and, if you have selected the Mobile Remote Deposit (or Remote Deposit) Service, remotely make deposits. In most cases you may use the Service to gain access to deposit accounts in which you have an unrestricted right to withdraw funds. However, the Financial Institution, as it may determine at any time and from time to time in its sole discretion, may deny Service account access, restrict Service account transactions, or place limits on the specific dollar amount of funds that may be withdrawn or transferred from any account. We will not be responsible for any errors or failures from any malfunction of your Mobile Device, or any malicious software or other problems related to the Mobile Device used with our Services. From time to time, we may develop additional mobile banking services. As we develop such services, you will have the opportunity to add them to your Mobile Banking Service, provided you have compatible wireless hardware and software.

4.8.2. To use the Service, you must have an open account at the Financial Institution, register for Online Banking Services, and have a compatible Mobile Device. During the registration process, you will enter your mobile phone number as well as other information we require to authenticate your identity. You will be provided with further instructions on how to access the Service using a software application ("App") or the browser on your Mobile Device. During this registration process, you will be required to provide your Online Banking Service identification credentials ("Access Code") that you must use each time you access the Service.

4.8.3. In addition to other Security Procedures provided for in this Agreement, the use of the Access Code, your Mobile Device, and Biometric Logon are security procedures established by Financial Institution to authenticate the identity of the person attempting to gain access to the Service. Biometric Logon is an authentication method to assist in verifying your identity. It collects your facial or fingerprint (image capture), or your voice biometric (audio recording). The security procedure is not designed for the detection of errors. We may require you to change your Access Code from time to time for security reasons. You should keep your Access Code in a secure location. Any person having access to your Access Code or your Biometric Logon will be able to access these Services and perform all transactions, including reviewing Account information and using the Bill Pay Services. With this Access Code, a third party will be able to use your Online Banking Service to add new payees to the Bill Pay Service. You are responsible for safeguarding the Access Codes, including your Biometric Logon, and your Mobile Device. Providing these Access Codes or Biometric Logon to another person effectively constitutes a grant of authority to access your accounts.

4.8.4. Because the Mobile Banking Service is similar to Online Banking Service on a PC, there are security risks associated with the use of the Service. The hardware and software that you use in connection with the Service may be subject to unauthorized tracking or other manipulation by spyware or other malicious code. We are not responsible for advising you of the existence or potential effect of such malicious code, and your use of your hardware and software is at your own risk. We will use commercially reasonable efforts to secure the Service to prevent access by unauthorized persons and to prevent the introduction of any malicious code, such as an Access Device virus. However, no security system is failsafe, and despite our efforts the security of the Service could be compromised, or malicious code could be introduced by third parties. We will provide you with notice if your information is the subject of a security breach as required by applicable law.

4.9. Mobile Deposit Service.

4.9.1. If you are enrolled in the Mobile Deposit Service and you have been approved by the Financial Institution to use the Service, the following terms and conditions are applicable to the Mobile Deposit Service. Your use of Financial Institution's Mobile Deposit Service ("Mobile Deposit Service") is governed by the terms of this Agreement. You acknowledge that e-mail and/or messages displayed on your mobile device will be the primary means of communication for the Mobile Deposit Service. You are responsible for maintaining a current e-mail address and you agree that you will, in a timely manner, review messages and notifications you receive from us and check your Account to confirm it reflects recent activity.

4.9.2. The Mobile Deposit Service allows you to use the Mobile Banking Apps to make deposits to your accounts from home or other remote locations; by taking photos of the front and back of original checks and transmitting the

digital images ("images") and associated deposit information to us or our processor with your Mobile Device. To use the Mobile Deposit Service, you must be designated as an authorized signer or owner of an Account that is eligible for this Mobile Deposit Service or be designated by the Administrator and be approved by the Financial Institution.

4.9.3. We may establish per item transaction, daily, and monthly limits on the dollar amount and/or number of Check Images or Mobile Deposits from time to time. The daily and monthly limits are over Business Days and calculated based on your total Mobile Deposit activity across all the Accounts that you use with this service. If you attempt to initiate a Mobile Deposit exceeding these limits, we may reject your Mobile Deposit and you may deposit the check(s) in a manner consistent with other methods for making deposits provided by the Financial Institution (such as at a branch or ATM or by mail). If we permit you to make a Mobile Deposit exceeding these limits, such Mobile Deposit will still be subject to the terms of this Agreement, and we will not be obligated to allow such a Mobile Deposit at other times. Your dollar deposit limit will be disclosed to you at the time that you make the Mobile Deposit. Financial Institution reserves the right to change the limits. Any such change shall be effective immediately and may be implemented prior to your receipt of notice thereof.

4.9.4. Upon acceptance of the Mobile Deposit, Financial Institution shall grant your Account Provisional Credit (as herein defined) for the total amount of the Mobile Deposit or the accepted Mobile Deposit, as applicable. As used herein, "Provisional Credit" means that when we post transactions to your account, the credit is made to your Account subject to final payment of the Checks and subject to the terms of the Deposit Agreement. To determine availability of funds, Financial Institution may hold funds for the period of time permitted by Financial Institution's funds availability disclosure. Mobile Deposit funds are generally available the next Business Day after the Business Day of your deposit unless a hold is placed. If a hold is placed, you will be notified.

4.9.5. You hereby agree that you will only scan and deposit a check(s) as that term is defined in Federal Reserve Board Regulation CC ("Reg CC"). You agree that the image of the check that is transmitted to Financial Institution (each such check and other item a "Check" and, if more than one, "Checks") shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code (1990 Official Text). You further agree that you will not use the Mobile Deposit Service to deposit any Checks or other items that: (a) are payable to any person or entity other than you, (b) are prohibited by Financial Institution's then current Procedures pertaining to the Mobile Deposit Service or are in violation of any law, rule or regulation, (c) you know or suspect, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the Check is drawn, (d) have not been previously endorsed by a financial institution and are either "substitute checks" (as defined in Reg CC or other applicable federal law or regulation) or "image replacement documents" that purport to be substitute checks, without Financial Institution's prior express written consent, (e) are drawn on financial institutions that are located outside of the United States or Territories of the United States, and (f) are not acceptable to Financial Institution for deposit into a deposit account as provided in the Deposit Agreement, which is incorporated herein by reference and made a part hereof (Checks described in clauses (a) through (g) each a "Prohibited Check" and, collectively, "Prohibited Checks"). If you deposit a Prohibited Check, you agree to indemnify and reimburse Financial Institution for, and hold Financial Institution harmless from and against, all losses, costs, and expenses (including reasonable attorneys' fees) Financial Institution may incur associated with any warranty, indemnity or other claim related thereto. Furthermore, if, after first having obtained Financial Institution's express written consent to do so, you provide Financial Institution with an electronic representation of a substitute check for deposit into an Account instead of an original Check, you agree to indemnify and reimburse Financial Institution for, and hold Financial Institution harmless from and against, any and all losses, costs and expenses (including reasonable attorney's fees) Financial Institution incurs because any such substitute check resulting from such electronic representation does not meet applicable substitute check standards and/or causes duplicate payments.

4.9.6. Each image must provide all information on the front and back of the original Check at the time presented to you by the drawer (the person or entity from whose account the Check was written), including, but not limited

to, information about the drawer and the paying financial institution that is preprinted on the original Check, MICR information, signature(s), any required identification written on the front of the original Check and any endorsements applied to the back of the original Check. The image quality must meet the standards established by the American National Standards Institute, the Board of Governors of the Federal Reserve, and any other regulatory agency, clearing house or association.

4.9.7. Endorsements must be made on the back of the Check and include (i) your signature, (ii) your account number and (iii) the following statement: "MOBILE DEPOSIT at First Port City Bank ONLY."

4.9.8. You acknowledge and agree that you shall be liable to us for any loss we incur caused by a delay or processing error resulting from an irregular endorsement or other markings placed on the Check by you.

4.9.9. All images processed for deposit through Mobile Deposit will be treated as "deposits" under your current Deposit Account Agreement with us and will be subject to all terms of the Deposit Account Agreement and any amendments to such Agreement. To be eligible for processing on the day transmitted, Mobile Deposits must be received and accepted by Financial Institution on or before 4:00 p.m. EST or other cut-off time established by Financial Institution from time to time (the "Cut-Off Time") on a Business Day that the Financial Institution is open. A Mobile Deposit that is received after the cut-off time shall be deemed to have been received on the Business Day following the Business Day on which the Mobile Deposit is received by Financial Institution. When we receive an image, we will confirm that you have submitted the image via a message displayed on your Mobile Device. Your submission confirmation does not mean that the image contains no errors or that it has been approved for crediting. A status of "pending" does not indicate that the submitted item has been accepted. You will not receive a subsequent notification that a submitted image has been credited to your Account. You agree that Financial Institution has no obligation to accept a Mobile Deposit and, therefore, we reserve the right to reject any Mobile Deposit or the Images or other information contained therein transmitted through this Service, at our discretion, without liability to you. If your submission is rejected, you will receive an e-mail of such rejection from the Financial Institution. It is your responsibility to check notifications from the Financial Institution for any rejected submissions and contact the Financial Institution to address the reason for such rejection. You acknowledge and agree that Financial Institution shall have no liability to you for failing to provide notice of rejection of a Mobile Deposit. You agree that you shall be solely liable for, and Financial Institution shall not have any liability whatsoever to you for, any Mobile Deposit or the Images or other information contained therein that are not received by Financial Institution. You also agree to be liable for Mobile Deposits or the Images or other information contained therein that are intercepted or altered by an unauthorized third party or dropped during transmission.

4.9.10. Original Checks. After you have received confirmation that your Mobile Deposit has been accepted for deposit, you should mark the Check as having been deposited. You agree to securely store the original Check for a period of ten (10) calendar days from the date of the Image transmission (the "Retention Period"). During the Retention Period, you shall take appropriate security measures to ensure that: (a) the information contained on such Checks shall not be disclosed, (b) such Checks will not be duplicated or scanned more than one time and (c) such Checks will not be deposited or negotiated in any form. Upon expiration of the Retention Period, you shall destroy the original Check you transmitted as an Image using a method of destruction that will result in the paper-based Item being un-processable and all sensitive personal and financial information undecipherable. You hereby indemnify Financial Institution for, and hold Financial Institution harmless from and against, any and all claims, demands, actions, causes of action, losses, and damages, of whatever nature or kind, and regardless of the theory upon which the same is (are) based, caused directly or indirectly by, arising out of, related to, in connection with or resulting wholly or partially from, the destruction of original Checks by you. During the Retention Period, you agree to promptly provide the original Check to the Financial Institution upon request.

4.9.11. You agree that, in the event you are not able to capture, process, produce or transmit a Mobile Deposit to Financial Institution, or otherwise comply with the terms hereof or of the Procedures, for any reason, including,

but not limited to, communications, equipment or software outages, interruptions or failures, you will make the deposit in a manner consistent with other methods for making deposits provided by Financial Institution until such time that the outage, interruption or failure is identified and resolved. You hereby acknowledge and agree that Financial Institution shall not be liable to you for any loss or damage of any nature sustained by you as the result of your inability to use the Mobile Deposit Service. The deposit of original Checks through these other methods shall be governed by the terms and conditions of the Deposit Account Agreement and not by the terms of this Agreement.

4.9.12. If Images of Checks deposited by you are dishonored or otherwise returned unpaid by the drawee financial institution, or are returned by a clearing agent for any reason, including, but not limited to, issues relating to the quality of the Image, you understand and agree that, since you either maintain the original Check or have destroyed it in accordance with the Original Check provisions in this agreement, the original Check will not be returned, and Financial Institution may charge back an Image of the Check to your Account. You understand and agree that the Image may be in the form of an electronic or paper reproduction of the original Check or a substitute check. Unless otherwise instructed by Financial Institution, you agree not to deposit the original Check if an Image or other debit as previously described is charged back to you.

4.9.13. Your Warranties. You make the following warranties and representations with respect to each image:

- Checks Deposited. You shall only deposit Checks that are authorized by this Agreement, the Procedures, and the Deposit Agreement.
- Image Quality. Each Image transmitted by you to Financial Institution contains an accurate representation of the front and the back of each Check and complies with the requirements of this Agreement.
- Accuracy of Information. All data and other information submitted by you to Financial Institution, including, but not limited to, data contained in the MICR line of each Check is complete and accurate and complies with the requirements of this Agreement.
- No Duplicates. You will not: (i) create duplicate Images of the Checks, (ii) transmit a duplicate Image or File to Financial Institution, or (iii) deposit or otherwise negotiate the original of any Check of which an Image was created. You further warrant that no subsequent transferee, including but not limited to Financial Institution, a collecting or returning bank, drawer, drawee, payee, or endorser, will be asked to pay the original Item from which the Image(s) was created or a duplication (whether paper or electronic, including ACH entries) of the Item(s).
- No Loss. No subsequent transferees of the Item(s), including but not limited to Financial Institution, a collecting or returning bank, drawer, drawee, payee, or endorser, shall sustain a loss as the result of the fact that the Image was presented for payment or returned instead of the original Check.
- Information. All information provided by you to Financial Institution is true, complete, and accurate.
- Authority and Legality. (i) This Agreement is valid and enforceable against you in accordance with its terms; and (ii) the entry into, and performance of, this Agreement by you will not violate any law, or conflict with any other agreement, to which you are subject.
- No Litigation. There is no action, suit or proceeding pending or, to your knowledge, threatened, which if decided adversely, would adversely affect your financial condition or operations.
- Transactions. All Checks and transactions are, and will be, bona fide. All signatures on Checks are authentic and authorized.
- Rule Compliance. You will submit Images in compliance with this Agreement, the Procedures, applicable law, and the Rules.

4.9.14. Indemnification and Liability; Third Party Claims. In addition to the other indemnities set forth in this Agreement, you hereby indemnify Financial Institution and each of its parents, subsidiaries and affiliates and their respective officers, directors, employees, members, partners, agents, insurers and attorneys (each an "Indemnified Party" and, collectively, the "Indemnified Parties") for, and hold each of the Indemnified Parties

harmless from and against, all actions, causes of action, claims, damages, liabilities and expenses (including reasonable attorneys' fees) of any nature or kind (including those by third parties) arising out of, or related to, this Agreement, including all actions, causes of action, claims, damages, liabilities and expenses arising out of, related to or resulting from: (a) your (i) failure to report required changes, (ii) transmission of incorrect data to Financial Institution or (iii) failure to maintain compliance with the Rules, (b) (i) Financial Institution's provision of the Service, or (ii) Financial Institution's action or inaction in accordance with, or in reliance upon, any instructions or information received from any person reasonably believed by Financial Institution to be you, (c) your breach of any of your representations, warranties, covenants or other agreements or responsibilities under this Agreement and/or (d) your breach or violation of any Rules; provided, however, you are not obligated to indemnify Financial Institution for any damages solely and proximately caused by Financial Institution's gross negligence or willful misconduct.

5. Limitations.

Your use of these Services is subject to the following limitations:

5.1. Dollar Amount.

There may be a limit on the dollar amount of the transactions you can make using these Services. Security reasons limit the dollar amount of transactions, and these limits are subject to change from time to time. Payment can only be made with U.S. currency.

5.2. Frequency.

In addition to the Federal banking regulations that restrict the number of transfers and withdrawals, there may be limits on the number of transactions you can make using these Services. These limits are for security reasons and are subject to change.

5.3. Foreign Transactions.

No Payments may be made to Payees outside the United States unless the Customer has been specifically approved by the Financial Institution.

5.4. Additional Limitations.

Additional limitations may be contained in this Master Agreement or the applicable Product Schedule. Your ability to initiate transactions may also be limited by the terms of other agreements you have with the Financial Institution or by applicable law.

6. Parties' Responsibilities.

6.1. Your Responsibility.

6.1.1. Physical and Electronic Security.

6.1.1.1. You are solely responsible for providing for and maintaining the physical, electronic, procedural, administrative, and technical security of data and systems in your possession or under your control. We are not responsible for any Access Device viruses (including, without limitation, programs commonly referred to as "malware," "keystroke loggers," and/or "spyware"), problems or malfunctions resulting from any Access Device viruses, or any related problems that may be associated with the use of an online system. Any material downloaded or otherwise obtained is obtained at your own discretion and risk, and Financial Institution is not responsible for any damage to your Access Device or operating systems or for loss of data that results from the download of any such material, whether due to any Access Device virus or otherwise. You are solely responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to your operating systems, and for protecting, securing, and backing up any data and information stored in or on your operating systems. Financial Institution is not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on your operating systems.

6.1.1.2. You acknowledge and agree that it is your responsibility to protect yourself and to be vigilant against e-mail fraud and other internet frauds and schemes (including, without limitation, fraud commonly referred to as "phishing" or "pharming"). You agree to educate your representative(s), agents, and employees as to the risks of such fraud and to train such persons to avoid such risks. You acknowledge that Financial Institution will never contact you by e-mail to ask for or to verify Account numbers, Security Devices, or any sensitive or confidential information. In the event you receive an e-mail or other electronic communication that you believe, or has reason to believe, is fraudulent, you agree that you shall not respond to the e-mail, provide any information to the e-mail sender, click on any links in the e-mail, or otherwise comply with any instructions in the e-mail. To the extent allowed by law, you agree that Financial Institution is not responsible for any losses, injuries, or harm incurred by you because of any electronic, e-mail, or internet fraud.

6.1.1.3. In the event of a breach of the Security Procedure, you agree to assist Financial Institution in determining the manner and source of the breach. Such assistance shall include, but shall not be limited to, providing Financial Institution or Financial Institution's agent access to your hard drive, storage media and devices, systems and any other equipment or device that was used in breach of the Security Procedure. You further agree to provide to Financial Institution any analysis of such equipment, device, or software or any report of such analysis performed by you, your agents, law enforcement agencies, or any other third party. Your failure to assist Financial Institution shall be an admission by you that the breach of the Security Procedure was caused by a person who obtained access to your transmitting facilities or who obtained information facilitating the breach of the Security Procedure from you and not from a source controlled by Financial Institution.

6.1.2. Reporting Unauthorized Transactions.

You should notify us immediately if you believe your Username or Password have been lost or stolen, that someone has gained access to the Security Procedure, or that someone has transferred or may transfer money from your Account without your permission or if you suspect any fraudulent activity on your Account. To notify us, call us at the number provided in Section 9.6 between 9:00 a.m. to 4:30 p.m. ET (Standard or Daylight) during a Business Day.

6.1.3. Duty to Inspect.

You shall inspect all transaction history, reports, journals, and other material evidencing the output of the Service(s) performed by Financial Institution. You must report all errors to the Financial Institution for Services performed and indicated in the transaction history, reports, journals, and other material evidencing the output of the Service(s) or otherwise reported to you daily by the close of business on the banking day following the day on which the Service(s) is rendered. You must report all other errors within a reasonable time not to exceed thirty (30) days from the date that the error is made. Failure of you to promptly report errors within such specified time shall preclude you from asserting against the Financial Institution any claims arising from the error or any loss caused by the error.

6.1.4. Financial Information.

Financial Institution may periodically request information from you to evaluate a continuation of the Service(s) to be provided by Financial Institution hereunder and/or adjustment of any limits set by this Master Agreement or any applicable Product Schedule. You agree to provide the requested financial information immediately upon request by Financial Institution, in the form required by Financial Institution. If you refuse to provide the requested financial information, or if Financial Institution concludes in its sole discretion that the credit risk related to you is unacceptable, Financial Institution may terminate the Service according to the provisions hereof. You authorize Financial Institution to investigate or re-investigate at any time any information provided by you in connection with this Master Agreement or any applicable Product Schedule or any Services and to request reports from credit bureaus and reporting agencies for such purpose.

6.1.5. Deadlines.

You shall deliver or transmit all data or information to Financial Institution by the deadline(s) specified in this Master Agreement or any applicable Product Schedule and the Operating Instructions. Financial Institution shall have no obligation to process data or perform the Service if the data is not received by the Financial Institution by the specified deadline.

6.1.6. Payment for Services.

6.1.6.1. You agree to pay Financial Institution the fees established by Financial Institution for rendering the Services under the terms of this Master Agreement or any applicable Product Schedule. Depending on which Online Banking services you subscribe to, you will be charged the applicable Online Banking fees as set forth in our General Information and Fee Schedule hereby incorporated by reference and made a part hereof. Once you have subscribed, you will be charged the applicable Monthly Fee(s) whether you use Online Banking or not.

6.1.6.2. The Financial Institution may change or add any fees for Online Banking by the procedures outlined in Section 8 for amending this Master Agreement. Fees charged for Online Banking under this Master Agreement are in addition to any service charges or fees that apply to your accounts with us.

6.1.6.3. You authorize the Financial Institution to deduct all applicable Monthly Fees from any Account listed on the Authorization Form. If you close the Account(s) associated with the Service, Fees may be deducted from any other account you maintain with us or any of our affiliates. Furthermore, Financial Institution may set off against any amount it owes to you to obtain payment of your obligations under this Master Agreement or any applicable Product Schedule.

6.1.6.4. In addition to the Service fees, you agree to pay for all taxes, tariffs and assessments levied or imposed by any government agency in connection with the Service, this Master Agreement, and/or the software or equipment made available to you (excluding any income tax payable by Financial Institution). You are also responsible for the costs of any communication lines and any data processing charges payable to third parties.

6.1.7. Available Funds.

Financial Institution may refuse to accept an Entry if there are not sufficient collected and available funds in your account on the day we initiate the ACH transaction or on the date of payment. We may place a hold on funds pending the Financial Institution's processing of the Entry. If the Financial Institution determines, in its sole discretion, that the Customer does not have adequate funds to cover a credit Entry, Financial Institution may delay execution of the Entry until we receive adequate assurance from you that funds will be available. Nothing contained in this Agreement, or any course of dealing between the Financial Institution and the Customer, shall be construed as a commitment or obligation on the part of the Financial Institution to extend credit to the Customer.

6.1.8. Data and Information Supplied by You.

You shall transmit or deliver data and other information in the format and on the media as provided for in the Product Schedule and the Operating Instructions if applicable or as otherwise required by the Financial Institution in conjunction with rendering the Service(s) selected by you. You shall have the sole responsibility of ensuring the accuracy and correctness of the data transmitted. You acknowledge and agree that Financial Institution shall not examine the data for correctness and the Financial Institution shall not have any responsibility for detecting errors in the data transmitted by you. The data transmitted by you must be legible, correct, and complete. Financial Institution shall not process, and Financial Institution shall not be liable to you for failure to process the data if it is not in the format specified by Financial Institution or if the data is incomplete. Financial Institution shall not be liable for errors or omissions caused by data that is rejected as the

result of your failure to provide the data in accordance with the standards specified in the Master Agreement or any applicable Product Schedule and the Operating Instructions.

6.1.9. Use of Services.

You will use the Services only for your own internal business use in accordance with the terms of this Master Agreement. Without limiting the generality of the foregoing, you agree not to make the Services available or allow use of the Services in a computer bureau service business, time-sharing, or otherwise disclose or allow use of the Service by or for the benefit of any third party. FURTHER, YOU REPRESENT AND WARRANT THAT NONE OF THE ACCOUNTS HAVE BEEN ESTABLISHED OR ARE BEING OR WILL BE USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES AND THAT YOU ARE NOT A "CONSUMER" UNDER REGULATION E - ELECTRONIC FUNDS TRANSFER ACT (HEREIN, "REG. E").

6.1.10. Prohibited Transactions.

You agree not to use or attempt to use the Services (a) to engage in any illegal purpose or activity or to violate any applicable law, rule or regulation, (b) to breach any contract or agreement by which you are bound, or (c) to engage in any internet or online gambling transaction, whether or not gambling is legal in any applicable jurisdiction, (d) to engage in any activity or business that would result in you being or becoming a "money service business" as defined in the Bank Secrecy Act and its implementing regulations without notice to and approval from Financial Institution, (e) to create or deposit a Remotely Created Check, as that term is defined in Federal Reserve Board Regulation CC, or (f) to engage in any transaction or activity that is not specifically authorized and permitted by this Agreement. You acknowledge and agree that Financial Institution has no obligation to monitor your use of the Services for transactions and activity that is impermissible or prohibited under the terms of this Agreement; provided, however, that Financial Institution reserves the right to decline to execute any transaction or activity that Financial Institution believes violates the terms of this Agreement.

6.1.11. Other Customer Requirements.

6.1.11.1. Beneficial Ownership Reporting and Certification. Customer represents and warrants to Financial Institution that the beneficial ownership (as that term is defined in the Anti-Money Laundering Act of 2020, Public Law No. 116-283, §6403) of Customer as identified in the Deposit Account opening process remains true and correct as of the date Customer enters into this Master Agreement or that Customer has provided Bank with written confirmation of the current beneficial ownership information. Further, Customer represents and warrants that Customer shall immediately notify Financial Institution in writing of any changes, and to complete all forms requested by Financial Institution, regarding a change in substantial control of Customer and/or any change of ownership or control of 25% or more of the ownership interests in Customer.

6.1.11.2. Data Security and Personally Identifiable Information. To the extent you come into possession, custody or control of any Personally Identifiable Information or other non-public information, including information (1) provided by a consumer to you, (2) resulting from any transaction with the consumer or any service performed for the consumer, or (3) otherwise obtained by you with regard to a consumer, including account information (collectively "PII"), you represent and warrant to Financial Institution and its Vendors that you will protect such PII by rendering it unreadable and inaccessible by persons who do not have legal authority to access such PII.

6.2. The Financial Institution's Responsibilities.

Financial Institution agrees to use ordinary care in rendering Services under this Master Agreement and any applicable Product Schedule. You recognize and agree that ordinary care does not mean error free. You agree to pay all attorneys' fees, costs and expenses Financial Institution may incur in collecting any sums you owe to Financial Institution for overdrafts, service charges or otherwise or in enforcing any rights Financial Institution may have under the terms of this Master Agreement and any applicable Product Schedule or applicable law, rule or regulation applicable to your

account(s) or the Services rendered by Financial Institution under this Master Agreement and any applicable Product Schedule. You also agree to pay all attorneys' fees, costs, and expenses that Financial Institution may incur as the result of defending any claim or action made against Financial Institution by you, or on your behalf where Financial Institution is found not to be liable for such claim. In no event shall Financial Institution be liable to you for attorneys' fees incurred by you in any action brought by you against Financial Institution.

Our sole responsibility for an error in a transfer will be to correct the error. Without limiting the generality of the forgoing, we will not be responsible for the following matters, or for errors or failures of our Services as result of:

- Access. We will not be liable under this Master Agreement or any applicable Product Schedule for failure to provide access or for interruptions in access to our Services due to a system failure or due to other unforeseen acts or circumstances.
- Your Access Device Equipment & Your Software. We will not be responsible for any errors or failures from any malfunction of your Access Device, or any virus or other problems related to your computer equipment used with our Services. We are not responsible for any error, damages or other loss you may suffer due to malfunction or misapplication of any system you use, including your browser (see requirements in Section 2.4 of this Agreement), your Internet service provider, your personal financial management or other software (such as Quicken®, QuickBooks® and/or NetSuite®, for example, or any equipment you may use (including your telecommunications facilities, Access Device hardware and modem) to access or communicate with the Online Banking Services.
- Any Transaction or Instruction. We will not honor a request for a Transfer if:
    - It exceeds your collected and available funds on deposit with the Financial Institution; (b) it is not in accordance with any condition indicated by you and agreed to by the Financial Institution; (c) the Financial Institution has reason to believe it may not be authorized by you; (d) it involves funds subject to hold, dispute, or legal process preventing their withdrawal; (e) it would violate any provision of any present or future risk control program of the Federal Reserve or any current or future rule or regulation of any other federal or state regulatory authority; (f) it is not in accordance with any other requirement stated in this Master Agreement or any Financial Institution policy, procedure or practice; or, (g) it is for the protection of the Financial Institution or you, the Financial Institution has reasonable cause not to honor.

Privacy and Confidentiality.

6.3. Privacy/Information Sharing.

The importance of maintaining the confidentiality and privacy of the information provided by you is one of our highest priorities. We may disclose information about your Accounts or the Transfers you make: (a) where it is necessary for completing the transfers or processing or maintaining your Accounts; (b) in order to verify the existence or condition of your Accounts for a third party such as a credit bureau or merchant; (c) in order to comply with legal process, government agency or court orders; (d) to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements; or (e) otherwise as permitted by law. An explanation of our privacy policy will be provided to you separately in the manner required by applicable law. Please review it carefully. Our privacy policy may change from time to time and is always available on our website and at our Financial Institution locations.

6.4. Confidential Information.

All information of a business nature relating to the assets, liabilities or other business affairs disclosed to the Financial Institution by you and your customers in connection with this Master Agreement and any applicable Product Schedule is confidential. Financial Institution shall not, without the express written consent of you, disclose or permit access to any such information by any person, firm or corporation and Financial Institution shall cause its officers, employees, and agents to take such action as shall be necessary or advisable, to preserve and protect the confidentiality of

disclosing such information to persons required to have access thereto for the performance of this Master Agreement and any applicable Product Schedule, or to any other party to which the Financial Institution may be required by law to report such information. You agree to hold confidential and to use only in connection with the Service provided under this Master Agreement and any applicable Product Schedule all information furnished to you by Financial Institution or by third parties from whom Financial Institution has secured the right to use the Service, including, but not limited to, Financial Institution's product and service pricing structure, system design, programming techniques or other unique techniques. In addition, should you at any time receive or acquire any information relating to another customer of the Financial Institution, you shall promptly return such information to Financial Institution and not reveal such information to any other party and shall not make use of such information for your own benefit. Financial Institution and your obligations and agreements under this paragraph shall not apply to any information supplied that was known to either party prior to the disclosure by the other or is or becomes generally available to the public other than by breach of this Agreement, or otherwise becomes lawfully available on a non-confidential basis from a third party who is not under an obligation of confidence to either party. Notwithstanding anything to the contrary contained herein, it is authorized and agreed by the parties hereto that the performance of said Service is or might be subject to regulation and examination by authorized representatives of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, and/or a State regulatory agency and you agree to the release of your reports, information, assurances, or other data as may be required by them under applicable laws and regulations. You agree that any specifications or programs developed by the Financial Institution in connection with this Master Agreement and any applicable Product Schedule or supplied or made available to you by Financial Institution are the exclusive property of Financial Institution, its agents, suppliers, or contractors, and further agrees that such material shall not be copied or used in any manner or for any purpose without the express written consent of Financial Institution. This clause shall survive the termination of this Master Agreement.

7. Termination.

7.1. Termination Upon Written Notice.

Either you or the Financial Institution may terminate this Master Agreement, any applicable Product Schedule, and your Online Banking subscription at any time upon giving at least thirty (30) days prior written notice of the termination to the other party. If you terminate Online Banking, you authorize the Financial Institution to continue making transfers you have previously authorized and continue to charge monthly fees until such time as the Financial Institution has had a reasonable opportunity to act upon your termination notice. Once the Financial Institution has acted upon your termination notice, the Financial Institution will make no further transfers from your accounts, including any transfers you have previously authorized. If the Financial Institution terminates your use of Online Banking, the Financial Institution reserves the right to make no further transfers from your accounts, including any transactions you have previously authorized.

7.2. Immediate Termination.

Either party shall have the right to terminate this Master Agreement, any applicable Product Schedule, and your Online Banking subscription immediately by giving written notice to the other if such other party: (i) ceases to conduct its business in the ordinary sense, (ii) has any substantial part of its property become subject to any levy, seizure, assignment or application for sale for, or by, any creditor or government agency, (iii) is a party to an acquisition or (iv) in the reasonable judgment of the party seeking termination, experiences an adverse change in its financial condition or business which impairs the ability of such party to perform its obligations under this Master Agreement or any applicable Product Schedule, (v) fails to perform its obligations under this Master Agreement or any applicable Product Schedule or defaults under any other agreement between the parties or (vi) makes any warranty or representation which proves to be false or misleading.

Notwithstanding the foregoing or Section 8.1, Financial Institution may immediately terminate this Master Agreement and/or any applicable Product Schedule without notice if, (a) you or we close your Account(s), or (b) in Financial

Institution's sole discretion, Financial Institution determines that you have abused the Online Banking Service or Financial Institution believes that it will suffer a loss or other damage if the Master Agreement and/or applicable Product Schedule is not terminated.

7.3. Rights Cumulative.

Financial Institution's election to terminate this Master Agreement and/or any applicable Product Schedule is in addition to all other remedies that may be available to Financial Institution and will not affect any obligations you may have to Financial Institution. Any reinstatement of the Service under this Master Agreement and/or any applicable Product Schedule will be at Financial Institution's sole discretion and must be agreed upon in writing by an authorized representative of Financial Institution.

7.4. Rights/Duties Upon Termination.

Upon termination of this Master Agreement and/or any applicable Product Schedule, any property or rights of a party in the possession of the other party, tangible or intangible, shall be returned to owner thereof within ten (10) business days (2 weeks) after the later to occur of (i) termination of the Master Agreement and/or any applicable Product Schedule or (ii) the last date that such party receives any such property or rights.

Upon termination of this Master Agreement and/or any applicable Product Schedule, (i) you will promptly pay to Financial Institution all sums due or to become due under this Master Agreement and/or applicable Product Schedule, and (ii) you shall have no further right to make use of the Service or any system or software which may have been provided in connection with the Service.

8. Changes in Terms and other Amendments.

The Financial Institution may amend the terms of this Master Agreement and any applicable Product Schedule alter, change, or modify the Services provided under the terms of this Master Agreement and any applicable Product Schedule (including the fees and charges for Services listed) or any supplemental agreement at any time in its sole discretion by giving written notice to you. If required by agreement or by applicable law, notice will be given for the required applicable number of days in advance of such amendments by mailing a copy of the amendment to you at your most recent address shown on our records or, if you have previously agreed, by providing notice delivered to the last email address you have provided us. Your continued use of the Services shall constitute your agreement to such amendment. No amendments requested by you shall be effective unless received in writing by Financial Institution and agreed to by the Financial Institution in writing.

9. Other Provisions.

9.1. Electronic Notices.

We may deliver to you any required disclosures and other notices concerning these Services or your Accounts by e-mail or other appropriate electronic means in accordance with Financial Institution's Electronic Statement Delivery Authorization and Agreement.

You may use e-mail to contact us about inquiries, maintenance and/or some problem resolution issues. E-mail may not be a secure method of communication. Thus, we recommend you do not send confidential personal or financial information by e-mail. There may be times when you need to speak with someone immediately (especially to report a lost or stolen Password, or to stop a payment). In these cases, **do not use e-mail**. Instead, you should call us at the number provided in Section 9.6.

9.2. Hours of Operation.

Our representatives are available to assist you from the hours of 8:00 a.m. to 5:00 p.m. ET (Standard or Daylight), Monday through Friday, except holidays, by calling the number provided in Section 9.6.

9.3. Ownership of Website.

The content, information and offers on our website are copyrighted by Financial Institution and/or Vendor and the unauthorized use, reproduction, linking or distribution of any portions is strictly prohibited. You agree not to copy, display, distribute, download, license, sub-license, modify, publish, repost, reproduce, reuse, sell, transmit, create a derivative work from or otherwise use for public or commercial purposes, the information and materials on the Sites, except as provided in this Master Agreement, without our express written permission. Unless otherwise noted, all other trademarks, service marks, and logos used on the Financial Institution's sites are the trademarks, service marks or logos of Financial Institution, or others as indicated.

9.4. Web-linking Practices.

Financial Institution may provide access to information, products or services offered on other third-party web sites. The Financial Institution is not responsible for, nor does control, the content, products, or services provided by linked sites. The Financial Institution does not endorse or guarantee the products, information or recommendations provided by linked sites, and is not liable for any failure of products or services advertised on those sites. In addition, each third-party site may provide less security than the Financial Institution and have a privacy policy different than that of the Financial Institution. Your access, use and reliance upon such content, products or services is at your own risk.

9.5. Geographic Restrictions.

The Services described in this Master Agreement and any application for credit, deposit services, and brokerage services available at our web site are solely offered to citizens and residents of the United States of America residing within the United States of America. Citizens and residents may not be able to access these Services outside the United States of America.

9.6. Contact Information.

In case of questions about your electronic transactions contact customer service at:

First Port City Bank
Attn: Deposit Operations
PO Box 1070
Bainbridge, GA 39818 Phone: (229) 246-6200

Customer shall provide its current contact information to Financial Institution on Exhibit A and Customer shall immediately notify Financial Institution if such contact information changes. Any notice provided to Customer by Financial Institution to the address on Exhibit A, as amended from time to time, or to the address for any of Customer's accounts with Financial Institution shall be deemed effective on the date such notice is sent by Financial Institution.

9.7. Deposit Account Agreement.

You acknowledge and agree that your demand deposit account maintained with Financial Institution is an integral part of the Services offered by Financial Institution and that all transactions and Services initiated or processed pursuant to this Master Agreement are subject to the terms and conditions of the rules, regulations, and agreement ("Deposit Account Agreement") governing accounts in effect from time to time between you and Financial Institution. The Deposit Account Agreement is expressly incorporated herein by reference. The terms and conditions of this Master Agreement shall control over any inconsistent terms and conditions of the Deposit Account Agreement. You acknowledge that you have signed and executed all agreements, resolutions, signature cards and forms governing your demand deposit account required by Financial Institution. If you have not signed the foregoing forms required by Financial Institution, by signing this Master Agreement, you acknowledge that you have read the contents of and agree to be bound by the terms of those forms, agreements and documents, and adopt and ratify, as an authorized

signatory(s), the signature(s) of any person(s) who has signed a signature card or any check on your account. You also agree to establish all accounts that must be opened in conjunction with the Service provided by Financial Institution.

9.8. Security Interest.

To secure the payment and performance of your obligations set forth herein and under any Service Agreement(s), you grant to Financial Institution a security interest in and pledges and assigns to Financial Institution all of your right, title, and interest in the following described property, whether now owned or hereafter existing or acquired and wherever located: (a) All your monies, instruments, savings, checking and other accounts (excluding IRA, Keogh, trust accounts and other accounts subject to tax penalties if so assigned) that are now or in the future in Financial Institution's custody or control; (b) any other collateral described in any security instrument securing your obligations to Financial Institution under this Agreement or any other obligation of Third-Party to Financial Institution; and (c) all proceeds and products of the property as well as any replacements, accessions, substitutions, and additions to any of the above.

9.9. Effective Dates.

The effective date of this Master Agreement and any applicable Product Schedule shall be the date upon which the Agreement is executed by you and accepted by Financial Institution.

9.10. Internet Disclaimer.

For any Service(s) described in the Agreement utilizing the Internet, Financial Institution does not and cannot control the flow of data to or from Financial Institution's network and other portions of the Internet. Such flow depends in large part on the performance of Internet Services provided or controlled by third parties. The actions or inactions of such third parties can impair or disrupt your connections to the Internet (or portions thereof). Financial Institution cannot guarantee that such events will not occur. Accordingly, Financial Institution disclaims all liability resulting from or related to such events and in no event shall Financial Institution be liable for any damages (whether in contract or in tort) that are attributable to the public Internet infrastructure, your ability to connect to the Internet, or Financial Institution's ability to connect to the Internet on your behalf.

9.11. Recording and Use of Communications.

Customer and Financial Institution agree that all telephone conversations or data transmissions between it or its agents made in connection with this Agreement may be electronically recorded and retained by either party by use of any reasonable means. Financial Institution shall not be obligated to make such recordings.

9.12. Limitation of Liability.

9.12.1. YOU AGREE THAT FINANCIAL INSTITUTION SHALL NOT BE RESPONSIBLE OR LIABLE TO YOU OR TO ANY OTHER PARTY FOR CONSEQUENTIAL, INDIRECT, SPECIAL EXEMPLARY, PUNITIVE, OR INCIDENTAL DAMAGES ARISING OUT OF THE USE BY YOU OF ANY SERVICE EVEN IF YOU, FINANCIAL INSTITUTION OR FINANCIAL INSTITUTION'S SERVICE PROVIDER HAVE BEEN SPECIFICALLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

9.12.2. TO THE FULLEST EXTENT ALLOWED BY LAW, FINANCIAL INSTITUTION'S LIABILITY TO YOU UNDER THIS MASTER AGREEMENT OR ANY APPLICABLE PRODUCT SCHEDULE SHALL BE LIMITED TO CORRECTING ERRORS RESULTING FROM FINANCIAL INSTITUTION'S FAILURE TO EXERCISE ORDINARY CARE OR TO ACT IN GOOD FAITH. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, IN NO EVENT WILL FINANCIAL INSTITUTION BE LIABLE TO YOU FOR AN AMOUNT GREATER THAN THE FEES ACTUALLY PAID BY YOU AND RECEIVED BY FINANCIAL INSTITUTION DURING THE SIX (6) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH THE CLAIM FIRST ACCRUED, WHICH SHALL BE DETERMINED BY THE EARLIER OF THE DATE WHEN YOU FIRST BECAME AWARE OF THE CLAIM OR THE DATE WHEN, THROUGH THE EXERCISE OF REASONABLE CARE, YOU REASONABLY SHOULD HAVE BECOME AWARE OF THE CLAIM.

9.12.3. YOU ACKNOWLEDGE AND AGREE THAT YOUR USE OF THE SERVICES SHALL BE AT YOUR SOLE RISK AND THAT THE SERVICES ARE PROVIDED BY FINANCIAL INSTITUTION ON AN "AS IS" BASIS.

9.12.4. EXCEPT AS EXPRESSLY SET FORTH IN THIS MASTER AGREEMENT, FINANCIAL INSTITUTION MAKES NO, AND HEREBY DISCLAIMS ANY AND ALL, REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, IN LAW OR IN FACT, WHATSOEVER TO YOU OR TO ANY OTHER PERSON AS TO THE SERVICES OR ANY ASPECT THEREOF, INCLUDING (WITHOUT LIMITATION) ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUALITY, ACCURACY, OR SUITABILITY. YOU AGREE THAT NO ORAL OR WRITTEN ADVICE OR REPRESENTATION OBTAINED FROM ANY FINANCIAL INSTITUTION EMPLOYEE OR REPRESENTATIVE SHALL CREATE A WARRANTY OR REPRESENTATION FOR PURPOSES OF THIS MASTER AGREEMENT OR ANY SERVICES TO BE PERFORMED PURSUANT HERETO.

9.12.5. FINANCIAL INSTITUTION MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, TO YOU AS TO ANY ACCESS DEVICE HARDWARE, SOFTWARE, OR EQUIPMENT USED IN CONNECTION WITH THE SERVICES (INCLUDING, WITHOUT LIMITATION, YOUR ACCESS DEVICE SYSTEMS OR RELATED EQUIPMENT, YOUR SOFTWARE, OR YOUR INTERNET SERVICE PROVIDER OR ITS EQUIPMENT), OR AS TO THE SUITABILITY OR COMPATIBILITY OF FINANCIAL INSTITUTION'S SOFTWARE, INTERNET DELIVERED SERVICE, EQUIPMENT OR COMMUNICATION INTERFACES WITH THOSE THAT YOU USE, OR AS TO WHETHER ANY SOFTWARE OR INTERNET DELIVERED SERVICE WILL PERFORM IN AN UNINTERRUPTED MANNER, INCLUDING (BUT NOT LIMITED TO) ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

9.12.6. FINANCIAL INSTITUTION SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR FAILURES RESULTING FROM DEFECTS IN OR MALFUNCTIONS OF YOUR ACCESS DEVICE HARDWARE OR SOFTWARE, FOR THE QUALITY OF PERFORMANCE OR LACK OF PERFORMANCE OF ANY ACCESS DEVICE SOFTWARE OR HARDWARE OR INTERNET DELIVERED SERVICES SUPPLIED BY FINANCIAL INSTITUTION TO YOU IN CONNECTION WITH THIS MASTER AGREEMENT, OR FOR THE TRANSMISSION OR FAILURE OF TRANSMISSION OF ANY INFORMATION FROM YOU TO FINANCIAL INSTITUTION OR FROM FINANCIAL INSTITUTION TO YOU. FINANCIAL INSTITUTION SHALL NOT BE RESPONSIBLE FOR NOTIFYING YOU OF ANY UPGRADES OR ENHANCEMENTS TO ANY OF YOUR ACCESS DEVICE HARDWARE OR SOFTWARE.

9.13. Relationship of Parties.

Customer and Financial Institution acknowledge and agree that the relationship between Financial Institution and Customer is that of an independent contractor and that this Master Agreement does not establish or create a general agency, joint venture, partnership, or employment relationship between them.

9.14. Force Majeure.

The Financial Institution shall not be responsible for any liability, loss, or damage resulting from Financial Institution's failure to perform any Service or to perform any other obligations under this Master Agreement and any applicable Product Schedule which is caused by an act of God, fire, floods, adverse weather or atmospheric conditions or other catastrophes; war, sabotage, riots, acts of public enemy, or acts of governmental authority or the Board of Governors of the Federal Reserve; labor difficulties; equipment or Access Device failure or destruction or the unavailability, interruption, or malfunction of communications facilities or utilities; delays or failure to act by you or third parties and their personnel; criminal acts; or generally any cause reasonably beyond the Financial Institution's control.

9.15. Reimbursement.

Any reimbursement by Financial Institution for any liability hereunder may be made either directly to you or by adjustment of the aggregate ledger and collected balances of your accounts.

9.16. Indemnification.

In addition to other indemnification and liability provisions elsewhere in this Master Agreement and any applicable Product Schedule, to the fullest extent allowed by law, you will be liable for, hold harmless, and will indemnify Financial Institution, and their employees and agents from and against all claims of any sort by third parties or others arising out of this Master Agreement and any applicable Product Schedule, including all losses and expenses incurred by Financial Institution arising out of your failure to report required changes, transmission of incorrect data to Financial Institution,

or failure to maintain compliance with all laws, regulations and rules. Except for those losses caused directly by Financial Institution's failure to exercise ordinary care or to act in good faith, you agree to indemnify and hold Financial Institution, its officers, directors, shareholders, agents, employees, and affiliates, and their respective officers, directors, agents and employees, harmless from and against any and all losses, costs, suits, damages, claims, liabilities and expenses (including reasonable attorneys' fees) arising from or related in any way to (i) any Services performed in connection with this Master Agreement and any applicable Product Schedule, (ii) Financial Institution's action or inaction in accordance with or reliance upon any instructions or information received from any person reasonably believed by Financial Institution to be an authorized representative of you or Authorized User, (iii) your breach of any of your covenants, agreements, responsibilities, representations or warranties under this Master Agreement and any applicable Product Schedule, and/or (iv) your breach of applicable laws, rules or regulations.

9.17. ARBITRATION AND WAIVER OF JURY TRIAL.

YOU AND FINANCIAL INSTITUTION AGREE THAT THE TRANSACTIONS PROCESSED UNDER THIS MASTER AGREEMENT OR ANY PRODUCT SCHEDULE INVOLVES "COMMERCE" UNDER THE FEDERAL ARBITRATION ACT ("FAA"). ANY CONTROVERSY OR CLAIM BETWEEN YOU AND FINANCIAL INSTITUTION, OR BETWEEN YOU AND ANY OF FINANCIAL INSTITUTION'S OFFICERS, EMPLOYEES, AGENTS OR AFFILIATED ENTITIES, THAT ARISES OUT OF OR IS RELATED TO ANY SERVICE PROVIDED UNDER THIS MASTER AGREEMENT OR ANY PRODUCT SCHEDULE, WHETHER BASED ON CONTRACT OR IN TORT OR ANY OTHER LEGAL THEORY, INCLUDING CLAIMS OF FRAUD, SUPPRESSION, MISREPRESENTATION AND FRAUD IN THE INDUCEMENT (COLLECTIVELY, ANY "CLAIM"), WILL BE SETTLED BY BINDING ARBITRATION UNDER THE FAA. THE PARTIES SHALL WORK IN GOOD FAITH TO SELECT AND AGREE UPON AN ARBITRATOR WITHIN THIRTY (30) DAYS AFTER A DEMAND FOR ARBITRATION BY EITHER PARTY. THE ARBITRATOR SHALL HAVE SOLE DISCRETION TO USE ANY COMMERCIAL ARBITRATION RULES, UNLESS OTHERWISE AGREED TO IN WRITING BY THE PARTIES; PROVIDED, HOWEVER, THAT TO THE EXTENT THE ARBITRATION RULES CONTAIN PROVISIONS REGARDING THE USE OF ANY CONSUMER ARBITRATION RULES, THE FORUM OF ANY SUCH ARBITRATION, THE ALLOCATION OF FEES FOR ANY SUCH ARBITRATION AND/OR ANY OTHER PROVISIONS CONTRARY TO THIS MASTER AGREEMENT, THOSE RULES ARE DELETED AND/OR EXPRESSLY SUPERSEDED BY THIS MASTER AGREEMENT. TO THE EXTENT ANY AMBIGUITY EXISTS BETWEEN THE ARBITRATION RULES AND THIS MASTER AGREEMENT, THIS MASTER AGREEMENT SHALL CONTROL. IF THE PARTIES CANNOT AGREE UPON AN ARBITRATOR, THEN EACH PARTY SHALL DESIGNATE AN ARBITRATOR REPRESENTATIVE AND THE ARBITRATOR REPRESENTATIVES SHALL SELECT THE ARBITRATOR. IF A CLAIM IS SUBMITTED TO ARBITRATION, (A) YOU WILL NOT HAVE THE RIGHT TO GO TO COURT OR TO HAVE A JURY TRIAL; (B) YOU WILL NOT HAVE THE RIGHT TO ENGAGE IN PRE-ARBITRATION DISCOVERY EXCEPT AS PROVIDED IN THE ARBITRATION RULES; (C) YOU WILL NOT HAVE THE RIGHT TO HAVE ANY CLAIM ARBITRATED AS A CLASS ACTION UNDER THE ARBITRATION RULES OR UNDER ANY OTHER RULES OF CIVIL PROCEDURE; (D) THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING WITH LIMITED RIGHTS TO APPEAL; AND (E) THIS MASTER AGREEMENT SUPERSEDES ANY PRIOR ALTERNATIVE DISPUTE RESOLUTION AND/OR ARBITRATION AGREEMENT THAT MAY EXIST BETWEEN YOU AND FINANCIAL INSTITUTION. THIS AGREEMENT TO ARBITRATE DISPUTES WILL SURVIVE THE CLOSING OF YOUR ACCOUNT AND THE TERMINATION OF THIS MASTER AGREEMENT OR ANY PRODUCT SCHEDULE. ANY ARBITRATION TAKING PLACE UNDER THIS AGREEMENT SHALL BE CONDUCTED IN THE STATE OF GEORGIA, OR SUCH OTHER LOCATION AGREED UPON IN WRITING BY THE PARTIES.

9.18. Governing Law.

These terms and conditions of this Master Agreement and any applicable Product Schedule shall be governed by and construed in accordance with the laws of the State of Georgia, without regard to its conflict of law provisions and without regard to your state of residence.

9.19. Enforcement.

The prevailing party in any such action shall be entitled, subject to applicable law, to payment by the other party of its reasonable attorney's fees (which may be or include the allocatable cost of in-house counsel) and costs, including fees for any litigation, arbitration, mediation, appeal, or bankruptcy proceedings, and any post-judgment collection actions, if applicable.

9.20. Compliance with Laws, Rules, and Regulations.

You agree to comply with all existing and future instructions used by the Financial Institution for processing transactions. You further agree to comply with and be bound by all applicable state or federal laws, rules and regulations affecting the use of checks, drafts, fund transfers, and ACH transactions, including but not limited to, rules and procedural guidelines established by the Federal Trade Commission ("FTC"), the Board of Governors of the Federal Reserve, the National Automated Clearing House Association ("Nacha") and any other clearinghouse or other organization in which Financial Institution is a member or to which rules Financial Institution has agreed to be bound. These laws, procedures, rules, regulations, and definitions shall be incorporated herein by reference.

9.21. Miscellaneous Provisions.

9.21.1. Headings. The headings and captions contained in this Master Agreement and any applicable Product Schedule are included only for convenience of reference and do not define, limit, explain, or modify this Master Agreement and any applicable Product Schedule or its interpretation, construction, or meaning.

9.21.2. Severability. The holding of any provision of this Master Agreement and any applicable Product Schedule as invalid, illegal, or unenforceable, in whole or in part, shall not affect the other provisions of this Master Agreement and any applicable Product Schedule, which shall remain in full force and effect.

9.21.3. Waiver. No waiver by the Financial Institution (whether in writing or not) of any term, condition, or obligation of you under this Master Agreement and any applicable Product Schedule shall bind the Financial Institution to waive the same term, condition, or obligation again, nor shall any other provision, condition, term, or obligation hereof be affected by such a waiver.

9.21.4. Binding Effect. This Master Agreement and any applicable Product Schedule shall inure to the benefit of and be binding upon the successors, heirs, trustees, and permitted assigns of the parties hereto.

9.21.5. Entire Agreement. This Master Agreement and any applicable Product Schedule constitutes the entire agreement between the parties hereto concerning the subject matter hereof. All contemporaneous agreements or understandings concerning the subject matter hereof, whether oral or written, are merged into this Master Agreement.

9.21.6. Transfers and Assignments. You cannot transfer or assign any rights or obligations under this Master Agreement and any applicable Product Schedule without Financial Institution's written consent. The Financial Institution may assign its rights and delegate its duties under this Master Agreement and any applicable Product Schedule to a company affiliated with the Financial Institution or to any other party.

This Cash Management Agreement must be signed on behalf of Customer by an Authorized Customer Representative.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers on the dates indicated below.

CUSTOMER:
City of Fernandina Beach FL

By: _____
(Customer Signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

FINANCIAL INSTITUTION:

First Port City Bank

By: _____
(FPCB Officer Signature)

Name: PROFORMA

Title: PROFORMA

Date: PROFORMA

Authorization for Online Banking and Cash Management Services

I am an authorized representative of the organization specified below ("Company"). Company has received the Business Online Banking and Master Cash Management Agreement ("Master Agreement") and agrees to adhere to the Master Agreement and any applicable Product Schedules or User Guides from First Port City Bank ("Financial Institution"). Capitalized terms used in this Authorization Form, not otherwise defined, have the meanings given to them in the Master Agreement.

After I sign below on behalf of Company, the Company may from time-to-time request Financial Institution to provide any of the Services described in the Master Agreement. Company may begin to use any such Service once Financial Institution has approved such use and has received all required and properly executed forms and Company has successfully completed any testing or training requirements.

I warrant that Company has taken all action required by its organizational or constituent documents to authorize me to execute and deliver on behalf of Company this Authorization Form and any other documents Financial Institution may require with respect to a Service. I am authorized to engage in all transactions contemplated by the provision of Services to Company. These may include, but are not limited to, giving Financial Institution instructions regarding Services and designating employees or agents to act in the name and on behalf of Company (Exhibit B is the Delegation of Authority form for authorized names of employees for all or specific Services).

City of Fernandina Beach FL	PROFORMA	
Company's Legal Name	Date	Company's Tax ID Number

Signature	Second Signature *(if required by Company)*
PROFORMA	
Print Name	Print Name
PROFORMA	
Print Title	Print Title

The following address(es) may be used for giving notices in connection with this Master Agreement except as you or we provide the other different address(es) to be used in conjunction with your accounts or services.

City of Fernandina Beach FL
204 Ash Street
Fernandina Beach, FL 32034

Telephone: _____

Fax: _____

Email: _____

Cash Management Delegation of Authority

This form is to be used when Customer wishes to delegate authority to sign various authorization forms to someone other than the person who signed the Authorization for Cash Management Services (Exhibit A).

By signing below, Customer authorizes the incumbent of the specified position listed in Section A or each person listed in Section B below, acting alone, to execute documents that Financial Institution may request, and any amendments or renewals pertaining to the use of Services, including but not limited to designating one or more persons authorized to initiate, amend, cancel, confirm, or verify the authenticity of instructions to Financial Institution for Services (whether given orally, electronically, or by fax instructions) and to revoke any authorization granted to such person as he or she deems appropriate. The signer of this form has the same authority described above for each Service with Financial Institution, unless otherwise specified. Financial Institution is entitled to rely on this delegation until written notice of its revocation is received by Financial Institution.

Guidelines for Completion: Fill out either Section A or Section B, or both, depending on your specific needs. To delegate authority to any person holding a specific title, fill out Section A *(copy of current Corporate Resolution required).* To delegate authority to specific individuals by name, fill out Section B.

For each name or title, indicate "All" in the "Service" column if the person or title has authority to sign documents for all Services which Customer receives from Financial Institution. Otherwise, indicate specific Services for which the person or title has authority. For each name or title, indicate the entity or entities for which the person or title has authority to sign documents.

Section A. To Delegate Authority to Any Person Holding Specific Positions/Titles

Title	Service	Entity

Section B. To Delegate Authority to Specific Individuals

Name	Service	Entity	Specimen Signature

Customer Authorization

Customer Authorization Instructions: The same person who signed the Business Online Banking and Master Cash Management Agreement form must sign this Cash Management Delegation of Authority form.

	City of Fernandina Beach FL
Dated	Company's Legal Name
	PROFORMA
Signature	Title
PROFORMA	
Printed Name	

PRIMESOUTH BANK

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

FERNANDINA BEACH
FLORIDA

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

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CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "A"
BANK INFORMATION
RESPONSE FORM

Bank Name: PrimeSouth Bank

Federal Taxpayer ID: 58-0163257

Authorized Representative Signature: _____

Printed Name: Josh Mattox **Title:** Market President

Email Address: jmattox@primesouth.com

Mailing Address: 1500 Sadler Rd

City, State, & Zip Code: Fernandina Beach FL, 32034

Telephone: O-904-432-3132 C-904-252-8437 **Fax:** _____

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "B"
PROPOSAL SUMMARY

1. Type of Bank (Federal or Florida State Charter): Georgia Charter, permitted to operate in FL
2. Is your Bank a member of the Federal Reserve System? Yes X No _____
3. Is your Bank a Qualified Public Depository? Yes X No ____
4. Is there a branch located within the city limits of the City of Fernandina Beach? Yes X No ____
5. Is your Bank a member of the Federal Depository Insurance Corp? Yes X No ____
6. Deposits Federally insured up to: $250,000.00
7. Hours and location of Local Branch closest to the City of Fernandina Beach City Hall (204 Ash Street, Fernandina Beach, Florida 32034): M-Th 9-4:30, Fri 9-5:00; 1500 Sadler Rd
8. Location of home office: 530 Memorial Dr Waycross GA, 31501
9. Attach a list that includes location and business hours for each branch within Nassau County. Is the list attached? Yes No 1500 Sadler Rd Fernandina Beach FL, 32034
10. List the locations with Night Drop facilities. 1500 Sadler Rd Fernandina Beach FL, 32034
11. Attach a copy of your audited financial statements for the last two years, and recent credit rating reports. Are copies attached? Yes X No ____
12. Provide a summary of any litigation filed against the respondent bank in the past three years which is related to the services that respondent provides in the regular course of business. Is list attached? Yes ____ No X N/A _____
13. Provide biographical information on the personnel that will be directly involved in the management of the accounts, who the primary contact will be and what, if any, experience these individuals have in working with governmental clients. See Attachment M
14. Will a customer service representative or a customer service department be assigned to handle day-to-day transactions? Yes X No ____
15. What are the hours of operation of the customer service unit involved in supporting the proposed services? 9-4:30 but will have access to night drop for deposit. Our ATM also accepts deposit.
16. If an error is discovered by the City, how would you propose to resolve it (i.e. who should the City contact first, etc.)? Lisa Sanborn (Branch Manager) at 904-432-3144 or 904-753-3347
17. Will the Proposer cash checks drawn on a City disbursement account without charge to either the City or the check payee? If not, what is the charge? Is a check cashing agreement required?Yes, at no charge without an agreement
18. Will the Proposer offer free checking to all City employees? Yes X No ____
19. Would the Proposer be interested in offering a package of banking services, education programs and/or special rates to employees? If so, please describe. PSB would offer a .25% discount on loans to qualifying borrowers with a deposit relationship also enrolled in direct despost
20. Provide a copy of the most recent security audit(s) of internet transactional sites and information regarding in-house systems and security hacking controls. PrimeSouth Bank is audited annually by independent third-party auditors and examined by federal and state agencies every 18 months. All audits and examinations are deemed satisfactory under current banking regulations.
21. How many times in the last three years has the Proposer's system been accessed

each instance? Zero

22. How many times in the past three years has the Proposer's web access been down for routine maintenance, and the average down-time per year for these activities? We work with FIS, which guarantees 99.999% uptime. They've consistently met or exceeded this over the last three years.
23. How many times in the past three years has the Proposer's web access been unavailable to users, not counting corporate take downs for routine maintenance, and the average amount of time the system was offline in each of the three years? We work with FIS, which guarantees 99.999% uptime. They've consistently met or exceeded this over the last three years.
24. Will the Proposer provide a bank credit card with this Banking Services agreement, free of charge, to approximately 35 designated employees (this number can vary) with a monthly limit of $150,000.00. Yes X No ___
25. Will the Proposer provide the City with a dedicated team of client service officers as well as a technical support staff familiar with treasury services for government entities?The City will be provided with direct phone numbers to multiple management individuals as well as the Treasury Line that is direct access to a a team of PrimeSouth Employees
26. In event of deposit corrections caused by either the City or the Proposer, no transaction fees shall be incurred for either the debit or credit memos required for said correction. Is this agreeable? Yes X No _
27. If the City needs additional bank accounts or expanded service during the term of the contract for banking services, will the Proposer provide such services at the rates already set forth in the contract? Yes X or No ___ or at a negotiated rate? Yes ____ No ____
28. Describe, in detail, the investment options and how interest on bank balances or an overnight sweep investment will be calculated and credited on all accounts. See Attachment I
29. Quote the interest rate the Proposer is offering the City on funds remaining in the interest-bearing accounts overnight in terms of the Effective Federal Funds Rate. Funds would be in an Insured Cash Sweep (ICS) earning a rate of upper limit Fed Funds -1% (Floor of 0.15%) as of today 2.75%. ICS funds are completely liquid and FDIC insured. (see attachment L; page 202)
30. Describe the method used to calculate the Earnings Credit Rate, ECR and quote the interest rate the Proposer is offering the City on ECR funds in terms of the Effective Federal Funds Rate. Please include in the Proposer's explanation the impact of the bank formula for converting service charges to balance requirements and listing of the bank earnings credits for the last twelve months. Describe how interest on the excess balances is calculated and quote the interest rate the Proposer is offering the City on excess balance in terms of the Effective Federal Funds Rate. PSB does NOT offer ECR at this time.

31. Describe the Proposer's overnight sweep investment options. Provide earnings history for the overnight sweep investment agreement(s) for the last twelve months. What (if any) fee is charged to sweep funds into the proposed investment vehicle(s)? How is the fee calculated? What time of day is the sweep deadline (end-of-day or new-day)? PrimeSouth offers an Insured Cash Sweep (ICS) see attachment I
32. What are the beginning and ending cut-off times in EST for initiating wire transfers to ensure same-day execution? 4:00PM

33. What are the beginning and ending cut-off times in EST for receiving domestic wire transfers to ensure same-day credit? 4:30PM

34. Describe when and how a wire can be cancelled after the City releases it into the system. What is the latest time in the day to cancel? Is there a charge? If so, how much?How does this differ for wire transfers initiated by phone? City must contact the PrimeSouth Bank Treasury Services Department immediately to ensure that the wire has not gone out. Once the wire is gone PSB can send a 37 service message to receive but not able to ensure return of funds. Based on the City's request to process within 15 minutes timing is an issue.

35. How and when is the City notified of a failed wire transfer? Email upon receipt of

36. Describe how the City can track wires through the system (input, approved and released). Via Online Banking

37. Describe the incoming wire notification process. City will receive email and posting to the account.

38. What is the total amount of dollars that can be wired out across all accounts in a single day? TBD, Based on customer needs and relation agreements agreed upon

39. What is the total amount of dollars that can be wired out of a single account per day?TBD, Based on customer needs and relation agreements agreed upon

40. List any other wire fees not specifically covered under Banking Service Charges. NA

41. Can wire transfer payments be originated online through the Proposer's online banking system? If so, are these initiated in freeform or can templates be established? Yes, either/both

42. Are wire templates user defined or can they be shared by other users? Both

43. What are the beginning and ending cut-off times in EST for initiating ACH transfers to ensure next-day execution? Anytime prior to 4:30 EST

44. What are the beginning and ending cut-off times in EST for receiving ACH transfers to ensure next-day credit? PrimeSouth automatically credits ACH transfers upon receiving from the FED

45. Describe when and how an ACH can be canceled after the City releases it into the system. What is the latest time in the day to cancel? Is there a charge? If so, how much?How does this differ for ACH transfers initiated by phone? If the City needs to cancel an ACH File it must contact Treasury Services immediately as the bank processes file throughout the day. Once the file is processed a reversal file will need to be created and processed to retrieve the transactions. The bank DOES NOT offer telephone ACH Origination due to security risk.

46. How and when is the City notified of a failed ACH transfer?As soon as Treasury is made aware of a failed file they will call the City. If they are unable to get them by phone treasury will email them.

47. Describe how the City can track ACHs through the system (input, approved and released). Though online banking

48. Describe the incoming ACH notification process. The City will be setup with a secure link through the Federal Reserve called EDI.

49. List any other ACH fees not specifically covered under Banking Service Charges. NA

50. Describe the file options for processing ACH payments. What ACH file transmission options are available? NACHA Formated file with import ability through online banking

51. Can ACH payments be originated online through the Proposer's online banking system?If so, are these initiated in freeform or can templates be established? Yes, both

52. Are ACH templates user defined, or can they be shared by other users? Shared

54. The City currently transmits input files for ACH payments (direct deposits). City Payroll
55. direct deposits are bi-weekly (1 upload with approximately 325 employees) paid on
56. Friday. When does the Proposer need the payroll file from the City for payments to be
57. What is the total amount of dollars that can be sent via ACH across all accounts in a single day? TBD, Based on customer needs and relation agreements agreed upon
58. What is the total amount of dollars that can be sent via ACH out of a single account per day? TBD, Based on customer needs and relation agreements agreed upon
59. What is the total amount of dollars that can be sent out by wire and ACH across all accounts in a single day? TBD, Based on customer needs and relation agreements agreed upon

60. What is the total amount of dollars that can be sent out by wire and ACH out of a single account per day? TBD, Based on customer needs and relation agreements agreed upon

61. Does the Proposer provide ACH blocking? If yes, what level of filtering can be applied (originator, originator and dollar amount, etc.)? Through ACH Positive Pay
62. What are the security measures that are in place for wire and ACH transfers?Security with Out of Band Authentication and soft token for file transmission approval

63. The City currently uses Positive Pay. Please provide information on the Proposer's Positive Pay services and explain when unmatched items (exceptions) are available to view and when decisions to pay or to not pay need to be sent to the Proposer.The City may enter items manually or import them via file upload. During the bank's nightly processing, the system will compare items within the Positive Pay Checks & ACH platform. Any discrepancies identified will be reported to the City the following morning as exceptions for review and decision to "Pay" or "Return." This process must be completed by 11:00 AM EST on all business days when the bank is open to prevent late returns in accordance with applicable regulations and NACHA Rules & Guidelines.
64. There may be several days in a year when the City's office is closed, but the Proposer's office is open. Please describe the recommended solution for handling these situations as it pertains to an unmatched item (exception). The City will need to make decisions on all exception items or the defaults will be used to make the decisions and could result in a negative impact on the City. The Positive Pay system is available on a mobile device.
65. Can individual items, such as voided checks, be canceled from the outstanding issue records? Describe the process. Yes the City can void a check through Positive Pay in OLB
66. What is the Proposer's policy on stale dated checks? How does the Proposer's Positive Pay system treat stale dated items? PrimeSouth does not have a policy for stale dated checks. Positive Pay system considers an item as stale dated after 90 days.
67. How will the City be notified of exceptions? If the City is notified by email, will an image of the exception item be available for viewing in the email? Yes, alerts through email for exceptions

66. Describe the Stop Payment process. The bank recommends utilizing the Positive Pay system to manage check payments and advises voiding checks through the online banking platform. For ACH transactions, the authorized company may be removed by contacting the Treasury Services Department. If the City wishes to initiate a stop payment via online banking, please note that a fee applies and it 39 cannot be waived electronically. Alternatively,the City may reach out to a branch representative to process the stop payment request.
67. Describe the security features to include user identification and password maintenance. Include any other features that may be useful to the City. In the online banking system, the bank creates an administrator for the City, who then manages users and their roles. The administrator can reset passwords and revoke user access. Each user is assigned the company ID, username, password, out-of-band authentication, and a security token for high-risk transactions like ACH Origination and Wire Transfers.
68. Describe the Proposer's data retention features. Online Banking retention is 18 Months
69. Describe the Proposer's Safekeeping.
70. Include a sample of any service agreements your bank requires. See Attachment - K
71. Include samples of a monthly bank statement and analysis statement. See Attachment- K
72. In addition to the services described, proposals for optional services may be submitted for other services that the Proposer feels may be of interest to the City.

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "C"
PROFORMA ACCOUNT ANALYSIS
RESPONSE FORM

Proposing Bank: PrimeSouth Bank

Service Rendered	Estimated Monthly Volume	Unit Cost	Annual Cost
Account Maintenance	10	$0.00	$0.00
Zero Balance Accounts			
Master Account	1	$0.00	$0.00
Subsidiary Accounts	4	$0.00	$0.00
Regular Deposits	250	$0.00	$0.00
Deposited Item Rejects	1	$0.00	
Positive Pay AP File	17	$0.00	$0.00
Items Paid	625	$0.00	$0.00
Wire Transfer Services			
Outgoing Domestic Wire Transfer	1	$15.00	Waived
Incoming Domestic Wire Transfer	1	$15.00	Waived
ACH Services			
ACH Monthly maintenance	1	$45.00	Waived
ACH Return item	1	$6.00	Waived
ACH Debits originated	50	$0.00	$0.00
ACH Credits originated	300	$0.00	$0.00
Payroll			
ACH file	2	$2.00	Waived
ACH transactions per item	325	$0.00	$0.00
Transfer between accounts not including sweep	10	$0.00	$0.00
Transfer between accounts sweep	80	$0.00	$0.00
Returned deposits	1	$6.00	Waived
Returned items - represented	1	$6.00	Waived

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

Service Rendered	Estimated Monthly Volume	Unit Cost	Annual Cost
Stop payments - Manual	1	$32.00	Waived
Stop payments - Electronic	1	$32.00	Waived
FDIC Expense	1	$0.00	$0.00
Web access for minimum of 6 users	1	$0.00	$0.00
Sweep Services			
Automated sweep account	1	$0.00	$0.00
Change requests (Fee listed is for courier change request)	25	$15.92	Waived
Courier (7 locations 6 daily/1 weekly)	124	$11.95	Waived
Info report BAI	1		
Please list additional fees required below:			
Remote Deposit Capture	1	$25.00	Waived
Total for Services		$1,226.94	$24,789.60-
			Waived

Supplies and Equipment	Estimated Monthly Volume	Unit Cost	Annual Cost
Tamper Proof Deposit Bags	350	$76.76/100	Waived
Endorsement Stamps	0.2	$111.27	Waived
Deposit Slips	300	$327.04	Waived
Check Scanners	6	$500.00	Waived
Earnings Calculation	N/A		N/A
Balance Required to Offset Fees:			
Earnings Credit Rate:			
Projected Net Earnings/ (Fees)	**Monthly**		**Annually**
Monthly Earnings Credit	N/A		N/A
Less: Monthly Fees			
Total Annual Cost	Items listed on this Performa would be		
	waived		

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "D"

PROPOSER'S WARRANTY

The proposer warranties that the responsible officer has fully read and understands the RFP. The proposer warranties that the responsible officer has full knowledge of the scope, nature, quantity and quality of work to be performed; full knowledge of the detailed requirements of the services to be provided; and full knowledge of the conditions under which services are to be performed. The proposer warranties the unit costs, extended costs, and total estimated annual costs are complete and accurate and will be honored for the term of the initial contract.

Each proposer guarantees in writing that the Comptroller and the City Commission will receive the services specified and at the unit costs or prices quoted for the entire term of the agreement, including the option of two one-year renewals.

Bank Name: PrimeSouth Bank

Federal Taxpayer ID: 58-136257

Authorized Representative Signature: _____

Printed Name: Josh Mattox Title: Market President

Email Address: jmattox@primesouth.com

Mailing Address: 1500 Sadler Rd

City, State, & Zip Code: Fernandina Beach FL ,32034

Telephone: O-904-432-3132 C-904-252-8437 Fax: _____

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐
online notarization, this _____ day of _____
20_____ by _____,

_____
Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____

State of Georgia
DEPARTMENT OF BANKING AND FINANCE
2990 Brandywine Road, Suite 200
Atlanta, Georgia 30341

This is to certify that

PrimeSouth Bank

Blackshear, Pierce County, Georgia

is a bank chartered under the laws of the State of Georgia. It is validly existing at the present time and, to the best of our knowledge, its deposits are insured by the Federal Deposit Insurance Corporation.

Date: Wednesday, October 08, 2025

Melissa Sneed
Melissa Sneed
Deputy Commissioner for Supervision

Bank Highlights Report

PrimeSouth Bank
Blackshear, GA
(FDIC Cert.#5694)

Rated 5-Stars as of 2/23/2026 based on financial data as of 09/30/2025

BauerFinancial.com



Bank and Credit Union data compiled from financial data for the period noted, as reported to federal regulators. The financial data obtained from these sources is consistently reliable, although; the accuracy and completeness of the data cannot be guaranteed by BauerFinancial, Inc. BauerFinancial relies upon this data in its judgment and in rendering its opinion (e.g. determination of star ratings) as well as supplying the data fields incorporated herein. BauerFinancial, Inc. is not a financial advisor; it is an independent bank research firm. BauerFinancial is a registered trademark. Any unauthorized use of its content, logos, name,

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customerservice@bauerfinancial.com

This Bank Highlights Report was compiled from financial data as reported to federal regulators. Although the financial data obtained from these sources is consistently reliable, the accuracy and completeness of the data cannot be guaranteed by BauerFinancial Inc.

Stars	BauerFinancial's proprietary rating. (See below.)
Total Assets	The size of the institution.
Profit (Loss)	The dollar amount of net income (or loss) for the period noted.
Return on Assets & Equity	Ratios regarding profitability - higher ratios indicate higher net income. (Calculation = Annualized year-to-date profit or loss as a percent of average assets or equity.
Leverage Capital Ratio	The ratio of capital to assets. Banks must maintain a ratio of at least 5% to be considered 'well-capitalized' by regulators.
Nonperforming Assets	Loans past due 90 days or more + nonaccrual loans + other real estate owned (generally acquired via repossession).

Star Ratings:

BauerFinancial star ratings classify each institution based upon a complex formula factoring in current and historical data. The first level of evaluation is the capital level of the institution followed by other relevant data including, but not limited to: profitability, historical trends, loan delinquencies, repossessed assets, reserves, regulatory compliance, proposed regulations and asset quality. Negative trends are projected forward to compensate for the lag time in the data. BauerFinancial employs conservative measures when assigning these ratings and consequently our analysis may be lower than those supplied by other analysts or the institutions themselves. More than four decades of experience has shown this to be a prudent course of action. As a general guideline, however, the following groupings were used:

5-Stars	Superior. These institutions are recommended by **Bauer**.
4-Stars	Excellent. These institutions are recommended by **Bauer**.
3½-Stars	Good.
3-Stars	Adequate.
2-Stars	Problematic.
1-Star	Troubled.
Zero-Stars	Our lowest rating.
FDIC	Institution has failed or is operating under FDIC conservatorship.

Peer Groups:

Group 1	Banks with: foreign and domestic offices; assets>=$100 bill; and/or adv. approach banks
Group 2	Assets >= $3 billion
Group 3	Assets >= $1 billion and < $3 billion
Group 4	Assets >= $300 million and < $1 billion
Group 5	Assets >= $100 million and < $300 million
Group 6	Assets < $100 million

BauerFinancial, Inc.
Bank Highlights Report

PrimeSouth Bank - Blackshear, GA (FDIC Cert.#5694)

(912) 283-6685

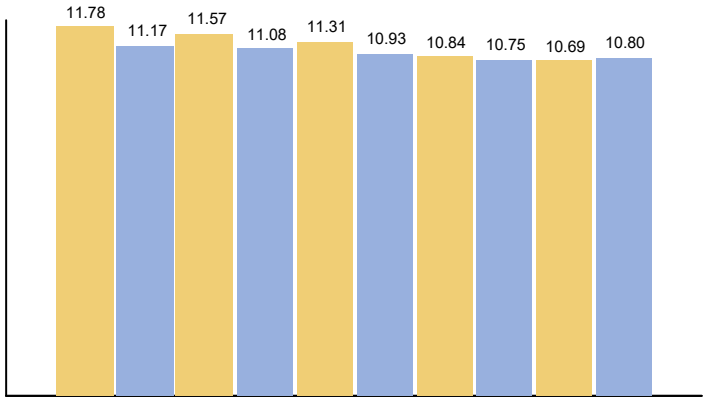
www.primesouth.com

PrimeSouth Bank was established in 1891 and has 8 branch(es).

Data as of:	09/30/2025	06/30/2025	03/31/2025	12/31/2024	09/30/2024
Bauer's Star Rating:	**5-Stars**	**5-Stars**	**5-Stars**	**5-Stars**	**5-Stars**
Recommended for 37 consecutive quarters.					
Total Assets:	$1,470.491	$1,409.009	$1,368.357	$1,342.591	$1,358.534
Current Quarter's Profit (Loss):	$7.219	$6.989	$6.397	$6.489	$5.190
Year-to-date Profit (Loss):	$20.605	$13.386	$6.397	$21.087	$14.598
Profit (Loss) Previous Calendar Year:	$21.087				
Return on Assets (annualized): (Tax equivalent for Sub S corporations.)	2.02%	1.99%	1.92%	1.66%	1.56%
Return on Equity (annualized): (Tax equivalent for Sub S corporations.)	18.97%	18.97%	18.52%	16.84%	15.83%
Leverage Capital Ratio:	11.78%	11.57%	11.31%	10.84%	10.69%
Nonperforming Assets:	$7.965	$6.643	$6.003	$5.607	$4.624

Leverage Capital Ratio

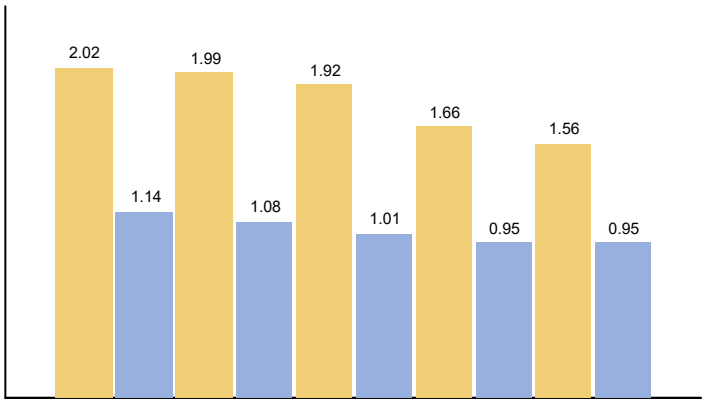
Min. for Adequately Capitalized is 4%



This Bank Peer Group

Return on Assets (annualized)

(Tax equivalent for Sub S corporations.)



This Bank Peer Group

Dollar amounts are in millions. For example, $12,345.678 represents $12 billion, 345 million, 678 thousand.

Bank and Credit Union data compiled from financial data for the period noted, as reported to federal regulators. The financial data obtained from these sources is consistently reliable, although; the accuracy and completeness of the data cannot be guaranteed by BauerFinancial, Inc. BauerFinancial relies upon this data in its judgment and in rendering its opinion (e.g. determination of star ratings) as well as supplying the data fields incorporated herein. BauerFinancial, Inc. is not a financial advisor; it is an independent bank research firm. BauerFinancial is a registered trademark. Any unauthorized use of its content, logos, name, and/or Star-ratings is forbidden.

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Attachment G -Implementation Schedule

- Week of March 23 -27 gather information and prepare paperwork
- Week of March 30 - April 1 collect signatures on paperwork
- Week of April 6 - 10 order deposit scanners and begin lockbox setup
- Week of April 13-17
- Week of April 20 -24
- Week of April 27 - May 1 conduct treasury services training
- May 11 – Go Live

Deposit Deadline Schedule

Branch Hours - M-Th 9-4:30, Fri 9-5:00

Remote Deposit Capture Cut-Off Time – 6:00 PM

FUNDS AVAILABILITY POLICY DISCLOSURE



This disclosure describes your ability to withdraw funds at Primesouth Bank. It only applies to the availability of funds in your transaction accounts (e.g., checking accounts). We reserve the right to delay the availability of funds deposited to accounts that are not transaction accounts for periods longer than those outlined in this policy. Please ask us if you have a question about which accounts are affected by our availability policy.

For purposes of this disclosure, the terms "you" or "your" mean customer and the terms "our," "we," or "us" mean Primesouth Bank.

YOUR ABILITY TO WITHDRAW FUNDS. Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day that we receive the deposit. Once they are available, you can withdraw the funds in cash, and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before the close of business on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after the close of business or on a day that we are not open, we will consider the deposit made on the next business day we are open.

DEPOSITS AT OTHER LOCATIONS. This availability policy only applies to funds deposited at Primesouth Bank. Please inquire for information about the availability of funds deposited at other locations.

LONGER DELAYS MAY APPLY. In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after we receive your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first $275.00 of your deposits, however, may be available on the first business day after the day of deposit. If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will send you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

(a) if we believe a check you deposit will not be paid;
(b) if you deposit checks totaling more than $6,725 on any one day;
(c) if you redeposit a check that has been returned unpaid;
(d) if you have overdrawn your account repeatedly in the last six months; or
(e) if an emergency condition arises that would not enable us to make the funds available to you, such as the failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

SPECIAL RULES FOR NEW ACCOUNTS. If you are a new customer, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first $6,725 of a day's total deposits of U.S. Treasury checks, U.S. Postal Service money orders, cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over $6,725 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first $6,725 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

DEPOSITS AT PROPRIETARY AUTOMATED TELLER MACHINES (ATMs). Funds from deposits (cash or checks) made at an ATM that we own or operate will be available on the second business day after the date of your deposit. However, the first $275.00 of the deposit, funds from checks drawn on Primesouth Bank and deposited at an ATM located at one of our branch offices and funds from U.S. Treasury checks that are payable to you will, be available on the first business day following the day we receive your deposit. If you make a deposit at an ATM that is owned and operated by us before 4:00pm ET on a business day that we are open, we will consider the deposit made that day. However, if you make a deposit at an ATM that is owned and operated by us after 4:00pm ET or on a day that we are not open, we will consider the deposit made on the next business day we are open.

All ATMs that we own or operate are identified as our machines.

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PRIMESOUTH
BANK

Business Continuity Management Plan

This plan provides guidelines for the PrimeSouth Bank (PSB) staff, partners, and third-party service providers to recover critical operations based on priorities justified by the business impact of each service disruption. It includes:

1. An Executive Overview of the Business Continuation Plan
2. A Business Impact Summary
3. A Disaster Recovery Strategy
4. Roles and Responsibilities for the Crisis Management Team
5. Guidelines for the Recovery of IT Services

Contact:
Rogier Kamerling
PrimeSouth Bank

Version: 20230403c
Updated: February 6, 2025

Confidential Information

The information in this document is confidential and has been prepared to guide staff and partners through business resumption in the event of a disaster. Disclosure of this document and its contents requires a Non-Disclosure Agreement signed by PrimeSouth Bank to govern the release and control of sensitive material. Do not copy or redistribute this material without permission from PrimeSouth Bank.

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QUICK REFERENCE GUIDE

General Guidelines

- **If the emergency threatens life or company assets, please take emergency response measures before implementing this plan. If there are injuries, please dial 911 for emergency assistance.**

- The Crisis Management Team (CMT) should be notified immediately. (The Team's contact information is on Page 4.)

- The Crisis Management Team should bring a resumption plan and be prepared to travel. CMT members should always have their IDS with them.

- The safety of the staff is of the utmost importance. Please ensure that all staff members are accounted for, and their status is known. Please use Appendix A—**Personnel location** form immediately upon disaster.

- If the disaster happens after business hours, a calling tree process will be followed to streamline the communication flow. Please see the **Calling Tree/Notification Checklist** in **Appendix B** for Staff notification. There are alert notifications for regular business hours and after hours; ensure that you are working under the correct procedures.

- The CMT Leaders must decide on the location of the ***command center*** and the frequency of the status call that will be used by the staff immediately following the disaster. In addition, the CMT Leaders must determine if an ***assembly location*** will be used for the staff immediately following the disaster. If possible, the ***recovery site*** should also be determined. Refer to **Appendix E** for assembly sites, command centers, and/or recovery site(s).

- If access to the building is temporarily granted, CMT should refer to **Appendix C for a list of critical resources to be retrieved**.

- A ***Disaster Assessment checklist*** **(Appendix G)** needs to be documented upon declaration of the disaster with the appropriate recovery strategies documented.

- CMT members must use ***Status Reports*** **(Appendix H)** to ensure adequate documentation is provided during the event.

- Refer to **Appendix F for Communication Guidelines** when talking to staff, service providers etc. **DO NOT TALK TO THE NEWS MEDIA**

- If possible, the CMT will meet in advance of a potential disaster (e.g., a Hurricane) to make proactive decisions and monitor the status of the impending disaster.

- **DR Process & Procedures =** Share Drive (G: Bank Policies & Procedures) & PrimeCentral

- **PrimeSouth Bank Website for DR Status/Updates: www.primesouth.com**

- **Emergency Call in Status Number: 912-386-0654** A guideline for status updates

Team Alert Lists

Last Review Date: February 6, 2025

Corporate Crisis Management Team (CMT)

CMT Role	Employee	Home / Cell	Description
CMT Leader	Rogier Kamerling	414-897-4520	Coordinate overall recovery and resumption and make critical decisions.
Alternate CMT Leader	Adam Smith Sheri Johnson	912-309-1663 923-614-3029	Assumes responsibility if the CMT Leader is unavailable.
Public Relations Leader	Jim Walker	310-904-3840	Process media/press inquiries and provide press statements.
IT Coordinator	Jim Jowers Chad Bristow	912-310-0550 912-288-5070	Coordinate systems recovery to allow the resumption of critical business activities.
Information Security Coordinator	Josh Dasher	912-293-3668	Coordinate information security.
Retail Coordinator	Jessica Trull	912-722-0861	Coordinate recovery and resumption for Retail Operations.
Lending/Credit Coordinator	Tony Crews Adam Smith	912-266-6575 912-309-1663	Coordinate recovery and resumption for Lending.
Back Office Deposit Operations Coordinator	Jessica Trull Julia Sharpe	912-722-0861 912-614-1728	Coordinate recovery and resumption for Back Office Deposit Operations.
Treasury Coordinator	Sharon Chandler Liz Steele	352-215-4940 352-441-5300	Coordinate recovery and resumption for Treasury.
Back Office Loan Operations Coordinator	Stephanie Vinzant Frank Ferra	904-206-2359 912-399-7649	Coordinate recovery and resumption for Back Office Loan Operations.
Human Resources / Administration Leader	Sheri Johnson Teamwork Services	912-614-3029 912-265-8500	Ensure staff safety and address urgent needs, emergency contact information, and beneficiary information.
Security Coordinator	Mandie Capps	912-614-9793	Ensure staff safety, deal with urgent needs, and ensure facility security.
Accounting & Finance Coordinator	Rogier Kamerling Claire Auffenberg	414-897-4520 469-233-0658	Coordinate recovery and resumption for Accounting & Finance.
Risk Coordinator	Adam Smith Mandie Capps Melissa Hendricks	912-309-1663 912-614-9793 912-614-3067	Coordinate recovery and resumption for Risk functions.
Mortgage Coordinator	Drew Miller Bobby Lamb	912-254-1515 912-294-4053	Coordinate recovery and resumption for Mortgage.

Succession Procedure:

If the CMT leader is unavailable, the alternate will lead response and recovery activities. If the alternate is unavailable, the division coordinators will appoint a leader. The leader will be the highest-ranking employee on site. If there is a tie, the most senior employee will be assigned the role.

The CMT Leader will call each CMT member after completing the team notification. The recovery site staff or Crisis Management Team should be informed of key staff's availability.

Assembly Site:

If the disaster renders the primary facility unavailable and an assembly site is needed, staff shall meet at the Assembly Site during the emergency.

Command Center:

The Waycross Office will serve as the primary disaster recovery command center. The Brunswick Downtown Office will serve as an alternate command center. The CMT Leader will designate an alternate command center if neither is available.

Recovery Site:

The Waycross Office will serve as the primary disaster recovery location for disasters that do not affect the HQ location. If the Waycross Office is determined to be the Disaster location, the CMT Leader will designate an alternate recovery center. In most cases, the alternate recovery site will be the Jesup Office.

Alternative Work Site:

The remote offices will serve as alternative workplace locations.

Other alternative locations will be employee’s homes if a shared workspace is not required for their continued services.

Business Continuity Strategy

Why plan?

Business survival is the primary rationale for business continuity management planning. Avoidance of monetary loss, damage to our reputation, and ethical and legal obligations to employees, members, and shareholders all support planning. Without adequate planning, the organization is forced to react to a disaster without an understanding of its recovery priorities and a rational, justified approach to the resumption of critical operations. The delays caused by a lack of planning may be financially fatal. (For example, technical resources like hot sites (a functional site as a backup) and communications services require long lead times to acquire and configure). History shows that most companies that suffer a disaster that causes an extended disruption to information processing do not survive more than two years after the disaster.

During, for example, the NYC attack on the World Trade Center, the anthrax attack on the US Postal Service, and the COVID-19 Pandemic, many lessons were learned, and some re-learned. The most important lesson was that businesses change over time. Today, we depend more on communications and systems support than just a few years ago. For PrimeSouth Bank, business operations depend highly on online services, and the company relies on its network and outsourced systems to provide core processing. Recovery of PrimeSouth Bank services and the critical business functions needed must be prioritized and planned to achieve our business goals.

Who will manage the execution of the plan if a disaster occurs?

Following best practices, company management has designated a Crisis Management Team (CMT) to guide mission-critical decisions during a disaster. PrimeSouth Bank CMT is a cross-functional group of business unit executives who manage all business functions and, as a result, are best prepared to guide the company during a crisis. Although these individuals are not directly involved in the IT recovery operation, this team guides on the priority of recovered services. They also understand the impact on operations and are prepared to communicate with staff, clients, partners, members, and other stakeholders during a disaster. They provide the oversight required for effective planning and execution, meeting security objectives, and regulatory compliance for business resumption and disaster recovery.

Based upon the justification and prioritization established by the CMT, PrimeSouth Bank will prioritize recovery activities, recommend approval of associated budgets, and establish accountability for preparedness to execute its Business Continuity Management Plan (BCMP) and IT Disaster Recovery Plan (DRP). Based upon the company's needs, the cross-functional CMT will include membership from Executive Management, Branch Operations, Core Processing, Information Technology (IT), and other critical business functions.

What are the Business Continuity Management Plan (BCMP) Objectives?

The PrimeSouth Bank BCMP and integrated IT Disaster Recovery Plan (DRP) have been written to achieve these critical objectives as required by PrimeSouth Bank business and operational needs, regulatory requirements, and industry best practices:

1. Assess the impact of service disruption on each business process to establish a clear justification for recovery planning.
2. Prioritize recovery operations to restore the most critical services first.
3. Limit the magnitude of any loss by:
    a. Minimizing the duration of service disruption to the critical applications,
    b. Avoiding data corruption
    c. Maintaining data confidentiality
4. Assure regulatory compliance.
5. Establish clear guidelines to accelerate the recovery process in a coordinated manner by:
    a. Defining methods to assess damage and justify disaster declaration.
    b. Delegating roles to every staff member.
    c. Defining procedures to recover prioritized systems.
6. Provide a foundation to train, test, and measure the effectiveness of PrimeSouth Bank’s recovery plan.

What is the Disaster Recovery Strategy?

PrimeSouth Bank will recover services at an alternate branch if a disaster is declared, which determines that the disaster has impacted the Waycross location and is unavailable. The company's primary application set, Horizon, is hosted by FIS in Little Rock, AR.

PrimeSouth Bank leverages redundant backup servers at the Gloucester and Waycross locations. Additional cloud backups are available if needed. The Waycross Office and the Brunswick–Downtown Office are connected to the Jacksonville data center and all other offices. In the event of a disaster to the production environment in the Waycross Office, all other locations could failover to the Gloucester office for continued server and core activity. This strategy of outsourced relationships by the institution provides limited disaster impact and increased flexibility, reducing the possibility of extended service disruptions.

By leveraging the existing backup solution, PrimeSouth Bank can utilize the surviving offices for continued operations. The close regional proximity also allows for efficient coordination and use of the PrimeSouth Bank employees and resources for disaster planning and testing. Most PrimeSouth Bank disasters would not affect the primary command center and recovery site.

PrimeSouth Bank staff will resume all client services at the recovery site specified in this plan. The goal is to leverage PrimeSouth Bank relationships and existing partner infrastructure to accelerate the recovery of services. PrimeSouth Bank client data will be collected and processed manually in a temporary or partial disaster until network connections are re-established. By combining off-line operating capabilities with local partnerships and their capabilities, PrimeSouth Bank is well positioned to meet its client requirements for service in the event a disaster is declared.

If the institution were to experience a long-term service disruption, core processing services would be recovered at a new, longer-term facility to be determined. PrimeSouth Bank has engaged in a relationship with FIS to provide the recovery of communications capabilities so that PrimeSouth Bank can access FIS Horizon and related services through any of their recovery sites.

In addition to this flexible relationship, PrimeSouth Bank has established procedures to train staff for emergency operations. Service resumption tasks have been standardized in this plan to reduce the complexity of both training and emergency operations.

What is included in the PrimeSouth Bank Disaster Recovery Plan?

This plan has been organized to consolidate the following information.

1. Prioritization for business process recovery on a justified basis.
2. A guide for service resumption.
3. A strategy to guide IT disaster recovery operations.
4. Guidelines to define coordinated actions by PrimeSouth Bank departments during business resumption.
5. Contact lists, inventories, and procedures to assist recovery.
6. Service Provider support for business resumption in primary or alternate facilities.

In the body of this plan, the priority of system recovery is defined, and guidelines are provided to staff to execute the recovery. PrimeSouth Bank conducted a Risk Assessment and Business Impact Analysis (BIA) to establish those priorities. Executive Management has approved the complete Risk Assessment and BIA, which is available for employees to review in more detail. PrimeSouth Bank's Board of Directors has also reviewed the PrimeSouth Bank Risk Assessment and BCMP plans during Board meetings. PrimeSouth Bank focuses on defining recovery processes, establishing supporting infrastructure to recover client services first, and restoring support for PrimeSouth Bank staff. This document outlines that the recovery process will be transparent for mission-critical functions. Still, it may require several days to restore non-critical IT services and reconnect staff to critical business functions.

This BCMP plan has been developed based on PrimeSouth Bank's continued efforts to deploy reliable systems to enhance business continuation for threats and risks that could interrupt service for shorter periods. Fault tolerance, data security, and data integrity controls are designed to be integrated into PrimeSouth Bank's IT architecture to reduce potential service outages from device failures. Uninterrupted power supplies (UPS) prevent operational disruptions to PrimeSouth Bank caused by failures in the electrical utility. The IT DR plan considers redundancy and recovery availability for all mission-critical systems.

This Disaster Recovery plan will be implemented when the CMT determines an event has occurred preventing sustained IT operations for critical business functions for at least **36** hours from any facility. When authorized by the CMT, this plan guides staff to their failover facilities. **At a minimum, the CEO or designated alternate must approve the company's disaster declaration.** Each resumption plan includes a template to guide the data collection to assess the disaster and provide the required facts to the CMT for consideration in declaring a disaster. This plan integrates actions needed to be performed by all critical staff as well as IT and other support services required to continue operations with the least amount of disruption possible. By combining service resumption planning at the department level with IT disaster recovery planning, PrimeSouth Bank will be better prepared to provide reliable service to its clients and a safe work environment for its staff.

In addition to the priority for service recovery, this plan includes guidelines for the IT department and other operating units to guide the recovery of critical services. The guidelines are flexible to accommodate potential disruptions from various threats and hazards. This plan is tested annually and updated as required to incorporate changes to the company's operating environment and recognize new threats and vulnerabilities.

Recovery Guidelines

When notified by the Corporate CMT or the Alternate CMT that the Business Resumption Plan (BRP) has been activated, the staff's primary responsibilities will be to use their resources to support the recovery effort of their assigned responsibilities and to activate their recovery procedures.

CMT Responsibilities / Checklist

Read the entire section before performing any assignments.

General

The primary responsibility of the CMT Member is to provide ***leadership*** of the recovery effort and coordinate support for the recovery effort. Other responsibilities include:

1. Participate in Resumption meetings with the Crisis Management Team Leader (CMT).
2. Direct the Business Continuity efforts of your team.
3. Oversee team communications activities.
4. Coordinate all administrative issues with the CMT.
5. Communicate status to customers, vendor partners, and other impacted entities.

Critical Functions

A Business Impact Analysis (BIA) has been conducted, and priority for recovery of services has been established. Please refer to the BIA to determine recovery time objectives. The BIA is available online during non-emergencies.

Normal Business Hours Response

When an emergency occurs during regular business hours, follow the corporate emergency procedures to ensure the safety of all staff, partners, and visitors.

After everyone has evacuated the building, each CMT Leader should complete the Disaster Assessment Guide (Appendix G). The HR leader should also inventory all personnel as outlined in Appendix A. Completed forms should be sent to the CMT Leader to allow location tracking of all employees.

Immediate actions after disaster

In the event of a disaster, staff should evacuate the building and meet at the designated location as deemed by the CMT Leader. CMT Members will inventory staff and any visitors and assess the disaster. Visitors will be identified during evacuation to ensure all visitors are accounted for. The CMT Leader will receive the personnel location forms and identify any missing people. Each department manager will release staff to the appropriate recovery site or alternative workplaces (homes or reciprocal institutions) when all people are accounted for.

Suppose the office is threatened by fire or other threats, including bomb threats or toxic contamination. In that case, staff shall first inform emergency responders and then meet at the designated site, where each CMT Member will complete Appendix A—Personnel Location Form. In addition to completing an inventory of all staff and visitors who evacuated the office, the CMT Leader will assess the disaster and complete the Disaster Assessment Guide—Appendix G.

Immediate actions to be taken by the CMT Leader or assigned alternate:

1. Meet with the CMT Members to assess the staff or personally take a head count to ensure all staff and visitors are safe and accounted for. Notify the Human Resources Leader immediately if anyone is missing, property damage is high, or there are serious injuries.
2. If life or property is at risk, take emergency response actions. Call local law enforcement and other emergency response resources as the situation justifies.
3. Report the disaster situation to the CMT and record all the information and instructions given by the CMT. Use the Communication Guideline in Appendix F as a reference and work paper.
4. Notify personnel not already notified. Use the most current Phone Listing in Appendix B—Calling Tree / Notification Checklist.
5. If instructed by the CEO, CMT, or designed alternative, activate the recovery procedures, and follow any manual recovery procedures.

After Normal Business Hours Response

When notified by the Crisis Management Team that the Business Resumption Plan has been activated, the team member will:

1. Record all the information and instructions the Crisis Management Team gave. Use the Communication Guideline in Appendix F as a guideline and work paper.
2. You may be instructed only to notify your line managers, your entire team, or as many personnel as possible. Use the Team Alert List located in the front of the plan or Appendix B. Record the status of all notifications and give the completed call list to the team leader.

Immediate actions to be taken by the CMT Leader or assigned alternate:

1. Contact the CMT Members assigned to the Crisis Management Team.
2. Have the CMT Members notify as many personnel as possible, alerting them of the disaster and where to report to the next business day. Record the status of all notifications made by the CMT.
3. For managers, if instructed by the Crisis Management Team, report to the Command Center.
4. For employees, if instructed by your manager, report to the Recovery Site and activate your recovery procedures.
5. After contacting your team, have them meet you at the Recovery Site or alternative workplace locations.

Other important information

Business Resumption Plan Copies

The CMT Leader should ensure that all team leaders maintain communication.

Status Report

CMT Members should prepare written status reports hourly for the Crisis Management Team to keep them apprised of the current situation. Use the Status Report Form - Appendix H.

Teamwork Area

The primary requirements for sustaining business are the availability of a phone and Internet connection. PrimeSouth Bank's primary objective for business continuity after a disaster is to ensure that commitment dates and compliance are maintained for all loans, funding, and customer requirements.

Notifications

Notify relevant third parties located in Appendix K of service requests. The information provided should be reviewed with the Crisis Management Team before being called.

Special Official Re-Entry Permit

The institution has a permit authorized by the State of GA for Phase Three Re-entry. The permit holder is authorized to access an area impacted by a disaster before the public to respond to life-threatening hazards, repair critical infrastructure, and/or restore essential commerce. See Appendix Q.

Recovery Steps

The following recovery actions are to be used as a guide. During a disaster, circumstances may dictate that some or all documented steps must be altered. The CMT Leader should use their judgment while managing the recovery/resumption operations.

1. Immediately following the disaster, the CMT Leader will contact the Crisis Management Team Members to find out:

    - Status of the safety of employees and visitors located in disaster location (if applicable).
    - The initial assessment of the damage.
    - The working conditions of the affected site.
    - The initial assessment of the performance and functionality of the network.
    - The availability of the recovery teams designated.
    - The availability of the employees that are in the disaster location.
    - The status of locations which are not part of the disaster zone.
    - The functionality of the network at locations not affected by the disaster.
    - Estimated times for recovery of affected voice, data, and applications.

2. The CMT Leader will call an Executive and CMT Meeting to review the following:

    - Provide high-level status items in Paragraph 1 above.
    - Confirm CMT member availability and designate alternatives if necessary.
    - Review tasks to be performed by the CMT.
    - Establish communication timetables and mediums with status based on available means.
    - Establish personnel requirements (outside of CMT) to determine roles/responsibilities during recovery operations.
    - Establish the most effective communication strategies with personnel not involved in the recovery operation, providing them with direction and disaster updates.

3. The CMT Member – Customer Communication

    - The customer communication CMT Leader and any designated personnel will be assigned to contact customers, advise them of the situation, and when they can expect service to be restored.

4. The CMT Leader and Alternate Leader – Staff allocation

    - Determine if some personnel must travel to the business recovery site.
    - Distribute copies of any forms needed during the recovery operation.
    - Instruct everyone not to make statements to the news media.
    - Personnel should be assigned recovery support duties required by other teams, as needed.
    - Identify the category in which personnel should be alerted. Consider:
        - ✓ Personnel that might need to give aid to other employees.
        - ✓ Personnel needed at the work area to resume normal business functions.
        - ✓ Personnel who should stay home and work remotely via VPN, alternative work site, or remain on standby (they will be needed when the initial group needs rest).
    - Contact personnel who will be needed to report to the assigned work area.
    - Designate space for personnel reporting to the work area.
    - Implement procedures to resume time-dependent functions based on the priority established.
    - Instruct all personnel to carry photo identification and be prepared to show it to security or local authorities.

As the recovery operation progresses, the team should be prepared to return to the affected facility and resume normal business operations.

Business Recovery Work-Area Checklist

Work Area Scenarios

The Crisis Management Team will provide each team leader with a work area for business resumption. One of the following is the scenario that will take place:

1. Work area at the location if the facility is accessible. The Crisis Management Team will provide information about what area the team can use.

2. Work area at the alternate office location.

3. Work area at the Command Center for select CMT members.

4. Work area at home. A home internet connection and a VPN will connect you to PrimeSouth Bank's servers.

Work Area Requirements

PrimeSouth Bank has determined that the recovery site must have the following requirements:

- High-speed access to the internet.
- Voice communications are either through a cell phone or a landline.
- Copy machines and/or printers, as needed.
- Security systems and monitoring, as needed.

Business Recovery Site Information

Guidelines for Travel to the Business Recovery Site

Most disasters are isolated to a single building or block. In those situations, the Business Recovery Site in the local area will be used for recovery. Some catastrophes are community-wide and, as such, may eliminate the option of using the local Business Recovery site. In those instances, we may use more distant, other, or vendor/partner recovery sites. Refer to Appendix E—Recovery Sites and Emergency Assembly Sites for a list of these facilities.

In the case of a distant recovery site, the CMT Leader may divide the available personnel into two groups: those who will go to the Recovery Site first and those who will await further instruction from home. The CMT Leader should not over-commit resources during the first few days.

Each team member should provide directions to the personnel traveling to the Recovery Site. If personnel cannot drive to the backup site and need another arrangement, the manager should arrange the details through the administrative team leader or CMT Leader.

Each team member will provide the Administration team leader or CMT Leader with the names of the individuals, their destination, hotel requirements, an estimate of any travel money needed, and instructions relating to specific personnel. All expenses should be tracked utilizing the form in Appendix M.

If required, the CMT Administration designee will assist with necessary travel arrangements and provide personnel with itineraries, tickets, and advance travel money.

Off-Site Stored Materials

Copies of critical documents, computer/PC backup data, critical supplies, company forms, etc., may be available from several sources:

1. Data Recovery - Hosted Backups

   PrimeSouth Bank maintains hosted data backups in the FIS data center in Phoenix, AZ, and network-related data backups through Veeam cloud systems. Offsite and cloud-based backups are stored locally for a 30-day rotation.

2. Remote Workstations - access to institution functions can be performed remotely through institution-owned devices (laptops). Some items that are contained on these laptops include:
   - Necessary software applications and certificates.
   - Electronic copies of the Business Resumption Plan to guide recovery and collect notes on recovery actions.
   - Electronic copies of any forms, templates, and instructions.
   - Links to frequently visited resources via the web.

Critical Resources to Be Retrieved

Many incidents do not destroy office contents. Depending on the circumstances, cleaning and drying paper, systems, and other critical company resources might be possible. Even if computers, tapes, and hard drives have water, smoke, or soot damage, extracting the information from them might be possible.

Appendix C contains a list of critical items to be recovered, if possible.

Following the incident, if authorities and your facilities staff determine that your affected building is safe to enter, you might be allowed into your building for a short time. This could be for as little as 15 minutes or a half-hour. Provide the equipment list (from Appendix C) to the staff assigned to enter the building for retrieval purposes. This assumes, of course, that the items are salvageable.

Under more severe circumstances, the list of items to be retrieved may have to be submitted to emergency response personnel who may attempt to recover materials.

This list should match the assets with high priorities from the BIA.

Some examples of items you might need to retrieve include servers, routers, fire cabinets, computer disks, computers, selected paper files, and work-in-process.

You should not retrieve family pictures, unimportant files, or information duplicated elsewhere.

Resiliency Plans

Various forms of disasters may impact the financial institution. Amongst the most significant threats that may affect the institution are threats to the physical building, the technical network, and the availability of staff. A new developing threat to many institutions is cyber-attacks. This section discusses these significant threats, and the resilience plans in place.

Cyber Resilience

The increasing sophistication and volume of cyber threats and their ability to disrupt operations or corrupt data can affect the business resilience of financial institutions. The ability of financial institutions to respond effectively to a cyber-attack is critical to business resilience. The institution considers the following mitigating controls:

- Data backup architectures and technology that minimize the potential for data destruction and corruption.
- Independent, redundant alternative communications providers.
- Layered anti-malware strategy.
- Increased awareness of potential insider threats.
- Enhanced incident response plans reflecting the current threat landscape and
- Prearranged third-party forensic and incident management services.

Below are specific cyber risks and the resilience plans to mitigate the threats.

Malware

Malware represents a serious and growing threat to financial institutions. It is focused on achieving high-impact objectives, such as data corruption and unauthorized financial transactions. Anti-malware vendors are continually challenged to keep pace with rapidly proliferating malware threats. For example, "zero-day" exploits can result in significant damage.

Preparedness

To strengthen resilience against malware threats, PrimeSouth Bank uses a layered anti-malware strategy, including integrity checks, anomaly detection, system behavior monitoring, and employee security awareness training, in addition to traditional signature-based anti-malware systems. The institution enforces additional standard controls, such as strong passwords, appropriately controlled mobile devices, DNS filtering, controls over access to social networks, hardened software, and operating systems, and controlled and monitored Internet access.

Response

The institution would work with Safe Systems, FIS, and other relevant IT Information Security Resources to determine the cause of the issue. During the outage, the institution will utilize offline procedures. The institution, UFS Tech (Safe Systems), and any relevant vendors will work to resolve the issue. Depending on the expected length of the outage, the institution would failover to the DR data center.
Refer to the Incident Response Plan for further details.

Insider Threats

Cyber threats can be launched from within a financial institution by a disgruntled employee or someone placed in the financial institution deliberately to carry out a cyber-attack.

Preparedness

The institution considers the possibility that a knowledgeable insider may cause a disruptive event and its potential impact on business resilience. Employee screening, dual controls, and segregation of duties are some examples of controls in place to mitigate the risks of an insider attack.

Response

The institution would work with third-party vendors and other relevant IT Information Security resources to determine the cause of the issue. During the outage, the institution will utilize offline procedures. The institution and any relevant vendors would work to resolve the issue. Depending on the expected length of the outage, the institution would failover to the DR data center. Refer to the Incident Response Plan for further details.

Data or Systems Destruction and Corruption

Cyber-attacks may simultaneously target production data and online backups for destruction or corruption. It may also target the destruction of hardware. Data destruction occurs when data are erased or rendered unusable. Data corruption occurs when data are altered without authorization. Either can happen inadvertently or through malicious intent. In some cases of data corruption, data may appear usable but produce unexpected and undesirable results. A financial institution may not become aware that data has been corrupted for some time after an event and may find it difficult to determine the extent of the problem. Thus, data corruption may have a more significant impact on the financial institution and require a different recovery response than cases of data destruction.

Preparedness

The institution has on-site servers at all offices, which have backup capabilities. Connectivity exists between the Waycross and Brunswick—Downtown Offices and all the other offices. The institution has a connection to Azure.

Response

The institution would work with third-party vendors and other relevant IT Information Security resources to determine the cause of the issue. During the outage, the institution will utilize offline procedures. The institution and any relevant vendors would work to resolve the issue. Depending on the expected length of the outage, the institution would failover to the DR data center.

Distributed Denial of Service

A denial-of-service attack makes a machine or network resource unavailable to its intended users. The institution's primary target is our public-facing and online banking websites. Such an attack would make our online banking and website services unavailable to customers, causing potential reputational damage. As a result, PrimeSouth Bank has the following plan in place.

Preparedness FIS (public website)

Recovery procedures are divided into sequential phases. Each phase contains specific activities and tasks that vary depending on the disaster's location.

Phase 1: Disaster Occurrence

This phase begins with the occurrence of the disaster event and continues until a decision is made to activate the DRP.

- Emergency response measures.
- Notification of management.
- Damage assessment.
- Disaster declaration.

Phase 2: Plan Activation

In this phase, the DRP is activated and put into effect. This phase continues until critical business functions are re-established and computer system service is restored.

- Ensure employee safety.
- Restoration of Technology operations.

Phase 3: Revert to Normal Operations

This phase reverts and restores the original site's technology operations and human functions.

- Terminate rally point and/or remote sites.
- Relocate personnel, records, and equipment.
- Restore Corporate Technology Operations.
- Restore Corporate Human functions.

Preparedness Online Banking

FIS has various monitoring and alerting:

- Independent alerting from the Government, Information Security Partners, Industry SS feeds, etc.
- Alerted network traffic flow spike or anomaly.
- IDS/IPS captures or alerts.
- eBanking system alerts.
- Client reports of significant fraud incidents destined for foreign accounts.

Response Online Banking

FIS systems continually evolve in their sophistication for log and event correlation and analysis. It is widely known that all Internet-facing infrastructures are under constant attack from a variety of automated tools, as well as from targeted attacks. As such, an organization's systems are constantly receiving alerts. Such alerts effectively become a wall of 'white noise' from which accurate and credible threats must be isolated. The phrase 'receiving an alert' indicates that an honest and credible threat has been detected within the white noise. When such an alert is received, the alert is evaluated, and FIS assembles the appropriate response teams. During this phase, technical and communication bridge lines are initiated to identify mitigation and communication steps for the affected client(s).

- Identify Intended Targets: As the alert(s) are further investigated, FIS works to identify the specific site(s) and client(s) being attacked.
- Notify Intended Targets: It should be noted that every financial institution is continuously under attack. Most of these attacks are automatically defended against FIS's standard security controls and procedures (i.e., firewalls, intrusion prevention systems, etc.); therefore, notification will occur only in the event of an impact. In such cases, when the intended targets of the attack are known, FIS notifies the client(s) being attacked and works with them to help identify any affected customers.

- Block Traffic: In many cases, blocking traffic to specific sites is necessary. In the same way that police would set up a roadblock to help stop unwanted traffic, investigate a scene, or protect an area affected by an incident, FIS may block some or all traffic to the specific client site(s) being attacked; this is a vital step in properly mitigating the attack. Once traffic is blocked in the institution(s) being attacked, the FIS environment is stabilized (if necessary), and other financial institutions and their customers can access the FIS eBanking applications and other Internet-facing products at that FIS location.
- Engage Technical Mitigation Steps: Technical mitigation steps are varied. They include, but are not limited to, the following:
    - Engage appropriate Internet Service Providers (ISPs) for mitigation steps, such as:
        - IP blocking,
        - Zombie defense controls, or
        - Enable other countermeasures to filter out attack traffic.
    - Involving 3rd Party DDoS scrubbers in case traffic is determined to be swung to scrubbing centers.
    - Adjusting tactical 'block-and capture-capture' within existing IPS Systems (specific DDoS signatures enabled).
    - Contact law enforcement and remind the client to engage with law enforcement.
    - Monitor and Adjust: The last step in the process verifies that the mitigation is adequate and that the attack has been adequately dealt with. FIS monitors traffic and adjusts mitigation strategies until the DDoS attack has ended.

FIS Client Responsibilities

In addition, FIS reminds client organizations to review and update their security controls regularly. Controls include system limits, alerts, and other security controls for all payment transactions in retail and/or commercial banking solutions. DDoS and 'account takeover' are inherently linked, and many cyber-criminals will attempt to use DDoS to mask an account takeover. Another control organizations are encouraged to practice is educating end customers on their responsibility for securing all devices used to access banking and mobile solutions.

Pandemic Resilience

The FFIEC defines a pandemic as an outbreak of a disease that occurs over a wide geographic area and affects an exceptionally high proportion of the population worldwide.

Scenario

A disease threatens the population, requiring non-essential workers to remain home. Local authorities may enforce additional stay-at-home restrictions and requirements around building capacity and personal protection use.

Preparedness

The institution has developed a Pandemic Plan, Appendix P.

Response

The institution would follow the Pandemic Plan in place, Appendix P.

The CMT would assess the situation. Local and National guidance would be reviewed.

Triggers would be defined based on increasing severity levels, and a course of action would be established at each trigger level.

Critical business functions would be prioritized when leveraging the BIA.

Offices would assess personal protection supplies, and managers would assess staff's access to working remotely.

The CMT would continue to monitor local and national media and take actions relative to defined trigger levels.

PrimeSouth Bank's network and infrastructure allow employees the capability to perform most business functions remotely.

PrimeSouth Bank has a response plan for virus-positive cases. Based on the severity of the virus, this plan may need to be augmented.

Physical Resilience

Physical resilience is the traditional approach to business continuity and includes IT architecture, infrastructure, facilities, and communications.

Scenario

The institution does not have access to or availability of the primary business site; however, it has a viable technical network and the staff to perform critical functions.

Preparedness

The institution has identified recovery sites as listed in Appendix E.

Preparedness strategies for specific event types are defined below.

Response

The institution would assess the damage caused to the primary business site. If it is determined that business cannot resume at this location, an alternate site will be utilized.

Response strategies for specific event types are defined below.

Earthquake

Scenario:

An earthquake occurs during business hours and causes physical damage to a banking center.

Preparedness Strategy:

1. Evacuation plans and assembly sites have been identified for all locations.
2. Refer to Evacuation Plan. Security training includes the Bank's Evacuation Plan.

Response Strategy:

During an Earthquake

1. Guide and assist in moving customers to a safe place away from glass.
2. Get under and hold onto a desk or table or stand against an interior wall.
3. Protect your eyes by pressing your face against your arm.
4. Avoid exterior walls, glass, and heavy furniture (file cabinets, bookcases, and wall cabinets).
5. Remain indoors until the shaking stops.
6. The following steps should be done only if time permits!
    a. End any jobs running on Workstations and sign off. If time permits, unplug any equipment not attached to the UPS. Place all backups in the fireproof safe.
    b. Power down the hardware/systems, proof equipment, and the UPS. Unplug any equipment not attached to the UPS.
    c. c. Place all currency, coins, money orders, cashiers' checks, machine tapes, customer payments, deposits, checks, files, and other necessary items in the vault. Lock all drawers and cabinets and place the drawers and keys in the vault.
    d. Store all files, records, reports, and other items in the vault.
    e. Lock all vaults (without setting timers) and the fireproof safe.

After an Earthquake

1. Check for fire or fire hazards (gas leak or electrical fire)
2. If necessary, when it is safe, evacuate the building. Go to the designated assembly site and wait for further instructions.
3. At the assembly site, the Supervisor will attempt to account for all personnel.
4. If people have been injured or property harmed by the earthquake, contact the CMT and make a report.
5. Check for any injured parties - call 911 for emergency medical services.
6. Notify the CMT Coordinator and provide information on the current situation.
7. Listen to the radio for important news and/or instructions and update the CMT coordinator if an earthquake is localized.
8. The CMT Coordinator will maintain communication and provide instructions regarding branch closures or disruptions of regular operations.
9. Prepare for and expect aftershocks that follow the initial earthquake.

Tropical Storm/Hurricane/Tornado/Severe Weather

TROPICAL STORM WATCH	*Tropical Storm conditions are possible in the specified area of the Watch, usually within 36 hours.*
TROPICAL STORM WARNING	*Tropical Storm conditions are expected in the specified area of the Warning, usually within 24 hours.*
HURRICANE WATCH	*Hurricane conditions are possible in the specified area of the Watch, usually within 36 hours. During a Hurricane Watch, take immediate action to protect your family and property if a Hurricane Warning is issued.*
HURRICANE WARNING	*Hurricane conditions are expected in the specified area of the Warning, usually within 24 hours. Complete all storm preparations and evacuate if directed by local officials.*
TORNADO WATCH	*Be Prepared! Tornadoes are possible in and near the watch area. Review and discuss your emergency plans and check supplies and your safe room. Be ready to act quickly if a warning is issued or you suspect a tornado is approaching. Acting early helps to save lives! Watches are issued by the Storm Prediction Center for counties where tornadoes may occur. The watch area is typically large, covering numerous counties or even states.*
TORNADO WARNING	*Act! A tornado has been sighted or indicated by weather radar. There is imminent danger to life and property. Move to an interior room on the lowest floor of a sturdy building. Avoid windows. If in a mobile home, a vehicle, or outdoors, move to the closest substantial shelter and protect yourself from flying debris. Your local forecast office issues warnings. Warnings typically encompass a much smaller area (around the size of a city or small county) that may be impacted by a radar tornado identified by a forecaster or by a trained spotter/law enforcement watching the storm.*

Scenario:

During severe weather, strong winds and storms can cause flooding and damage to the community and banking center(s).

Preparedness Strategy:

1. Branches have recovery sites identified in Appendix E. Customers would be directed to another location.
2. Affected branch staff would assist at other locations.

Response Strategy:

1. Monitor weather conditions by radio and inform the CMT coordinator and personnel.
2. Be prepared to implement an emergency evacuation plan should it become necessary.
3. If weather is imminent and evacuation is required, turn off electrical power at the circuit breaker box.
4. Notify CMT coordinator.
5. Customers would be directed to another office. Employees would relocate to another office.

During business hours (occupied building).

1. If time and level of danger allow secure cash & negotiables
2. Safely evacuate the building and lock doors upon exiting or take shelter inside
    a. If sheltering is in place, guide and assist customers in moving to a safe place away from glass.
    b. Get under, hold onto a desk or table, or stand against an interior wall.
    c. Protect your eyes by pressing your face against your arm.
    d. Avoid exterior walls, glass, and heavy furniture (file cabinets, bookcases, and wall cabinets).
    e. Remain indoors until the shaking stops.
    f. The following steps should be done only if time permits!
        i. End any jobs running on Workstations and sign off. Any equipment not attached to the UPS should be unplugged if time permits. All backups should be placed in the fireproof safe.
        ii. Power down the hardware/systems, proof equipment, and the UPS. Unplug any equipment not attached to the UPS.
        iii. Place all currency, coins, money orders, cashiers' checks, machine tapes, customer payments, deposits, checks, files, and other necessary items in the vault. Lock all drawers and cabinets and place the drawers and keys in the vault.
        iv. Store all files, records, reports, and other items in the vault.
        v. Lock all vaults (without setting timers) and the fireproof safe.
3. Assemble and account for all employees.
4. The building should not be re-entered until clearance, or a special permit, is used.
5. Coordinate with the CMT coordinator on further action to be taken.

Fire

Scenario:

A fire breaks out in a banking center during business hours and causes physical damage.

Preparedness Strategy:

1. Evacuation plans and assembly sites have been identified for all locations.
2. Refer to Evacuation Plan. Security training includes the Bank's Evacuation Plan.
3. Branches have fire extinguishers that are certified annually.

Response Strategy:

An evacuation plan would be in place for disasters during business hours. Employees and customers within the building would be directed to safe locations.

<u>During business hours (occupied building).</u>

1. Call 911.
2. If time and level of danger allow secure cash & negotiables.
3. Safely evacuate the building and lock doors upon exiting.
4. Assemble and account for all employees.
5. Report the incident and circumstances to the CMT coordinator.
6. The building should not be re-entered until the fire department approves.
7. Coordinate with the CMT coordinator on further action to be taken.

For disasters after hours, the contact list for alarms at each branch would be utilized to communicate with regional staff. Staff from an affected location would be directed to another available area, and customers would be directed to an available location. Website communication and use of local media would be leveraged to communicate the availability of locations and services to customers.

Flood

Scenario:

Excess rain and storms cause flooding in the community, and water damage has occurred to a banking center.

Preparedness Strategy:

1. Branches have recovery sites identified in Appendix E. Customers would be directed to another location.
2. Affected branch staff would assist at other locations.

Response Strategy:

1. Monitor weather conditions by radio and inform the CMT coordinator and personnel.
2. Be prepared to implement an emergency evacuation plan should it become necessary.
3. If flooding is imminent and evacuation is required, turn off electrical power at the circuit breaker box.
4. Notify CMT coordinator.
5. Customers would be directed to another office. Employees would relocate to another office.

Industrial Disaster

Scenario:

A chemical spill from a train, car, or truck spills a harmful chemical liquid. Inhalation can irritate the lungs, causing coughing and shortness of breath. The local community and bank office(s) must be evacuated.

Preparedness Strategy:

1. Evacuation plans and assembly sites have been identified for all locations.
2. Refer to Evacuation Plan. Security training includes the Bank's Evacuation Plan.
3. Branches have fire extinguishers that are certified annually.

Response Strategy:

An evacuation plan would be in place for disasters during business hours. Employees and customers within the building would be directed to safe locations.

<u>During business hours (occupied building).</u>

1. If time and level of danger allow secure cash & negotiables
2. The following steps should be done only if time permits!
    i. End any jobs running on Workstations and sign off. Any equipment not attached to the UPS should be unplugged if time permits. All backups should be placed in the fireproof safe.
    ii. Power down the hardware/systems, proof equipment, and the UPS. Unplug any equipment not attached to the UPS.
    iii. Place all currency, coins, money orders, cashiers' checks, machine tapes, customer payments, deposits, checks, files, and other necessary items in the vault. Lock all drawers and cabinets and place the drawers and keys in the vault.
    iv. Store all files, records, reports, and other items in the vault.
    v. Lock all vaults (without setting timers) and the fireproof safe.
3. Safely evacuate the building and lock doors upon exiting
4. Assemble and account for all employees; may need to assign another assembly site out of proximity of the spill.
5. The building should not be re-entered until Hazmat gives clearance or a special permit is used.
6. Coordinate with the CMT coordinator on further action to be taken.

For disasters after hours, the contact list for alarms at each branch would be utilized to communicate with regional staff. Staff from an affected location would be directed to another available area, and customers would be directed to an available location. Website communication and use of local media would be leveraged to communicate the availability of locations and services to customers.

Bomb Threat

Scenario:

A bomb threat is received, or a suspected bomb is found.

Preparedness Strategy:

1. Refer to Evacuation Plan. Security training includes the Bank's Evacuation Plan.
2. Recovery sites have been identified for all locations for relocation of staff and to service customers.
3. All critical functions can be performed at surviving locations, except accessing local safe deposit boxes.

Response Strategy:

If a bomb threat is received by telephone:

1. Write down information using the **BANK SECURITY KIDNAP, HOSTAGE, BOMB THREAT FORM.** This form should always be placed near the telephone where it can be easily accessible (i.e., under a desk mat, kept in a manila folder under the phone, etc.).
2. Try to determine from the caller:
    a. Location of the bomb.
    b. Time of explosion.
    c. Type of explosive.
3. Telephone the police, FBI, and CMT.

If a bomb threat is received by mail:

1. Retain the original correspondence and envelope in a plastic bag or large envelope.
2. Minimize handling to preserve fingerprint evidence.
3. Telephone the police, FBI, and CMT.
4. Immediately institute an orderly search by personnel sufficiently familiar with each area of the banking center or department that is subject to the bomb threat to identify any suspicious or foreign object:

    a. Conduct the search to cover subject areas with a minimum number of employees.
    b. Search to avoid alerting customers, invitees, and uninvolved employees.

5. If a suspicious or foreign object is found:

    a. **DO NOT** move or touch the object.
    b. Immediately institute an orderly evacuation of all customers, invitees, and employees to a safe distance.
    c. Take appropriate steps to secure the building during the evacuation phase. Direct all employees to take all measures essential to secure assets before evacuation.
    d. **DO NOT** re-enter the building until the police advise it is safe.

Civil Disturbance (Protests/Demonstrations)

Scenario:

Local riots or civil disturbances break out near one of the banking locations.

Preparedness Strategy:

To be prepared, banking center and department managers are to discuss emergency procedures with their personnel as outlined below. This meeting will be documented via an internal memorandum to the Physical Security Officer.

In the event of disturbances involving an entire city, county, or state, the direction will come from the Bank's Senior Management. This procedure will be used if the situation requires that a banking center or department be closed.

Response Strategy:

Anticipation of Civil Disorder

In anticipation of civil disorder, banking center or department managers are responsible for the following:

1. Advising the CMT;
2. Retaining a minimum amount of cash in the teller work area (banking centers only);
3. Maintaining service only to the extent that customer service will not be curtailed; and
4. Alerting staff members.

No Immediate Danger

It is the responsibility of the banking center and department manager personnel to, at a minimum, conduct the following procedures in the event a decision is made to close with no immediate danger to the staff or premises:

1. Notify the CMT of the emergency closing. It is the responsibility of the CMT or designee to notify local law enforcement agencies;
2. Close doors, draw curtains, and inspect premises;
3. Determine the safety of the immediate area and route home available to employees;
4. Set vault clocks and alarms for standard opening time unless advised otherwise by Senior Management; close vault (banking centers only);
5. Direct an employee to deliver work and mail to the nearest banking center outside of the threatened area;
6. Dismiss staff and caution them to remain at home and
7. Turn on all lights, lock all doors, and depart.

Immediate Danger

It is the responsibility of the banking center and department manager personnel to, at a minimum, conduct the following procedures in the event a decision is made to close when immediate danger to the staff or premises exists:

1. Notify the CMT of the emergency closing. It is the responsibility of the CMT to notify local law enforcement agencies;
2. Lock all doors and control customer exit from the facility;
3. Lock vault and evacuate premises; and
4. Notify the CMT after leaving the premises.

Active Shooter

Scenario:

An "active shooter" is an individual who is engaged in shooting or attempting to shoot people in a confined and populated area. In most cases, active shooters use firearms, and there is no pattern or method to their selection of victims (domestic violence is a common exception).

Preparedness Strategy:

The Bank's CMT is responsible for training all employees to help prepare for such an incident. This training should include:

- Reviewing and posting escape routes;
- Reviewing potential hiding locations;
- Recommendations to help ensure staff and customer safety;
- Post-incident meeting location(s);
- Review of pertinent information to deliver during a 911 call;
- Review of interaction with law enforcement; and
- Review U.S. Department of Homeland Security Active Shooter Event guides and videos.

The CMT is responsible for assisting with post-incident activities when safe to do so, such as:

- Triage;
- Damage assessment;
- Communication at appropriate times with:
    - Authorities
    - Staff
    - Board of Directors
    - Family
    - Public
    - Utilities
    - Security services
    - Cleaning services
    - Building maintenance
    - Regulatory authorities
    - Insurance companies
- Securing of building and assets; and
- Review and documentation of the incident. The Bank Security Program, Information Security Policy, Incident Response Policy, and Business Continuity Policy guidelines are reviewed and followed as appropriate.

Response Strategy:

When an Active Shooter is in your vicinity, you must be prepared mentally and physically to deal with the situation. The U.S. Department of Homeland Security recommends the following three actions in response to an active shooter event.

1. RUN

- Have an escape route and plan in mind.
- Activate silent alarm if it can be done safely and without slowing escape.
- Leave your belongings behind
- Evacuate regardless of whether others agree to follow.
- Help others escape, if possible
- Do not attempt to move the wounded.
- Prevent others from entering an area where the active shooter may be.
- Keep your hands visible (to prevent law enforcement from mistaking you as an attacker)
- Keep moving to an area of safety when outside. Remember, the shooter may return and continue firing.
- Call 911 when you are safe.

2. HIDE

- Hide in an area out of the shooter's view.
- Lock the door or block entry to your hiding place.
- Silence your cell phone (including vibrate mode) and remain quiet.
- If possible, put solid walls, doors, furniture, equipment, paper boxes, etc., between you and the shooter.

3. FIGHT

- Fight as a last resort and only when your life is in imminent danger.
- Attempt to incapacitate the shooter.
- Act with as much physical aggression as possible.
- Improvise weapons or throw items at the active shooter.
- Commit to your actions . . . your life may depend on it.
- Remember, everyone has the right to protect their life and the lives of others.

Recommendations for Interaction with Authorities

Information to provide to 911 operations:

- Location of the active shooter
- Number of shooters
- Physical description of shooters
- Number and type of weapons the shooter has.
- Number of potential victims at location

When law enforcement arrives:

- Remain calm and follow instructions.
- Drop items in your hands (e.g., bags, jackets)
- Raise hands and spread fingers.
- Always keep hands visible.
- Avoid quick movements toward officers, such as holding on to them for safety.
- Avoid pointing, screaming, or yelling.
- Do not ask questions when evacuating.

The first officers to arrive on the scene will not stop to help the injured. Expect rescue teams to follow the initial officers. These rescue teams will treat and remove the wounded.

Once you have reached a safe location, law enforcement will hold you until the situation is controlled and all witnesses have been identified and questioned. Do not leave the area until law enforcement authorities have instructed you to.

Liquidity Considerations

During a disaster, power and communications systems may fail (e.g., inoperable ATMs or debit and credit card systems), requiring cash to fulfill customer and business needs. Arrangements to help meet liquidity needs may include:

- Emergency borrowing access.
- Alternative cash delivery.
- Procedures to secure, deliver, and distribute cash.
- Temporary purchase authority guidelines.
- Expense reimbursement options for personnel.
- Higher-limit credit cards or separate checking accounts with designated individuals who can sign emergency checks.

- **Discount Window Lending**
  - The discount window plays a vital role in supporting the liquidity and stability of the banking system by providing ready access to funding; the discount window helps depository institutions manage their liquidity risks efficiently and avoid actions that have negative consequences for their customers, such as withdrawing credit during times of market stress.

- **Discount Window Readiness**
  - It is crucial for institutions to maintain operational readiness to borrow from the discount window as part of their contingency funding plans. An institution must have borrowing agreements with its regional Federal Reserve Bank to use the discount window. In addition, pre-pledging collateral at the discount window and conducting periodic transactions, including during regular times, facilitates borrowing by institutions on short notice.

Response

The institution has alternative procedures in place for accessing liquidity needs.

Preparedness

The institution has a contingency funding plan, procedures for reviewing customers' previous day balances to decide on funding, and a Vendor Management program.

The institution maintains various same-day funding sources in case of immediate funding sources. These sources are tested annually.

Areas Evaluated and Plans Developed

All data and records relating to PrimeSouth Bank and its customers should be maintained and stored to allow the institution to recover from any catastrophic event. These may be daily, weekly, monthly, quarterly, annually, or longer, depending on the institution's data backup and record retention policies published as an addendum to this document. This also may include system mirroring. Each assessed critical system, facility, process, or procedure will have a pre-defined recovery strategy in the following sections.

PrimeSouth Bank has implemented a recovery strategy that uses a combination of recovery solutions. Each strategy is further defined below.

The current recovery strategy involves utilizing outsourced technology providers and their associated recovery facilities and an internal recovery solution for each system and application at our designated alternate processing location. The recovery areas fall into two categories:

- ☑ Outsourced Technology Providers Recovery
- ☑ Bank Related Recovery

Reference Business Continuity Management Plan Business Functions Risk Assessment is used to assess the details of resources, vendors, applications, recovery time objective, recovery point objective, and maximum allowable downtime for each business unit.

Services Provided by Outsourced Service Providers

Core Processing System

Recovery Process Owner: FIS, CMT Leader, Retail Coordinator, Back Office Deposit Operations Coordinator, IT Coordinator

Environment Description:

Horizon is the Core Processing System for the institution. This service is outsourced to FIS Banking Solutions, the host site in Little Rock, AR. It provides deposits and loan account processing, batch processing, interface files for check processing systems, and interface files for our telephone banking, internet banking, and Cash Management applications. It is connected to our Bank's primary office location in Waycross and Gloucester via Level 3 MPLS circuits.

Little Rock Data Center is down:

As this service is outsourced, the institution will depend on FIS Banking Solutions' recovery procedures to re-locate processing at FIS Banking Solutions' business continuity location in Chandler, AR, in the event of a disaster event at their location. Disaster events at our location should not affect their ability to process work for the institution or provide access to customer information.

MPLS circuit failure:

If we have a telecommunications issue with the circuit coming into Waycross, it will be rerouted to Gloucester and vice versa. A VPN router in Waycross also functions as a tertiary connection. The institution will route core traffic through the Waycross VPN router if neither MPLS circuit is available.

If connectivity through Waycross were unavailable, the core would be routed through the FIS Jacksonville data center. FIS would be contacted, and a support ticket would be opened.

Data & Application Backup Strategy:

The outsourced provider's current strategy involves nightly backups of each processing region to a dedicated backup server, which is synchronized nightly to the business continuity location. Thirty-one days of backups are kept, and month-end and Year-End backups are kept indefinitely. Recovery location systems are updated when changes are made to root or production system libraries.

Business Continuity Management Plan:

The plan consists of restoring the last backup files at the recovery location and rerouting institution telecommunications access to the recovery box. Recovery plans, interdependencies, and procedures are included in their plan. In the event of a disaster situation at their location, a sample high-level recovery scenario is as follows:

- FIS Banking Solutions Personnel would be engaged in the Chandler, AZ site.
- Verify the operability of site recovery equipment.
- Verify releases of production libraries
- Restore all institution "Region Databases" from the backup.
- Simultaneously swing addressing routes from the production location to the DR site.
- Bring institutions online.
- VPN failover environment is included within the structure.
- Notify the Business Continuity Coordinator that we are up and running.

Internet Banking System

Recovery Process Owner: FIS, Back Office Deposit Operations Coordinator, IT Coordinator

Environment Description:

This system is an outsourced technology service from FIS Banking Solutions, based in the Charlotte, NC, Service Center. It provides Internet banking services to institutions' customers.

Worse-Case Recovery Strategy: The FIS Data Center is unavailable. In a contingency or disaster event at their location, processing will be transferred to FIS Banking Solutions' disaster recovery facility in Little Rock, AR.

Disaster events at our location should not impair Internet banking operations. In the event of a disaster at our primary location, customer maintenance activities could be performed at any of our other branches.

Data & Application Backup Strategy:

Database backups of the Internet Banking server are created nightly and automatically synchronized to the Disaster Recovery IB server database in Little Rock. The only actions that must be taken by FIS staff in the event of a fail-over are to reroute internet traffic from the Charlotte Internet Banking server to the DR server in Little Rock, allow the DR server connectivity to the Horizon host, and the Internet Banking System, and restart the application server software.

Business Continuity Management Plan:

FIS's current plan calls for transferring services to an IB server at its disaster recovery facility in Chandler, AZ.

Item Processing Services System

Recovery Process Owner: FIS, Retail Coordinator, Back Office Deposit Operations Coordinator, IT Coordinator

Environment Description:

The FIS Banking Solutions Center in Little Rock, AR, currently utilizes a series of Dell Servers, the ImageCentre™ application, and an Oracle™ database. It is connected to our institution's locations in Waycross and Gloucester via a Level 3 circuit. Image Centre is utilized to process teller work, generate statements, and view items and reports.

Worse Case Recovery Strategies:

For this service, business continuity issues can take one of several forms, and recovery strategies are built around the type of event. These events can be classified as follows:

- Local events affecting the facilities and/or equipment components of
- PrimeSouth Bank's main office
- Local events affecting the institution's branches (Blackshear, Hyde Park, Jesup, St Simons, Altama)
- Event affecting the service provider.
- Component Failure Events locally
- Component Failure Events at the service provider

Local Event Strategy Main Office:

Local events affecting the institution's main office's ability to do specific image processing-related tasks will be handled by transferring the performance of those activities to a functioning branch location. The BCC will evaluate the facts of each event and decide on activating such recovery procedures. This may be due to a component failure, i.e., a teller capture device not being operational. It may also be invoked for telecommunication failures, power failures, or more catastrophic events such as the destruction of the main office by fire, tornado, or other natural events.

Those activities include the following:

- Amount entry and data correction of main office work, Blackshear, and Brunswick
- Nightly transfer of daily ATE (posting file) to the data center.

Other main office ImageCentre™ activities, such as reviewing reports, will be postponed until the disaster event ends and the central office's capabilities are restored.

Local Event Strategy Branch Offices (Blackshear, Brunswick, Jesup)

The CMT will evaluate local events at any of the branches at the time of the event. The recovery manager responsible for this activity will decide whether to courier counter work to another branch location or delay processing until the event ends. If there is an issue with a scanner, we have spare scanners available at each location.

MPLS circuit failure:

If we have a telecommunications issue with the circuit coming into Waycross, the connection will immediately fail to the Gloucester connection and vice versa. This would occur within 1-2 minutes of the offline MPLS circuit.

If both MPLS circuits to FIS fail, a tertiary connection routes the core processing to the VPN connection in Waycross, where all branches access the VPN through Waycross. The dial-in line to Waycross for FIS access to the router is 912-285-2549.

1. A ticket would be started with FIS/NOC.
2. A ticket would be started with FIS.

Outsourced Provider Event Strategy

Events affecting the service provider will be handled by transferring processing to their recovery facility or utilizing one of their component failure strategies.

Data & Application Backup Strategy

The following is a summary of the center backup strategies:

- Service Provider backs up databases and images nightly.
- Service Provider has pre-located equipment at their Business Continuity location.
- The Service Provider synchronizes data daily to the recovery center.
- Database table changes mirrored to a duplicate server.
- Numerous component failure failovers in the production system
- The Service Provider has a Telco recovery plan.

Cash Management

Recovery Process Owner: FIS, Treasury, Back Office Deposit Operations Coordinator, IT Coordinator

Environment Description:

This system is hosted by FIS D1 Business, an outsourced technology services provider that provides ACH services for our commercial customers. Customers access the application via our website.

Data & Application Backup Strategy:

The institution does not need a backup strategy in this area; the outsourced services provider maintains a complete backup strategy.

Business Continuity Management Plan:

If customers were unable to access the FIS D1 Business site to process ACH, our customers would be notified. Most ACH files sent to the institution are for payroll.

The customer would be advised to write checks for payroll. A customer with an ACH debit file could be submitted using ShareFile to send the NACHA file. The institution would upload the secure NACHA file to the FRB.

Website

Recovery Process Owner: FIS, Retail Coordinator, IT Coordinator

Environment Description:

FIS hosts static web pages for our customers over HTTPS. It also provides our customers with access to Internet Banking, Bill Pay, and Cash Management. The Recovery Process Owner can edit some aspects of the website, but most changes are managed through FIS.

Worse-Case Recovery Strategy:

If the site were down, customers could be provided with the URL for Internet Banking, Bill Pay, and Cash Management to access these applications. Other areas of the website only provide information and forms. Customers would be directed to use the mobile banking app instead of the website.

Data & Application Backup Strategy:

The website is hosted on a server by FIS in Brown Deer, WI. They back this server up nightly, and it is replicated to another FIS in Phoenix, AZ, where it can be brought up in the case of a disaster.

Debit Card Processing

Recovery Process Owner: FIS, Retail Coordinator, Back Office Deposit Operations Coordinator, IT Coordinator

Environment Description:

FIS processes ATM and Debit card transactions for the institution and drives our ATMs. This is an outsourced technology services provider.

Worse-Case Recovery Strategy:

In the event of an event at FIS' Chandler, AZ Data Center, they can recover to the following locations: Brown Deer, WI; Voorhees, NJ; or Little Rock, AR. Transactions could be processed in stand-in mode until the switch to the backup location was complete. There are no local events that should affect the debit card processing capabilities.

Data & Application Backup Strategy:

The institution does not require a backup strategy in this area. The outsourced services provider maintains a complete backup strategy. In a disaster event requiring FIS to move to its recovery location, it will implement its recovery strategy.

Telephone Banking

Recovery Process Owner: FIS, Retail Coordinator, Back Office Deposit Operations Coordinator, IT Coordinator

Environment Description:

Customers use this application to look up account information over the phone.

Worse Case Recovery Strategy:

Customers must utilize online or in-branch services.

Data & Application Backup Strategy:

FIS replicates the site at their disaster recovery location nightly.

Bill Pay

Recovery Process Owner: FIS, Back Office Deposit Operations Coordinator, IT Coordinator

Environment Description:

Customers use this application to pay bills online. It is accessed from our institution's website.

Worse Case Recovery Strategy:

Customers would have to pay any bills themselves until the application was restored.

Data & Application Backup Strategy:

FIS replicates the site at their disaster recovery location nightly.

Loan Origination - Consumer

Recovery Process Owner: FIS, Back Office Loan Operations Coordinator, IT Coordinator

Environment Description:

FIS processes loan origination for the institution. This is an outsourced technology services provider.

Worse Case Recovery Strategy:

If an event occurs at FIS' Little Rock Data Center, the connection can be switched to the Phoenix, AZ, location. Transactions can be processed in stand-in mode until the switch to the backup location is complete. There are no local events that should affect the debit card processing capabilities.

Data & Application Backup Strategy:

The institution does not need a backup strategy in this area. The outsourced services provider maintains a complete backup strategy. If a disaster requires FIS to move to its recovery location, it will implement its recovery strategy.

Loan Origination - Commercial

Recovery Process Owner: FIS, Jack Henry, Back Office Loan Operations Coordinator, IT Coordinator

Environment Description:

FIS and Jack Henry are outsourced technology services providers that process loan origination for the institution, depending on the account.

Worse Case Recovery Strategy FIS:

In the event of an event at FIS' Little Rock Data Center, they can switch their connection to the Phoenix, AZ location. Transactions could be processed in stand-in mode until the switch to the backup location was complete. There are no local events that should affect the debit card processing capabilities.

Worse Case Recovery Strategy Jack Henry:

In the event of an event at Jack Henry Data Center, they can switch their connection to the Phoenix, AZ location. Transactions could be processed in stand-in mode until the switch to the backup location was complete. There are no local events that should affect the debit card processing capabilities.

Data & Application Backup Strategy:

The institution does not need a backup strategy in this area. The outsourced services provider maintains a complete backup strategy. They will implement their recovery strategy in a disaster requiring FIS and Jack Henry to move to their recovery location.

Internet

Recovery Process Owner: ATC, Comcast, AT&T, IT Coordinator

Environment Description:

Employees use the internet to access multiple applications and websites.

Worst-case Recovery Strategy:

Cell phones could be temporarily used to access certain sites if all internet connections are down.

Data & Application Backup Strategy:

If the ATC internet connection is unavailable in Waycross, it will failover to the internet connection at Gloucester.

Brunswick is configured to use Comcast as the primary internet source and ATC as the backup internet source. If Comcast is not available, ATC will be utilized.

Additionally, if either site's internet is down, the internet will route to the opposing site.

Virtualized Servers

Recovery Process Owner: IT Coordinator

Environment Description:

There is a network domain controller, file/print server, and Horizon server that is virtualized for each branch—additionally, Waycross and Gloucester house central servers needed for the institution.

There are two backup servers on the network, one at Waycross and one at Gloucester. Backups run nightly. Gloucester, Altama, Hyde Park, and SSI backup to the Gloucester backup server, and Waycross, Blackshear, Jesup, and Fernandina backup to the Waycross server. Once backups have been completed, replication begins between the Waycross and Gloucester backup servers. An offsite copy of the backups goes to a Third-party Cloud Provider. Full VM restores are performed weekly to validate backups.

Worse Case Recovery Strategy:

If the server fails, we will restore it from a backup. The scenario will dictate which backup copy is used.

Data & Application Backup Strategy:

Nightly backup and replication to Brunswick and Waycross.

Business Continuity Management Plan:

Contact IT to have the server restored from a backup. Thirty days of backups are maintained.

Email

Recovery Process Owner: IT Coordinator

Environment Description:

This cloud-based solution (Microsoft 365) is outsourced to Microsoft.

Worse-Case Recovery Strategy:

Email access will be unavailable if the internet is down. An internet hotspot or mobile device could be used to provide internet service.

Data & Application Backup Strategy:

Backups/connections to multiple data centers. Key personnel have access to email on cell phones via their cellular connection.

Employee Workstations

Recovery Process Owner: IT Coordinator

Environment Description:

Workstations running Windows operating systems.

Worse Case Recovery Strategy:

Spare workstations are always available.

Data & Application Backup Strategy:

By policy, all employees must back up all critical files to the network server, which is replicated between Waycross and Brunswick. Licensed software is managed via Microsoft's volume licensing. Files are also saved to OneDrive, SharePoint, and third-party cloud providers.

Business Continuity Management Plan:

It consists of the following elements:

- Sufficient workstations are available to begin operations at the recovery location.
- Base Images and Teller images are stored on the IT share for these PCs.
- Additional workstations will be purchased, as required, to restore all departments.

Contracts, Vital Records & Forms

Recovery Process Owner: Information Security Officer and Physical Security

Worse Case Recovery Strategy:

All vital contracts with vendors are stored in the Vendor Management software and can be accessed electronically by all branches.

Data & Application Backup Strategy:

Critical data files are stored in the Microsoft 365 Cloud, which Veeam is backing up. Physical documents are stored in fire-proof safes and vault areas.

Business Continuity Management Plan:

The recovery plan provided by the Vendor for VM software and Microsoft. All imaged documents are indexed and stored in ImageCentre.

Personnel

Recovery Process Owner: Human Resources/Administration Team Leader

Worse Case Recovery Strategy:

Direct personnel to other operating locations. If the disaster occurs in Waycross, Administrative personnel will operate remotely. Teller, Loan, and Customer Service personnel will be split among the other operating locations to perform customer service.

Recovery/Backup Strategy:

The plan assumes most personnel have survived the event and can be coordinated to perform necessary business functions. For additional backup assistance for Core Processing and Item Processing operational functions, we have FIS Banking Solutions in Little Rock.

Business Continuity Management Plan:

- Remote work environment
- Succession planning

Facilities

Recovery Process Owner: Human Resources/Administration Team Leader/Physical Security Officer

Worse Case Recovery Strategy:

Our worst-case recovery strategy involves the movement of operations to our Waycross branch location.

Recovery/Backup Strategy:

Alternate PrimeSouth branches for recovery.

Business Continuity Management Plan:

Currently, the plan involves using our Waycross branch and/or other branch locations.

FRB Services (including FedLine)

Recovery Process Owners: Treasury, Back Office Deposit Operations Coordinator, IT Coordinator

Environment Description:

FRB Services processes returns and orders cash, while FedLine processes Fed statements and pushes files to other institutions.

Worse Case Recovery Strategy:

Both FedLine Routers (Waycross & Gloucester) are down, or the connection is lost.

VPN or dial-up will not work:

Primary: use their web-based product with a token
Secondary: Correspondent Bank (currently SouthState Bank) would be used to process transactions.

If Unable to connect via VPN, dial-up, or at an alternate site, contact the Fed.

Data & Application Backup Strategy:

The Federal Reserve would be contacted.

Business Continuity Management Plan:

Two employees with tokens will drive to Correspondent Bank.

FIS eEwire

Recovery Process Owners: FIS, Treasury, Back Office Deposit Operations Coordinator, IT Coordinator

Environment Description:

We currently enter all wires into eWire, approve them internally, and then send them to the Fed.

FIS Data Center is down:

As this service is outsourced, the institution will depend on FIS Banking Solutions' recovery procedures to re-locate processing at FIS Banking Solutions' business continuity backup in the event of a disaster event at their primary location. Disaster events at our location should not affect their ability to process work for the institution or provide access to customer information.

Worse-case Recovery Strategy:

Employees cannot connect via VPN, dial-up, or at an alternate site. As needed, they are cross-trained in eWire procedures.

Data & Application Backup Strategy:

The institution does not require a backup strategy in this area. The outsourced services provider maintains a complete backup strategy. If a disaster requires FIS to move to its recovery location, it will implement its recovery strategy.

Third Party Resilience

Third-Party Management

Establishing a well-defined relationship with technology service providers (TSPs) is essential to business resilience. The institution's third-party management program is risk-focused and provides oversight and controls commensurate with the level of risk presented by the outsourcing arrangement. To ensure business resilience, the program includes outsourced activities critical to the financial institution's ongoing operations. Attention to due diligence, contract management, and ongoing monitoring of TSPs is vital to maintaining business resilience. The institution’s Third-Party Risk Management Policy addresses the management of third-party relationships. This section focuses on the business-resiliency aspects of third-party risk management.

Due Diligence

The institution evaluates and performs thorough due diligence before engaging a TSP. The institution considers the maturity of new technologies and gains an understanding of the benefits and risks of engaging TSPs using such technologies during the due diligence process. Improvements in technologies have the potential to strengthen business resilience but may introduce new and different risks (e.g., shared access to data, virtual exploits, and authentication weaknesses). As part of the due diligence, the institution assesses the effectiveness of a TSP's business continuity program, emphasizing recovery capabilities and capacity. In addition, the institution understands the due diligence process the TSP uses for its subcontractors and service providers. Furthermore, the institution reviews the TSP's BCMP program and its alignment with its program, including an evaluation of the TSP's BCMP testing strategy and results to ensure they meet the institution's requirements and promote resilience.

Contracts

The terms of service are defined in written contracts that have been reviewed by the institution based on their risk before execution. Contract terms impacting the institution's ability to ensure effective business resilience are reviewed. These include the following:

- BCMP testing
- Data governance
- Default and termination
- Establishing and monitoring performance standards
- Foreign-based service provider
- Right to audit
- Security issues
- Subcontracting
- TSP updates

Ongoing Monitoring

Management effectively monitors TSP performance throughout the contract. Effective ongoing monitoring assists the institution in ensuring the resilience of outsourced technology services. The institution performs periodic in-depth assessments of the TSP's control environment, including BCMP, by reviewing service provider Business Continuity Management Plan testing activities, independent and/or third-party evaluations, and management information systems (MIS) reports to assess the potential impact on the institution's business resilience. The institution ensures that the results of such reviews are documented and reported to the appropriate management oversight committee or the board of directors. They are used to determine any necessary changes to the institution's BCMP and, if warranted, the service provider contract.

Third-Party Capacity

An increasing concentration risk corresponds to financial institutions' increased use of third-party service providers. In conjunction with industry consolidation, which has resulted in fewer, more specialized TSPs providing services to more significant numbers of financial institutions. This trend increases the potential impact of a scenario where a TSP is required to support recovery services to large financial institutions due to a widespread disaster. In addition, a business disruption at a single TSP may affect critical services provided to many institutions dependent on those services. In both scenarios, the TSP must have sufficient capacity to meet Recovery Time Objectives (RTOs), Recovery Point Objectives (RPOs), and Maximum Allowable Downtime (MADs) needed by the financial institution clients.

Significant TSP Continuity Scenarios

The significant size and client concentration of larger TSPs increase the potential impact of service disruptions across substantial financial industry segments, increasing the importance of resilience for these organizations. Natural disasters, physical threats, and cyber-attacks could significantly affect servicer capabilities. Beyond physical and cyber threats, financial pressures can lead service providers to decide not to invest entirely in appropriate security controls or resilience measures that would facilitate continuity of operations. In extreme economic distress, a servicer may not be financially viable to continue making necessary product updates or operations. Without advance notice or awareness of deterioration in a TSP's financial condition, the financial institution clients might not have appropriate time to make alternate processing arrangements.

TSP Alternatives

It is incumbent on financial institutions and third-party service providers to identify and prepare for potentially significant disruptive events, including those that may have a low probability of occurring but would have a high impact on the institution. Despite such planning, circumstances may cause a service to be unavailable for longer than a committed and tested RTO. In these situations, a financial institution and its TSPs should assess the impact on their respective customers and take the necessary steps to minimize the event's impact. In extreme scenarios where a TSP can no longer effectively perform its responsibilities, a new TSP may have to assume operations. Depending upon the specific circumstances, a new TSP may convert the financial institution to its systems and move them to its data center. Alternatively, the new TSP could assume control of the existing data center running the existing systems. The financial institution may have to move the operations in-house if no alternate TSP is available. The latter is generally not a valid option, as the reasons to outsource include a lack of expertise or financial resources to run services in-house and, therefore, moving them with little or no notice would exacerbate these limitations.

A critical failure at a service provider could have large-scale consequences. PrimeSouth Bank ensures that its TSPs have adequate planning and testing strategies that address severe events to identify single points of failure that would cause wide-scale disruption.

PrimeSouth Bank has implemented steps to plan for the possible failure of critical services. First, the institution discusses scenarios of significant disruptions that may necessitate transitioning critical services to alternate TSPs. Second, the institution assesses the immediate or short-term space, systems, and personnel capacity to absorb, assume, or transfer failed operations. Last, the institution identifies the most plausible range of recovery options and develops Business Continuity Management Plans to restore key services.

Testing with Third-Party TSPs

Testing is a critical step in the cyclical BCMP process. It is sufficient in scope and rigor to demonstrate the ability to meet recovery objectives, regardless of whether a service is performed in-house or outsourced. Third parties provide essential services and are included within the institution's enterprise-wide business continuity testing program. The testing program is based on the institution's established risk prioritization and criticality evaluation of the functions. Testing with third parties discloses the adequacy of both organizations' ability to recover, restore, resume, and maintain operations after disruptions, consistent with business and contractual requirements.

Testing Scenarios

The institution develops plausible and realistic scenarios of threats that disrupt business processes and the institution's ability to meet both business requirements and customers' expectations. These scenarios include those threats that may affect services provided by third parties to test the incident response plan and crisis management, including communication processes with third-party providers and other applicable stakeholders. Testing demonstrates not only the ability to failover to a secondary site but also the ability to restore normal operations. In addition, the institution develops appropriate scenarios to test its response during a significant event or crisis at the TSP. Scenarios include:

- TSP outage or disruption, activating the third party's alternative recovery arrangements. In this scenario, the third party is demonstrating recovery from an outage. At the same time, the client's financial institution has not been directly affected. Still, the TSP may require some response from the client if auto-failover is not used (e.g., changing telecommunication lines or providers).
- Financial institution outage or disruption. In this scenario, the TSP has not been directly affected but must react to address the client's recovery activities and needs.

Testing Complexity

The institution works with TSPs to develop testing strategies that demonstrate the ability to support connectivity, functionality, volume, and capacity using alternate facilities. The testing strategies encompass internal and external dependencies.

TSP Testing

TSP	Date Conducted	Institution Participation	Comments
FIS – Horizon	October 14, 2021	Consulted and Informed	Percentage of Applications that were Recoverable: 100% Recoverable Applications that met RTO: 100%
Bill Pay	March 9 – 15, 2021	Consulted and Informed	The BDOC mainframe 4-hour RTO apps missed their RTO but recovered successfully. They were retested on 4/20/21, and all 4-hour apps met their RTO.
CeB, BeB	October 14, 2021	Consulted and Informed	Percentage of Applications that were Recoverable: 100% Recoverable Applications that met RTO: 100%
Item Processing	October 13, 2021	Consulted and Informed	Percentage of Applications that were Recoverable: 92% Recoverable Applications that met RTO: 100%
Telephone Banking	March 9 – 15, 2021	Consulted and Informed	The BDOC mainframe 4-hour RTO apps missed their RTO but recovered successfully. They were retested on 4/20/21, and all 4-hour apps met their RTO.
Direct Link	October 13, 2021	Consulted and Informed	Percentage of Applications that were Recoverable: 92% Recoverable Applications that met RTO: 100%
Chandler, AZ/NYCE Payments Network, LLC	March 3, 2022	Consulted and Informed	Percentage of Applications that were Recoverable: 100% Recoverable Applications that met RTO: 100%
Brown Deer, WI/EFT Services, etc.	March 4, 2022	Consulted and Informed	Percentage of Applications that were Recoverable: 100% Recoverable Applications that met RTO: 100%
Little Rock, AR/Horizon	June 21, 2022	Consulted and Informed	Percentage of Applications that were Recoverable: 100% Recoverable Applications that met RTO: 100%
West Deptford, NJ/Item Processing	August 15, 2022	Consulted and Informed	Percentage of Applications that were Recoverable: 100% Recoverable Applications that met RTO: 100%
Chandler, AZ: PayNet Payments Network LLC	March 3, 2023	Consulted and Informed	Percentage of Applications that were Recoverable: 100% Recoverable Applications that met RTO: 100%
Brown Deer, WI: EFT Services, etc.	March 3, 2023	Consulted and Informed	Percentage of Applications that were Recoverable: 100% Recoverable Applications that met RTO: 100%
Little Rock, AR: Horizon, Image Centre, eAccess Payments One, TBS Credit Cards	June 21, 2023	Consulted, Participated, and Informed	Percentage of Applications that were Recoverable: 100% Recoverable Applications that met RTO: 100%
SafeSystems	November 8, 2024		File Restores: See Appendix R
Little Rock, AR: Horizon, Image Centre, eAccess Payments One	June 12, 2024	Consulted, Participated, and Informed	Percentage of Applications that were Recoverable: 100% Recoverable Applications that met RTO: 100%
Little Rock, AR/Horizon	June 6-4, 2024	Consulted, participated, and Informed	Percentage of Applications that were Recoverable: 100% Recoverable Applications that met RTO: 100%

Recovery Preparedness

The recovery plan is intended to be a living document. It should reflect the latest information available. CMT Members are responsible for reviewing and updating their plans annually.

The CMT Leader, Alternate CMT Leader, CMT Members, and others who have copies of the team plan will be sent updates whenever the plan changes. The accepted practice is to print and distribute only the page or pages that have been changed rather than the entire plan. The CMT Leader manages the changes and initiates proper version controls.

Annual Plan Review

CMT Leaders: During each review, leadership positions should be checked and assigned to willing and appropriate personnel. All CMT Members will be contacted to ensure they have an updated copy of the plan at an off-site location and know their responsibilities. The CMT Leader and alternates should see the company's staff well enough to fill out the personnel location form accurately.

During each review, CMT Members will review their responsibilities and contact the Recovery Team members assigned to their leadership to ensure appropriate personnel are assigned to the tasks and willing to participate. The CMT Members will review the functions assigned to the Recovery Team to determine their accuracy.

Team Alert List: This section provides contact information for all personnel assigned to leadership roles. This list is prone to change since team members may leave or join the team, names may change due to marriage, and contact information may change. The team leader should send each member a copy of the Recovery Team Alert List to review and update regularly.

Business Impact Analysis (BIA) Document Review: The CMT members will review the document to ensure that all critical assets are still accurately defined.

Manual Recovery Guidelines: This section identifies the strategies for recovering critical functions. The team leader (or designated team member) will review these procedures regularly to ensure the strategies meet the current business objectives and accurately reflect the best possible solution.

Service Provider List: This section identifies the contact information for critical vendors and service providers. The team leader will review this list to determine if it is complete and accurate.

Work-Area Requirements: This section identifies critical resources required to support recovery at the work area site. The team leader will review this list to ensure it is complete and accurate.

Off-Site Stored Materials: This section identifies critical records or resources stored off-site. The team leader will review this list to determine if it is complete and accurate.

Training and Exercises

Updated plans are insufficient if the people assigned to recovery teams do not know what is expected of them. Staff should receive training on general recovery concepts and their team's functions. Exercises help identify needed improvements in strategies and plans and give staff members valuable experience in dealing with the challenges inherent in recovery operations.

The CMT will oversee training and exercises for the BCMP.

Orientation: This is a one-hour overview of the Business Continuity Program. Each team member should attend once a year. It is also available for the general employee population.

CMT Team Exercise: The entire CMT and other employees participate in at least an annual tabletop exercise focusing on their recovery strategies.

Functional Exercises: Actual hands-on test of hardware or connectivity capability at Work Area Recovery Centers. Actual alternate (manual) production processes at an appropriate alternate facility.

Activity Schedule

This document allows PrimeSouth Bank Management to track their plan review, training, and exercise activities for the year. It should be updated annually and presented to the appropriate committee for review. This committee should keep each year's completed activity schedule on file for audit purposes.

Plan Reviews

Plan Holders	Due Date
BCMP Review Initial	November 16, 2017
BCMP Review	December 10, 2018
BCMP Review	March 2, 2020
BCMP Review	March 8, 2021
BCMP Review	March 9, 2022
BCMP Review	March 23, 2023
BCMP Review	March 4, 2024
BCMP Review	February 6, 2025

Training & Exercises

Please see the institution's **Incident Management** list.

Appendix A - Personnel Location Control Form upon disaster

Make additional copies as needed.
FORWARD TO THE CRISIS MANAGEMENT TEAM LEADER

Date: ____/_____/____ Completed by: _____

Office Location: **Recovery Location:**

Name	Injury	Phone Number	Work Schedule From	To

Visitors and 3rd parties evacuated.

Member Name	Injury or Damage	Phone Number	Date

D.R. Personnel Safety Plan

In the event of a disaster or emergency, the following procedures should be followed:

1. CMT lead or senior staff member onsite assesses the damage to personnel.
2. CMT lead instructs an uninjured staff member to call 911.
3. The CMT lead instructs uninjured staff members to assist those affected by the event using the emergency equipment in the "Emergency Kit."
4. The CMT lead will instruct an office staff member to put the phones in night mode and take the most recent phone list.
5. The CMT lead evacuates staff and has them assemble at the nearest unaffected assembly site; if any staff cannot evacuate the building, the CMT lead, or a delegate will remain with that staff member.
6. The Branch Security Officer will take a census and determine if any staff is unaccounted for. If staff are missing, contact work with Emergency Services to locate missing staff. If the building is safe, sweep the facility.
7. The CMT lead will instruct all department heads to begin executing the call tree and inform the P.R. lead of the incident.
8. HR personnel will coordinate the necessary services based on the needs of employees or members of the CMT Team
9. The CMT lead will meet 911 emergency services and update them on the event's status.
10. P.R. lead will work with reception staff to update phone messages as needed.

Appendix B –Notification Checklist

In a Disaster, the CMT Contact List and the Branch Alarm Contact List will initiate communication. Each market and business unit will maintain respective call lists of teammates, with Appendix B2 provided as a sample of expectations.

The CMT Leader will make the initial contact (i.e., CEO/President, CMT Alternate, CMT Members).

Once all CMT Members have been notified, they will contact their team members.

Each call will communicate the following:

1) Nature of disaster
2) Those affected by disaster.
3) Where to find disaster updates

Appendix B2—Emergency Contact List

Status = BSY-Busy, NA-No Answer, PNA Person-not Available, √-Contacted, LVM – Left Voice Mail, PTO – Personal Time Off, I = Injured

Date: _____/_____/_____ Completed by: _____

Office Location	Last Name	First Name	Home	Cell Phone	Office Telephone	Status

Appendix B3 - Emergency Phone Tree

EMERGENCY STATUS LINE

The following call-in number has been established to provide conference calling services for PrimeSouth Bank staff in the event of an emergency. The CMT Members will coordinate status updates through their communications with team members.

Central Call-in Number: 912-386-0654 - A guideline for status updates

Website for DR Status/Updates: www.primesouth.com

DR Process & Procedures = Share Drive (G: Bank Policies & Procedures) & PrimeCentral

Appendix C – Critical Resources to be Retrieved

This appendix provides documentation of the materials that should be retrieved if unable to enter a facility following an incident and the items are not severely damaged. Each Division will complete a copy of this form and retain it with the PrimeSouth Bank Business Resumption Plan.

Item to be retrieved	Priority
IT	
Laptop	Primary
Tokens	Primary
Re-Entry Permit	Primary
Server room equipment	Secondary
Loan Operations	
Laptop	Primary
Working Files	Primary
Documentation to be Scanned	Primary
Retained Files (Deeds, UCCs, Titles)	Primary
Marketing	
Laptop	Secondary
Collections	
A large, blue 3-ring binder containing original (and copy) FIFAs filed. Black 3-ring binder of Consent Judgements, Large green 3-ring binder of civil claims filed.	Primary
Compliance	
Training Log	Primary
Complaint Log	Primary
Mortgage Manual	Primary
Mortgage Compliance Review Notebook	Primary
MERS Notebook	Primary
HMDA Notebook	Primary
CRA Public File	Primary
CRA Notebooks	Primary
NMLS Notebook	Primary
SARS Files	Primary
High-Risk Compliance Files	Primary
All seminar & webinar manuals are in the office	Secondary
Deposit Ops/Treasury	
Keys to check storage	Primary
Keys to doors in the Operational Dept	Primary
Tokens	Primary
Laptops	Primary
Bank Checks	Secondary

Appendix D – Laptop Inventory

Laptops contain information, software, forms, and data critical to recovery operations at the recovery site. Department Managers and Executives utilize laptops for everyday work. The following contents are stored on those laptops and continuously updated.

Location:	
Contents	**Department**
A2i	Loan Operations, Deposit Ops, Collections
Adobe	Loan Operations, Collections
Acrobat Pro DC	Collections
Bill Pay CST	Deposit Ops
BST/Emanager	Deposit Ops
Calyx Software	Mortgage
Client Portal	Compliance
CoNetrix - Tandem	Information Security / Vendor Management
Converge	Deposit Ops
CSi Simplicity	Deposit Ops
Data Services	Loan Operations, Deposit Ops
Dispute Resolution Center	Deposit Ops
eDelivery	Deposit Ops
Eport (Equifax)	Deposit Ops
ERS	Deposit Ops
EzDisclosure	Compliance
Express Deposit	Deposit Ops
EzDisclosure	Compliance
FCM	Compliance
FDM – FIS Document Management (folio)	Loan Operations
Federal Reserve (cash letter)	Deposit Ops
Federal Reserve (wires)	Deposit Ops
FedLine	Loan Operations
FIS eWire	Compliance
FIS Client Portal	Deposit Ops
FIS LMS	Compliance
FLO	Loan Operations, Compliance
Horizon Access	Loan Operations, Compliance, Deposit Ops, Collections, Accounting
ImageCentre	Loan Operations, Compliance, Collections, Deposit Ops
Merchant Intel Center	Deposit Ops
Microsoft 365	IT, Loan Operations, Collections, Compliance, Deposit Ops
PrimeCentral	Compliance, Deposit Ops
QuestSoft	Compliance
RSA	Deposit Ops
Safeforms (FIS)	Compliance
SSI Verification	Deposit Ops
Teamwork Services	Human Resources
The Adobe Creative Suite	Marketing
Timeclock Plus	Deposit Ops
VAM Cardpro	Deposit Ops
Verafin	Compliance, Deposit Ops
Vision Content	Loan Operations

Appendix E – Recovery Sites, Assembly, Alternative Work Site, and Command Centers Locations

In the event of a disaster during business hours, staff shall assemble at the location designated by the CMT Leader to inventory staff and assess the disaster. For a fire in the office or other threats, including bomb threats or toxic contamination, staff shall first assemble at the Assembly Location, and the CMT Leader will complete a Personnel Location Form. In addition to completing an inventory of all staff and visitors who evacuated the facility, the CMT Leader will assess the disaster and complete the Disaster Assessment Form in the appendix.

If the disaster renders the primary facility unavailable, staff shall meet at the assembly site during the emergency and report to the recovery locations listed below.

Assembly Site:

In an emergency evacuation, staff shall meet at the Assembly Site; the situation will dictate whether to meet at the local, regional, or distant location.

Command Center:

Employees will utilize this location to control the emergency and ensure the business continues; the situation will dictate whether to meet at the local, regional, or distant location. The CMT Leader will assign an alternate command center if the designated area is unavailable. Employees capable of working remotely from home, hotel, etc., will work as necessary or as able.

Location	Command Center
A (local)	Remote or Waycross 530 Memorial Drive Waycross, GA, 31501
B (regional)	Remote or Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520

Recovery Site:

Employees will work from this location after the disaster; the situation will dictate whether to meet at the local, regional, or distant location. Employees can work remotely from home, hotel, etc., as necessary or as able.

Fernandina Office

Location	Assembly Site	Recovery Site**
A (local)	Parking Lot	Remote or Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520
B (regional)	Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520	Waycross 530 Memorial Drive Waycross, GA, 31501
C (distant)	Waycross 530 Memorial Drive Waycross, GA, 31501	Waycross 530 Memorial Drive Waycross, GA, 31501

Brunswick – Hyde Park Commons Office

Location	Assembly Site	Recovery Site**
A (local)	Parking Lot	Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520
B (regional)	Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520	Brunswick Mall 128 Altama Connector Brunswick, GA, 35125
C (distant)	Waycross 530 Memorial Drive Waycross, GA, 31501	Waycross 530 Memorial Drive Waycross, GA, 31501

Brunswick – Mall Office

Location	Assembly Site	Recovery Site**
A (local)	Parking Lot	Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520
B (regional)	Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520	Brunswick Hyde Park 101 Hyde Park Commons Brunswick, GA, 31523
C (distant)	Waycross 530 Memorial Drive Waycross, GA, 31501	Waycross 530 Memorial Drive Waycross, GA, 31501

Brunswick – Downtown Office

Location	Assembly Site	Recovery Site**
A (local)	Parking Lot	Brunswick Mall 128 Altama Connector Brunswick, GA, 35125
B (regional)	Brunswick Hyde Park 101 Hyde Park Commons Brunswick, GA, 31523	Brunswick Hyde Park 101 Hyde Park Commons Brunswick, GA, 31523
C (distant)	Waycross 530 Memorial Drive Waycross, GA, 31501	Waycross 530 Memorial Drive Waycross, GA, 31501

Blackshear Office

Location	Assembly Site	Recovery Site**
A (local)	Parking Lot	Waycross 530 Memorial Drive Waycross, GA, 31501
B (regional)	Waycross 530 Memorial Drive Waycross, GA, 31501	Jesup 375 W Cherry Street Jesup, GA, 31545
C (distant)	Jesup 375 W Cherry Street Jesup, GA, 31545	Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520

St. Simons Island Office

Location	Assembly Site	Recovery Site**
A (local)	Parking Lot	Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520
B (regional)	Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520	Brunswick Hyde Park 101 Hyde Park Commons Brunswick, GA, 31523
C (distant)	Waycross 530 Memorial Drive Waycross, GA, 31501	Waycross 530 Memorial Drive Waycross, GA, 31501

Jesup Office

Location	Assembly Site	Recovery Site**
A (local)	Parking Lot	Waycross 530 Memorial Drive Waycross, GA, 31501
B (regional)	Waycross 530 Memorial Drive Waycross, GA, 31501	Blackshear 3473 HWY 84 W Blackshear, GA, 31516
C (distant)	Waycross 530 Memorial Drive Waycross, GA, 31501	Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520

Waycross Office and Waycross Administrative Office

Location	Assembly Site	Recovery Site**
A (local)	Parking Lot	Blackshear 3473 HWY 84 W Blackshear, GA, 31516
B (regional)	Blackshear 3473 HWY 84 W Blackshear, GA, 31516	Jesup 375 W Cherry Street Jesup, GA, 31545
C (distant)	Jesup 375 W Cherry Street Jesup, GA, 31545	Brunswick Downtown 710 Gloucester ST Brunswick, GA, 31520

Bronson Office

Location	Assembly Site	Recovery Site**
A (local)	Parking Lot	Waycross 530 Memorial Drive Waycross, GA, 31501
B (regional)	Remote	Waycross 530 Memorial Drive Waycross, GA, 31501
C (distant)	Remote	Waycross 530 Memorial Drive Waycross, GA, 31501

** If the command center or assembly site is not available, a solution would be to contact hotels for their conference facilities

Appendix F – Communication Guidelines

The attached notification guidelines will be implemented as a part of each business resumption plan. The CMT Lead will contact each CMT Member, who will, in turn, contact the recovery team and individual employees using the following procedures:

Notification Procedure

During notifications of an alert or declared disaster, use this procedure to alert all personnel. **Read the guidelines thoroughly before making a call**. By using the following instructions, you will not unnecessarily alarm the family members of an employee working at the affected site at the time of the disaster.

Place a phone call and say, "May I speak with (individual)?"

1. If available, provide the information you called to convey.
   - Remind the person not to make public statements about the situation.
   - Remind the person not to call co-workers (unless instructed to) and to advise their family not to call other employees.
   - Record the information in the Contact Status column.

2. If unavailable, say, "Where may I reach (individual)?"
   - If at any location other than the data center, get the phone number. Call the other location and provide the information you want to convey.
   - If the individual was working at the affected site, indicate that you will reach the individual there. DO NOT discuss the disaster with the person answering the phone.
   - Immediately notify the Emergency Contact.
   - Record the information in the Contact Status column.

3. If contact is made with an answering machine, make no statement regarding the situation.
   - Provide your phone number and ask the employee to contact you at that number as soon as possible.
   - Record the information in the Contact Status column.

4. If no answer:
   - Record the information in the Contact Status column.

Notification Call List

Using the team member contact list in the front of the plan, the Team Leader, alternate, or assigned individual should convey the following information when contacting the team personnel:

- Brief description of the problem
- Location of the Emergency Operations Center and/or the Business Recovery Site
- Phone number of the Emergency Operations Center
- Immediate actions to be taken.
- Whether or not the facility can be entered
- Location and time the team should meet.
- All team members should always carry photo identification and be prepared to show it to security or local authorities.
- Instruct everyone notified not to make any statements to the media.

All callers should record the status of everyone they call, noting when the call was placed and whether the person was contacted. If the phone is busy or there is no answer, make a reasonable number of attempts. Forward the completed list to the HR Leader, who will continue to attempt to contact team members.

Notification Checklist

When notified by the Crisis Management Team that the Business Resumption Plan (BRP) has been activated, the Team Leader or alternate should record the following information that will be passed along to Division personnel:

1. Brief description of the problem: _____

_____

2. Location of the Disaster Recovery Center: _____

_____

3. Phone number to contact the Disaster Recovery Center: _____

4. Any immediate support requested by the Crisis Management Team:

_____

_____

5. Whether or not the facility can be entered: Yes ( ) No ( )

If the facility cannot be entered, the location the team should use for a work area or meeting place:

_____

Sample Public Messages

When posting messages to either the PrimeSouth Bank website or the voice response system for public release, the principle is to release only the information that can be verified, which is required to inform staff and visitors. We will use a "less is better" philosophy to reduce the possibility of providing information that may be inaccurate or unverified. The CMT must approve all messages released for public use.

Sample Client Script:

"PrimeSouth Bank has experienced a temporary service disruption. Until further notice, all services will be resumed at the following locations: _____.

I appreciate your patience as we restore service to the affected locations.

Sample Staff Script:

"PrimeSouth Bank has experienced a temporary service disruption at the following locations: _____--. The cause of the disruption was: (if not known, say that the cause is not yet known) _____. Until further notice, all services will be resumed at the following locations: _____.

If you have any questions concerning this temporary service disruption, please call your direct supervisor or the main line. I appreciate your patience as we restore service to the affected locations.

Appendix G – Disaster Assessment Guide

The CMT Leader and members will use the attached Disaster Assessment Guide to assess damage and estimate a recovery timeline. The CMT will review the data collected through this guide to determine whether a disaster will be declared.

If a staff member arrives at the office and a potential disaster progresses, use this guide to collect facts and assess the impact on PrimeSouth Bank. Take immediate action justified by the damage assessment and coordinate with the Crisis Management Team (CMT) as time permits. If personnel safety is evident, take immediate corrective action. The disaster assessment process will follow these steps:

1. Assess the disaster and assemble facts to determine the appropriate action.
2. Stabilize the environment and protect life and property.
3. Coordinate with CMT for joint response coordination.
4. Assess recovery efforts and estimated timeframes.

Date: _____/_____/_____ Completed by: _____

Nature of Emergency or Disaster:

Cause of the Emergency or Disaster:

Date: _____/_____/_____ Completed by: _____

Disaster Assessment Checklist

Assessment Criteria	Current State	Damage Impact Summary
Staff Availability and Safety Are staff and other people safe? Is staff available to respond to the disaster or resume operations? How quickly can staff be contacted to resume operations?		
Building Access and Potential Property Damage Is the facility stable, and is it safe to enter? Do local staff have access to the building? How quickly can access to the building be obtained?		
Power and Utility Availability Is power available to support the resumption of operations? If not, how long will restoring power or other critical utilities take?		
System and Network Support Is telephone service available? Is access to data through local systems and network connections immediately available? How long will it take to recover voice circuits or data systems support if not?		
Service Provider Availability Are any critical service providers required to resume operations? If so, are they available?		
Document Availability Are critical forms or documents like instructions and guidelines available to resume operations? If not, how long will it take to assemble essential data documents?		
Security Are security mechanisms available? (Alarms, lighting, etc.)		

Upon completing the disaster assessment above, document the local determination for steps to recommend to the CMT Leader or actions to be taken for local damage mitigation. If time permits (the building is not on fire or immediate harm to staff or visitors is probable), the CMT Leader will call the Crisis Management Team and coordinate actions. The CMT will consider the disaster assessment collected by the team and assist in determining a course of action for the disaster response. However, the HR Leader must take immediate corrective action to respond to a disaster and stabilize the environment if immediate harm to staff, clients, or property is apparent. Once the immediate danger has been mitigated, coordination with the CMT Leader is required. Before allowing staff to re-enter buildings, resume services, or discontinue ongoing operations, the CMT must be notified.

Date: ____/_____/____ Completed by: _____

Recovery Strategies

Business Recovery and Business Resumption Strategies	Actions	Point of Contact or Person Assigned Responsibility

Appendix H – Status Report Form

Make additional copies as needed.

Use this form to log significant recovery activities.

The IT Coordinator is required to submit written recovery status reports daily. Completed status reports must be submitted to the Crisis Management Team Leader. If the status report is legible, it may be submitted handwritten.

Date: _____/_____/_____

Time: _____:_____ AM / PM

Name: _____

Department: _____

Comments:

_____

_____

_____

_____

_____

Conclusions:

_____

_____

_____

_____

_____

Appendix I – Media Contacts – Public Relations Leader

Each respective market maintains media contacts with areas of contact to include newspaper, radio, TV, billboard, and other media channels.

Only the Public Relations Leader or Crisis Management Team (CMT) leader can meet and talk with media contacts. All other company staff shall direct media contacts to the Public Relations leader or CMT Lead.

Blackshear

Organization	Contact	Phone	Email
The Blackshear Times/The Brantley Beacon	Paige Parker	912-449-6693	pparker@theblacksheartimes.com
WKUB, WWUF, WSGT:	Troy Mattox	912-449-3391	gtmattox@yahoo.com
Digital Billboard (Waycross/Blackshear)			italiasigns@hotmail.com
In the Game Sports Network (market-wide)	Shawn Smoak	229-834-9044	Sls0866@gmail.com
Showcase Publications (Okefenokee Living/WayneLiving)	John Riddle	912-424-3027	jriddle@showcasepublicationsga.com

Brunswick

Organization	Contact	Phone	Email
The Brunswick News- Mike Gebora	Mike Gebora	912-265-8320 ext. 304	mgebora@thebrunswicknews.com
BeSeen Outdoors (Brunswick Digital Billboards)	Ben Jones	912-289-2235	beseenoutdoor@gmail.com
Elegant Island Living	Terry McCarthy	912-399-3699	terryinssi@comcast.net
Golden Isles Magazine	Becky Derrick	912-634-8408	bderrick@goldenislesmagazine.com
WGIG	Scott Ryfun	912-267-1025	scottryfun@gmail.com

Jesup

Organization	Contact	Phone	Email
The Press Sentinel	Christine Boyd	912-427-3757	Db.pressadvertising@gmail.com
WIFO		912-427-3711	bigdogstaff@bellsouth.net

Waycross

Organization	Contact	Phone	Email
The Waycross Journal Herald	Gary Griffin Suzanne Winge	283-2244 ext. 114	gary.griffin@wjhnews.com suzannewinge@wjhnews.com

Appendix J – Local Emergency Response and Law Enforcement Contacts

Each respective market maintains emergency contact information with areas of contact that include police, fire, and medical.

The Crisis Management Team (CMT) will coordinate with law enforcement and emergency responders in response to disasters requiring community resources.

Institution-Wide

Organization	Location	Phone	Alternate Phone
FBI	3000 Flowers Road S Atlanta, GA 30341	(770) 216-3000	
U.S. Secret Service	33 BULL STREET SAVANNAH, GA 31401	(912) 652-4401	
Postal Office/Postal Inspector	601 Tebeau St, Floor 1 Waycross, GA 31501	(800) 275-8777	
American Red Cross	1955 Monroe Drive Atlanta, GA, 30324	(404) 876-3302	
Poison Control		(800) 222-1222	
National Response Center *Oil/Chemical Spills*	2100 2nd Street, SW Washington, DC 20593-0001	(202) 267-2675	(800) 424-8802

Appendix K – Service Providers

Vendor Name	Service Provided	Contact Person/Account Number	Telephone
ATC	Phone Service/ Fiber	Support	912-632-8603 - Primary 912-632-5911 - Alternate
BAE Systems (SilverSky)	Firewall	Support	919-228-2494
AvidXchange – (BankTel)	Accounting Software – Prologue	Support	800-560-9305 662-245-1007 - Direct
Calyx/PATH	Mortgage Processing	Support	800-362-2599
Cox Telephone	Phones	Support	912-283-2785
Equifax	Credit Reporting	Support Member #874BB00013	800-367-5690
Factual Data			800-275-3389 970-619-7616 - Alternate
Federal Reserve	ACH, Cash, TT&L, & Wire Services – Fedline Advantage	Support Nedelka Bell - Relationship Manager	833-377-7827 – Fedline/FedACH and Check Services/Fed Cash 786-586-3446
FIS	D1 Business Digital Banking	Support	888-418-6824
FIS	Bill Payment	Support	888-418-6824
FIS	Core Processing – Horizon	Support	888-418-6824
TCM	Credit Cards	Support	888-640-1019
FIS	FLO	Support	800-968-8522
FIS	Internet Banking/ Telephone Banking	Support	888-418-6824
FIS	Item Processing – Image Center	Support	888-418-6824
FIS EFT	ATM/Debit Card Processing	Support	888-418-6824
Lee & Mason Financial Services, Inc.	Insurance Provider	Jim Harrington	770-409-9897
AmTrust North America	Bank Insurance – Bond Policy	Agent: TURNER & ASSOCIATES INSURANCE INC (912) 265-2840	*(912) 265-2840 AmTrust numbers: All states except Florida: (866) 272-9267 Florida: (888) 225-2442
The Cincinnati Insurance Companies	Cyber Insurance	Agent: Travelers	(877) 242-2544
UFS Tech (Safe Systems)	Managed IT	Support	770-752-5440 - Support 770-752-0550 - Office
Securitas/Wesco	Insurance Provider	Jim Harrington	770-409-9897
ServiceLink National Flood	Flood Search	Support	800-833-6347
Jack Henry	LoanVantage LOS Commercial	Sales Contact	615-203-2662

Significant URL information must be maintained within procedures, processed, and managed by each respective business unit and market, with data backups maintained as applicable.

The Crisis Management Team (CMT) will coordinate in response to disasters requiring resources.

Appendix L – Insurance Certificates

The insurance information below contains the contact for processing an insurance claim.

TURNER & ASSOCIATES INSURANCE INC
P O BOX 40
BRUNSWICK GA 31521
(912) 265-2840

The Cincinnati Insurance Companies
(877) 242-2544

AmTrust North America
All states except Florida: (866) 272-9267
Florida: (888) 225-2442

Appendix M – Recovery Expense Form

Make additional copies as needed.

Use this form to log recovery expenses.

The CMT members are required to submit expense reports routinely. Expenditures and documentation should follow the institution's Purchase Policy and Procedures.

Date: _____/_____/_____ Account/Cost Center #: _____

Name (Team Member): _____ Branch/Department: _____

Date	Item	Cost	Approved By	Comments

Other Comments:

_____

_____

_____

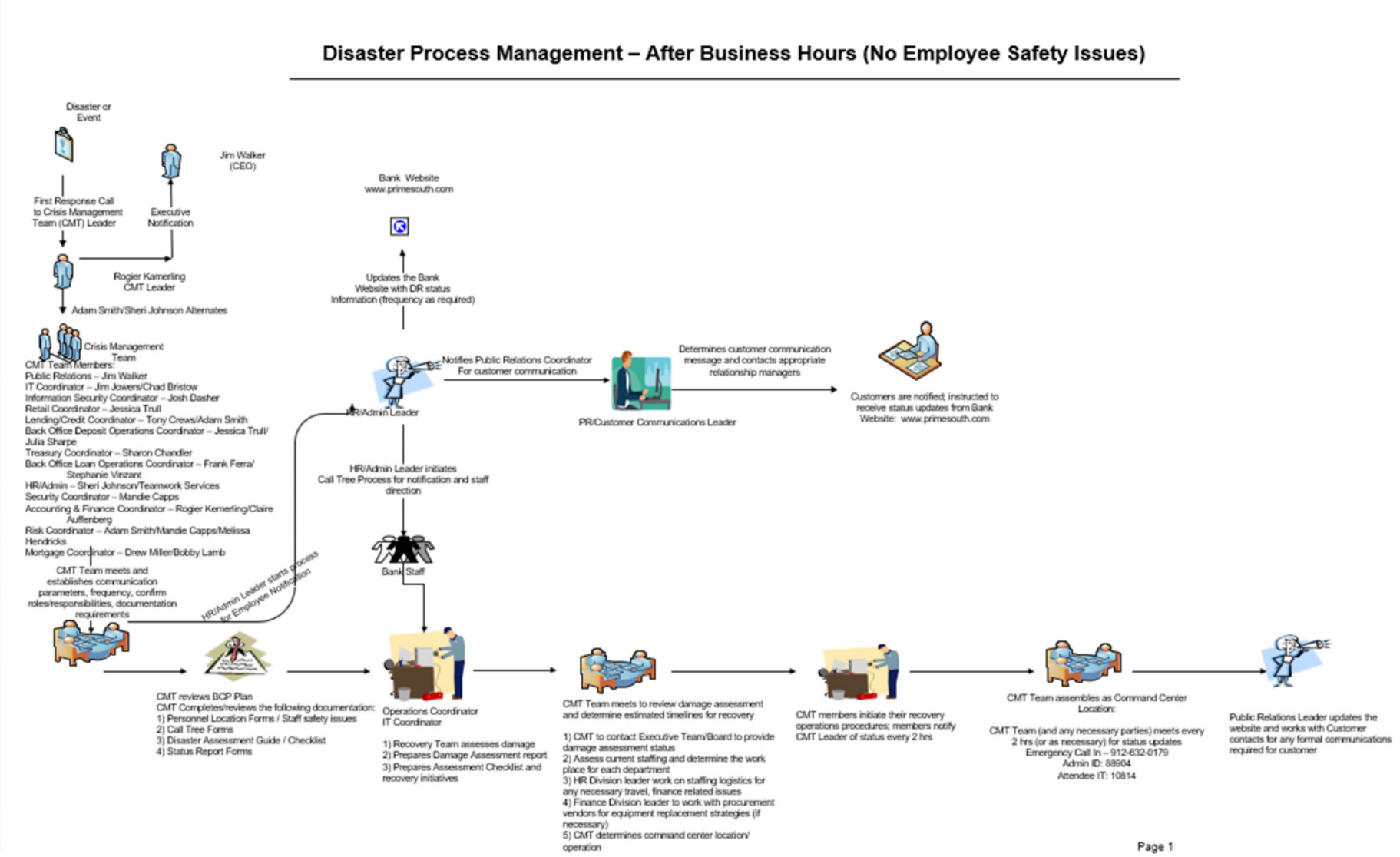
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Appendix N – IT Inventory List

Refer to Safe Systems for the current IT Inventory list.

Appendix O – Process Flow Chart



Appendix P – Pandemic Policy

OVERVIEW

Pandemics are epidemics or outbreaks of human infectious diseases that can spread rapidly over large areas, potentially worldwide. Although the timing cannot be predicted, history and science suggest that we will face one or more pandemics this century. Pandemics occur in multiple waves, each lasting numerous weeks, or months. While a pandemic will not damage physical infrastructure, it will threaten all critical infrastructure by removing essential personnel from the workplace for weeks or months, with absenteeism rates between 30% and 40%. As a result, it is believed that traditional business continuity management plans do not adequately prepare an organization for the extreme long-term, catastrophic contingencies and other risks associated with a pandemic.

Banking and Finance sectors have been identified as one of the thirteen critical infrastructure sectors essential to our nation's security, and economic and social stability. Further, in March 2020, FFIEC issued an updated Interagency Statement on Pandemic Planning. The statement states, "Pandemic preparedness is an important part of a financial institution's business continuity management planning. The guidance provides the Council's prudent expectations that regulated institutions should periodically review related risk management plans, including continuity plans, to ensure their ability to continue to deliver their products and services in a wide range of scenarios and with minimal disruption."

PURPOSE

Our Pandemic Planning Policy represents our organization's efforts to develop a program in preparation for such an event. This policy establishes the key expectations and risk management practices our Board or designated committee identified in managing pandemic risks. It is considered a supplement to our institution's Business Continuity Management Plan, which focuses on requirements that may apply to a pandemic event. That Business Continuity Management Plan may address any gaps contained herein. This policy requires our management team to ensure our program is developed and implemented such that it protects, to the extent possible, the interests of our stakeholders and complies with applicable regulatory requirements. It provides a general framework that our board and CMT follow in preparation for such a pandemic event and the associated risks that may arise from it. This guidance is intended to document our readiness should such an event occur. The practical implementation of this policy is designed to mitigate strategic, reputational, operational, transactional, regulatory, or other risks.

MANAGEMENT RESPONSIBILITIES

Pandemic preparedness is an enterprise readiness issue potentially posing a substantial risk to the future viability of our business. Therefore, program development requires the representation/participation of all departments of our institution and adoption at the highest corporate level. Our planning and preparedness activities involve the commitment and support from the Board, our Chief Executive Officer, and senior business leaders from all functional, business, and product areas, including administrative, human resources, legal, information technology support, and key product lines and services. This group will appoint a group member to serve as our organization's pandemic coordinator. This coordinator will establish and oversee pandemic-specific processes and procedures to be followed should they be required. This individual shall also prepare and present to the Board an educational workshop explaining the risks and discussing our organization's options for mitigating pandemic risks. This senior management member will also ensure that we communicate our program throughout our organization and that all employees are appropriately trained regarding their roles and responsibilities.

CMT is responsible for regularly testing the pandemic plan, ensuring appropriate execution, and reporting the testing results to the Board of Directors. In addition to the testing reporting requirements, our CEO will provide a status report on our organization's and our critical vendors/service providers' readiness to the Board of Directors. As the event passes through the various pandemic stages, testing, training, and reporting frequencies will move to quarterly and monthly should the pandemic hit the United States.

BUSINESS IMPACT ANALYSIS

Given the potential effect on staffing resources and their associated services and functions, management will conduct a business impact analysis (BIA) to identify and rank critical personnel, requisite resources, essential functions, necessary interdependencies, and vital services. In the completion of this BIA and in accordance with regulatory guidance and assumptions established by the Department of Homeland Security (DHS), our institution will assume a severe pandemic and an absenteeism rate between 30% and 40%. By doing so, should absenteeism levels be less, our readiness will not be severely impacted. The starting point for such an analysis will be the BIA previously prepared for our Business Continuity Management Plan. However, since a pandemic could last for weeks or even months, some of the services that have a lower priority in a traditional Business Continuity Management Plan may need to be available, given the potentially extended period a pandemic may last.

During this BIA, our organization will:

- Assess and prioritize essential business functions and processes that may be affected by a pandemic based on our estimate of the impact and probability of occurrence on our operations.
- Identify the potential impact of a pandemic on our essential business functions, processes, and supporting resources utilizing the guidance provided in the Department of Homeland Security's Continuity of Operations (COP-E) planning process and the related Pandemic Influenza Preparedness, Response, and Recovery Guide;
- Compare our existing business processes and procedures with what is minimally required to mitigate the severity of potential business disruptions resulting from a pandemic;
- Determine the potential impact of a pandemic on customers: Those that could be affected and those that could have the most significant impact on the (local) economy;
- Identify any legal and regulatory requirements for the institution's business functions and processes;
- Estimate the maximum downtime associated with the institution's business functions and processes that may occur during a pandemic;
- Assess cross-training conducted for key business positions and processes and
- Evaluate the plans of critical service providers for operating during a pandemic.

During this BIA exercise, our organization will also attempt to identify any external factors and how those may affect our ability to continue to provide services. This exercise will include but not be limited to identifying critical interdependencies and how those may impact our operations. Once that has been determined, we will then identify steps that may be taken to mitigate the impact of such potential risk from failures involving these interdependencies. Mitigating risk from these interdependencies may require our institution to reserve essential supplies and proactively perform maintenance on all equipment to ensure sustainability during any potential service disruptions. Such interdependencies could include but are not limited to ATM servicing companies, core processors, item capture providers, IT/network service providers, online banking providers, access to cash, slowness/down telecommunications, etc.

We will perform this analysis to identify a pandemic's potential impact on interdependent service providers and our ability to deliver critical financial services to our customers. We will determine the effect on our institution from the extended absence of such a service will have on our customer base, our reputation, and other factors. We will then assess the likelihood, assuming the pandemic has adversely impacted us. In performing this assessment, we will make certain assumptions, which will be documented within our evaluation. However, we will attempt to maintain sufficient flexibility, allowing us to make necessary adjustments. Once that assessment is complete, the services and functions will be risk ranked from high to low priority, allowing us to focus our resources on the higher-risk services first.

POSITION CLASSIFICATION

Our institution will review all positions, assigning each a classification based on our criticality assessment. The position classifications will be as follows:

- Category One – Positions **that must be at work.**
- Category Two – Positions **that must work but can perform their function from home.**
- Category Three – Positions that have been trained to perform category one or two tasks and should be available to stand in for an incapacitated employee.
- Category Four - Positions that can work from home but are not considered essential.
- Category Five—Positions that are not essential personnel and for which there is no need for them to work, given the critical services being provided.

RISK MANAGEMENT PROGRAM

Our organization established the following five primary program elements : (1) Develop a Preventative Program, (2) Establish a strategy consistent with the stage of an outbreak, (3) Develop a comprehensive program framework, (4) Establish and perform periodic testing, and (5) Implement an oversight program to ensure continued compliance.

Preventative Program

Our institution will implement a preventative program to mitigate the risks of a pandemic outbreak. This program will include monitoring potential outbreaks, employee education, communications and coordination with critical service providers and suppliers, and appropriate employee hygiene training and tools.

Monitoring potential outbreaks

Our "Pandemic Risk Coordinator's responsibilities include a requirement that they monitor various organizations for alert levels. These organizations may consist of the World Health Organization and any federal, state, or local Department of Health websites for new guidance on the status of any pandemic events. This individual will also be responsible for remaining abreast of the issue. This may be accomplished by monitoring the following websites:

www.pandemicflu.gov	Center for Disease Control and Prevention
www.cdc.gov/	Center for Disease Control and Prevention
www.who.int	World Health Organization

Employee Education

We will periodically update our staff regarding our program, pandemic awareness issues, and cross-training of personnel to ensure we have at least two people who can perform the required tasks necessary for any critical services our organization provides to its clients. Periodically, we will provide awareness training about program requirements for our employees and their families. Such strategies may include those discussed on the www.pandemicflu.gov website. This would include but not be limited to:

- Publicizing the Centers for Disease Control and Prevention "Cover Your Cough" and "Clean Your Hands" programs or other general hygiene programs;
- Encouraging employees to avoid crowded places and public transportation systems;
- Implementing "social distancing" techniques and encouraging customer use of online systems or telephone banking services, ATMs, and drive-up windows; and
- Other non-pharmaceutical interventions developed by the Centers for Disease Control and Prevention should be considered.

This training will be accomplished by the employee reviewing websites containing such information. Awareness and educational programs may include posters and other informational items posted throughout our financial institution, employee newsletters, and other communiqué.

Disease Containment/Control Strategies

It is recognized that the implementation of the following steps may have significant economic side effects and social consequences. However, specific protection and response strategies are necessary to limit social interactions and disease spread, thus reducing the potential impact of such a pandemic. Therefore, we will stay informed of governmental containment actions and factor the possible side effects and impacts on our business into our pandemic plan. Governmental disease containment strategies include:

- Isolation: The separation of persons with specific infectious illnesses in their homes, hospitals, or designated healthcare facilities.
- Quarantine: Separation and restriction of the movement, usually of a group of people who, while not yet ill, have potentially been exposed to an infectious agent.
- Social Distancing: Social distancing measures may take the form of modifying the frequency and type of face-to-face employee encounters (e.g. placing moratoriums on hand-shaking, substituting teleconferences for face-to-face meetings, staggering breaks, posting infection control guidelines); establishing flexible work hours or worksite, (e.g. telecommuting); promoting social distancing between employees and customers to maintain three-feet spatial separation between individuals; and implementing strategies that request and enable employees with influenza to stay home at the first sign of symptoms.
- Voluntary or mandatory closure of public places.
- "Snow Days/Weeks" and/or Furloughing Non-Essential Workers: Voluntary or mandatory closure of all non-essential businesses and/or furloughing all non-essential workers.
- Changes in Movement Patterns: Restricting movement at the border, instituting reductions in the transportation sector, and applying quarantine protocols.

Appropriate Hygiene and Tools (http://www.cdc.gov/handwashing/)

Our institution will establish and enforce a proper Hygiene, Cleaning, and Infection Control program. This program consists of the following actions.

- Discussions/reminders about the proper washing of hands
- Ensure that all employees cover their noses and mouths during sneezing and coughing.
- Budget dollars and obtain masks, gloves, wipes, sanitizers, etc., stockpiled by critical institution staff for future use.
- Stockpile critical supplies when we learn that a pandemic flu string has mutated and is easily communicable between humans.
- Place sanitizers next to ATMs so customers may wipe the machines before using them.
- Require all personnel to wipe down/sanitize their work area at the beginning and end of each day.
- Self-Awareness Testing – If a temperature develops, the employee must leave the premises and remain away until they have recovered.
- Put up a plexiglass cough guard where feasible.

Remote Access

A social distancing program may result in a high reliance on employee telecommuting, which strains remote access capabilities such as capacity, bandwidth, and authentication mechanisms. Further, employees who typically work onsite may not have remote access authority or the necessary technology infrastructure to work from home. Our institution will perform an assessment of our remote access capabilities and the technology infrastructure capabilities of those employees who may be required to perform critical tasks from an offsite location. With this assessment, we increased our VPN access licenses to 100 (75% of our employees). We also invested in additional mobile devices, allowing us to have 50% of our staff work remotely. We also reviewed our teams and capabilities and created A & B teams to minimize concurrent team members within our facilities. Our institution will continue to upgrade our systems as necessary to meet the identified needs for our critical systems. Further, we will include our employee's home infrastructure capabilities in our employee categorization program to identify substantial gaps.

Communications

We will leverage the communications plan established as part of our traditional Business Continuity Management Plan to develop a communications program. The CEO or their designee will approve the content and delivery of communications on all matters. Internal communications will describe how we will operate under such a scenario and provide information for managing personal issues (e.g., sick relatives). Communications with customers and media will be restricted to authorized personnel, ensuring that only accurate information about our institution's business operations is reported. A spokesperson will be designated for media communications. Specific customer materials will include guides to using electronic services (ATM, Online Banking, Bill Payment, Telephone Banking, Call Centers, etc.). Our support desk function, flyers, and postings on our organization's website will affect customer communication.

Third-Party Vendors and Service Providers

Our organization will identify all outsourcing and supplier dependencies to determine the level of pandemic risk presented by each relationship considering the following factors:

- Contractual agreements
- Current performance and any related problems
- Vulnerability of the outsourcer to pandemic disruption
- Our organization's vulnerability due to non-performance on the part of the outsourcer.

This identification process will be performed after completing the BIA exercise where critical services have been identified. These service providers and suppliers will be assigned risk ratings coinciding with the risk ranking of their service for BIA purposes. Additionally, we will establish a communication tree with each critical party with multiple contacts to ensure we can contact the organization if necessary. This assessment aims to identify key external risks in our current outsourcing arrangements and determine where mitigating actions may be taken to reduce the potential adverse impact of such dependency.

Once critical service providers and suppliers have been identified, we will contact each organization to discuss/determine/assess their preparedness concerning such an event. This discussion will also address how we will communicate with these providers during such an event and work around any disruptions/issues that may arise. If we identify weaknesses or issues or recommend enhancements, we will monitor the organization's remediation efforts to address these items. We will identify potential alternatives for obtaining the critical services and/or supplies for those critical providers. If the provider has a User Group organization, we will collaborate with the User Group to monitor the organization's program, readiness, and efforts.

Strategies Consistent with the Outbreak Stages

Our organization's Pandemic Coordinator monitors the progression of the disease and its phases at www.pandemicflu.gov. This website reports on the stages reported by the United States Federal Government Response (USG) and the World Health Organization (WHO). As the disease passes from stage two through stage six of the U. S. Government's stages, we will scale our proactive and reactive pandemic preparedness, testing, awareness, and stockpiling activities accordingly. In addition to this indicator, we will monitor for other triggering events, which may require the performance of specific functions. Other triggering events could include situations where critical service providers have implemented their pandemic plans; the flu has been detected in a part of the country where critical service providers are located, neighboring states have been infected, the state or local department of health has announced advisories, etc. Each of these events and the event's severity will require a different response on our organization's part to ensure our readiness.

Continuation of Critical Operations

Projections are that absenteeism could be 30% to 40% during a pandemic outbreak, mainly because personnel need to care for family members and/or desire to avoid contact with other potential carriers. As a result, we believe the possible impact on human resources may pose the most significant risk to our organization and those organizations upon which we depend to support the critical services we provide. With that risk in mind, we intend to take the following steps to mitigate it as much as possible.

- Recognizing that telecommuting will be critical to our overall success, management will access current usage and capacity for online activities and upgrade/enhance the telecommuting infrastructure. Our institution will also ensure that all personnel are trained in the proper use and security of remote access capabilities.
- Promote social distancing as much as possible to minimize staff contact by allowing Category Two personnel to telecommute.
- To the extent possible, our institution may split critical staff who can perform the same functions into teams operating from multiple locations, preventing any physical contact between the two teams.
- Encourage our customers through educational programs to utilize electronic banking services and ATMs for any servicing that does not require face-to-face contact with institution personnel.
- Ensure that our electronic banking infrastructure and service provider are prepared to meet the increased demands that may be placed on their systems due to personnel redirection.
- Plan with ATM service companies to frequently monitor and service our ATMs.
- Review our core processor and other critical service providers' preparedness plans and tests, demonstrating they can provide critical services if they, too, have substantial human resource challenges.
- Advising customers through website announcements and other means in which alternate locations are adequately staffed for any needs that may not be managed at their local branch due to absenteeism.
- Ensure that a call support function is available as an alternative means of customer communication if personnel cannot access our website.
- Stockpile necessary supplies, food, etc., that could be utilized if critical personnel need to remain on site for extended hours due to quarantine or other events.
- Periodically contact our local public authorities seeking information about the actions they may consider and what impact those actions may have on our institution and its operations, especially situations where an employee becomes ill with a highly contagious flu, raising the possibility that other employees may also be affected.
- Prolonged business closures and furloughs may cause extensive financial harm or ruin. As a result, the Board of Directors will take steps to maintain substantial capital and reserve levels in the event of significant asset quality problems due to poor economic conditions.

Pandemic Readiness Testing

Risk monitoring and testing of the pandemic plan is essential to the success of our overall program. Our testing efforts will be such that management has a high degree of assurance that there will be sufficient human resources so that all critical processes, supporting infrastructure systems, and applications will function even during a severe pandemic. Our institution will complete tabletop scenario testing that will include the following:

- Roles and responsibilities of management, employees, key suppliers, and customers;
- Key pandemic planning assumptions;
- Increased reliance on online banking, telephone banking, and call center services; and
- Remote access and telecommuting capabilities.

Our pandemic program testing will include such things as “work at home” days for all critical and essential employees who may need to work offsite to test remote access capabilities and infrastructure, crisis management team communication exercises, tabletop exercises testing various scenarios related to escalated absenteeism rates; additional or modified call tree exercises; and vendor/service provider, community, regional or industry-wide exercises with members of the financial services sector to test the financial sector’s ability to respond to pandemic like issues. Testing results will be reported to CMT and the board, and appropriate updates will be made to the pandemic plan and testing program.

As part of this testing process, we will use some of the assumptions on the CDC website and any other assumptions we believe are appropriate (See Appendix C). As part of this testing process, we will discuss and document the methods we must implement to continue providing critical services and functions. Furthermore, we will determine what areas we need to strengthen from a cross-training perspective to ensure that at least two people, and hopefully three, will have the understanding, knowledge, and written documentation available to assist them in performing the critical tasks and functions they have been assigned.

After an initial validation of our overall program, future testing will also be in phases. It will depend upon which phase the U.S. government is reporting that the pandemic event is in. As the phase approaches six, our testing will become more robust; however, our testing will be limited in the interim. Until the United States reaches stage two, our testing will focus primarily on employee awareness and include tabletop discussions. As such, on an annual basis, each banking department will familiarize themselves with our program. As part of that process, they will also review the steps and actions for their department based on the criticality of the functions and services they provide. As these stages progress, from two through six, the robustness and frequency of testing will increase to ensure that our organization is prepared during a pandemic or a subsequent wave.

Coordination with Outside Parties

Our organization will coordinate information-sharing efforts with other organizations, including critical vendors/service providers, business and community working groups, financial institutions, and outside parties who may support and maintain vital services during a pandemic. Our pandemic coordinator will establish contact with local public health and emergency management teams to review and coordinate our planning efforts and determine the impact that actions they may take under various scenarios will have on our plan.

Program Oversight

The board of directors and the CMT will be responsible for program oversight and maintaining our Pandemic Planning Preparedness program. Program oversight activities will include but not be limited to the following:

- Delegating specific responsibilities to other staff members, including the coordinator, if different than a member of CMT;
- Any changes to the critical services and functions performed by our institution, whether performed internally or outsourced, as the Business Impact Analysis is updated;
- An update on the readiness of all critical vendors who support all our identified critical programs and functions and each vendor's preparedness;
- Reviewing reports prepared by staff about our compliance with our program, our readiness, and our testing efforts;
- Approving material changes to the program addressing changing risks and circumstances;
- Preparing an annual report to the Board regarding our program addressing the overall status of the program, an assessment of our compliance with regulatory requirements, and any recommendations for program changes;
- Annually providing a status update on employee awareness and training regarding Pandemic preparedness;
- Annually reporting on the status of the pandemic threat and any significant updates to the www.pandemicflu.gov website pertinent to our organization and program; and
- The results from any testing that has been performed.

BOARD POLICY RESPONSIBILITIES

The Board of Directors and CMT are responsible for ensuring that our pandemic preparedness and program prepare our institution to function during such an event. The Board is required to review, update, and approve this policy annually or more frequently as needed.

RESOURCES

www.pandemicflu.gov

www.cdc.gov/

www.who.int/csr/disease/

www.publichealth.va.gov/flu/pandemic

www.cdc.gov/flu/protect/stopgerms.htm

Appendix Q – Phase Three Re-Entry Permit



GEORGIA EMERGENCY MANAGEMENT AND HOMELAND SECURITY AGENCY

PHASE 3

OFFICIAL RE-ENTRY PERMIT

PHASE THREE RE-ENTRY

The holder of this permit is authorized to access areas impacted by a disaster prior to the general public for the purpose of responding to life-threatening hazards, repairing critical infrastructure, and/or restoring essential commerce.

Re-entry is authorized per the State of Georgia Re-Entry SOG.

Access may be denied to permit holders for some or all impacted areas by local or state officials in order to preserve, protect, or sustain the life, health, safety, or economic well-being of a person or property or as otherwise deemed necessary.

PERMIT NUMBER: 0809 **EXPIRES**: 08/30/2026

ISSUED TO: PrimeSouth Bank

COMPANY POC: Mike Phillips (912) 265-1710 ext. 4205

The individual presenting this permit certifies that use is limited to official business in emergency/disaster areas only. Individuals should also be prepared to show the following:

- Employee credentials
- Valid state-issued photo ID
- Employer authorization letter *(contractors or subcontractors only)*

ALL QUESTIONS OR ISSUES REGARDING USE OF THIS RE-ENTRY PERMIT SHOULD BE DIRECTED TO THE GEMA/HS STATE WARNING POINT AT 1-800-TRY-GEMA.

Pursuant to O.C.G.A. § 38-3-7 any misuse, including unauthorized reproduction, of this permit may constitute a misdemeanor under GA Law.

***Note: The Information Security Officer is currently the POC for this document.**

Appendix R – Backup Integrity Test

BACKUP DATA INTEGRITY TEST

Recovery Test Description

Purpose

The purpose of the Backup Data Integrity Test is verify that Primary File Server data can be effectively restored using the bank's current backup solution. This process tests the functionality of an existing backup/restoration service or application, physical media (if applicable), and the restoration destination device. In order to accomplish this, a small representative sample of data is restored and inspected to verify data integrity. This restore does not represent a disaster recovery test. A regular disaster recovery test should be scheduled in accordance with existing Business Continuity Plans.

Procedure

The procedure involved in the Backup Data Integrity Test is to restore network share data from the normal backup of server, BRU710-FILE01, to the file system on BRU710-BACKUP01.

Backup Solution Details

Backup Type	Software/Solution
Vaulting	Veeam Backup & Replication

Recovery Results

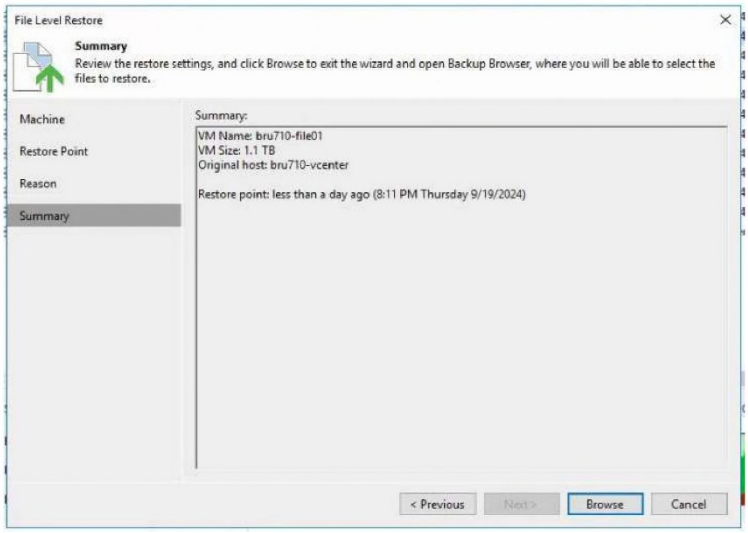
Data Restored

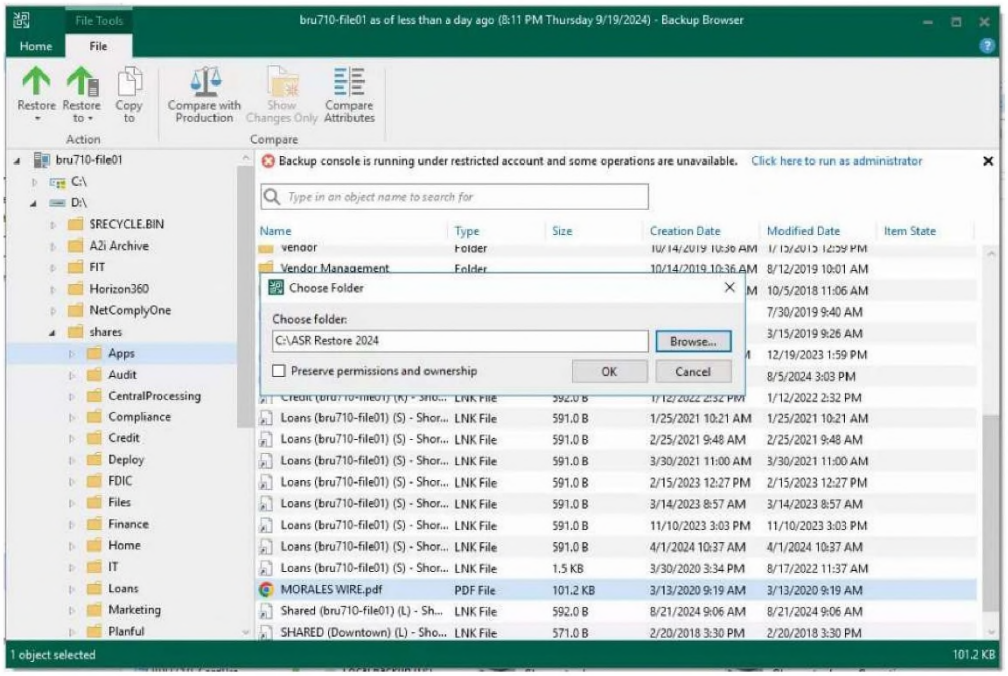
Share Name	Result
D:\shares\Apps	Restored Successfully
D:\shares\Files	Restored Successfully
D:\shares\Shared	Restored Successfully

Three files restored successfully from Apps, Files, and Shared directories on server BRU710-FILE01 to ASR Restore directory on server BRU710-BACKUP01.

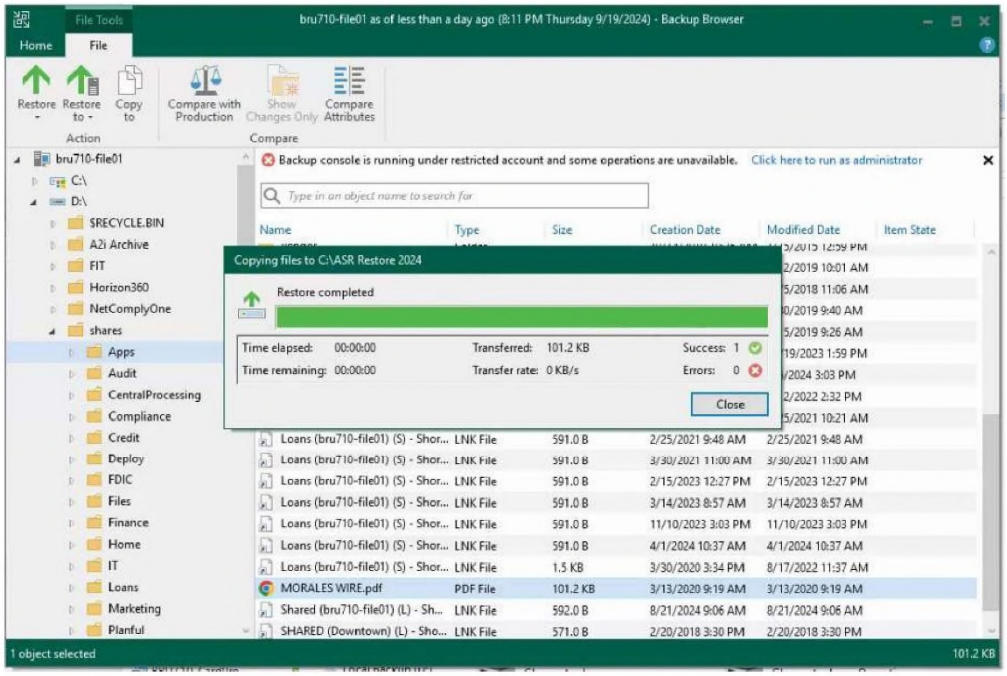
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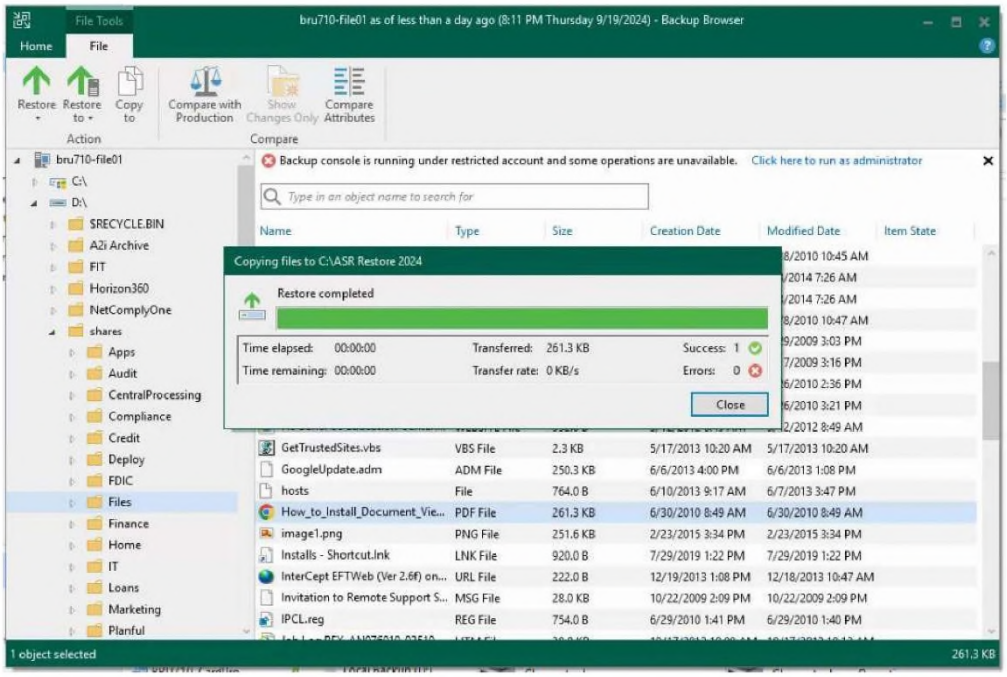
SUPPORTING DOCUMENTATION



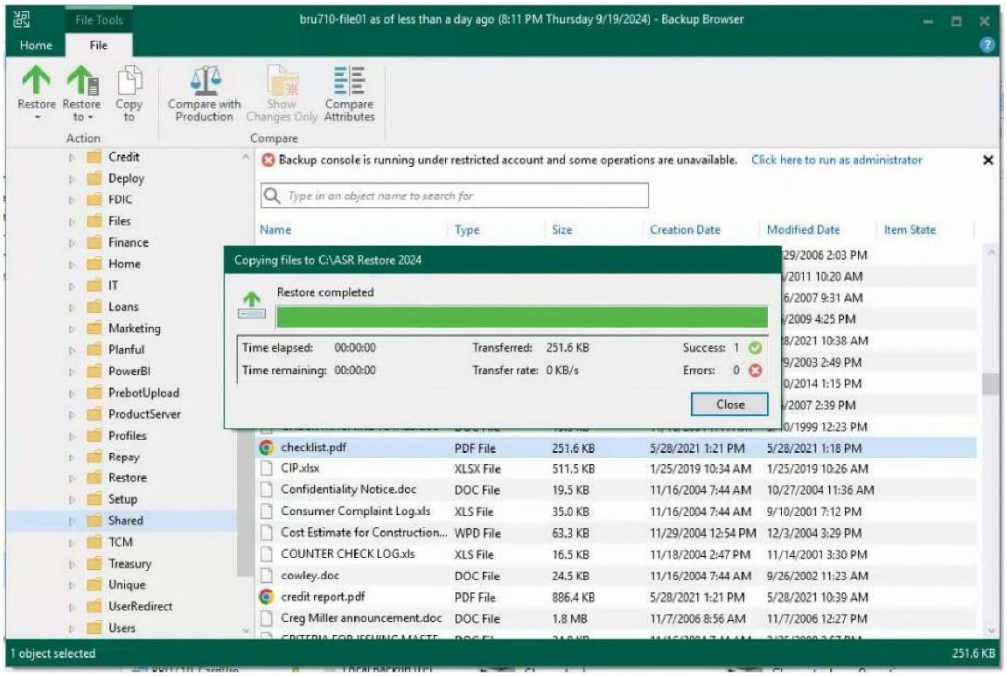


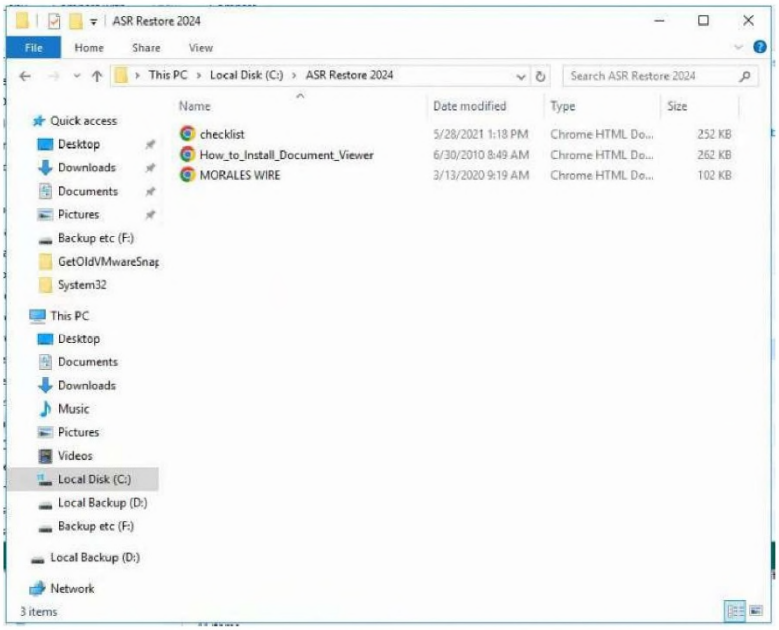
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PRIMESOUTH BANK

ENROLLMENT FORM AND AUTHORIZATION FOR TREASURY MANAGEMENT SERVICES

GENERAL IDENTIFICATION

Legal Business Name ("Company")	Business Tax ID Number		
DBA (if applicable)	Business Phone Number		
Address (P.O. Box not applicable)	City	State	Zip
Primary Contact Name	Primary Contact Cell Number		
Authorized Signer Information: The Authorized Signer is required to execute this Enrollment Form on behalf of Company and must be a signer on Company's account(s).			
Authorized Signer Name	Authorized Signer Cell Number	Authorized Signer Email Address	

I. TREASURY MANAGEMENT SERVICES

PLEASE MARK THE TREASURY MANAGEMENT SERVICES PROVIDED BY PRIMESOUTH BANK REQUESTED BY COMPANY IN THE BOXES BELOW

☐ **ACH Origination Service – Used to issue payroll, collect payments, etc. through Business Online Banking Please see Exhibit A to this Enrollment Form.**

☐ **Online Wire Transfer Service – Gives Users the ability to initiate a wire transfer through Business Online Banking. Please see Exhibit B to this Enrollment Form.**

☐ **Check Positive Pay Service – Automated fraud detection tool through Business Online Banking; to confirm checks issued from your account to checks presented to your account for payment. Please see Exhibit C to this Enrollment Form.** ***Bank recommends use of the Check Positive Pay Service.***

☐ **ACH Block/Filter Service – Automated fraud detection tool through Business Online Banking; to establish standing instructions to block or filter certain ACH Transactions. Please see Exhibit D to this Enrollment Form.** ***Bank recommends use of the ACH Block/Filter Service.***

☐ **Remote Deposit Capture (RDC) Service - Make deposits to your accounts by scanning checks on a desktop scanner. Please see Exhibit E to this Enrollment Form.**

Bank's standard fees for the Services are set forth on PrimeSouth Bank's Schedule of Fees. All Fees are subject to change as provided in the Master Agreement (as defined below). If Company would like for fees to be deducted from a designated account, please complete the information below. Otherwise, fees will be charged to the account for which the applicable Services were rendered.

IF COMPLETED, ALL FEES SHALL BE DEDUCTED FROM THE ACCOUNT BELOW.	
ACCOUNT NUMBER	**ACCOUNT TITLE**

II. ADMINISTRATOR INFORMATION

Administrator): The below Administrator(s) will have full access rights to all accounts and Services, rights to add or remove Authorized Users, and the right to conduct transactions on behalf of Company.		
Administrator Name	Administrator Telephone Number	Administrator Email Address
Administrator Name	Administrator Telephone Number	Administrator Email Address

In addition, Company further authorizes and directs any designated Administrator(s) to act, as indicated, on Company's behalf to: (i) enter into and execute of behalf of Company any and all services agreements related to the Services or other treasury management services offered by Bank, and all documents and supplemental agreements related thereto as may be required by

SAMPLE

Bank from time to time; (ii) add or remove Services from Company's list of Services provided by Bank; (iii) add or remove Authorized Users with access electronically to the Services; (iv) complete any schedules, documents or other enrollment forms on behalf of Company related to the Services; and (v) otherwise act on behalf of Company with regard to the Services and give Bank instructions, access to information and otherwise perform transactions on behalf of Company regarding the Services.

III. INCORPORATION OF TREASURY MANAGEMENT SERVICES MASTER AGREEMENT

This ENROLLMENT FORM AND AUTHORIZATION FOR TREASURY MANAGEMENT SERVICES (this "Enrollment Form") and the Exhibits attached hereto (which are incorporated herein by this reference) relates to PrimeSouth Bank's Master Treasury Management Services Agreement (the "Master Agreement") which has been provided to Company with this Enrollment Form. The Master Agreement is hereby incorporated into this Enrollment Form. Capitalized terms used but not defined in this Enrollment Form have the meanings given to them in the Master Agreement.

Acknowledgement of Receipt of the Master Agreement

☐ Company hereby acknowledges receipt of the Master Agreement.

Fraud Prevention Services (Opt-Out)
As provided in Section 10 of the Master Agreement, Company hereby agrees that Bank recommended Company use the Check Positive Pay Service and the ACH Block/Filter Service to help prevent fraud. **By selecting either of the "Opt-Out" boxes below, Company agrees that Company is responsible for all losses that could have been prevented or mitigated using the service for which Company is affirmatively opting out.**

☐ Check Positive Pay Service Opt-Out ☐ ACH Block/Filter Service Opt-Out

IV. AUTHORITY AND CERTIFICATIONS

The Authorized Signer executing this Enrollment Form, on behalf of the Company, certifies to the following: (1) I am authorized and directed to execute an original or copy of this Enrollment Form to **PRIMESOUTH BANK** ("Bank"), and anyone else requiring a copy; (2) Company is duly authorized, validly existing, and in good standing under the laws of the United States or the laws of the State in which Company was incorporated or organized and is duly qualified, validly existing, and in good standing in all jurisdictions where Company operates, conducts business, or owns or leases real property; (3) Company has the power and authority to provide this Enrollment Form, to confer the powers granted in this Enrollment Form and to carry on Company's business and activities as now conducted; (4) the designated Authorized Signer has the power and authority to exercise the actions specified in this Enrollment Form and Company properly adopted these authorizations and appointed the Authorized Signer to act on Company's behalf; (5) Company will notify Bank before reorganizing, merging, consolidating, recapitalizing, dissolving or otherwise materially changing ownership, management or organizational form; and (6) Company will be fully liable for failing to notify Bank of these material changes.

V. GENERAL AUTHORIZATION

The Authorized Signer executing this Enrollment Form, on behalf of the Company, certifies and agrees that: (1) Company has authorized and agrees that Bank is designated to provide the Company the financial accommodations indicated in this Enrollment Form, subject to Bank's rules and regulations from time to time; (2) all prior transactions obligating Company to Bank by or on behalf of Company are ratified by execution of this Enrollment Form; (3) any Authorized Signer, while acting on behalf of Company, is authorized, subject to any expressed restrictions, to make all other arrangements with Bank which are necessary for the effective exercise of the powers indicated within this Enrollment Form; (4) unless otherwise agreed to in writing, this Enrollment Form replaces any earlier related Enrollment Form and will remain effective until Bank receives and records an express written notice of its revocation, modification or replacement and has a reasonable opportunity to act thereon; and (6) any revocation, modification or replacement of this Enrollment Form must be accompanied by documentation, satisfactory to Bank, establishing the authority for the change.

Company hereby authorizes and directs the designated Authorized Signer to act individually on Company's behalf to:

1. Enter into and execute of behalf of Company any and all services agreements related to the Services indicated above or other treasury management services offered by Bank, and all documents and supplemental agreements, modifications, amendments, attachments, schedules and/or exhibits related thereto as may be required by Bank from time to time;
2. Add or remove Services from Company's list of services provided by Bank;
3. Add or remove Administrators with access (electronically or otherwise) to the Services that Bank provides to Company;

SAMPLE

4. Complete any schedules, attachments, exhibits, agreements, documents or other enrollment forms on behalf of Company related to the Services; and
5. Act on behalf of Company with regard to the Services and give Bank instructions, access to information and otherwise perform transactions on behalf of Company regarding the Services.

VI. CERTIFICATION AND AGREEMENT TO TERMS AND CONDITIONS OF THIS ENROLLMENT FORM AND THE MASTER AGREEMENT

This Enrollment Form has been signed (or otherwise authenticated in a manner acceptable to Bank) and delivered (which may be by facsimile, e-mail attachment or other electronic means) on Company's behalf by the person whose name is printed below. That person acknowledges, certifies and agrees on Company's behalf that: (a) he or she is the Authorized Signer identified above with full authority to sign (or otherwise authenticate in a manner acceptable to Bank) and deliver this Enrollment Form on Company's behalf; (b) Company has taken all action required by its organizational documents to authorize him or her to sign (or otherwise authenticate in a manner acceptable to Bank) and deliver this Enrollment Form (and any other documents Bank may require in connection with Company's use of the Services or access to Bank's system).

By signing below, Company (a) hereby requests Bank to provide to Company the products and services selected in this Enrollment Form (the "Services"), (b) acknowledges receipt of, and agrees to, accepts and agrees to be bound by, the terms and provisions of this Enrollment Form, the Master Agreement, each as may be amended from time to time, (c) acknowledges receipt of Bank's Schedule of Fees for the Services, (d) agrees to timely notify Bank and request completion and execution of a revised Enrollment Form, as applicable, in the event any information set forth therein shall become inaccurate, incomplete, or incorrect in any material respect, and (e) represents and warrants that the person completing and/or executing this Enrollment Form has been duly authorized by Company to do so and to fully and legally bind Company to the terms, conditions, and provisions of this Enrollment Form and the Master Agreement by and through the execution hereof, and that its performance of the Master Agreement will not violate any provisions of Company's charter, bylaws or similar documents or any applicable laws or any existing resolution, declaration or agreement with Bank or otherwise.

[*Signatures are Contained on the Following Page.*]

SAMPLE

Acknowledged, certified and agreed to on _____.

_____:

Company Name

Authorized Signer	**Authorized Signer**
Signed: _____	Signed: _____
Name: _____	Name: _____
Title: _____	Title: _____

Accepted by Bank this ____ day of _____, 20__.

PRIMESOUTH BANK

Authorized Signer:

Signed: _____
Name: _____
Title: _____

SAMPLE

Exhibit A
ACH Origination Service

Part I – Security Procedures

Company understands and agrees that the authenticity of any ACH File or Entry transmitted via Business Online Banking utilizing the ACH Services will be verified pursuant to the following Security Procedures set forth herein.

Dual Control

Unless the box below is checked, Company elects to reject "Dual Control" as a Security Procedure. Dual Control requires two Users to authenticate a transaction as described in the Security and Authentication Schedule. If Dual Control is elected, Company agrees that the individual User designated approve ACH transactions is not the same individual User with authority to initiate ACH transactions or transmit Entries. If the box below is not checked, (i) Company has selected to waive this protection and will allow "single control" over its transactions, requiring only one User to authenticate a transaction and, in such cases, Company accepts full responsibility for unauthorized access, both internal and external to Company, to the ACH Services; (ii) Company understands that Bank recommends Dual Control, but that Company has waived this Security Procedure and wishes to assume the full risk of unauthorized access, be it internal to Company, through the internet, or otherwise; and (iii) **Company shall indemnify and hold Bank harmless for any unauthorized access to the ACH Services or Company's accounts, including all resulting losses, costs, and/or attorneys' fees. This indemnification and hold harmless provision shall be in addition to any other protections afforded to Bank due to unauthorized access as provided in the Master Agreement, including, but not limited to, the protections afforded to Bank in the Security and Authentication Schedule.**

☐ Check this box only if Company elects Dual Control as a Security Procedure for the ACH Services.

Pre-notifications

Per NACHA Operating Rules, Article Two, Section 2.6.1, prior to the initiation of the first credit or debit Entry to a Receiver's account with an RDFI, an Originator may originate a Pre-notification Entry to the RDFI. Incorporating the Pre-notification process into security procedures enhances Company's ability to mitigate unauthorized ACH transactions by validating that the accounts into which funds are being sent or withdrawn are valid bank accounts. An Originator that has originated a Pre-notification Entry to a Receiver's account may initiate subsequent Entries to the Receiver's account no sooner than the third (3) Business Day following the Settlement Date of the Pre-notification Entry, provided the ODFI has not received a Return or a Notification of Change related to the Pre-notification. If the ODFI receives a Return Entry or a Notification of Change in response to the Pre-notification by the opening of business on the second Business Day following the Settlement Date of the Pre-notification, the Originator must not transmit subsequent Entries to the Receiver's account until it has remedied the reason for the Return Entry or made the correction requested by the Notification of Change. If Company indicates that Pre-notifications will be originated, Company, at the time ACH Origination is implemented by Bank, will be restricted from originating subsequent entries until after the third (3rd) Business Day following the Settlement Date of the Pre-notifications. If the box below is not checked, (i) Company has selected to waive this protection and will require Pre-notification and Company accepts full responsibility for unauthorized ACH transactions; (ii) Company understands that Bank recommends Pre-Notification, but that Company has waived this Security Procedure and wishes to assume the full risk of unauthorized ACH transactions; and (iii) **Company shall indemnify and hold Bank harmless for any unauthorized ACH transactions or unauthorized access to the ACH Services or Company's accounts, including all resulting losses, costs, and/or attorneys' fees. This indemnification and hold harmless provision shall be in addition to any other protections afforded to Bank due to unauthorized ACH transactions or unauthorized access as provided in the Master Agreement, including, but not limited to, the protections afforded to Bank in the Security and Authentication Schedule.**

☐ Check this box only if Company elects Pre-notification as a Security Procedure for the ACH Services.

Security Procedures:

1. Company ID
2. User ID
3. Password
4. One-time Code (only if out-of-band activity is detected)
5. Security Token (i.e., hard or soft token)
6. Dedicated Computer
   - ☐ Customer elects to utilize the Dedicated Computer security procedure.
   - ☐ Customer rejects the utilization of the Dedicated Computer security procedure.
7. Dual Control (**Unless Customer elects to reject Dual Control as a Seurity Procedure by NOT checking the box above.**)

SAMPLE

8. Pre-Notifications (**Unless Company elects to reject Pre-Notifications as a Security Procedure by NOT checking the box above.**)

Company acknowledges that Bank has offered to Company Security Procedures to verify the authenticity of ACH Entries, which Security Procedures Company agrees are commercially reasonable in the context of Company's operation, requirements and internal procedures. If the Company rejects utilizing the Dedicated Computer and/or the Dual Control Security Procedures, Company acknowledges that Bank has offered commercially reasonable Security Procedures to Company in connection with the ACH Services and Company has elected to send ACH Entries to Bank using Company's selected Security Procedures. Company acknowledges and understands that selecting Security Procedures other than all the Security Procedures in 1 through 8 listed above may substantially increase the risk of loss to Company. IF COMPANY REJECTS UTILIZING THE DEDICATED COMPUTER AND/OR THE DUAL CONTROL SECURITY PROCEDURES, COMPANY HEREBY ACKNOWLEDGES THAT IT REJECTS AND REFUSES THE SECURITY PROCEDURES OFFERED BY BANK FOR TRANSMISSION OF ACH ENTRIES TO BANK.

Bank cannot be accountable or responsible for events that occur due to lack of security on Company's part. Company is responsible for the security and integrity of its network and devices and components attached to the network. Thus, Company must guard against malware attacks and other compromises of its systems by unauthorized individuals through the use of sound security principles and sound industry practices, including, wihtout limitation appropriate anti-virus software, firewalls and updated versions of its operating systems. Company warrants that no individual will be allowed to initiate transfers in the absence of proper supervision and safeguards, and agrees to take reasonable steps to maintain the confidentiality of the Security Procedures and any passwords, codes, security devices, and related instructions provided by Bank. If Company believes or suspects that any such information has been accessed by an unauthorized individual, Company will verbally notify Bank immediately, followed by written confirmation. The occurrence of such notification will not affect any transfers made in good faith by Bank prior to the notification and within a reasonable time period to prevent unauthorized transfers.

Data Security:

Limiting access and securely storing ACH data used in the routing and settlement of ACH transactions is a critical data security precaution. Company agrees to protect the confidentiality and integrity of protected, confidential or otherwise sensitive information in accordance with the NACHA Rules, including, without limitation, protecting account numbers used in the intiation of ACH entries by rendering them unreadable when stored electronically. Company's ability to limit access to production data can be done through commercially available software products. Access should be limited to specific programs and user ID's with privileges limited to those required to perform the authorized task (e.g. read-only, read-and-edit-only). Files should be transmitted between ACH participants using methods that protect the confidentiality and integrity of the data including the following:

- Encryption which is a process of scrambling data content according to publicly reviewed algorithms (e.g. AES) through hardware or software in order to protect the confidentiality of a file's contents. The ACH information should remain encrypted while in transit between all parties using commercially acceptable procedures and using security technology that uses AES encryption with a 256 bit key length (minimum standards).

- Integrity is a process of ensuring that files and data content have not been altered between the origination and receiving points. Normally, hash functions such as SHA-1 or MD-5 are employed to provide assurance of data integrity. The ACH information should be transmitted in a way that ensures its integrity using hardware or software methods.

Transmittal of Files:

Company will transmit files to the Bank via secure website access through our Business Online Banking system utilizing agreed upon logon procedures and proper access identification.

<u>Part II – Authorized Account Designation; Exposure Limits and Processing Schedule</u>

Authorized Account(s) Designated for ACH Access

Account Name	Account Number

SAMPLE

This Exhibit sets out the transaction amounts allowed when using Bank's Business Online Banking system to originate, create and/or deliver NACHA formatted files for further processing in accordance with the Master Agreement and the ACH Origination Service Schedule. These Exposure Limits are subject to periodic review and revision in accordance with Company activity.

Credit Origination

Maximum Daily Exposure Limit $_____

Debit Origination

Maximum Daily Exposure Limit $_____

Maximum Overall Daily Exposure Limit $_____

Bank may approve additional expanded limits based on additional underwriting upon written agreement between the Bank and Company.

Formatting Requirements. Files must be formatted in accordance with the Rules, using a template or interface within Business Online Banking.

Formatting Instructions. All Entries presented to the Bank by Company will be properly formatted according to the current NACHA Rules, as modified from time to time, and will contain only valid, processable, authorized Entries. All such files will be submitted electronically using Business Online Banking.

Authorized ACH Entries. Customer may only use those SEC Codes set forth below:

The following* are ACH Standard Entry Class Codes (SEC) approved for use by Company (check all that apply), subject to any specific restrictions on the types of ACH transactions that may be originated, which are identified by Bank below:

Credit Origination	**Debit Origination**
☐ ***CCD – Corporate Credit or Debit***	☐ ***CCD – Corporate Credit or Debit***
☐ **Pre-Funding Required for PPD Entries**	☐ **Pre-Funding Required for PPD Entries**
☐ ***PPD - Prearranged Payment and Deposit*** ○ **Direct Deposit** - The transfer of funds into a consumer's account. Funds being deposited can represent a variety of products, such as payroll, interest, pension, dividends, etc. ○ **Direct Payment** - Preauthorized payment is a debit application. This includes recurring bills that do not vary in amount -- insurance premiums, mortgage payments, charitable contributions, and installment loan payments or standing authorizations where the amount does vary, such as utility payments.	☐ ***PPD - Prearranged Payment and Deposit*** ○ **Direct Deposit** - The transfer of funds into a consumer's account. Funds being deposited can represent a variety of products, such as payroll, interest, pension, dividends, etc. ○ **Direct Payment** - Preauthorized payment is a debit application. This includes recurring bills that do not vary in amount -- insurance premiums, mortgage payments, charitable contributions, and installment loan payments or standing authorizations where the amount does vary, such as utility payments.
☐ **Pre-Funding Required for PPD Entries**	☐ **Pre-Funding Required for PPD Entries**
☐ ***CCD+ – Corporate Credit or Debit with Addenda***	☐ ***CCD+ – Corporate Credit or Debit with Addenda***
☐ **Pre-Funding Required for CCD+ Entries**	☐ **Pre-Funding Required for CCD+ Entries**
Expected Credit Origination Frequency	**Expected Debit Origination Frequency**
☐ **Daily** ☐ **Bi-Weekly** ☐ **Monthly**	☐ **Daily** ☐ **Bi-Weekly** ☐ **Monthly**
☐ **Other**: _____	☐ **Other**: _____

SAMPLE

*The above SEC Codes are the most commonly-used and not an all-inclusive list. PPD, CDD, and CCD+ are the only SEC Codes available for origination at this time

- Internet transmissions

Company will electronically transmit files to Bank via Business Online Banking.

- Format and content of entries

All files must be submitted in NACHA format. Company should refer to Appendix Two in the NACHA Rulebook for specific formatting details.

- Cutoff Time for delivery

Processing Deadline for:

Credit Entries
Transmission of a File: by 4:30 PM local Bank ET one (1) Business Day prior to Effective Entry Date*

Debit Entries
Transmission of a File: by 4:30 PM local Bank ET one (1) Business day prior to Effective Entry Date*

*"Effective Entry Date" must be a Business Day. If the Effective Entry Date is a day other than a Business Day, the file will be processed on the first Business Day following the Effective Entry Date.

Same Day ACH
If Company is approved and selects same Day ACH below, the ACH File must be submitted to Bank by 4 PM local Bank ET on the same Business Day as the Effective Entry Date.

☐ Check this box only if Company elects Same Day ACH for the ACH Services.

SAMPLE

Exhibit B
Online Wire Transfer Service

Part I – Wire Services Security Procedures

Company understands and agrees that the authenticity of any Payment Order transmitted via Business Online Banking utilizing the Wire Services will be verified pursuant to the following Security Procedures set forth herein.

Unless the box below is checked, Company elects to reject "Dual Control" as a Security Procedure. Dual Control requires two Users to authenticate a transaction as described in the Security and Authentication Schedule. If Dual Control is elected, Company agrees that the individual User designated approve a Payment Order is not the same individual User with authority to initiate or transmit a Payment Order. If the box below is not checked, (i) Company has selected to waive this protection and will allow "single control" over its transactions, requiring only one User to authenticate a transaction and, in such cases, Company accepts full responsibility for unauthorized access, both internal and external to Company, to the Wire Services; (ii) Company understands that Bank recommends Dual Control, but that Company has waived this Security Procedure and wishes to assume the full risk of unauthorized access, be it internal to Company, through the internet, or otherwise; and (iii) **Company shall indemnify and hold Bank harmless for any unauthorized wire transactions or unauthorized access to the Wire Services or Company's accounts, including all resulting losses, costs, and/or attorneys' fees. This indemnification and hold harmless provision shall be in addition to any other protections afforded to Bank due to unauthorized wire transactions or unauthorized access as provided in the Master Agreement, including, but not limited to, the protections afforded to Bank in the Security and Authentication Schedule.**

☐ Check this box only if Company elects Dual Control as a Security Procedure for the Wire Services.

Security Procedures:

1. Company ID
2. User ID
3. Password
4. One-time Code (only if out-of-band activity is detected)
5. Security Token (i.e., hard or soft token)
6. Dedicated Computer
   - ☐ Customer elects to utilize the Dedicated Computer security procedure.
   - ☐ Customer rejects the utilization of the Dedicated Computer security procedure.
7. Dual Control (**Unless Customer elects to reject Dual Control as a Seurity Procedure by NOT checking the box above.**)

Company acknowledges that Bank has offered to Company Wire Services Security Procedures to verify the authenticity of Payment Orders, which Wire Services Security Procedures Company agrees are commercially reasonable in the context of Company's operation, requirements and internal procedures. If the Company rejects utilizing the Dedicated Computer and/or Dedicated Dual Control Security Procedures, Company acknowledges that Bank has offered commercially reasonable Wire Services Security Procedures to Company in connection with the Wire Services and Company has elected to send Payment Orders to Bank using Company's selected Security Procedures. Company acknowledges and understands that selecting Security Procedures other than all the Security Procedures in 1 through 7 listed above may substantially increase the risk of loss to Company. IF COMPANY REJECTS UTILIZING DEDICATED COMPUTER AND/OR THE DUAL CONTROL SECURITY PROCEDURES, COMPANY HEREBY ACKNOWLEDGES THAT IT REJECTS AND REFUSES THE WIRE SERVICES SECURITY PROCEDURES OFFERED BY BANK FOR TRANSMISSION OF PAYMENT ORDERS TO BANK.

Bank cannot be accountable or responsible for events that occur due to lack of security on the Company's part. Company is responsible for the security and integrity of its network and devices and components attached to the network. Thus, Company must guard against malware attacks and other compromises of its systems by unauthorized individuals through the use of sound security principles and sound industry practices, including, wihtout limitation appropriate anti-virus software, firewalls and updated versions of its operating systems. Company warrants that no individual will be allowed to initiate transfers in the absence of proper supervision and safeguards, and agrees to take reasonable steps to maintain the confidentiality of the security procedures and any passwords, codes, security devices, and related instructions provided by Bank. If Company believes or suspects that any such information has been accessed by an unauthorized individual, Company will verbally notify Bank immediately, followed by written confirmation. The occurrence of such notification will not affect any transfers made in good faith by Bank prior to the notification and within a reasonable time period to prevent unauthorized transfers.

SAMPLE

Part II – Authorized Account Designation, Wire Limits and Wire Cutoff Time.

Authorized Account(s) Designated for Wire Services and Limits

This work sheet sets out the transaction amounts allowed when using Bank's Business Online Banking system to originate, create and/or deliver Payment Orders in accordance with the Master Agreement and the Online Wire Transfer Services Schedule. These limits are subject to periodic review and revision in accordance with Company activity.

Account Name	Account Number	Per Wire Limit ($)	Per Day Wire Limit ($)

Bank may approve additional expanded limits based on additional underwriting upon written agreement between the Bank and Company.

Wire Cutoff Time

All Payment Orders must be submitted to Bank on a Business Day by the Wire CutOff Time noted below to be deemed received on that Business Day:

Domestic Wire Transfers 4:00 PM local Bank ET
International Wire Transfers (USD) 4:00 PM local Bank ET

Part III - Company Callback

NOTE, BANK MAY, IN ITS SOLE DISCRETION, USE CALLBACKS AND ACCESS CODES TO VERIFY PAYMENT ORDER INSTRUCTIONS GIVEN TO BANK OR BY ANY OTHER MEANS BANK DEEMS APPROPRIATE. SUCH VERIFICATION IS AT THE BANK'S DISCRETION AND SHALL NOT BE DEEMED A WIRE SERVICES SECURITY PROCEDURE. YOU AGREE THAT BANK'S USE OF CALLBACKS AND ACCESS CODES IS NOT REQUIRED UNDER THE MASTER AGREEMENT OR FOR ANY OF THE WIRE SERVICES AND BANK'S FAILURE TO USE CALLBACKS OR ACCESS CODES TO VERIFY ANY PAYMENT ORDER SHALL NOT BE DEEMED TO BE A VIOLATION OF THE SECURITY PROCEDURES SET FORTH IN THIS EXHIBIT B, THE MASTER AGREEMENT OR THE WIRE SERVICES SCHEDULE.

Company hereby delegates the following individual(s) (each, and "Authorized Representative") to verify Payment Order Instructions:

Authorized Representatives to Verify Payment Orders			
Name	**Phone Number**	**Email Address**	**5 digit PIN**

Part IV - Recurring Payments

Set forth below are the details of recurring payments. The recurring payments must be the same amount each time or you must set a maximum dollar amount.

Frequency of Payments	Expiration Date	Description	Company Account Number to Debit

SAMPLE

Exhibit C

Check Positive Pay Service

Part I – Enrolled Accounts and Payment Preference

Enrolled Accounts designated for Check Positive Pay Service

Account Name	Account Number	Pay all Converted Checks (Y/N)	Default Option** (pay/return)

Cutoff for Submission of an Issued Check File

The Issued Check File must be received by 6:30 PM, local Bank ET to be processed to our system for the current Business Day. Any files after 6:30 PM, local Bank ET may be processed on the next Business Day.

****Default Pay/Return Selection and Decision Cutoff Time**

This Exhibit specifies Company's preference regarding the default option set for Check Positive Pay should Company fail to decision, through Business Online Banking, a Check which has been presented as an exception, by the required cutoff of 11:00 AM local Bank ET.

Company accepts all liability and agrees to hold Bank harmless should Company select or opt to change the default to pay all Checks presented as an exception, should the item in question be found to be fraudulent after being paid, and no decision is made by Company by the required cutoff of 11:00 AM local Bank ET.

By indicating its preference in the table above, Company may choose to pay or return suspect items. A "pay" option means that all Exception Checks not decisioned will be paid by Bank after the 11:00 AM local Bank ET cutoff time. A "return" option means that all Exception Checks not decisioned will be returned by Bank after the 11:00 AM local Bank ET cutoff time.

IN THE EVENT THE COMPANY DOES NOT RESOLVE CHECK DECISIONS EACH DAY IN THE MANNER PRESCRIBED HEREIN AND IN THE MASTER AGREEMENT, Bank will pay or return the checks in accordance with the default option selected above.

SAMPLE

Exhibit D

Positive Pay ACH Block/Filter Service

Part I – Enrolled Accounts and Payment Preference

Enrolled Accounts designated for ACH Block/Filter Services

Account Name	Account Number	Effective Date

Customer's Obligation to Approve or Reject Parties within Business Online Banking

Company agrees and acknowledges that it must review and decision the Exception Item Report presented within Business Online Banking by the Exception Item Deadline – i.e., Company must approve a Presenting Party as an Authorized Party or a Presenting Party as a Rejected Party by the Exception Item Deadline.

Cutoff for Decision of Exception Items

Company shall review the Exception Item Report and electronically communicate its approval/rejection of all Presenting Parties on the Exception Item Report by 11:00 AM local Bank ET (i.e., the Exception Item Deadline). **IF COMPANY MISSES THE EXCEPTION ITEM DEADLINE FOR DETERMINING EXEPTION ITEMS, THE EXCEPTION ITEM WILL BE REJECTED AND RETURNED**, AND COMPANY AGREES THAT COMPANY SHALL BE DEEMED TO HAVE INSTRUCTED BANK TO PROCESS EACH EXCEPTION ITEM ACCORDINGLY; provided that Bank shall retain the discretion to make the final decision on any Exception Item which is not decided by you prior to the Exception Item Deadline. As such, it is important that Company review and decision the Exception Item Report timely and on a daily basis.

If Company has approved a Presenting Party as an Authorized Party and later seeks to remove an Authorized Party from the Authorized Party List, it must contact Bank by **email at treasuryops@primesouth.com or call 352-306-1776** to have the Authorized Party removed from the Authorized Party List.

SAMPLE

Exhibit E

Remote Deposit Capture (RDC) Service

Part I – Account Designation

Account(s) Designated for RDC Services

Account Name	Account Number	Checking	Savings

Third-party Commonly Controlled Entities for which Company may deposit Checks to the Account(s) above:

Commonly Controlled Entity Name(s):

Company makes all representations and warranties related to Commonly Controlled Entities as contained in the Master Agreement.

Part II – Hardware

Hardware List

Customer Owned Scanner	Bank Provided Scanner	Scanner Make/Model	Serial Number	Scanner Location	Install Date

You must have the necessary computer hardware and software requirements to utilize the RDC Services, which may be updated from time to time. If you are experiencing any issues with in utilizing the RDC Services please contact Bank.

PART III – Cutoff Time and Limits

Total Per Deposit Limit $_____.
Total Per Day Limit $_____.

The Cutoff Time for submission of Files is 4:00 p.m. local Bank ET on any Business Day.

PART IV – Destruction Requirements

Company further acknowledges that original items will be destroyed after 60 days by one of the following means:

☐ **Cross Cut Shredding** ☐ **Incineration** ☐ **Destruction under contract with bonded destruction company**

SAMPLE

PART V – Check Fraud Prevention Tips

1. Make sure that employees are trained in check acceptance procedures.
2. The following precautions should be observed: (a) Ask for a picture ID before accepting checks or when you do not personally know the customer; (b) Always make sure the customer signs the check in front of you; (c) Request that checks be written with blue or black ink; (d) The check's MICR line should appear slightly raised and not smudged; (e) Do not accept "starter" checks or checks without a bank logo and routing number; (f) Be alert to suspicious or unusual activity when accepting checks; (g) Be wary of two-party checks, they double the risk for check fraud; (h) Never accept post-dated checks.

SAMPLE

Exhibit F

Treasury Service Fee Schedule

The following fees apply to treasury services based on the agreed upon selected services. Monthly Maintenance Fees provided on your Truth in Savings and other fees found on the Fee Schedule are separate from the cost of services listed below.

Service Description	Price	Frequency of Fee
ACH Origination Files (Debits & Credits) Payroll, Vendor Payments, Customer Payments	$45.00 plus $1.00 per file	Monthly
ACH Origination Same Day Files (Debits & Credits) Payroll (Not recommended due to delay to employees),Vendor Payments, Customer Payments	$55.00 plus $1.00 per file	Monthly
ACH Origination Notice of Change	No Charge	N/A
ACH Origination Return Item	No Charge	N/A
Autobooks	No bank fee, Autobooks fees may apply based on selection.	
Positive Pay Check & Positive Pay ACH	$25.00	Monthly
Remote Deposit Capture (RDC)	$25.00 includes scanner	Monthly
Wire Transfers Domestic	$15.00 per wire	At time of wire
Wire Transfer International	$45.00 per wire	At Time of Wire

SAMPLE

PRIMESOUTH BANK

Business Name

MASTER TREASURY MANAGEMENT AGREEMENT

This Master Treasury Management Agreement, including, the Enrollment Form and the Service Schedules (each, as defined below) and any other related enrollment form, rate and fee schedule, schedule, addendum, exhibit and other instructions provided in connection herewith and the terms and conditions contained herein (collectively, this "Master Agreement"), sets forth the terms and conditions governing the provision of certain Treasury Management Services (each a “Service” and collectively, the “Services”) by PrimeSouth Bank (“Bank," "we," “us,” "our," or "ours") to you or anyone authorized by you (collectively, "Company," "you," "your," or "yours") and describes your and our rights, responsibilities and obligations regarding the Services.

The Enrollment Form for Online Banking and Treasury Management Services, and any exhibits, schedules or addendums thereto (the “Enrollment Form”) executed by Company in connection herewith is hereby incorporated into and is made an integral part of this Master Agreement. By completing and signing the Enrollment Form, and/or using one or more of the Services, Company agrees to, and shall be bound by, the terms, conditions, and provisions in this Master Agreement, including those for each Service which Company has selected. Bank, in its sole discretion, may not permit Company to use a Service until Bank has determined that Company has accepted or executed the applicable documentation and otherwise provided appropriate information and specifications to Bank for the use of the Service, and until Bank has had a reasonable opportunity to review the Enrollment Form and activate the Service. In any event, Company agrees that the use by Company of any Service shall, without any further action or execution or acceptance of any documentation on the part of Company, constitute Company's acceptance of and agreement to the terms of this Master Agreement and Bank's terms and conditions for the use of such Service as may be in effect as of the time of such usage, whether set forth in this Master Agreement or otherwise prescribed by Bank.

Your use of the Services shall also be subject to any other agreements governing your Accounts with Bank, including, without limitation your Deposit Account Agreement (as defined below) and related Account disclosures, and any other agreements governing your use of our business online banking services (“Business Online Banking”) (collectively, the “Other Agreements”). If there is any conflict between the terms and provision of this Master Agreement and the Other Agreements, the terms and provisions of this Master Agreement shall govern, but only to the extent reasonably necessary to resolve such conflict. In the event of a conflict between the terms of Part I and Part II of this Master Agreement and those of any Enrollment Form, the terms of the Enrollment Form, or Part II of this Master Agreement as applicable, shall govern and control with respect to the Service at issue. In order to activate the Service, you must have at least one Account with us linked to the Service.

This Master Agreement contains “General Terms and Conditions” (Part I) applicable to all of the Services in addition to Service Schedules (Part II) (each, a “Service Schedule”), which explains the specific Services offered by Bank under this Master Agreement and provides additional terms and conditions for each Service, and the Security and Authentication Schedule which provides additional detail with regard to the Security Procedures. By selecting your desired Services using the Enrollment Form and executing the Enrollment Form, you agree to comply with the terms and conditions of this entire Master Agreement, which is inclusive of the terms and conditions of any Service Schedules, user guides, exhibits, attachments, addendums and other enrollment documents required to activate and provide the Services hereunder, and the Security and Authentication Schedule which are hereby incorporated into and are a part of this Master Agreement by this reference. If, following the Effective Date of this Master Agreement, you wish to enroll in additional Services, you may do so by submitting an Addendum to the Enrollment Form or new Enrollment Form to Bank which is acceptable to Bank and executed by an Authorized Signer for your Account. In addition to the Services listed on the Enrollment Form, Bank may, in the future, incorporate and make available to you, new Service offerings under the terms and conditions of this Master Agreement. In such cases, Bank may, in its sole discretion, either update the Master Agreement to reflect the addition of such new Service offerings or provide you with a separate service agreement and/or Enrollment Form for the new Service offering.

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PART I - GENERAL TERMS AND CONDITIONS

1. Defined Terms. The following terms and definitions apply when used in this Master Agreement. Other capitalized terms not defined here, have the meaning ascribed to them in this Master Agreement.

a. "Account" or "Eligible Account" means one or more checking, savings, money market deposit or loan account that you have with us.

b. "Account Agreement" means the agreement between you and us that governs the use of your Account including the Deposit Account Agreement, any funds availability agreement, electronic funds transfer agreement or disclosure, line of credit agreement, and our schedule of fees and charges.

c. "Administrator" means the individual(s) authorized by you who will have access to and oversee the use of the Services. The Adminstator(s) are designated by you on the Enrollment Form.

d. "Authorized User" means the individuals authorized by the Administrator to have access to the Services and utilize the Services.

e. "Authorized Signer" means the individuals authorized by Company to have signing authority with regard to Company's Accounts.

f. "Business Day(s)" means 8:00 a.m. to 4:00 p.m. local Bank Eastern Time, Monday through Friday, excluding Saturdays, Sundays and holidays recognized by Bank (generally, federal holidays recognized by the Federal Reserve Bank). Some transaction deadlines may vary from this definition.

g. "Deposit Account Agreement" refers to documentation that establishes and governs deposit accounts of Company with Bank.

h. "Electronic" means electrical, digital, magnetic, wireless, optical or electromagnetic technology, or any other technology that entails similar capabilities.

i. "Funds Transfer" or "Transfer" means a transfer of funds, initiated through the Services.

j. "Password" means the confidential identification number or other code assigned to or selected by you for identification purposes in connection with the use of Business Online Banking.

k. "Payee" means any individual, financial institution, educational institution, company, merchant or other entity you wish to pay using the Services.

l. "PC" means a personal computer or mobile device (including any personal data assistant or other wireless access device) that meets the requirements for the use of Business Online Banking.

m. "User" means any Administrator and Authorized User.

2. Setup and Use of Online Access Services.

a. Eligibility. To have access to the Services you must also have at least one Eligible Account with us. If you have more than one Eligible Account, you will have access through the Service to the Eligible Accounts you specify on the Enrollment Form. If you specify more than one Eligible Account on the Enrollment Form, we will "link" the Eligible Accounts together. Eligible Accounts which are "linked" under Business Online Banking will have one common owner and signer. Any signer, acting alone, must be authorized to access a linked Eligible Account. Any non-linked Eligible Account will not be accessible through Business Online Banking. Company shall take all reasonable measures and exercise reasonable precautions to

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ensure that Company's officers, employees, authorized representatives, and Sub-Users do not use the Services for personal, family, or household purposes or for any other purpose not contemplated by this Master Agreement. Such usage is not authorized and will violate this Master Agreement.

b. Use of Services. You will use the Services only for your own internal business use in accordance with the terms of this Master Agreement. Without limiting the generality of the foregoing, you agree not to make the Services available or allow use of the Services in a computer bureau service business, timesharing, or otherwise disclose or allow use of the Service by or for the benefit of any third party. FURTHER, YOU REPRESENT AND WARRANT THAT NONE OF THE ACCOUNTS HAVE BEEN ESTABLISHED OR ARE BEING OR WILL BE USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES AND THAT YOU ARE NOT A "CONSUMER" UNDER REGULATION E - ELECTRONIC FUNDS TRANSFER ACT (HEREIN, "REG. E").

c. Laws and Regulations; Prohibited Transactions. You hereby acknowledge and agree that you and your Users will access and use each Service only as permitted under this Master Agreement and only for legitimate business purposes, so as not to generate transactions that violate the laws or regulations of the United States, or the State of Georgia, to the extent applicable, or any other applicable law or regulation, including the rules issued by the National Automated Clearing House Association ("NACHA") (such rules, the "NACHA Rules") and any other clearinghouse or other organization in which Bank is a member or to which rules Bank has agreed to be bound, rules and regulations affecting the use of checks, drafts, fund transfers, and ACH transactions, including but not limited to, rules and procedural guidelines established by the Federal Trade Commission ("FTC") and the Board of Governors of the Federal Reserve. This includes, but is not limited to, sanction laws administered by the Office of Foreign Assets Control ("OFAC"). It shall be your responsibility to obtain information regarding such OFAC enforced sanctions. (This information may be obtained directly from the OFAC Compliance Hotline at 800-540-OFAC or from the OFAC's web site at www.ustreas.gov/ofac). These laws, procedures, rules, regulations, and definitions shall be incorporated herein by reference. Without limiting the generality of the foregoing, you agree not to use or attempt to use the Services (a) to engage in any illegal purpose or activity or to violate any applicable law, rule or regulation, (b) to breach any contract or agreement by which you are bound, or (c) to engage in any internet or online gambling transaction, whet her or not gambling is legal in any applicable jurisdiction, (d) to engage in any activity or business that would result in you being or becoming a "money service business" as defined in Bank Secrecy Act and its implementing regulations, or (e) to engage in any transaction or activity that is not specifically authorized and permitted by this Master Agreement. You acknowledge and agree that Bank has no obligation to monitor your use of the Services for transactions and activity that is impermissible or prohibited under the terms of this Master Agreement; provided, however, that Bank reserves the right to decline to execute any transaction or activity that Bank believes violates the terms of this Master Agreement.

d. Approval. We are under no obligation to approve your use of any Service. The decision to approve your use of any one or more Services is within our sole discretion. Our records will be conclusive as to the Services when we approve your using the Services from time to time and on the dates which we approve your use of such Services. This Master Agreement shall become effective on the Effective Date, but access to a Service may not be granted until Bank has received all information required by the Enrollment Form and Bank has completed its underwriting and approval processes, if applicable to a particular Service. Bank will only be responsible for performing the Services expressly provided for under this Master Agreement for which you have been successfully enrolled. For the purpose of the Master Agreement, we will be deemed to have approved your use of a Service on the date we complete the activation of the Service for you.

e. Credit and Audit Review. Bank's approval of your use of the Services, and your continued use of a Service at any time after initial activation, may be subject to satisfactory credit and audit review by Bank as may be conducted from time to time, at Bank's sole option and discretion, and in accordance with Bank's established credit and auditing criteria. If we require application of underwriting criteria for use of any of our Services, we will generally communicate the nature and content of that criteria and the information

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you will be required to provide us. We may require one or more personal guarantee(s) of a principal, owner, member, partner, manager, director, or officer of Company or other affiliated third party in our sole discretion. Your failure to meet our underwriting criteria or to provide the required financial, business and operational information when requested shall constitute a breach of this Master Agreement and shall permit Bank to immediately terminate this Master Agreement and the Services provided hereunder.

f. Financial Information. Bank may from time to time request information from you in order to evaluate a continuation of the Service(s) to be provided by Bank hereunder and/or adjustment of any limits set by this Master Agreement. You agree to provide the requested financial information immediately upon request by Bank, in the form required by Bank. If you refuse to provide the requested financial information, or if Bank concludes in its sole discretion that the credit risk of you is unacceptable, Bank may terminate the Service according to the provisions hereof. You authorize Bank to investigate or reinvestigate at any time any information provided by you in connection with this Master Agreement or any Services and to request reports from credit bureaus and reporting agencies for such purpose.

g. User Guides. The Services to which this Master Agreement applies may also be described or referenced in user guides, welcome packages, enrollment documents, processing guides, addenda (each a "User Guide" and collectively "User Guides") (as said User Guides may be updated or amended from time to time) which we will provide to you with respect to some or all of the Services. The User Guides may also contain additional terms and conditions applicable to the Services. Your use of a Service after we provide you with a User Guide which pertains to a Service will constitute your agreement to adhere to and be legally bound by the terms, conditions, requirements, instructions, and information in such User Guides. Each User Guide is an integral part of this Master Agreement and when we provide a User Guide to you, or amend or update a User Guide, it becomes a part of and is incorporated into this Master Agreement. Our records reflecting the dates on which we provide a User Guide to you will be deemed correct and accurate.

h. Supplemental Agreements. Some of the Services may require you to enter into additional or supplemental agreements with us or require you to complete and provide to us information or documentation in, or as part of, schedules, addenda, setup forms, input forms, or other documents we require in connection with these Services. If we approve your using one of these Services, your use or continued use of each of such Services will be conditioned on and subject to your entering into, or completing and providing to us, the foregoing when we so request. These additional or supplemental agreements, as well as any schedules, addenda, forms or other documents will be in a form and substance satisfactory to us and if so indicated, will be a part of this Master Agreement.

i. Third-Party Authorizations. Some of the Services will require you to obtain authorizations from other persons or entities. If we approve your use of one of these Services, your use of each of such Services will be conditioned upon and subject to your obtaining from these persons or entities such authorizations and consents as we may deem necessary or otherwise appropriate. Without limiting the foregoing, each statement of authorization you provide to us must contain a release and indemnification by the person or entity executing the authorization under which such person or entity releases us from any liability related to or arising out of the Service and agrees to indemnify us relative to the Service. At our request, you will provide to us true and exact copies of each such authorization.

j. No Extension of Credit. If a Service involves a debit to any of your Eligible Accounts or any other loan or deposit account you maintain with us, you agree to have available, collected funds in such Eligible Account or other account with sufficient amounts to enable us to make the debit. If we complete a payment or transfer that you make or authorize and we subsequently learn that you have insufficient funds for the transaction, you agree that we may reverse the transaction or offset the shortage with funds from any other deposit account(s) you have with us to the extent permissible by the applicable law and the Other Agreements. Nothing in this Master Agreement will constitute or be deemed a commitment by us to extend

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credit to you or for your benefit, or to grant you overdraft privileges. We will not have any obligation to make any funds available to you to affect any payment being made by you or to enable you to use any one or more of the Services. Any obligation to extend credit to you or to otherwise make funds available to you must be set out in a separate written agreement executed by you and acceptable to us.

k. Site Inspection and Visitation. We may perform an on-site inspection at any location of your businesses at any time and from time to time in our sole discretion to ensure compliance with the provisions of this Master Agreement. Bank shall not be liable or responsible to you or any third party for any loss, bodily harm, property damage, claims of the introduction of a virus or other malicious code into your system, including any which allegedly delay, alter or corrupt your data, whether related to the transmission of data to Bank, or whether caused by the equipment, Service, Bank, Internet service providers, Internet browsers, or other parties providing communication services to or from Bank to you in connection with Bank's entry on your premises for the purposes of installation or maintenance of equipment and service, and for the purpose of conducting an on-site inspection.

l. Vendors. Bank may contract with one or more outside vendors to provide one or more of the Services ("Vendor") as selected by Bank, and the Vendor is subject to change from time to time without notice to you. By executing this Master Agreement, enrolling in a particular Service, or executing an Enrollment Form, you authorize us and our outside Vendors to provide the Services in accordance with this Master Agreement. You further acknowledge, agree, and stipulate that the Vendor is an independent contractor providing software, data transmission or other services and is not the agent of you or Bank. Neither Bank nor the Vendor is responsible for the actions or omissions of the other.

m. Commonly Controlled Entities. For purposes of this Master Agreement, a "Commonly Controlled Entity" means an entity in which Company or Company's Parent has a direct or indirect majority ownership interest. For purposes of this Master Agreement, "Parent" means a person or entity that has a majority ownership interest in Company. Company, and each Commonly Controlled Entity represent and warrant to Bank: (1) that each of the Commonly Controlled Entities is an entity in which the Company or its Parent has direct or indirect majority ownership interest; (2) that each such entity maintains one or more Accounts with Bank; (3) that each of the Commonly Controlled Entities have provided to Bank an executed Certification of Beneficial Owners Form that shows all beneficial owners, including other entities, owning twenty-five percent (25%) or more interest; (4) that the person accepting this Master Agreement on behalf of the Company is an authorized signatory on each of the Commonly Controlled Entity Accounts with Bank; (5) that the acceptance of this Master Agreement by such person constitutes the acceptance of this Master Agreement, both on behalf the Company and each such Commonly Controlled Entity, for the purpose of granting authority for such person to perform transactions under this Master Agreement; (6) that all actions by such person on behalf of the Company or a Commonly Controlled Entity constitutes the duly authorized action of the Company and/or such Commonly Controlled Entity, as applicable; and (7) that each Commonly Controlled Entity listed is deemed to be a party to this Master Agreement.

i. We, in our discretion, may permit you to access your Accounts maintained at Bank to the Accounts of other Commonly Controlled Entities through the Services, to permit you to perform all banking transactions authorized in this Master Agreement, relating to such Commonly Controlled Entities' Accounts without requiring other signatures or further authorizations of the applicable Commonly Controlled Entities.

ii. You, and each Commonly Controlled Entity, represent to us that you have entered into an agreement in which you agree to perform certain Services, on behalf of Commonly Controlled Entities that requires you to have access to, and authority to conduct banking transactions on behalf of and with respect to, the Commonly Controlled Entities' Accounts maintained at Bank. By signing, you and each Commonly Controlled Entity make such representation to us and authorize us to perform such transactions based upon your instructions.

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iii. You and each Commonly Controlled Entity represent and warrant to us that if Accounts held under different taxpayer identification numbers are linked, the person signing is an authorized signatory for each Commonly Controlled Entity, is authorized to designate the multiple company access included in this Master Agreement, and that no Account included for common access is restricted from such common access by any provisions of Company's charter, bylaws or similar documents or any applicable laws or any existing resolution, declaration or agreement with us and that each of the requested Services has been duly and legally authorized by you and each Commonly Controlled Entity. Where Accounts held under different tax identification numbers are requested to be linked, you, and each Commonly Controlled Entity, acknowledges that we shall rely on the Security Procedure (defined below) to determine your authority to transfer funds or conduct other transactions effecting Accounts or other Commonly Controlled Entities. Company and each Commonly Controlled Entity acknowledges that it is responsible for determining any limitations on access to its Accounts by its officers, employees, or other designated representatives.

iv. Where we permit linkage between Commonly Controlled Entity Accounts, you and each of the Commonly Controlled Entities hereby jointly and severally direct Bank and authorize Bank: (a) to provide complete access by you to Commonly Controlled Entities' Account(s) and (b) to recognize, accept and effectuate all transactions initiated through the Services available under this Master Agreement by you, with respect to Commonly Controlled Entities' Accounts, all without further inquiry regarding: (i) the authority of the person(s) initiating the transaction(s), and (ii) any aspect of the transaction(s) itself. We shall not otherwise be deemed to have any knowledge of the provisions of the agreement between Company and duties thereunder, it being understood that recitation of the said agreement herein is for reference purposes only.

v. By entering into this Master Agreement, you and each Commonly Controlled Entity represent and warrant to us that:

    1. You have fully advised the appropriate owners, officers, and other personnel of Company and each Commonly Controlled Entity regarding the terms hereof, including with respect to, among other things, terms and conditions relating to your rights and obligations with respect to Account linkage matters and with respect to the Commonly Controlled Entity's joint and several obligations hereunder relating to such transactions;
    2. You and each Commonly Controlled Entity fully agree to the bound by the terms hereof in respect of its Accounts, including with respect to, among other things, the charging of fees to its Accounts as described in this Master Agreement;
    3. You and each Commonly Controlled Entity hereby assume all obligations and risks pursuant to the terms of this Master Agreement with respect to transactions affecting you and each Commonly Controlled Entity's Accounts. We shall have no responsibility with respect to the application of funds pursuant to transactions under this Master Agreement, and our obligations with respect to such funds and Account linkage matters shall be limited strictly and specifically to those expressly set forth herein.

vi. Monthly maintenance fees for use of the Services shall be charged to your Account. All transaction fees and charges incurred for specific transactions and Services by Commonly Controlled Entities executed using the Treasury Services shall be charged to the applicable designated Account of the applicable Commonly Controlled Entity.

vii. You and each Commonly Controlled Entity, jointly and severally, hold us harmless and indemnify us for any loss, damage, injury, assessment, judgment, or liability, suffered or incurred by us, and for any claim, proceeding, action or cause of action brought against us (including reasonable attorneys' fees relating thereto), arising from, or in any manner in connection with any transactions executed under the terms and conditions of this Master Agreement.

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viii. A Commonly Controlled Entity may withdraw the authority granted under this Master Agreement for your Users to act on behalf of such Commonly Controlled Entity by providing written notice of such withdrawal of authority to us as provided herein, but such written notice shall not be effective until five (5) Business Days after receipt and written acknowledgement of such receipt, by us, or such earlier time as we may effectuate such withdrawal of authority.

ix. The delivery of notices, documents, and correspondence to you in connection with this Master Agreement shall be deemed to be delivery to each Commonly Controlled Entity.

x. You acknowledge and agree that all linked Accounts shall continue to be solely used for business purposes and not for personal, family, or household purposes and you continue to have unlimited liability for transfers from your business Accounts, notwithstanding the provisions of Reg. E, or any standardized literature or disclosures we sent to you.

3. Consent to Contract Electronically.

a. This Consent to Contract Electronically (the "E-Consent") relates to your use of the Services and Electronic interfaces. By executing the Enrollment Form (to which this Master Agreement is incorporated), you consent and agree to proceed with the review and execution of all User Guides, Enrollment Forms, fee schedules, and other agreements and documents used to activate and continue the Services electronically and to the terms of this E-Consent. You may be presented with these agreements or documents electronically (for example, via email, via DocuSign, via Business Online Banking or other Electronic document portal) and will be able to electronically sign said agreements or documents using "check box" style acknowledgements or other means of an electronic signature. You agree that such "check box" style acknowledgements or other means of electronic signature will act as your agreement to the document presented to you.

b. By executing the Enrollment Form to which this Master Agreement is incorporated and pursuant to this Section, you are agreeing: (a) to the presentation of Electronic documents, notices, agreements, and disclosures, (b) that such documents, notices, agreements and disclosures are binding contracts, and (c) that you will accept and, if applicable, execute the applicable documents electronically. You acknowledge that all disclosures required by applicable law are being provided to you electronically. Specifically, you agree:

i. Your execution of the Enrollment Form incorporating this Master Agreement signifies your intent to enter into a binding legal agreement, and that your consent to conduct business electronically applies to all documents that Bank may provide to you or agreements that you will execute with or in favor of Bank.

ii. All documents, including any modifications to such documents, signed using Electronic means are as valid and enforceable as if you executed a paper copy using a "wet ink" handwritten signature.

iii. The authoritative copy of the electronically executed documents (the "Authoritative Copy") shall be the Electronic copy that resides in Bank's document management system. If a paper version of the Authoritative Copy is created, then both the Electronic version and paper version shall be considered originals and shall both be an Authoritative Copy.

iv. You acknowledge that you may request a paper copy of these documents for your records by contacting Bank and specifying those documents you wish to receive.

v. You may withdraw your consent to proceed with the use of Electronic documents, agreements, and disclosures at any time. If you elect to cease the use of Electronic documents, agreements, or

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disclosures, Bank reserves the right to treat this as a termination of your use of the Services and deny access to the Services. You must notify Bank, in writing, of any intent to withdraw this E-Consent.

vi. You acknowledge that you must maintain current Account and contact information with us and that you must promptly notify us of any change in your email or other electronic address.

vii. In addition to the requirements in Section 4 below, in order to receive Electronic records, you acknowledge that you must have access to:

1. A current version of an Internet browser that Bank supports;
2. An Internet connection;
3. A current version of a program that accurately displays PDF files; and
4. A PC and operating system capable of supporting and storing the above.

4. Equipment Requirements. To use the Services, you must first obtain your own PC with Internet connection capability and related equipment (the "Hardware"). You also must provide the type of Internet access required by the Hardware and/or software, which requires a web browser with Java scripting capabilities and 128-bit SSL encryption. Also recommended is an internet connection speed of 28.8 kbps or higher, and a currently supported and updated internet browser such as Microsoft Edge ® (for Windows), Mozilla Firefox® (for Windows), Google Chrome or Apple Safari® (for Mac OS). Once the Hardware has been properly connected and any required Internet access has been established, you will be able to access the Business Online Banking website. You are and will remain solely responsible for the purchase, hookup, installation, loading, operation and maintenance of the Hardware, software, and the Internet access service to your PC, and for all related costs. You are solely responsible for virus protection and maintenance of your PC. Bank shall have no responsibility for failures, interruption, or other defects in the Services, which are occasioned by incompatible, improperly installed or improperly maintained Hardware and software. Bank may add to, modify, or replace software programs used in conjunction with providing the Services under this Master Agreement at its sole discretion and without notice. From time to time Bank may deem it necessary to hold training or retraining classes for you. You agree that you will require appropriate personnel to participate in such training.

5. Access. Services are generally accessible 24 hours a day, seven days a week, except that the Services may be inaccessible for a reasonable period on a daily basis for system maintenance. We are not liable under this Master Agreement for failure to provide access due to a system failure or due to other unforeseen acts. We may modify, suspend, or terminate access to the Services at any time and for any reason without notice or refund of fees you have paid. Bank may change the terms and conditions of this Master Agreement from time to time to conform with changes or advancements in our services, or as required by law or regulation. Use of Business Online Banking after the Effective Date of such changes will constitute your consent to the changes.

6. Security Procedure.

a. You must designate a username and Password which will be required to gain access to the Services. Prior to your first use of Business Online Banking, Bank will assign your Administrator a Company ID, temporary username and Password (the Company ID, username and Password collectively are referred to as the "Access Codes"), required to gain access to Business Online Banking. The Business Online Banking system will ask you to change your Password the first time that you use the system. The use of the Access Codes, in addition to other authentication methods described below, is a security procedure established by Bank to authenticate the identity of the person attempting to gain access to Business Online Banking and the Services (collectively, the “Security Procedures”). We may require you to change your Access Code from time to time for security reasons. You hereby agree to keep your Access Codes and Security Devices (as defined below) in a secure location**. Any person having access to your Access Codes and/or Security Devices will be able to access these Services and perform all transactions, including reviewing Account information and making Transfers to other accounts and to other persons. Providing these Access Codes**

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and/or Security Devices to another person effectively constitutes a grant of authority to access your Accounts and make Transfers.

b. You agree to comply with the Security Procedures and any other Security Procedures Bank directs you to use, including (without limitation) any code, password, personal identification number, user identification technology, token, certificate, layered security, or other element, means, or method of authentication or identification used in connection with a Security Procedure ("Security Devices"). For the avoidance of doubt, the term "Security Devices" includes your Access Codes. A description of these Security Procedures are set forth in the "Security and Authentication Schedule," as may be amended from time to time. For specific Services, the Security Procedures selected and agreed to by you will be provided on the Enrollment Form.

c. You agree that the Security Procedures constitute commercially reasonable security procedures under applicable law for the initiation of the Services you utilize, including without limitation, Transfers, and access to confidential information. You authorize us to follow any and all instructions entered, and transactions initiated using applicable Security Procedures unless and until you have notified us, according to notification procedures prescribed by us, that your Security Device has been stolen, compromised, or otherwise become known to persons other than you or your representative(s) and until we have had a reasonable opportunity to act upon such notice. You agree that the initiation of a transaction or instructions using applicable Security Procedures constitutes sufficient authorization for Bank to execute such transaction or instruction notwithstanding any particular designation by you of authorized persons or signature requirements identified on any signature card or other documents relating to your Account(s) maintained with Bank, and you agree and intend that the submission of transactions and instructions using the Security Procedures shall be considered the same as your authorized written signature in authorizing us to execute such transaction or instruction. You acknowledge and agree that you shall be bound by any and all transactions we receive and verify following the Security Procedures, whether authorized or unauthorized. Further, you acknowledge and agree that you shall be bound by any and all transactions and activity otherwise initiated by you, to the fullest extent allowed by law. You further acknowledge and agree that the Security Procedures are not designed to detect errors in the transmission or content of communications or transactions initiated by you and that you bear the sole responsibility for detecting and preventing such errors.

d. You agree to keep all Security Devices protected, secure, and strictly confidential and to provide or make available the same only to your Users. You agree not to disclose or provide any Security Procedures or Security Devices to any unauthorized person. You also agree that Users shall not share Security Devices with each other. Where you have the ability to change or modify an Access Code or Security Device from time to time (e.g., a password or username), you agree to change such Security Devices frequently in order to ensure the security of the Access Code and Security Device. **You agree to notify us immediately, according to notification procedures prescribed by us, if you believe that any Security Procedures, Access Code or Security Device have been stolen, compromised, or otherwise become known to persons other than you or your Users or if you believe that any transaction or activity is unauthorized or in error.** In the event of any actual or threatened breach of security, we may issue you a new Security Device or establish new Security Procedures as soon as reasonably practicable, but we shall not be liable to you or any third party for any delay in taking such actions. You agree to indemnify, defend all claims, and hold Bank harmless from any loss, damages, or expenses, including but not limited to attorneys' fees, caused by you, your employees', or agents' failure to keep the Security Procedures or Security Devices confidential and secure.

e. We reserve the right to modify, amend, supplement, or cancel any or all Security Procedures, and/or to cancel or replace any Security Device, at any time and from time to time in our discretion. We will endeavor to give you reasonable notice of any change in Security Procedures; provided that we may make any change in Security Procedures without advance notice to you if we, in our judgment and discretion, believe such change to be necessary or desirable to protect the security of our systems and assets. Your

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implementation and use of any changed Security Procedures after any change in Security Procedures shall constitute your agreement to the change and your agreement that the applicable Security Procedures, as changed, are commercially reasonable and adequate for the purposes intended.

f. You agree to train your Users with respect to the proper use and implementation of the Security Procedures and Access Devices and to provide ongoing and regular oversight and monitoring of those procedures. You agree to establish and maintain your own internal security procedures and controls to ensure and promote the protection and confidentiality of the Security Procedures and the Access Devices. You will be solely responsible for any loss or damage suffered by you or a third party resulting directly or indirectly from your failure to comply with the required Security Procedures. Additional Users added to your Account(s) are added at Company's sole risk and responsibility. You agree not to disclose or provide any Security Procedures or Security Devices to any unauthorized person.

g. To further enhance your security, you agree to follow these minimum general safety guidelines:

   i. You and your Users will never walk away from your computer while logged on to Business Online Banking or utilizing the Services.
   ii. You and your Users will check your account balances and activity daily and report any suspicious activity immediately to Bank.
   iii. You and your Users will memorize the codes that are part of your Access Devices and change them regularly.
   iv. You and your Users will never disclose any of the Access Devices to any person or entity.
   v. You and your Users will create complex passwords which should include letters, numbers, and special characters.
   vi. You and your Users will read and stay abreast of the best practices for preventing a breach of any of the Security Procedures.

h. You are strongly encouraged to put in place internal controls to ensure that all external requests for Transfers of funds in using the Services are approved by a person other than the person inputting, sending, or delivering the request to Bank ("Dual Control"), as more specifically described in the Security and Authentication Schedule. If you determine that, notwithstanding Bank's recommendation, you wish Bank to accept and process Transfer requests with the approval of only one User, you shall be bound by any payment order (whether or not authorized) issued in Company's name and accepted by Bank pursuant to the approval of such designated User. In the event of unauthorized access to Business Online Banking or your Accounts or unauthorized transactions utilizing the Services, you will be responsible for such unauthorized access or unauthorized transfers if such access or unauthorized transfers could have been prevented through the use of Dual Control and you elected to reject this Security Procedure.

i. You agree to notify us immediately, according to notification procedures prescribed by us if the authority of any User shall change or be revoked. You shall recover and return to us any Security Devices in the possession of any of your Users whose authority to have the Security Device has been revoked.

j. In the event of a breach of the Security Procedure, you agree to assist Bank in determining the manner and source of the breach. Such assistance shall include, but shall not be limited to, providing Bank or Bank's agent access to your hard drive, storage media and devices, systems and any other equipment or device that was used in breach of the Security Procedure. You further agree to provide to Bank any analysis of such equipment, device, or software or any report of such analysis performed by you, your agents, law enforcement agencies, or any other third party. Your failure to assist Bank shall be an admission by you that the breach of the Security Procedure was caused by a person who obtained access to your transmitting facilities or who obtained information facilitating the breach of the Security Procedure from you and not from a source controlled by Bank.

7. Physical and Electronic Security.

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a. You are solely responsible for providing for and maintaining the physical, electronic, procedural, administrative, and technical security of data and systems in your possession or under your control, including, without limitation, your PC. We are not responsible for any computer viruses (including, without limitation, programs commonly referred to as "malware," "keystroke loggers," and/or "spyware"), problems or malfunctions resulting from any computer viruses, or any related problems that may be associated with the use of an online system. Any material downloaded or otherwise obtained is obtained at your own discretion and risk, and Bank is not responsible for any damage to your computer or operating systems or for loss of data that results from the download of any such material, whether due to any computer virus or otherwise. You are solely responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to your PC and operating systems, and for protecting, securing, and backing up any data and information stored in or on your PC or operating systems. Bank is not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on your PC or operating systems.

b. You acknowledge and agree that it is your responsibility to protect yourself and to be vigilant against e-mail fraud and other internet frauds and schemes (including, without limitation, fraud commonly referred to as "phishing" or "pharming"). You agree to educate your representative(s), agents, and employees as to the risks of such fraud and to train such persons to avoid such risks. You acknowledge that Bank will never contact you by e-mail to ask for or to verify Account numbers, passwords or Security Devices, or any sensitive or confidential information, and will never provide links to websites in e-mails that Bank transmits to you. In the event you receive an e-mail or other electronic communication that you believe, or has reason to believe, is fraudulent, you agree that you shall not respond to the e-mail, provide any information to the e-mail sender, click on any links in the e-mail, or otherwise comply with any instructions in the e-mail. To the extent allowed by law, you agree that Bank is not responsible for any losses, injuries, or harm incurred by you as a result of any Electronic, e-mail, or internet fraud.

c. Company is solely responsible for providing for and maintaining the physical, procedural, and administrative, security of data in Company's possession or under Company's control. To the extent you come into possession, custody or control of any Personally Identifiable Information or other non-public information, including information (1) provided by a consumer to you, (2) resulting from any transaction with the consumer or any service performed for the consumer, or (3) otherwise obtained by you with regard to a consumer, including account information (collectively "PII"), you represent and warrant to Bank and its clients, clients, vendors and processors that you will protect such PII by rendering it unreadable and inaccessible by persons who do not have legal authority to access such PII. Further, Company agrees to comply with any and all applicable data security requirements under applicable laws, rules and regulations to protect account numbers used with the Services by rendering such numbers and data unreadable when stored electronically.

8. Duty to Inspect. You shall inspect all transaction history, statements, advices, reports, journals, and other material evidencing the output of the Services performed by Bank. You must report all errors to Bank for services performed and indicated in the transaction history, statements, advices, reports, journals, and other material evidencing the output of the Services or otherwise reported to you daily by the close of business on the Business Day following the day on which the Service is rendered. You must report all other errors within a reasonable time not to exceed thirty (30) days from the date that the error is made. Failure of you to promptly report errors within such specified time shall preclude you from asserting against Bank any claims arising from the error or any loss caused by the error.

9. Creating and Managing Users.

a. **Administrators.** You shall designate one or more individual users as an Administrator who will oversee your use of the Services. Your designated Administrator must, in your discretion, possess the business knowledge, authority, technical capability and trustworthiness appropriate for an individual charged with

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controlling the rights of other individual Users to access your banking information and conduct financial transactions on your behalf. The Administrator shall be designated on the Enrollment Form during the services enrollment process. The Administrator shall have access to all Services and your related Accounts. The Administrator will be able to grant access and authority to other Authorized User(s) having a degree of access and authority less than that of the Administrator's level of access and authority with respect to the Services and your Accounts. You agree that you are responsible for any activity connected with any User that you add, including any Administrator that you designate, as well as any Authorized User designated by the Administrator. If Bank has questions or needs information with regard to the Services, it may contact any Administrator or any Authorized Signer who shall have authority to act on Company's behalf with regard to the Services.

b. **Creating and Managing Authorized Users**. The Administrator may add additional Authorized Users for the Services through our Business Online Banking system or the use of the form acceptable to Bank. Each Authorized User shall create his or her own Password and other authentication tests.

c. **User Access**. You are responsible for ensuring that the authority of any User to access the Services are properly delegated and administered and are revoked when such User(s) is/are no longer authorized to access the Services. In addition, you are responsible for ensuring the authority of a User with respect to a particular Service (or Services) is revoked when such User is no longer authorized to access such particular Service(s) (including, without limitation, when such User's employment with your organization is terminated or his or her responsibilities or position change within your organization). You must also notify Bank in writing of any such revocation of authority. The Administrator shall have the right to revoke access of an Authorized User. Any Authorized Signer on your Account shall have the right to revoke access of any Administrator or Authorized User. Only the signer of the Enrollment Form or other authorized officer designated by you and acceptable to us may revoke an Administrator's rights. For security, one Administrator may not terminate the rights of another Administrator. You shall notify Bank within one (1) business day of the removal/termination of an Administrator or Authorized User.

You are responsible for the actions of persons who have had their authority to access and use the Services revoked until you give Bank notice of revocation of such authority and Bank has had adequate time to act on such notice. Such notice must be given separately from any other notices given to other Bank departments, by phone at **(352) 306-4075**. Bank may require additional documentation in connection with the revocation of authority of a User.

10. **Services to help prevent fraud.** We offer Services to help prevent fraud in connection with your Account, such as the Check Positive Pay Service and the ACH Block/Filter Service (each described in Part II below) and we recommend Company use these Services. In addition, we recommend you use certain industry best practices such as Dual Control. There are consequences if Company does not implement these fraud prevention services we recommend. If we have expressly recommended that you use a fraud prevention service or industry best practice and you either (a) decide not to implement or use the recommended service (such as the Check Positive Pay Service and the ACH Block/Filter Service) or industry best practice or (b) fail to use it in accordance with the applicable service description or this Agreement, then you are responsible for all losses that could have been prevented or mitigated by correct use of the recommended service or best practice

11. **Account Designations/Authorizations**. You will need to designate which Accounts will be utilized for payments and Transfers. If you designate an Account that requires more than one signature for the withdrawal or Transfer of funds, you agree that we may act upon any instruction that is accepted by Bank in good faith and in compliance with the Security Procedures. (**Note: This may mean that we will act upon the instruction of only ONE person, even though the signature card for the Account in question requires two or more signatures on checks.**) As long as an instruction pertaining to a particular Service is accepted by Bank in good faith and in compliance with the Security Procedures, the transaction will be deemed authorized by you. The terms of this Master Agreement will override any Other Agreements you have with Bank, corporate resolutions, or signature cards as to this issue.

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12. Payment for Services.

a. You agree to pay Bank all the fees and charges established by Bank for rendering the Services under the terms of this Master Agreement (collectively, the "Fees"). Depending on which Services you subscribe to, you will be charged the applicable Fees as set forth in our General Information and Schedule of Fees (the "Fee Schedule") hereby incorporated by reference and made a part hereof.

b. Bank may change or add any Fees by updating its Fee Schedule and providing the same to you or posting the Fee Schedule in Business Online Banking. Fees charged for the Services under this Master Agreement are in addition to any service charges or fees that otherwise apply to your Accounts with us. Company's use of the applicable Service after changes have been made shall constitute Company's agreement to the same.

c. You authorize Bank to deduct all applicable Fees from any Account listed on the Enrollment Form. If you close the Account(s) associated with a Service, Fees may be deducted from any other account you maintain with us or any of our affiliates. Furthermore, Bank may set off against any amount it owes to you in order to obtain payment of your obligations under this Master Agreement.

d. In addition to the Fees, you agree to pay for all taxes, tariffs and assessments levied or imposed by any government agency in connection with the Service, this Master Agreement, and/or the software or equipment made available to you (excluding any income tax payable by Bank). You are also responsible for the costs of any communication lines and any data processing charges payable to third parties.

13. Your Representations and Warranties. You represent and warrant to Bank on each day on which a Service is provided as follows:

a. You are a business entity duly authorized, validly existing and in good standing under the laws of the United States, or the laws of the state in which you were organized;

b. You have all requisite power and authority to enter into this Master Agreement which constitutes a duly authorized, legal, valid, binding and enforceable obligation. Your execution of the Enrollment Form and any other document incorporating this Master Agreement has been duly and validly authorized by all necessary action. Further, the individual or individuals who execute the Enrollment Form or any other document incorporating this Master Agreement for the Services contemplated under this Master Agreement on your behalf is each duly authorized by you to do so;

c. The performance of your obligations under this Master Agreement will not result in a breach of your organizational documents or of the provision of any material contract to which you are a party or by which you are bound;

d. Any transaction contemplated by this Master Agreement or processed utilizing the Services will not be in violation of state or federal law;

e. All formalities will be followed with respect to each Transfer of funds, including but not limited to, proper authorization of individual transactions, maintenance of proper security procedures, and any record keeping requirements with respect thereto;

f. Your use of any Service under this Master Agreement will not facilitate or result in any illegal transactions, including those prohibited by the Unlawful Internet Gambling Enforcement Act, 31 U.S.C. Section 5361 et seq., or otherwise violate any law, regulation, judgment, decree or order that may apply to you;

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g. Your use of the Services pursuant to this Master Agreement are for business purposes only and you will not use the Services primarily for personal, family or household use;

h. There is no lawsuit pending or threatened against you which, if lost, would impair your financial condition or ability to pay Bank under the terms of this Master Agreement;

i. Any information you provide us in connection with your enrollment or application for one or more of the Services is accurate and complete as of the time it is provided, and you will promptly notify us of any material change in that information; and

j. To the extent that you appoint a "Third Party Agent" (auditor, CPA, property manager, business manager, etc.) to perform any activities relating to a Service under this Master Agreement, you are solely responsible for all actions and obligations of such Third Party Agent as if such actions were your direct actions and obligations. You acknowledge that, among other things, this means that you are liable for the Third Party Agent's breaches of warranties and obligations, including liability for indemnification for such breaches, as if you had breached such warranties and/or obligations. You shall undertake all appropriate due diligence of, and investigation into, the business, operations, intellectual property and other rights, financial and other conditions, or rights and creditworthiness, of any Third Party Agent based upon documentation and other information you have deemed appropriate and used to make your own decision to enter into a relationship with any Third Party Agent. Your agreements with any Third Party Agent must include a provision allowing Bank to conduct, upon reasonable notice and during normal business hours an on-site inspection of Third Party Agent's books, records and premises, to ensure compliance with the requirements of this Master Agreement as it relates to any Service with regard to which such Third Party Agent acts on your behalf.

14. Bank's Responsibilities.

a. Bank agrees to use ordinary care in rendering Services under this Master Agreement. You recognize and agree that ordinary care does not mean the Services will be rendered error free. You agree to pay all attorneys' fees, costs and expenses Bank may incur in collecting any sums you owe to Bank for fees, overdrafts, service charges or otherwise or in enforcing any rights Bank may have under the terms of this Master Agreement or applicable law, rule or regulation applicable to your Account(s) or the Services rendered by Bank under this Master Agreement. You also agree to pay all attorneys' fees, costs and expenses that Bank may incur as the result of defending any claim or action made against Bank by you, any third party, or on your behalf. In no event shall Bank be liable to you for attorneys' fees incurred by you in any action brought by you or a third party against Bank in connection with the Services. Our sole responsibility for an error in a Transfer will be to correct the error. Without limiting the generality of the forgoing, we will not be responsible for the following matters, or for errors or failures of our Services as result of the following matters:

i. Access. We will not be liable under this Master Agreement for failure to provide access or for interruptions in access to our Services due to a system failure or due to other unforeseen acts or circumstances.

ii. Your Computer Equipment & Your Software. We will not be responsible for any errors or failures from any malfunction of your PC, computer, or operating system or any computer virus or other problems related to your computer equipment used with our Services. We are not responsible for any error, damages or other loss you may suffer due to malfunction or misapplication of any system you use, including your browser (Mozilla Firefox®, Microsoft Internet Explorer®, or otherwise), your Internet service provider, your personal financial management or other software (such as Quicken® or Microsoft Money®), or any equipment you may use (including your telecommunications facilities, computer hardware and modem) to access or communicate with Business Online Banking.

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iii. Any Transaction or Instruction. We may, in our sole discretion, not honor a request for a Transfer if: (a) it exceeds your collected and available funds on deposit with Bank; (b) it is not in accordance with any condition indicated by you and agreed to by Bank; (c) Bank has reason to believe it may not be authorized by you; (d) it involves funds subject to hold, dispute, or legal process preventing their withdrawal; (e) it would violate any provision of any present or future risk control program of the Federal Reserve or any current or future rule or regulation of any other federal or state regulatory authority; (f) it is not in accordance with any other requirement stated in this Master Agreement or any Bank policy, procedure or practice; or (g) it is for the protection of Bank or you and Bank has reasonable cause not to honor the Transfer.

15. Privacy/Information Sharing.

a. The importance of maintaining the confidentiality and privacy of the information provided by you is one of our highest priorities. We may disclose information about your Accounts or the Transfers you make: (a) to resolve problems associated with your use of the Services or where it is necessary for completing the Transfers or processing or maintaining your Accounts; (b) in order to verify the existence or condition of your Accounts for a third party such as a credit bureau or merchant; (c) in order to comply with legal process, government agency or court orders; (d) to companies that perform marketing services on our behalf or to other banks with whom we have joint marketing agreements; or (e) otherwise as permitted by law. You also acknowledge that support and services related or incidental to a Service may be provided by one or more third parties and that you hereby authorize us to contract and communicate with third parties to provide these support and services. You release us from any liability for failures, acts or omissions of any third party system operator, including but not limited to unauthorized access to, theft or destruction of your information or instructions. Our privacy policy may change from time to time and is always available on our website and at our Bank locations. Should you at any time receive or acquire any information relating to another customer of Bank, you shall promptly return such information to Bank and not reveal such information to any other party and shall not make use of such information for your own benefit.

b. Any materials, software, documentation and other information provided by Bank to you in connection with the provision of any Service pursuant to this Master Agreement constitutes confidential information of Bank, which you agree to keep strictly confidential. You agree to maintain the confidentiality of, and not disclose, any Access Devices or other Security Procedures put in place to access the Services other than to those Users, or employees with a need to know. You may use any materials we provide you only for the purposes for which they were provided, and you agree to notify Bank immediately by telephone at **(352) 306-4075** (which notice shall be confirmed in writing) if any materials are lost or if the confidentiality of any materials or Access Devices or other Security Procedures are compromised. You may also email us at **treasuryops@primesouth.com** or visit one of our branch offices although Bank recommends that you contact us via telephone first.

c. You agree that you shall have sole responsibility for the custody, control and use of the Services and that no individual will be allowed to initiate a request or other instruction to use one or more of the Services without proper authorization and supervision, and implementation of your security controls. If a Service requires the use of Access Devices, or other security measures, Bank will be fully protected in relying on any request that uses the correct user access device or other security measures.

d. Your obligations under this provision shall survive termination of this Master Agreement.

16. Secure Email. Conventional email is not a secure method of communication over the Internet and we recommend that you not send confidential or privileged information to us by conventional email. The message portal contained within Business Online Banking is a secure method of communication that allows messages to be sent and received within Business Online Banking. An electronic message sent by you will not be immediately received by us. No action will be made on an electronic message you send to Bank until Bank has

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actually received your message and has a reasonable opportunity to respond to it. If you need to contact us immediately, please visit a branch or call us at **(352) 306-4075**. There may be limitations on your use of electronic messaging from time to time and for certain transactions. The following provisions apply to communications by email:

a. You acknowledge and agree that information communicated via email to or from us may include information related to any or all Services we feel may be of interest to you;

b. You acknowledge and agree that you have been advised of and understand the risks of using email and that Bank is unable to guarantee the authenticity, privacy, or accuracy of information received or sent by email or to monitor the authorization of persons using your email address to send or receive information;

c. If you receive information from Bank via email that you believe is intended for another recipient, you agree to immediately return the information to Bank and delete the communication;

d. You agree that certain information communicated by Bank to you may be confidential in nature. You agree to maintain the confidentiality of such information and to refrain from sharing the information with any other person or entity or form using the information for any non-permitted purpose or for any purpose which is not related to your financial relationship with us;

e. **In the event that you believe an unauthorized person has gained access to your email account, you agree to immediately notify Bank so that Bank can cease communication of information to you via email until you and Bank take measures to protect your financial information**;

f. Having acknowledged the risks associated with communicating financial information via email, you (i) agree that Bank has no obligation to monitor or investigate the use of your email account, or the source of any email communication received from you bearing your email address, (ii) release Bank from any claim or liability arising from or in connection with any communications sent or received using email, and (iii) agree to indemnify Bank from all claims, losses, expenses, or liability arising from or connected in any way with the use of email as contemplated herein; and

g. To the extent that any Other Agreement between you and Bank requires you to provide Bank with written notice to a particular address regarding any matter, you agree that these provision regarding the use of email do not displace or modify any such requirement for a written notice, and that you agree to comply with any requirement for a written notice without reference to these provisions regarding the use of email.

17. Term and Termination.

a. Term. This Master Agreement will become effective on the Effective Date and shall remain in full force and effect until termination in accordance with the following provisions.

b. Termination Upon Written Notice. We may terminate this Master Agreement, any applicable Service, and your access to Business Online Banking at any time upon giving prior notice of the termination to you. We may provide notice to you by emailing the notice to you at the email address designated you in the Business Online Banking systems, by mailing the notice to you at the last address shown for the Account on our records, or by posting notice in our branches or as otherwise permitted by law. You may terminate this Master Agreement or any applicable Service by written notice to us. If you terminate the Master Agreement or any applicable Service, you authorize Bank to continue making Transfers you have previously authorized and continue to charge Fees until such time as Bank has had a reasonable opportunity to act upon your termination notice. Once Bank has acted upon your termination notice, Bank will make no further Transfers from your Accounts, including any Transfers you have previously

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authorized. If Bank terminates your use of Business Online Banking, Bank reserves the right to make no further Transfers from your Accounts, including any transactions you have previously authorized.

c. Termination for Inactivity. We may terminate this Master Agreement or any of the Services without notice to you if you do not access or make use of a Service offered hereunder during any consecutive 90-day period. If the Service(s) are terminated, you must contact us to have the Service(s) reactivated before you will be able to schedule any transactions using the Service(s).

d. Immediate Termination. In addition to our other rights contained herein, Bank shall have the right to terminate this Master Agreement, any applicable Service, and your Business Online Banking subscription immediately upon written notice to you if: (i) you cease to conduct your business in the ordinary sense, (ii) any substantial part of your property become subject to any levy, seizure, assignment or application for sale for, or by, any creditor or government agency, (iii) you are a party to an acquisition, (iv) you experience an adverse change in your financial condition or business which impairs your ability to perform your obligations under this Master Agreement, (v) you fail to perform your obligations under this Master Agreement or you default under any Other Agreement you have with Bank or (vi) you make any warranty or representation which proves to be false or misleading. Notwithstanding the foregoing, Bank may immediately terminate this Master Agreement and/or any applicable Service without notice if, (a) you or we close your Account(s), or (b) in Bank's sole discretion, Bank determines that you have abused Business Online Banking, a Service, or Bank believes that it will suffer a loss or other damage if the Master Agreement and/or applicable Service is not terminated.

e. Rights Cumulative. Bank's election to terminate this Master Agreement and/or any applicable Service is in addition to any and all other remedies that may be available to Bank and will not affect any obligations you may have to Bank. Any reinstatement of a Service under this Master Agreement will be at Bank's sole discretion and must be accompanied by any documents required by Bank.

f. Rights/Duties Upon Termination. Upon termination of this Master Agreement and/or any applicable Service, (i) you will promptly pay to Bank all sums and Fees due or to become due under this Master Agreement and/or applicable Service, and (ii) you shall have no further right to make use of the Services or any system or software which may have been provided in connection with the Services.

18. **Changes in Terms and other Amendments**. Bank may amend the terms of this Master Agreement (which, for the avoidance of doubt, includes all Service Schedules) or add to, alter, change, or modify the Services provided under the terms of this Master Agreement (including the Fees and charges for Services listed) or any supplemental agreement to this Master Agreement at any time in its sole discretion by giving written notice to you. If required by agreement or by applicable law, notice will be given for the required applicable number of days in advance of such amendments by mailing a copy of the amendment to you at your most recent address shown on our records or by providing notice delivered to the last email address you have provided us. Your continued use of the Services subsequent to any such amendment shall constitute your agreement to such amendment. No amendments requested by you shall be effective unless received in writing by Bank and agreed to by Bank in writing.

19. **Ownership of Website**. The content, information and offers on our website are copyrighted by Bank and/or the applicable Vendor and the unauthorized use, reproduction, linking or distribution of any portions is strictly prohibited. You agree not to copy, display, distribute, download, license, sub-license, modify, publish, repost, reproduce, reuse, sell, transmit, create a derivative work from or otherwise use for public or commercial purposes, the information and materials on the websites, except as provided in this Master Agreement, without our express written permission. Unless otherwise noted, all other trademarks, service marks, and logos used on Bank's sites are the trademark s, service marks or logos of Bank, or others as indicated.

20. **Web-linking Practices**. Bank may provide access to information, products or services offered on other third party web sites. Bank is not responsible for, nor does control, the content, products, or serviced provided by

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linked sites. Bank does not endorse or guarantee the products, information or recommendations provided by linked sites, and is not liable for any failure of products or services advertised on those sites. In addition, each third party site may provide less security than Bank and have a privacy policy different than that of Bank. Your access, use and reliance upon such content, products or services is at your own risk.

21. **Internet Disclaimer**. For any Services described in this Master Agreement utilizing the Internet, Bank does not and cannot control the flow of data to or from Bank's network and other portions of the Internet. Such flow depends in large part on the performance of Internet services provided or controlled by third parties. Actions or inactions of such third parties can impair or disrupt your connections to the Internet (or portions thereof). Bank cannot guarantee that such events will not occur. Accordingly, Bank disclaims any and all liability resulting from or related to such events and in no event shall Bank be liable for any damages (whether in contract or in tort) that are attributable to the public Internet infrastructure, your ability to connect to the Internet, or Bank's ability to connect to the Internet on your behalf.

22. **Data and Information Supplied by You**. You shall transmit or deliver data and other information in the format and on the media as provided for in the Enrollment Form, this Master Agreement, any Service Schedule and any other operating instructions we may provide or as otherwise required by Bank in conjunction with rendering the Services selected by you. **You shall have the sole responsibility of ensuring the accuracy and correctness of the data transmitted by you. You acknowledge and agree that Bank shall not examine the data for correctness and Bank shall not have any responsibility for detecting errors in the data transmitted by you.** The data transmitted by you must be legible, correct and complete. Bank shall not process, and Bank shall not be liable to you for failure to process, the data if it is not in the format specified by Bank or if the data is incomplete. Bank shall not be liable for errors or omissions caused by data that is rejected as the result of your failure to provide the data in accordance with the standards specified in the Enrollment Form, this Master Agreement or any applicable Service Schedule or any operating instructions.

23. **Other Limitations**. Your use of these Services is subject to the following limitations:

    a. Dollar Amount and Frequency. There may be a limit on the dollar amount of the transactions you can make using these Services. Security reasons limit the dollar amount of transactions, and these limits are subject to change from time to time. Payment can only be made with U.S. currency. In addition to the Federal banking regulations that restrict the number of Transfers and withdrawals, Bank may set limits on the number, amount, or Payees of transactions you can make using the Services. These limits are for security reasons and are subject to change. Should you exceed these limits (or other limits set by Bank) you agree that Bank may reject such instructions and you may be notified electronically of the rejection of such instructions.

    b. Foreign Transactions. No payments may be made to Payees outside the United States, unless the Company has been specifically approved by Bank to send payments outside of the United States.

    c. Additional Limitations. In addition to any limitations provided in the Enrollment Form or this Master Agreement, your ability to initiate transactions may also be limited by the terms of Other Agreements you have with Bank or by applicable law. For example, certain accounts may have limits on the number of transfers that can be made during a specified period of time. You agree to comply with such limitations.

24. **Contact Information**. In case of questions regarding the Services contact customer service at:

PrimeSouth Bank
Attn: Treasury Services
100 Ishie Avenue, Suite A
Bronson, FL 32621
Phone: (352) 306-4075
Email: treasuryops@primesouth.com

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25. Notices. Notices from us to you regarding the Services may be in writing delivered to you by first class mail, overnight delivery, hand-delivery, or e-mail, or, if a Service is provided by access to an Internet website, by posting the notice or communication on the website. We may deliver to you any required disclosures and other notices concerning these Services or your Accounts by e-mail or other appropriate Electronic means. Except as otherwise specifically provided herein, notices from you to us regarding any Service shall be delivered by first class mail, hand-delivery, or reputable overnight carrier. Mailed notices shall be provided to us at the address provided above. You may use e-mail to contact us about inquiries, maintenance and/or some problem resolution issues. Bank may not immediately receive e-mail that you send. Therefore, you should not rely on email if you need to communicate to Bank immediately. For example, if you need to stop payment on a check, to report a lost or stolen Access Device, or to report an unauthorized transaction from one of your Accounts, you should contact Bank immediately by calling us at **(352) 306-4075.** Bank will not take actions based on your email requests until Bank actually receives your message and has a reasonable opportunity to act. Email may not be a secure method of communication. Thus, we recommend you do not send confidential personal or financial information by e-mail.

26. Account Agreement. You acknowledge and agree your Account maintained with Bank is an integral part of the Services offered by Bank and that all transactions and Services initiated or processed pursuant to this Master Agreement are subject to the terms and conditions of the rules, regulations in the Account Agreement, which has been incorporated herein by reference. You acknowledge that you have signed and executed all agreements, resolutions, signature cards and forms governing your Account required by Bank. If you have not signed the foregoing forms required by Bank, by signing this Master Agreement, you acknowledge that you have read the contents of and agree to be bound by the terms of those forms, agreements and documents, and adopt and ratify, as an Authorized Signer, the signature(s) of any person(s) who has signed a signature card or any check on your account. You also agree to establish all accounts that must be opened in conjunction with the Service provided by Bank.

27. Effective Dates. The "Effective Date" of this Master Agreement shall be the date upon which the Enrollment Form is executed by you and accepted by Bank.

28. Limitation of Liability.

a. We will be responsible only for performing the Services expressly provided for in this Master Agreement and shall be liable only for actual damages incurred by you as a result of our gross negligence or willful misconduct in performing those Services. We will not be responsible for any loss, delay, cost, or liability which arises, directly or indirectly, in whole or in part, from (a) your actions or omissions, the actions or omissions of your officers, employees, agents, Users, Third Party Agents, or the actions or omissions of those of third parties which are not within our immediate and reasonable control; (b) your negligence or breach of any agreement with us; (c) any ambiguity, inaccuracy, or omission in any instruction or information provided to us; (d) any error, failure, loss, corruption or delay in the transmission or delivery of data, records, or items due to a breakdown in any computer or communications facility; (e) any force majeure event described in Section 30 below; (f) the application of any government or funds transfer system rule, guideline, policy, or regulation; (g) the lack of available funds in your Account to complete a transaction; or (h) our inability to confirm to our satisfaction the authority of any person to act on your behalf. Except as specifically provided in this Agreement or where applicable law requires a different result, neither we nor our service providers or other agents will be liable for any loss or liability resulting in whole or in part from any act or failure to act of your equipment or software, or that of an Internet browser provider such as Microsoft® (Internet Explorer browser) or Google® (Google Chrome® browser), by an Internet access provider, by an online service provider or by an agent or subcontractor of any of them, nor will we or our service providers or other agents be responsible for any direct, indirect, special or consequential, economic or other damages arising in any way out of your access to or use of, or failure to obtain access to the Services.

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b. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, IN NO EVENT WILL BANK BE LIABLE TO YOU FOR AN AMOUNT GREATER THAN THE FEES FOR THE SERVICES ACTUALLY PAID BY YOU AND RECEIVED BY BANK DURING THE SIX (6) MONTH PERIOD IMMEDIATELY PRECEEDING THE DATE ON WHICH THE CLAIM FIRST ACCRUED, WHICH SHALL BE DETERMINED BY THE EARLIER OF THE DATE WHEN YOU FIRST BECAME AWARE OF THE CLAIM OR THE DATE WHEN, THROUGH THE EXERCISE OF REASONABLE CARE, YOU REASONABLY SHOULD HAVE BECOME AWARE OF THE CLAIM.

c. REGARDLESS OF THE FORM OR NATURE OF ANY CLAIM OR ACTION, YOU AGREE THAT IN NO EVENT SHALL BANK BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, OR INDIRECT LOSSES OR DAMAGES SUFFERED OR INCURRED BY YOU IN CONNECTION WITH ANY SERVICE CONTEMPLATED BY THIS MASTER AGREEMENT, INCLUDING WITHOUT LIMITATION, SUBSEQUENT WRONGFUL DISHONOR RESULTING FROM BANK'S ACTS OR OMISSIONS, REGARDLESS OF WHETHER BANK KNEW OR SHOULD HAVE KNOWN SUCH LOSSES OR DAMAGES MIGHT BE INCURRED. ANY LIABILITY OF BANK FOR LOSS OF INTEREST SHALL BE CALCULATED USING A RATE EQUAL TO THE FEDERAL FUNDS RATE AT THE FEDERAL RESERVE BANK OF NEW YORK FOR THE PERIOD INVOLVED. BANK SHALL NOT BE RESPONSIBLE FOR YOUR ATTORNEYS' FEES.

29. Disclaimer of Warranties.

a. YOU ACKNOWLEDGE AND AGREE THAT YOUR USE OF THE SERVICES SHALL BE AT YOUR SOLE RISK AND THAT THE SERVICES ARE PROVIDED BY BANK ON AN "AS IS" BASIS. EXCEPT AS EXPRESSLY SET FORTH IN THIS MASTER AGREEMENT, BANK MAKES NO, AND HEREBY DISCLAIMS ANY AND ALL, REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, IN LAW OR IN FACT, WHATSOEVER TO YOU OR TO ANY OTHER PERSON AS TO THE SERVICES OR ANY ASPECT THEREOF, INCLUDING (WITHOUT LIMITATION) ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUALITY, ACCURACY, OR SUITABILITY. YOU AGREE THAT NO ORAL OR WRITIEN ADVICE OR REPRESENTATION OBTAINED FROM ANY BANK EMPLOYEE OR REPRESENTATIVE SHALL CREATE A WARRANTY OR REPRESENTATION FOR PURPOSES OF THIS MASTER AGREEMENT OR ANY SERVICES TO BE PERFORMED PURSUANT HERETO.

b. BANK MAKES NO REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, TO YOU AS TO ANY COMPUTER HARDWARE, SOFTWARE, OR EQUIPMENT USED IN CONNECTION WITH THE SERVICES (INCLUDING, WITHOUT LIMITATION, YOUR COMPUTER SYSTEMS OR RELATED EQUIPMENT, YOUR SOFTWARE, OR YOUR INTERNET SERVICE PROVIDER OR ITS EQUIPMENT), OR AS TO THE SUITABILITY OR COMPATIBILITY OF BANK'S SOFTWARE, INTERNET DELIVERED SERVICE, EQUIPMENT OR COMMUNICATION INTERFACES WITH THOSE THAT YOU USE, OR AS TO WHETHER ANY SOFTWARE OR INTERNET DELIVERED SERVICE WILL PERFORM IN AN UNINTERRUPTED MANNER, INCLUDING (BUT NOT LIMITED TO) ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

c. BANK SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR FAILURES RESULTING FROM DEFECTS IN OR MALFUNCTIONS OF YOUR COMPUTER HARDWARE OR SOFTWARE, FOR THE QUALITY OF PERFORMANCE OR LACK OF PERFORMANCE OF ANY COMPUTER SOFTWARE OR HARDWARE OR INTERNET DELIVERED SERVICES SUPPLIED BY BANK TO YOU IN CONNECTION WITH THIS MASTER AGREEMENT, OR FOR THE TRANSMISSION OR FAILURE OF TRANSMISSION OF ANY INFORMATION FROM YOU TO BANK OR FROM BANK TO YOU. BANK SHALL NOT BE RESPONSIBLE FOR NOTIFYING YOU OF ANY UPGRADES OR ENHANCEMENTS TO ANY OF YOUR COMPUTER HARDWARE OR SOFTWARE. You acknowledge there are certain security, corruption, transmission error and access availability risks associated with using open networks such as the Internet and/or telecommunications lines or circuits and you hereby assume all such risks. If any of these disclaimers are limited or prohibited by law, we make only the warranties specifically permitted by applicable law.

30. Force Majeure. Bank shall not be responsible for any liability, loss, or damage resulting from Bank 's failure to perform any Service or to perform any other obligations under this Master Agreement which is caused by an act of God, fire, floods, adverse weather or atmospheric conditions or other catastrophes; war, sabotage, riots, acts of public enemy, pandemics, or acts of governmental authority or the Board of Governors of the Federal

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Reserve; labor difficulties; equipment or computer failure or destruction or the unavailability, interruption, or malfunction of communications facilities or utilities; delays or failure to act by you or third parties and their personnel; criminal acts; or generally any cause beyond Bank's control.

31. Reimbursement. Any reimbursement by Bank for any liability hereunder may be made either directly to you or by adjustment of the aggregate ledger and collected balances of your Accounts.

32. Indemnification. In addition to other indemnification and liability provisions elsewhere in this Master Agreement, to the fullest extent allowed by law, you will be liable for, hold harmless, and will defend and indemnify Bank, and its affiliates, officers, directors and employees and agents from and against all claims of any sort by third parties or others arising out of this Master Agreement, including all losses and expenses (including attorneys' fees) incurred by Bank arising out of your failure to report required changes, transmission of incorrect data to Bank, or failure to maintain compliance with all laws, regulations and rules. In addition, You hereby agree to reimburse, indemnify, protect, defend and hold Bank, its affiliates and its officers, directors, employees and agents harmless, from and against, any losses, claims, liabilities, fees (including attorneys' fees, costs and investigatory fees) fines or penalties, of any kind whatsoever ("Damages") arising out of or in any way connected with the performance by Bank, its officers, directors, agents and employees, of the Services, including without limitation (a) any actions or omissions taken by Bank in reliance upon the instructions of any of your employees, officers, agents, or third-party agents; (b) any claim of any person that Bank is responsible for any of your acts or omissions or the acts or omissions of any other persons; (c) any failure on your part, or the part of your officers, employees, agents, or third-party agents to comply with this Master Agreement, User Guides, the Enrollment Form, any addendum related to the foregoing or any other applicable law, rule or regulation; (d) any damage or injury to you or any third parties asserted to have arisen out of Bank's performance of its duties and obligations under this Master Agreement; (e) any negligence, fraud or willful misconduct on your part or the part of your employees, directors, officers and agents; (f) any unauthorized use of the Access Devices by unauthorized persons, and/or (g) your breach of any of your covenants, agreements, responsibilities, representations or warranties under this Master Agreement, unless the action complained of was directly caused by Bank's gross negligence or willful misconduct. This indemnification shall survive the termination of this Master Agreement. This indemnification includes any Damages caused by Bank's reliance on instructions received from you or that Bank believed were received from you following the Security Procedures agreed upon by you and Bank.

33. WAIVER OF JURY TRIAL AND ARBITRATION.

a. BANK AND YOU EACH ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT, WITH COUNSEL OF ITS CHOICE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED UPON OR ARISING OUT OF THIS MASTER AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS MASTER AGREEMENT OR ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN), OR ACTION OF BANK OR YOU. THESE PROVISIONS SHALL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY YOU OR US, EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY EACH PARTY TO THIS MASTER AGREEMENT.

b. YOU AND BANK AGREE THAT THE TRANSACTIONS PROCESSED UNDER THIS MASTER AGREEMENT INVOLVES "COMMERCE" UNDER THE FEDERAL ARBITRATION ACT ("FAA"). ANY CONTROVERSY OR CLAIM BETWEEN YOU AND BANK, OR BETWEEN YOU AND BANK OR ANY OF BANK'S OFFICERS, EMPLOYEES, AGENTS OR AFFILIATED ENTITIES, THAT ARISES OUT OF OR IS RELATED TO ANY SERVICE PROVIDED UNDER THIS MASTER AGREEMENT, WHETHER BASED ON CONTRACT OR IN TORT OR ANY OTHER LEGAL THEORY, INCLUDING CLAIMS OF FRAUD, SUPPRESSION, MISREPRESENTATION AND FRAUD IN THE INDUCEMENT (COLLECTIVELY, ANY "CLAIM"), WILL BE SETTLED BY BINDING ARBITRATION UNDER THE FAA. THE ARBITRATION WILL BE ADMINISTERED BY THE AMERICAN ARBITRATION ASSOCIATION UNDER ITS COMMERCIAL ARBITRATION RULES ("THE ARBITRATION RULES"). IF A CLAIM IS SUBMITTED TO

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ARBITRATION, (A) YOU WILL NOT HAVE THE RIGHT TO GO TO COURT OR TO HAVE A JURY TRIAL; (B) YOU WILL NOT HAVE THE RIGHT TO ENGAGE IN PRE-ARBITRATION DISCOVERY EXCEPT AS PROVIDED IN THE ARBITRATION RULES; (C) YOU WILL NOT HAVE THE RIGHT TO HAVE ANY CLAIM ARBITRATED AS A CLASS ACTION UNDER THE ARBITRATION RULES OR UNDER ANY OTHER RULES OF CIVIL PROCEDURE; (D) THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING WITH LIMITED RIGHTS TO APPEAL; AND (E) THIS MASTER AGREEMENT SUPERSEDES ANY PRIOR ALTERNATIVE DISPUTE RESOLUTION AND/OR ARBITRATION AGREEMENT THAT MAY EXIST BETWEEN YOU AND BANK. THIS AGREEMENT TO ARBITRATE DISPUTES WILL SURVIVE THE CLOSING OF YOUR ACCOUNT AND THE TERMINATION OF THIS MASTER AGREEMENT.

34. Governing Law. These terms and conditions of this Master Agreement shall be governed by and construed in accordance with the laws of the State of Georgia, without regard to its conflict of law provisions and without regard to your state of residence. Any references in this Master Agreement to the "Uniform Commercial Code" or "UCC" shall be the Uniform Commercial Code as in effect for the State of Georgia.

35. Independent Contractor Relationship. Except as may be otherwise expressly provided in this Master Agreement, it is understood and agreed between the parties that Bank is an independent contractor and not an employee, partner, joint venturer, or agent of Company.

36. Cooperation and Loss Recovery Efforts. In the event of any damages for which we or you may be liable to the other or to a third party pursuant to the Services provided under this Agreement, we and you will undertake reasonable efforts to cooperate with each other, as permitted by applicable law in performing loss recovery efforts and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a third party.

37. Grant of Security Interest. As security for your obligations to us under this Agreement and our provision of the Services, you grant to us a present and continuing security interest in the following: (i) all of your Accounts and all distribution/collection points related to any one or more of your Accounts; (ii) all now existing and all hereafter arising contract rights relating to your Accounts associated with the Services and the distribution/collection points related to any one or more of your Accounts; (iii) all cash, checks, drafts, instruments, chattel paper, money orders, remittances, wire transfers, accounts, securities, and other items of value or payment intangibles belonging to you or payable to you, which are now in or may in the future be in or paid or deposited to your Accounts and which are now in or may in the future be in or deposited in any distribution/collection points related to any of your Accounts; and (iv) all present proceeds and future proceeds of or related to the foregoing accounts, depository/collection points and cash, checks, drafts, instruments, chattel paper, money orders, remittances, wire transfers, accounts, securities, and other items of value or payment intangibles.

38. Joint Accounts. When your use of the Services is linked to one or more joint accounts, we may act on the verbal written or electronic instructions of any Authorized Signer.

39. Joint and Several Liability. If one or more of your Accounts has co-owners, each co-owner will be jointly and severally liable for any obligation which arises from the use of the Services. This joint and several liability shall extend as well to any line of credit accessed through any such Accounts.

40. Contingency Plan. You and we each agree to maintain a business continuity plan ("Business Continuity Plan") for each Service that describes how each party will recover from a Disaster. A "Disaster" shall mean any unplanned impairment or interruption of those systems, resources, or processes that enable standard performance of the applicable Service's functionality. Each Business Continuity Plan shall include a plan for the recovery of critical technology systems, as well as procedures for restoring business operations at the primary location or at a designated recovery site, if necessary. We agree to work with you to establish a plan for alternative communications in the event of a Disaster.

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41. Miscellaneous Provisions.

a. Headings; Terms. The headings and captions contained in this Master Agreement are included only for convenience of reference and do not define, limit, explain, or modify this Master Agreement or its interpretation, construction, or meaning. Any singular term in this Master Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include," "includes" or "including" are used in this Master Agreement, they shall be deemed followed by the words "without limitation", and such terms shall not be limited by enumeration or example.

b. Severability. The holding of any provision of this Master Agreement as invalid, illegal, or unenforceable, in whole or in part, shall not affect the other provisions of this Master Agreement, which shall remain in full force and effect.

c. Waiver. No waiver by Bank (whether or not in writing) of any term, condition, or obligation of you under this Master Agreement bind Bank to waive the same term, condition, or obligation again, nor shall any other provision, condition, term, or obligation hereof be affected by such a waiver.

d. Binding Effect. This Master Agreement shall inure to the benefit of and be binding upon the successors, trustees, and permitted assigns of the parties hereto.

e. Entire Agreement. This Master Agreement constitutes the entire agreement between the parties hereto concerning the subject matter hereof. All contemporaneous agreements or understandings concerning the subject matter hereof, whether oral or written, are merged into this Master Agreement.

f. Transfers and Assignments. You cannot transfer or assign any rights or obligations under this Master Agreement without Bank's written consent. Bank may assign its rights and delegate its duties under this Master Agreement to a company affiliated with Bank or to any other party.

g. Recording and Use of Communications. Company and Bank agree that all telephone conversations or data transmissions between them or their agents made in connection with the Services may be electronically recorded and retained by either party by use of any reasonable means. This Section does not create an obligation on the part of Bank to record such conversations or data.

h. Survival. The provisions of this Master Agreement, which by their nature survive expiration or termination of this Master Agreement shall survive.

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PART II - SERVICE SCHEDULES

ACH Origination Service Schedule

1. ACH Origination Services. If Bank has underwritten and approved you for use of Bank's Automated Clearing House (ACH) Origination Services (the "ACH Services"), you hereby accept and agree to all terms, conditions, and provisions of this ACH Origination Service Schedule (this "ACH Schedule"), which sets forth the terms and conditions pursuant to which Bank will provide to Company the ACH services outlined herein ("ACH Services"). Company wishes to initiate credit and/or debit Entries (as defined below) through Bank to or from accounts maintained at Bank and in other depository financial institutions by means of the ACH network pursuant to (1) the terms of this ACH Schedule, (2) the rules of the National Automated Clearing House Association (NACHA) (the "NACHA Rules"), and (3) Bank's operating rules and procedures for electronic entries as each of the foregoing may be amended from time to time (collectively, the "Rules"), and Bank is willing to act as an Originating Depository Financial Institution ("ODFI") with respect to such Entries. In the event of conflict between a provision of this ACH Schedule, the UCC, Part I of this Master Agreement, and the Other Agreements, the provisions of this ACH Schedule shall govern, but only to the extent reasonably necessary to resolve such conflict. This ACH Schedule incorporates the exhibits, schedules and worksheets attached to the Enrollment Form or that may otherwise be provided by Bank to Company.

2. Defined Terms. Terms not otherwise defined in this ACH Schedule shall have the meaning ascribed to those terms in the NACHA Rules or Part I of this Master Agreement as applicable. For reference, certain capitalized terms used in this ACH Schedule are defined below. To the extent this definition conflicts with the definition in the NACHA Rules, the definitions in the NACHA Rules will control.

    a. "ACH Network" means the funds transfer system (network) governed by the NACHA Rules which provides for the inter-financial institution clearing of electronic Entries for participating financial institutions.

    b. "Effective Entry Date" means the date placed on an ACH transaction by the Originator of the transaction or the ODFI – it is normally the date the Originator or ODFI intends the transaction to take place.

    c. "Entry" or "Entries" means credit entries or debit entries consistent with the NACHA Rules and shall also mean the data received from Company hereunder from which Bank initiates each Entry.

    d. "File" means a group of ACH Entries stored for delivery to an ACH receiving point.

    e. "Originator" means a company, individual or entity that initiates Entries into the ACH Network.

    f. "Settlement Date" means the date on which settlement occurs, i.e., the funds actually change hands as a result of an ACH Entry.

3. Compliance with Rules and Laws. Company acknowledges it has a copy or has access to a copy of the NACHA Rules. The NACHA Rules may also be purchased online at www.nacha.org. Company agrees to comply with and be subject to the NACHA Rules currently in existence, and any amendments to the NACHA Rules made from time to time. Company agrees that the performance of any action by Bank to debit or credit an account or transfer funds otherwise required by the NACHA Rules is excused from the performance of such action to the extent that the action is inconsistent with applicable law, including the obligations of Bank under any program or regulation administered by OFAC or FinCEN. Company agrees generally and warrants to Bank that all actions by Company contemplated by this ACH Schedule, including the preparation, transmittal, and settlement of Entries and payment orders, shall comply in all material respects with United States laws, regulations, regulatory guidelines and guidance, and official commentaries, including without limitation all regulations, guidelines, and commentaries issued or administered by the United States Treasury Department, the Board of Governors of the Federal Reserve, the Federal Financial Institutions Examination Council, OFAC and/or FinCEN. Bank will charge Company with any fines and penalties imposed by OFAC, NACHA, or any organization which are incurred as a

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result of non-compliance by Company and Company agrees to fully reimburse and/or indemnify Bank for such charges or fines. The duties of Company set forth in the following paragraphs of this ACH Schedule in no way limit the requirement of complying with the provisions of this Section, the Rules and all applicable laws.

4. Credit Approval. In utilizing the ACH Network in performance of the ACH Services, Bank must make certain warranties on behalf of Company. Specifically, Bank is charged with assuring the financial soundness of Company to make the intended Entries. Bank must approve Company for the ACH Services and may request financial information from Company and/or a separate credit agreement. Bank shall also be authorized to obtain a credit report(s) on Company as may be necessary from time to time. Bank may require one or more personal guarantee(s) of a principal, owner, member, partner, manager, director, or officer of Company or other affiliated third party in Bank's sole discretion. After Bank has underwritten and approved Company for use of the Services, Bank may require Company to provide additional information from time to time and Company agrees to provide Bank such financial, business, and operating information as Bank may reasonably request.

5. Transmission of Entries by Company.

   a. Company shall transmit Entries to Bank in compliance with the formatting and other requirements set forth in the NACHA Rules and in any written materials provided by Bank to Company. Company will transmit all debit and credit Entries to Bank on or before the deadlines (the "Cutoff Time") described in Exhibit A to the Enrollment Form for the Entries to be processed on that Business Day. Entries shall be transmitted to Bank no later than the time and the number of days prior to the Effective Entry Date specified in the processing schedule set forth in Exhibit A to the Enrollment Form. For the purposes of this ACH Schedule, the "Settlement Date" with respect to any Entry shall be the Business Day when such Entry is debited or credited in accordance with instructions of Company. Entries received after the Cutoff Time shall be deemed to have been received on the next Business Day.

   b. Company agrees that its ability to originate Entries under this ACH Service Schedule is subject to exposure limits in accordance with the NACHA Rules and as set forth in Exhibit A to the Enrollment Form (the "Exposure Limits"). Company acknowledges that the Exposure Limits are solely for the protection of Bank and its assets. Company understands that daily requests for Entries exceeding this amount are honored solely at the discretion of Bank. The total dollar amount of Entries transmitted by Company to Bank on any one Business Day shall not exceed the lesser of the amount of collected funds in Company's Account or the Exposure Limits set forth in Exhibit A in the Enrollment Form.

   c. Company agrees that it will initiate Entries only for Standard Entry Class ("SEC") Codes for which it has specifically been approved by Bank as set forth in Exhibit A to the Enrollment Form.

   d. Bank is entitled to deem any person having knowledge of any Security Procedure to be a User.

   e. User(s) shall transmit Entries to Bank in computer readable form in compliance with the formatting and other requirements set forth in the Rules or as otherwise specified by Bank in Exhibit A in the Enrollment Form. If any data Files are transmitted by Company to Bank over any Unsecured Electronic Network, Company shall ensure that the data is encrypted in a manner that complies with the Rules.

   f. Company may not reinitiate Entries except as prescribed by the Rules. Company authorizes Bank to transmit all Entries received by Bank from Company in accordance with the terms of this ACH Schedule and to credit or debit Entries to the specified accounts.

6. Transmission of Same Day ACH Entries. If Company is approved by Bank for Same Day ACH (as defined below), Company may initiate both credits and debits to be processed on the same day so long as they are submitted before the deadline provided on Exhibit A of the Enrollment Form ("Submission Deadline") (such Entry, a "Same Day ACH") by selecting that the credits and debits be processed as Same Day ACH within Online Banking. If a Same Day ACH is submitted by the Submission Deadline, that File will be available to the Receiver by 5:00 p.m.

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local Bank ET on the day the File was submitted. Company represents and warrants that Company shall comply with all NACHA Same Day ACH Guidelines, including, but not limited to, adhering to per transaction and aggregate per receiver and per invoice dollar limits, standard class entry restrictions, and submission deadlines. The Company understands and agrees that there may be additional costs associated with Same Day ACH.

7. Data Retention. Company shall retain data and files adequate to permit the remaking of Entries for five (5) Business Days following the date of their transmittal by Bank as provided herein and shall provide such data to Bank upon its request.

8. Credit and Debit Entries; Records Retention. Company shall obtain an authorization ("Authorization Agreement") as required by the NACHA Rules from the person or entity whose account will be debited or credited as the result of a debit or credit Entry initiated by Company and Company shall retain the Authorization Agreement in original form while it is in effect and the original or a copy of each Authorization Agreement for two (2) years after termination or revocation of such Authorization Agreement as stated in the NACHA Rules. The Authorization Agreement must readily be identifiable as either an ACH credit or ACH debit authorization and must clearly and conspicuously state the terms of the authorization. Upon request, Company shall furnish the original or a copy of the Authorization Agreement to any affected Participating Depository Financial Institution within 10 banking days of request, as defined in the NACHA Rules.

9. Processing, Transmittal, and Settlement by Bank. Except as otherwise provided for in this ACH Schedule and if Bank elects to accept Entries, Bank shall:

   a. (i) use commercially reasonable efforts to comply with the instructions of Company, (ii) process Entries received from Company to conform with the file specifications set forth in the NACHA Rules, (iii) transmit such Entries as an ODFI to the ACH processor selected by Bank, (iv) settle for such Entries as provided in the NACHA Rules, and (v) in the case of a credit Entry received for credit to an account with Bank ("On-Us Entry"), Bank shall credit the Receiver's account in the amount of such credit Entry on the Effective Entry Date contained in such credit Entry provided such credit Entry is received by Bank at the time and in the form prescribed by Bank in this ACH Schedule; and

   b. transmit such Entries to the ACH processor by the deposit deadline of the ACH processor, provided: (i) such Entries are completely received by Bank's Cutoff Time; (ii) the Effective Entry Date satisfies the criteria provided by Bank to Company; and (iii) the ACH processor is open for business on such Business Day. Company agrees that the ACH processor selected by Bank shall be considered to have been selected by and designated by Company. Company will receive immediately available funds for any electronic debit Entry initiated by it on the Settlement Date applicable thereto.

10. Payment for Credit Entries and Returned Debit Entries.

    a. Company agrees to pay for all credit Entries issued by Company, User(s), or credit Entries otherwise made effective against Company. Company shall make payment to Bank on the date as determined by Bank in its sole discretion ("Payment Date"). Company shall pay Bank for the amount of each debit Entry returned by a Receiving Depository Financial Institution ("RDFI") or debit Entry dishonored by Bank. Payment shall be made by Company to Bank in any manner specified by Bank. Notwithstanding the foregoing, Bank is hereby authorized to charge the account(s) ("Authorized Account(s)") designated in Exhibit A to the Enrollment Form, as payment for all payments due Bank under this ACH Schedule. Company shall maintain sufficient collected funds in the Authorized Account(s) to pay for all payments due Bank under this ACH Schedule on the Payment Date.

    b. If Bank requires pre-funding, Company shall maintain sufficient collected funds in the Authorized Account(s) to settle for the credit Entries at the time the credit Entries are issued by Company. In the event the Authorized Account does not have collected funds sufficient on the Settlement Date to cover the total amount of all Entries to be paid on such Settlement Date, Bank may take any of the following actions:

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i. Refuse to process all credit Entries, in which event Bank shall return the data relating to such credit Entries to Company, whereupon Bank shall have no liability to Company or to any third party as a result thereof;
ii. Process that portion of the credit Entries as Company has sufficient available funds in the Authorized Account to cover, in whatever order Bank in its sole discretion shall elect to process, in which event Bank shall return the data relating to such credit Entries that are not processed to Company, whereupon Bank shall have no liability to Company or any third party as a result thereof; or
iii. In the event Bank elects to process credit Entries initiated by Company and Company has not maintained sufficient available funds in the Authorized Account with Bank to cover them, the total amount of the insufficiency advanced by Bank on behalf of Company shall be immediately due and payable by Company to Bank without any further demand from Bank (which amount hereinafter referred to as the "Liabilities"). In the event that Bank accepts the credit Entries, Company agrees to pay Bank the Liabilities plus interest from the Settlement Date, which is the date the Liabilities arise under the terms of this ACH Schedule. The Liabilities are immediately payable without notice, demand, notice of protest or notice of dishonor. Interest shall accrue at a rate per annum (based upon the number of days elapsed in a 365-day year) equal to two percentage points plus the interest rate published in the Wall Street Journal as the prime rate for U.S. commercial banks.
iv. Company warrants and agrees pursuant to this ACH Schedule that (i) it shall maintain sufficient funds in its Authorized Account on the Payment Date, (ii) the Company's creation of any Liabilities represents a default by Company on its obligations to Bank under this ACH Schedule, and (iii) creation of any Liabilities shall cause Bank business interruption, administrative, lost profit, and other damages.
v. Company acknowledges and agrees that this ACH Schedule does not represent any agreement by Bank to make advances or loan funds. It embodies the rights of the parties to the extent that any Liabilities arise.

11. On-Us Entries. Except as provided in the Section entitled, Rejection of Entries, in the case of an Entry received for credit or debit to an account maintained with Bank (an "On-Us Entry"), Bank shall credit or debit, as applicable, the Receiver's account in the amount of such Entry on the Effective Entry Date contained in such Entry, provided the Rules set forth above are met. If any of those Rules are not met, Bank shall use reasonable efforts to credit or debit, as applicable, the Receiver's account in the amount of such Entry no later than the next Business Day following the Effective Entry Date or at such later time as required or permitted by the Rules.

12. Pre-Funding.

a. Bank reserves the right to require Company to pre-fund an Authorized Account maintained at Bank prior to the Settlement Date of the ACH File. Bank shall determine whether pre-funding is required based on criteria established from time to time by Bank. Bank will communicate directly to Company if pre-funding is required and, if requested by Company, will provide Company with an explanation of its pre-funding criteria. If it is determined that pre-funding is required, Company will provide immediately available and collected funds sufficient to pay all Entries initiated by Company (a) not later than 8:00 a.m. local time two (2) Business Days before each Settlement Date, and (b) prior to initiating any Entries for which pre-funding is required.

b. If checked in Exhibit A to the Enrollment Form, certain transaction types may require pre-funding.

c. If you use ACH pre-funding, at the time we receive an Entry from you, in order to ensure that there are sufficient available, collectible funds in your Authorized Account to fully cover or pay the Entry when we transmit it to the ACH Operator or otherwise process the Entry, we will place an administrative hold or freeze on funds in the Authorized Account that would otherwise be available. The administrative hold or freeze will be on funds in such Authorized Accounts that are not then subject to another administrative hold or freeze, and that are otherwise available. The funds that will be subjected to the administrative hold or freeze will be in an amount sufficient to cover or pay the Entry, which will occur through our automatic

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debit of your Authorized Account for an Entry transmitted by us at such time on the date of transmittal as we may determine, and for an On-Us Entry at such time on the Effective Entry Date of such Entry as we may determine. Because of the administrative hold or freeze we will place on your Authorized Account and our automatic debit of your Authorized Account to cover or pay such Entry, you must have a balance of available, collectible funds in your Authorized Account sufficient to cover or pay such Entry. If you do not, we may, at our sole discretion, take any series of actions we deem necessary or appropriate, including any of the following: process the Entry as if you were not using ACH pre-funding in which event you will pay to us the amount of the Entry transmitted by us; continue to try to process the Entry; suspend the Entry; or reject the Entry. For each day during which we attempt to process the Entry and we are unable to do so because there are not sufficient funds available or during which the Entry is suspended because of the insufficient funds, we may charge you a daily NSF fee at our then current commercial NSF rate. We may debit the Authorized Accounts to recover the NSF fee we charge you and if there are not sufficient funds in the Authorized Account, we may recover the fees from any other accounts that you maintain with Bank. In addition, we may recover the NSF fees in accordance with the provisions of this ACH Schedule and the Master Agreement.

d. It is your responsibility to fund Authorized Accounts with sufficient available, collectible funds in accordance with this Section in order to avoid a rejection of an Entry by us. Our right to charge the NSF fee is not conditioned upon us providing notice to you that we are unable to process an Entry because of insufficient available, collectible funds.

13. Company as Receiver. If Company is the Receiver of an Entry or other funds transfer, and Bank does not receive final settlement for any payment made to Company by Bank, Company acknowledges and agrees that Company is obligated to Bank for the amount of the payment order and Bank is authorized to charge Company's account(s) for any amount paid to Company.

14. Rejection of Entries. We may reject any Entry: (i) that does not comply with the Rules, (ii) that contains an Effective Entry Date more than thirty (30) calendar days after the Business Day we receive the Entry; (iii) if an On-Us Entry, for any reason for which an Entry may be returned under the Rules; (iv) if you have failed to comply with your Account balance obligations; (v) if you do not adhere to the Security Procedures, and/or (vi) under circumstances that we know or reasonably suspect involve fraudulent, unlawful or disputed acts or that may subject us to an actual or potential loss of any kind. Provided you have complied with the Cut-Off Times, we will notify you no later than the Settlement Date if we reject an Entry. We may notify you by telephone, electronic transmission or other means, and the notice will be effective when given. We will have no liability to you or any third party for our rejection of an Entry or the fact that notice of rejection is not provided earlier than as stated herein. Bank shall have no liability to Company for rejection of an Entry and shall not be liable to pay interest to Company even if the amount of Company's payment order is fully covered by a withdrawable credit balance in an Authorized Account of Company or Bank has otherwise received full payment from Company.

15. Cancellation or Amendment by Company. Company shall have no right to cancel or amend any Entry after its receipt by Bank. However, Bank may, at its option, accept a cancellation or amendment by Company. If Bank accepts a cancellation or amendment of an Entry, Company must comply with the Security Procedures provided in this Master Agreement and Enrollment Form. If such a request is received by Bank before the affected Entry has been transmitted to the ACH processor (or, in the case of an On-Us Entry, before the Receiver's account has been credited or debited), Bank will use reasonable efforts to cancel or amend the Entry as requested, but Bank shall have no liability if the cancellation or amendment is not affected. If Bank accepts a cancellation or amendment of an Entry, Company hereby agrees to indemnify and defend all claims and hold Bank harmless from any loss, damages, or expenses, including but not limited to attorneys' fees, incurred by Bank as the result of its acceptance of the cancellation or amendment.

16. Reversal of Entries.

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a. General Procedure. Upon proper and timely request by Company, Bank will use reasonable efforts to effect a reversal of an Entry. To be "proper and timely," the request must be (i) permitted by the Rules; (ii) made within five (5) Business Days of the Effective Entry Date for the Entry to be reversed; (iii) made immediately, not to exceed ten (10) hours, upon Company's discovery of the error; and (iii) be accompanied by a reversal/cancellation request form acceptable to Bank. In addition, if Company requests reversal of a debit Entry, it shall concurrently deposit into the Authorized Account an amount equal to that Entry. Company shall notify the Receiver of any reversing Entry initiated to correct any Entry it has initiated in error. The notification to the Receiver must include the reason for the reversal and be made no later than the Settlement Date of the reversing Entry.

b. No Liability and Reimbursement to Bank. Under no circumstances shall Bank be liable for interest or related losses if the requested reversal of an Entry is not effected. Company shall reimburse Bank for any expenses, losses, or damages it incurs in effecting or attempting to effect the Company's request for reversal of an Entry.

17. Error Detection. Bank has no obligation to discover and shall not be liable to Company for errors made by Company, including but not limited to errors made in identifying the Receiver, or an Intermediary or RDFI or for errors in the amount of an Entry. Bank shall likewise have no duty to discover and shall not be liable for duplicate Entries issued by Company. In the event that Company makes an error or issues a duplicate Entry, Company shall indemnify, defend all claims, and hold Bank harmless from any loss, damages, or expenses, including but not limited to attorneys' fees, incurred by Bank as result of the error or issuance of duplicate Entries.

18. Prohibited Transactions. Company agrees not to use or attempt to use the ACH Services for purposes prohibited by Section 2c of Part I of this Master Agreement. Company acknowledges and agrees that Bank has no obligation to monitor Company's use of the ACH Services for transactions and activity that is impermissible or prohibited under the terms of this Master Agreement; provided, however, that Bank reserves the right to decline to execute any Entry, transaction or activity that Bank believes violates the terms of this Master Agreement. Note: Bank does not currently permit International ACH Transactions ("IAT"). If Company initiates a transaction that should have been classified as an "IAT" under another, permitted SEC transaction code, Company shall bear ALL RISK and shall fully indemnify Bank for any liability, damages, or losses, including costs and attorneys' fees incurred, due to, relating to, or arising from Company's improper classification of the transaction. (This full indemnification supersedes any language to the contrary in this Master Agreement).

19. Prenotification. Company, at its option, may send prenotification that it intends to initiate an Entry to a particular account within the time limits prescribed for such notice in the NACHA Rules. Such notice shall be provided to Bank in the format and on the medium provided in the media format section of such NACHA Rules. If Company receives notice that such prenotification has been rejected by an RDFI within the prescribed period, or that an RDFI will not receive Entries without having first received a copy of the Authorization Agreement signed by its customer, Company will not initiate any corresponding Entries to such accounts until the cause for rejection has been corrected or until providing the RDFI with such authorization within the time limits provided by the NACHA Rules.

20. Notice of Returned Entries and Notifications of Change.

a. Bank shall notify Company by email, through Business Online Banking or other means of the receipt of a returned Entry from the ACH Operator, as that term is defined in the NACHA Rules. Except for an Entry retransmitted by Company in accordance with the requirements of this ACH Schedule, Bank shall have no obligation to retransmit a returned Entry to the ACH Operator if Bank complied with the terms of this ACH Schedule with respect to the original Entry. If a customer of Company returns any transaction, then it is Company's responsibility to collect any funds that are owed. You authorize Bank to charge back returns to your Authorized Account in the amount of any return Entry as soon as this information is made available to Bank. You will promptly provide immediately available funds to indemnify Bank if any debit Entry is returned after Bank has permitted you to withdraw funds in the amount thereof or if any adjustment memorandum

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that relates to such Entry is received by Bank. You acknowledge that Bank has the right to establish criteria concerning Entries initiated by you and to monitor compliance with such criteria, to include such as permissible return rates, and you agree that should Bank's criteria not be met, Bank is authorized to freeze the assets in your Accounts until such time as such criteria are met, and in such event, Bank also shall have the right to cease further processing of Entries initiated by you until such criteria are met and you are fully in compliance with the provisions of this Master Agreement, the Rules, and applicable law.

b. Company shall notify the Receiver by phone, electronic transmission of receipt of each return Entry no later than one Business Day after the Business Day of receiving such notification from Bank. Bank shall provide Company all information, as required by the NACHA Rules, with respect to each Notification of Change ("NOC") Entry or Corrected Notification of Change ("Corrected NOC") Entry, as those terms are defined in the NACHA Rules, received by Bank relating to Entries transmitted by Company, or Bank may arrange with Company to receive all such information directly from applicable Federal Reserve systems. Unless Bank has arranged for Company to receive such information directly from applicable Federal Reserve systems, Bank must provide such information to Company within two (2) Business Days of the Settlement Date of each NOC or Corrected NOC Entry. Company shall ensure that changes requested by the NOC or Corrected NOC are made within six (6) Business Days of Company's receipt of the NOC information from Bank or prior to initiating another Entry to the Receiver's account, whichever is later.

c. The Company agrees not to originate a transaction where an appliable Authorization Agreement has been revoked. In the event a return Entry or NOC sent to Company is in error, Company shall notify Bank within one Business Day of Entry receipt.

21. Account Reconciliation. Company agrees to notify Bank promptly of any discrepancy between Company's records and the information shown on any periodic statement. If Company fails to notify Bank within fifteen (15) calendar days of receipt of a periodic statement containing such information, Company agrees that Bank shall not be liable for any other losses resulting from Company's failure to give such notice or any loss of interest or any interest equivalent with respect to any Entry shown on such periodic statement. If the Company fails to notify Bank within thirty (30) calendar days of receipt of such periodic statement, the Company shall be precluded from asserting any discrepancy against Bank.

22. Provisional Settlement.

a. Company shall be bound by and comply with the NACHA Rules as in effect from time to time, including without limitation the provision thereof making payment of an Entry by the RDFI to the Receiver provisional until receipt by the RDFI of final settlement for such Entry; and Company acknowledges that it has received notice of that NACHA Rule and the fact that, if such settlement is not received, the RDFI shall be entitled to a refund from the Receiver of the amount credited and Company shall not be deemed to have paid the Receiver the amount of the Entry.

b. For Entries received by Bank to be credited to Company's account(s), Bank shall grant Company's account provisional credit, said amounts being credited to the account(s) subject to final payment by the ODFI and Originator. For the purpose of determining availability of funds, Bank may hold funds for the period of time permitted by Reg CC. For the purposes of determining the time for which funds may be held by Bank under Reg CC, the place of deposit shall be Blackshear, Georgia.

23. Company Representations and Warranties; Indemnity.

a. With respect to each and every Entry transmitted by Company, Company represents and warrants to Bank and agrees that:

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i. Each person or entity shown as the Receiver on an Entry received by Bank from Company has authorized the initiation of such Entry and the crediting or debiting of its account in the amount and on the Effective Entry Date shown on such Entry;
ii. Such authorization is operative at the time of transmittal or crediting or debiting by Bank as provided herein;
iii. Entries transmitted to Bank by Company are limited to those types of credit and debit Entries set forth in Exhibit A to the Enrollment Form;
iv. Entries are originated in accordance with the formatting and other requirements of the NACHA Rules;
v. Company has performed its obligations under this ACH Schedule in accordance with all applicable laws, regulations, and orders, including, but not limited to, the sanctions laws, regulations, and orders administered by OFAC; laws, regulations, and orders administered FinCEN; and any state laws, regulations, or orders applicable to the providers of ACH services including UCC Article 4A as that law is codified in the Official Code of Georgia;
vi. Company has performed OFAC screening on all participants to the Entry and confirmed that no participant is named on any lists maintained by OFAC. If, during an OFAC screening, a "possible match" results, Company will not process the Entry until confirming that there is no actual match. If the OFAC match is confirmed, Company shall block the transaction and report the transaction to OFAC if and to the extent required by the rules, regulations and guidelines of OFAC;
vii. For incoming ACH transmissions, each debit entry is for a sum which, on the Settlement Date with respect to it, will be owing the Company from the party whose account will be debited, is for a sum specified by such party to be paid to Company, or is a correction of a previously transmitted erroneous credit Entry;
viii. Where prenotification is required, Company has complied with all prenotification requirements of the NACHA Rules which includes sending prenotifications six (6) Business Days prior to the first production entry and acting on any changes or returns resulting from these prenotifications (prenotifications are non-mandatory); and
ix. Company is in possession and will retain the original or copy of all Authorization Agreements as required by the NACHA Rules for a period of not less than two (2) years after termination or revocation of such Authorization Agreement and will, upon request of Bank, furnish an original or copy of the Authorization Agreement to Bank.

b. Without limiting the indemnification obligations of Company otherwise contained in this Master Agreement, Company shall defend, indemnify, and hold harmless Bank, and its officers, directors, agents, and employees, from and against any and all actions, costs, claims, losses, damages, or expenses, including attorneys' fees and expenses, resulting from or arising out of (a) any breach of any of the agreements, representations or warranties of the Company contained in this ACH Schedule; or (b) any act or omission of Company or any other person acting on Company's behalf.

24. Additional Company Warranties for Selected Standard Entry Classes**.** NACHA, in its role of ensuring the safety, security, and viability of the ACH Network, has determined that certain single-use or limited-use consumer authorizations have the potential to increase risk in the ACH system and compromise system effectiveness by increasing the incidence of returned Entries. Therefore, to qualify as an Originator of such Entries, Company hereby warrants to Bank that for each such Entry submitted for processing, Company has obtained all authorizations from the Receiver as required by the NACHA Rules, by Regulation E or other applicable law, and this ACH Schedule. Company indemnifies and holds Bank harmless from any liability arising out of Company's breach of these warranties. PPD and CCD are the only SEC Codes available for origination at this time, though such offering may be available in the future.

25. Security Procedures. In addition to the Security Procedures otherwise set forth in the Master Agreement, Company agrees to be bound by the Security Procedures, attached to the Enrollment Form as Exhibit A, as further described in the Security and Authentication Schedule attached to this Master Agreement. Company understands and agrees that the Security Procedures are commercially reasonable under applicable law for the ACH Services. If an Entry (or request for cancellation or amendments of an Entry) received by Bank purports to

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have been transmitted or authorized by Company, it will be deemed effective as Company's Entry (or request) and Company shall be obligated to pay Bank the amount of such Entry even though the Entry (or request) was not authorized by Company, provided Bank accepted the Entry in good faith and acted in compliance with the Security Procedures with respect to such Entry. As such, Bank shall not be liable for any losses when Bank has used the Security Procedures and Bank has acted in good faith on the instructions received from Company.

Bank reserves the right to change, amend, replace, or cancel any or all Security Procedures with regard to the ACH Services at any time and from time to time in Bank's discretion. Bank may make any change in Security Procedures without advance notice to Company if Bank, in its judgment and discretion, believes such change to be necessary or desirable to protect the security of Bank's systems and assets. Company's implementation and use of any changed Security Procedures after any change in Security Procedures shall constitute Company's agreement to the change and Company's agreement that the applicable Security Procedures, as changed, are commercially reasonable and adequate for the purposes intended.

26. Reserves. From time to time, Bank may evaluate Company's transaction activity for the purpose of establishing averages for transaction frequency, amount, returns and adjustments. These evaluations will generally occur at least annually and may occur more frequently at Bank's discretion. In connection with these evaluations, Bank reserves the right to require Company to establish reserves with Bank calculated by Bank to cover Company's obligations to Bank arising from its provision of the ACH Services. Reserves may be expressed as a fixed dollar amount or as a "rolling reserve" calculated based on "rolling" averages determined by Bank's periodic evaluations. The amount of reserves required by Bank, if any, will be communicated directly to Company from time to time. Company agrees to establish reserves as required by Bank within fifteen (15) Business Days after receipt of a communication from Bank setting forth the amount of required reserves and the basis of calculation used to determine the amount of reserves. Bank may suspend the ACH Services for Company if Company fails to establish the required amount of reserves within the time period specified by Bank in its communication to Company.

27. Physical and Electronic Security. In addition to, and without limiting the generality of, the Physical and Electronic Security provisions of the Master Agreement, Company specifically acknowledges and agrees that as part of its obligation to provide for the security of data and systems in Company's possession or under Company's control, Company shall comply with the provisions of the NACHA Rules, entitled "Security Requirements," for the safeguarding of Protected Information, as that term is defined in the NACHA Rules.

28. Limitation of Liability.

    a. IN ADDITION TO THE LIMITATION OF LIABILITY PROVISIONS OF PART I OF THIS MASTER AGREEMENT, IN THE PERFORMANCE OF THE ACH SERVICES PROVIDED IN THIS ACH SCHEDULE, BANK SHALL BE ENTITLED TO RELY SOLELY ON THE INFORMATION, REPRESENTATIONS, AND WARRANTIES PROVIDED BY COMPANY PURSUANT TO THIS ACH SCHEDULE, AND SHALL NOT BE RESPONSIBLE FOR THE ACCURACY OR COMPLETENESS THEREOF.

    b. BANK SHALL BE RESPONSIBLE ONLY FOR PERFORMING THE ACH SERVICES EXPRESSLY PROVIDED FOR IN THIS ACH SCHEDULE AND SHALL BE LIABLE ONLY FOR ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IN PERFORMING THOSE ACH SERVICES.

    c. BANK SHALL NOT BE RESPONSIBLE FOR COMPANY'S ACTS OR OMISSIONS (INCLUDING, WITHOUT LIMITATION, THE AMOUNT, ACCURACY, TIMELINESS OF TRANSMITTAL OR AUTHORIZATION OF ANY ENTRY RECEIVED FROM COMPANY) OR THOSE OF ANY OTHER PERSON, INCLUDING, WITHOUT LIMITATION, ANY FEDERAL RESERVE BANK, ACH OPERATOR OR TRANSMISSION OR COMMUNICATIONS FACILITY, ANY RECEIVER OR RDFI (INCLUDING, WITHOUT LIMITATION, THE RETURN OF ANY ENTRY BY SUCH RECEIVER OR RDFI), AND NO SUCH PERSON SHALL BE DEEMED BANK'S AGENT. COMPANY AGREES TO INDEMNIFY BANK AGAINST ANY LOSS, LIABILITY OR EXPENSE (INCLUDING ATTORNEYS' FEES AND COSTS) RESULTING FROM

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OR ARISING OUT OF ANY CLAIM OF ANY PERSON THAT BANK IS RESPONSIBLE FOR ANY ACT OR OMISSION OF COMPANY OR ANY OTHER THIRD PARTY.

d. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING PROVISIONS, AND IN ADDITION TO THE "FORCE MAJEURE" PROVISIONS OF PART I OF THIS MASTER AGREEMENT, BANK SHALL BE EXCUSED FROM FAILING TO TRANSMIT OR DELAY IN TRANSMITTING AN ENTRY IF SUCH TRANSMITTAL WOULD RESULT IN BANK HAVING EXCEEDED ANY LIMITATION UPON ITS INTRA-DAY NET FUNDS POSITION ESTABLISHED PURSUANT TO PRESENT OR FUTURE FEDERAL RESERVE GUIDELINES OR IN BANK'S REASONABLE JUDGMENT OTHERWISE WOULD VIOLATE ANY PROVISION OF ANY PRESENT OR FUTURE RISK CONTROL PROGRAM OF THE FEDERAL RESERVE OR ANY RULE OR REGULATION OF ANY OTHER U.S. GOVERNMENTAL REGULATORY AUTHORITY.

e. SUBJECT TO THE FOREGOING LIMITATIONS, BANK'S LIABILITY FOR LOSS OF INTEREST RESULTING FROM ITS ERROR OR DELAY SHALL BE CALCULATED BY USING A RATE EQUAL TO THE AVERAGE FEDERAL FUNDS RATE AT THE FEDERAL RESERVE BANK OF NEW YORK FOR THE PERIOD INVOLVED. AT BANK'S OPTION, PAYMENT OF SUCH INTEREST MAY BE MADE BY CREDITING THE AUTHORIZED ACCOUNT.

29. Third Party Service Providers. You may be using special equipment, services, or software provided by a third party to assist in processing Files hereunder (a "Service Provider"). You agree not to use a Service Provider to transmit files to Bank without first entering into a Service Provider Agreement (as defined below). If you use a Service Provide to transmit Files to Bank and you and the Service Provider have not entered into a Service Provider Agreement, you (a) agree that Service Provider is acting as your agent in the delivery of Files to Bank, and (b) agree to assume full responsibility and liability for any failure of Service Provider to comply with the laws of the United States, the NACHA Rules, and this Master Agreement. Bank will not be liable for any losses or additional costs incurred by you as a result of any error by a Service Provider or a malfunction or equipment provided by a Service Provider. You are solely responsible for maintaining compliance with the requirements of the Service Provider, including obtaining any software updates. Bank's sole responsibility shall be to transmit Bank approved transactions to the ACH Operator and Bank shall not have any responsibility for any File handled by a Service Provider until that point in time when Bank accepts and approves a File from such Service Provider for processing. If Bank authorizes you to use a Service Provider, the terms and conditions governing the relationship between you and the Service Provider shall be governed by a separate agreement between you and the Service Provider ("Service Provider Agreement"). All of your obligations and responsibilities under this Master Agreement will apply to the Service Provider, and your Service Provider Agreement with the Service Provider must so provide. At Bank's request, you will provide a true and exact copy of such Service Provider Agreement to Bank. You shall designate the Service Provider as a User and you agree and acknowledge that you shall be fully responsible for the actions of Service Provider as a User. Notwithstanding the foregoing, you hereby authorize Bank to accept any File submitted by the Service Provider even if the Service Provider has not been designed as a User or if the Service Provider has not executed the Service Provider Agreement. You hereby indemnify and hold Bank harmless from any losses, damages, fines, assessments, costs, and expenses incurred or suffered by Bank or any other person as a result of or arising from your use of the Service Provider, including fines or assessments incurred under or pursuant to the NACHA Rules and attorneys' fees.

30. Inconsistency of Name and Account Number. If Company identifies the Receiver of the Entry by account number or identifying number, or by name and account number or identifying number, Company acknowledges that payment of the proceeds of the Entry to the Receiver shall be made by the RDFI, or by Bank in case of an On-Us Entry, on the basis of the identifying or bank account number even if it identifies a person different from the named Receiver. Company is liable for and must settle with Bank for any Entry initiated by Company that identifies the Receiver by account or identifying number or by name and account or identifying number.

31. Contingency. In the event Company cannot create or transmit a File due to hardware or communications outage, it is the responsibility of Company to have contingency procedures in place. In the event Bank cannot process the File through normal channels, reasonable efforts will be taken by Bank to find alternate means to

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process the File. Bank will not be held liable for delayed Files in any case resulting from hardware or communication outages or as otherwise provided in the Force Majeure provisions of this Master Agreement.

32. Data Media and Record; Data Retention. All data media, Entries, Security Procedures, and related records used by Bank for transactions contemplated by this ACH Schedule shall be and remain Bank's property. Bank may, at its sole discretion, make available such information upon Company's request. Any expenses incurred by Bank in making such information available to Company shall be paid by Company.

33. Cooperation in Loss Recovery Efforts. In the event of any damages for which Bank or Company may be liable to each other or to a third party pursuant to the ACH Services, Bank and Company will undertake reasonable efforts to cooperate with each other, as permitted by applicable law, in performing loss recovery efforts and in connection with any actions that the relevant party may be obligated to defend or elects to pursue against a third party.

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Online Wire Transfer Service Schedule

1. Wire Transfer Services. Company agrees that this Online Wire Transfer Service Schedule (the "Wire Schedule") sets forth the terms and conditions pursuant to which Bank will provide to Company the wire transfer services (the "Wire Services") outlined herein. In the event of conflict between a provision of this Wire Schedule, the UCC, Part I of this Master Agreement, and the Other Agreements, the provisions of this Wire Schedule shall govern, but only to the extent reasonably necessary to resolve such conflict.

2. Authorization to Accept Payment Orders. Company has authorized Bank to act upon, accept and execute all requests and instructions to transfer funds by wire transfer from Company's Accounts maintained at Bank through Business Online Banking (each a "Payment Order," or collectively, "Payment Orders," as that term is further defined in Article 4A of the Uniform Commercial Code). Transfers processed through the Automated Clearing House (ACH) are covered by the ACH Schedule and not this Wire Schedule.

3. Execution and Acceptance of Payment Orders**.** Company agrees that instructions to initiate Payment Orders via the Wire Services shall only be made by Users within Business Online Banking who have been properly authorized by Company to initiate Payment Orders via the Wire Services (each, and "Authorized Agent"). Bank is hereby authorized to honor, execute, and accept each and every Payment Order received by it in the name of the Company as sender or issued by an Authorized Agent. If Bank elects to accept Payment Orders issued by Company, Bank shall use reasonable efforts to comply with the Payment Order in paying the proceeds to the beneficiary, if Bank is also the beneficiary's bank, or in executing the Payment Order if Bank is not also the beneficiary's bank. Company shall issue the Payment Order to Bank in a timely manner sufficient to allow Bank to ensure that payment is made to the beneficiary on the payment date. Bank shall be entitled to deem any person having knowledge of any Security Device or who complies with the Security Procedures required in order to initiate Payment Orders under this Wire Schedule to be an Authorized Agent. Bank may, in all cases, rely on and accept Payment Orders issued on behalf of Company by any individual(s) authorized by Company to sign checks on any of Company's depository accounts with Bank.

4. Security Procedures**.**

   a. In addition to the Security Procedures otherwise set forth in the Master Agreement, Company agrees to be bound by the Security Procedures, attached to the Enrollment Form as Exhibit B, as further described in the Security and Authentication Schedule attached to this Master Agreement. Company understands and agrees that the Security Procedures are commercially reasonable under applicable law for the Wire Services and that the Security Procedures afford Company a commercially reasonable level of protection against Payment Orders being initiated by unauthorized persons in light of Company's needs and circumstances. If a Payment Order (or request for cancellation or amendments of a Payment Order) received by Bank purports to have been transmitted or authorized by Company, it will be deemed effective as Company's Payment Order (or request) and Company shall be obligated to pay Bank the amount of such Payment Order even though the Payment Order (or request) was not authorized by Company, provided Bank accepted the Payment Order in good faith and acted in compliance with the Security Procedures with respect to such Payment Order. As such, Bank shall not be liable for any losses when Bank has used the Security Procedures and Bank has acted in good faith on the instructions received from Company.

   b. Bank reserves the right to change, amend, replace, or cancel any or all Security Procedures with regard to the Wire Services at any time and from time to time in Bank's discretion. Bank may make any change in Security Procedures without advance notice to Company if Bank, in its judgment and discretion, believes such change to be necessary or desirable to protect the security of Bank's systems and assets. Company's implementation and use of any changed Security Procedures after any change in Security Procedures shall constitute Company's agreement to the change and Company's agreement that the applicable Security Procedures, as changed, are commercially reasonable and adequate for the purposes intended.

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c. Company authorizes Bank to follow any and all instructions given using applicable Security Procedures unless and until Company has notified Bank, according to notification procedures prescribed by Bank, that the Security Procedures have been compromised, or otherwise become known to persons other than Authorized Agents, and until Bank has had a reasonable opportunity to act upon such notice. Company acknowledges and agrees that Company shall be bound by any and all Payment Orders initiated through the use of such Security Procedures, whether authorized or unauthorized, and by any and all transactions and activity otherwise initiated by Authorized Agents to the fullest extent allowed by law, and Bank may rely upon, and will be indemnified and held harmless by Company for acting upon, any such direction, instruction, or information initiated through the use of such Security Procedures. Company agrees that, if Bank complies with the Security Procedures, Bank will not be liable for the amount of any unauthorized Payment Orders which Bank honored in compliance with the Security Procedures. Bank, in its sole discretion, may refuse to process or abide by any instructions from Company in the event: (a) Bank has a good faith belief that the instructions are not authentic; (b) the instructions are incomplete; (c) the instruction and/or identity of the purported Company's Authorized Agent cannot be verified in the sole and absolutely discretion of Bank; or (d) any other condition or requirement for the processing of the instructions as set forth in any agreement governing the Accounts with Bank are unsatisfied.

5. Provisional Payment; Delayed Availability of Funds; Settlement. Any credit Bank gives for a wire transfer is provisional until Bank receives final payment for the amount of the wire transfer. If Bank does not receive final payment for the wire transfer, Company is obligated to pay Bank for the amount of the transfer. Bank reserves the right to delay the availability of funds for deposit without prior notice if, in its sole discretion, Bank deems itself to be at financial or legal risk for the Wire Services performed under this Wire Schedule or otherwise. Bank is not obligated by this Wire Schedule to honor, execute, or accept any Payment Order. If Bank elects to accept Payment Orders issued by Company, Company agrees to settle for all Payment Orders issued by Company, its Authorized Agent(s) or Payment Orders otherwise made effective against Company. Settlement shall be made by Company to Bank in any manner specified by Bank. Notwithstanding the foregoing, Bank is hereby authorized to charge the Account(s) designated by Company (each an "Authorized Account") as settlement for Payment Orders issued by Company. Company shall designate the Authorized Account on Exhibit B of the Enrollment Form. Company shall maintain sufficient collected funds in the Authorized Account to settle for the Payment Order at the time that the Payment Order is issued. Bank may, in its sole discretion, transfer funds from the Authorized Account in excess of the collected balance and thereby create an overdraft. In this event, Company shall promptly reimburse Bank upon demand in the amount of the overdraft together with any interest fees or charges which would otherwise be charged to Company as a result of an overdrawn account based upon Bank's account rules and pricing schedules. If Bank elects to pay Company's Account in the overdraft on any one or more occasions, it shall not be considered a waiver of Bank's rights to refuse to do so at any other time. Bank shall have the right to charge other accounts maintained by Company with Bank that are not designated as an Authorized Account if Bank accepts a Payment Order and the designated Authorized Account does not have sufficient balances to settle for the Payment Order. Bank may process Payment Orders in any order convenient to Bank and Bank may charge items, including settlement for Payment Orders, in any order or sequence selected by Bank.

6. Method of Issuance of Payment Orders.

   a. Issuance of Payment Orders**.** A Payment Order is considered accepted by Bank when Bank executes it. Company may only issue Payment Orders via Business Online Banking pursuant to this Wire Schedule. Payment Orders issued by other means (e.g., in person, by telephone, or facsimile) are covered by separate agreements. Payment Orders may only be executed on a Business Day**.** Payment Orders received before the cut-off time established by Bank will be processed on the same Business Day. Payment Orders received on a non-Business Day or after the cut-off time on a Business Day will be treated as being received on the next Business Day. The current wire transfer cut-off time is listed on Exhibit B to the Enrollment Form**.** The cut-off time is subject to change from time to time at the sole discretion of Bank. The current wire transfer cut-off time may be obtained at any time by contacting Bank. Bank will only accept a Payment Order if the User making the request provides Bank with the necessary information as required by Bank. No instructions

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or other restrictions limiting Bank's acceptance of Company's Payment Order request shall be effective against Bank unless Bank agrees in writing prior to the sending of such Payment Order that Bank will follow such instructions. However, Bank may, in its sole discretion, elect to act consistently with such instructions or other restrictions which it believes in good faith were made by Company or an Authorized Agent. Bank may execute Payment Orders and communicate requested cancellation or amendment of Payment Order through any intermediary bank, funds transfer system, third party service provider, or third party communication it elects in its sole discretion.

b. Recurring Instructions. Bank will transfer funds on a recurring basis to other Company accounts or third-party accounts as described in written instructions to Bank contained in Exhibit B of the Enrollment Form.

7. Errors in Payment Orders. **Company agrees that Bank shall have no obligation to discover errors in Payment Orders and shall not be liable to Company for errors made by Company, including but not limited to errors made in identifying the beneficiary, or an intermediary or beneficiary's bank, or for errors in the amount of the Payment Order.** Bank shall likewise have no duty to discover and shall not be liable for duplicate Payment Orders issued by Company. In the event that Company makes an error or issues a duplicate Payment Order, Company shall indemnify, defend all claims, and hold Bank harmless from any loss, damages, or expenses, including but not limited to attorneys' fees, incurred by Bank as the result of completion of the funds transfer.

8. Use of Account Numbers. **The Company is notified, and hereby acknowledges and agrees, that in executing or otherwise acting on a Payment Order Bank shall rely solely and exclusively upon identifying account or identification numbers of a beneficiary, beneficiary's bank or intermediary bank and shall not rely on the name of the beneficiary.** Likewise, acceptance of a Payment Order may be made by a beneficiary's bank on the basis of an identifying or bank account number even if it identifies a person different from the named beneficiary. Company furthermore agrees that Company' obligation to pay the amount of the Payment Order to Bank is not excused in these circumstances, and Company is liable for and must settle with Bank for any funds transfer initiated by Company that identifies the beneficiary by account or identifying number or by name and account or identifying number. **Bank shall have no duty to detect any inconsistency between the name and number contained in a Payment Order and the Company shall be responsible for any inconsistencies.** The Company shall indemnify and hold Bank harmless from and against any loss, liability, expense or damage that Bank may incur as a result of such inconsistency, including, without limitation, attorneys' fees and expenses of litigation. Company agrees that Bank shall not be responsible for any delay arising out of Bank's attempt to reconcile inconsistencies between name and account number.

9. Return of Bank's Payment Order Request. If Bank receives notice that a Payment Order transmitted by Bank has been rejected or returned by another party, Bank will notify Company of such rejection or return including the reason given for rejection by telephone, electronic message, via Business Online Banking or U.S. mail. Bank will have no further obligation to transmit the rejected or returned Payment Order if Bank complied with this Wire Schedule with respect to the original Payment Order. If the Payment Order amount has not been paid to the recipient and Bank has received, in full, the Payment Order amount, then Bank will refund to Company the face amount of the Payment Order less Bank's fees and expenses as well as any fees, expenses and taxes of Bank's correspondent or other third party and any US or foreign government agencies, as the case may be. In no event shall Bank be under any obligation to make any refund to Company on account of a Payment Order when the funds have not been returned in full to Bank.

10. Amendments and Cancellations.

a. Once Company provides Bank with a Payment Order, Company cannot cancel or amend the Payment Order. If Company requests such cancellation or amendment, Bank may, in its sole discretion, use reasonable efforts to assist Company in attempting to so cancel or amend the Payment Order, however, Bank has no duty to do so and Bank makes no representation or warranty as to its ability to do so. If Bank attempts to cancel a Payment Order, such Payment Order may be canceled by Company, provided the cancellation instruction is received by Bank, and verified pursuant to the Security Procedures in effect, at a time and in a manner

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affording Bank a reasonable opportunity to act prior to Bank's fulfillment of the Payment Order. Bank shall not be liable for any losses arising in connection with any failure to cancel or amend any Payment Order after the Payment Order is provided to Bank.

b. Company will bear the cost of any taxes, fees, and expenses incurred in connection with any attempted or actual cancellation or amendment, which taxes, fees, and expenses may be debited from the proceeds of Company's Account and/or deducted from the Payment Order amount, and Company agrees to indemnify and hold Bank harmless from any and all liabilities, costs, losses, and expenses Bank may incur in attempting to cancel or amend any Payment Orders (including, without limitation reasonable attorneys' fees). Any cancellation of a Payment Order by Bank shall relieve Bank of any obligation to act on such Payment Order and any amendment of a Payment Order by Bank shall relieve Bank of any obligation to act on such Payment Order in its un-amended form.

c. Company acknowledges and agrees that after a Payment Order has been accepted by the beneficiary, Bank's return of such funds must be authorized by the beneficiary and Bank has no responsibility to procure the return of such funds. If Company asks Bank to recover funds which Bank has already transferred, Bank shall be under no obligation to do so. Bank may take such action as it deems reasonable under the circumstances, including, for example, sending a request to reverse the transfer to any financial institution that received such funds. In no event, however, shall Bank be deemed to have guaranteed or otherwise assured the recovery of any portion of the amount transferred, nor to have accepted responsibility for any amount transferred. Upon Bank's request, Company shall execute such documents as Bank shall require, including, without limitation, any indemnity agreement in favor of Bank and/or post a bond in favor of Bank in a sufficient amount as determined by Bank.

11. Rejection of Payment Order. If Bank rejects or fails to execute any Payment Order, Bank will make reasonable efforts to notify Company by phone or email of such rejection no later than the Business Day such Payment Order would otherwise have been transmitted by Bank, however, such notice may not be provided until the next Business Day under certain circumstances (e.g., due to the failure to meet request delivery deadlines, etc.). Bank shall have no liability to Company or any third party by reason of the fact that such notice is not given at an earlier time than that provided for herein. If Bank does not execute a Payment Order, Bank shall not be liable to Company or any third party for any damages, losses, liabilities, expenses, or costs. Bank will be under no obligation to honor, either in whole or in part, any Payment Order: (a) which exceeds collected funds in the applicable Account with Bank; (b) which Bank is not able to verify through the use of the Security Procedures or otherwise; or (c) which is not in accordance with this Wire Schedule, the Master Agreement, or any Other Agreement, or any other condition indicated by Company and agreed to by Bank. Notwithstanding the foregoing, Bank, in its sole discretion and without any obligation to do so, may choose to honor a Payment Order which may be drawn on uncollected funds or which will result in an overdraft in Company's account with Bank, and in such instance, Company will be liable to Bank for the amount of such uncollected funds drawn upon or such overdraft plus any additional charges and expenses as provided by the current Account Agreement governing such Account, including reasonable attorneys' fees and costs of collection, if applicable. Bank's election to honor any such Payment Order will not affect Bank's right to refuse to honor any one or more subsequent or other Payment Order. In any case, if Company fails to pay in accordance with this Master Agreement, Bank shall be entitled to request cancellation of the Payment Order, or to undertake any other legal means to collect the amount of the Payment Order, including exercise of right of offset against any funds in any of Company's Accounts with Bank.

12. Use of Correspondents, Agents, and Systems.

a. The Company agrees that in executing any Payment Order Bank may make use of such correspondents, agents, and communication systems as it deems necessary or desirable to execute such Payment Order. To the fullest extent permitted by law (a) such correspondents, agents and systems shall be deemed to be agents of the Company and Bank shall not be liable for any errors, negligence, suspension, or default of any of them or for any failure to identify the beneficiary or any mistake in payment by any of them, and (b) Bank shall not be liable for any errors, mutilations, mis-delivery, or failure of delivery in the transmission of any Payment Order by such

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correspondents, agents, and communication systems or for any suspension of any means of communication or for any imposition of a censorship, exchange control or other restriction by such correspondents, agents and communication systems, all such risk being borne by the Company.

b. Each Payment Order, amendment, or cancellation thereof, carried out through a funds transfer system will be governed by all applicable funds transfer system rules, whether or not Bank is a member of the system. Any Payment Order or amendment or cancellation thereof may be transmitted by any financial institution by use of the funds transfer system of the Federal Reserve Bank ("Fedwire"). The rights and obligations of Bank and the Company with respect to any Payment Order, any part of which is carried out using Fedwire, will be governed by any applicable laws, the regulations of the Board of Governors of the Federal Reserve System, and the operating circulars of the Federal Reserve Bank. The Company acknowledges Bank's right to reserve, adjust, stop payment, or delay posting of an executed Payment Order is subject to the laws, regulations, circulars, and rules described in this Section.

13. Compliance with Laws; Prohibited Transactions. Company agrees to comply with all applicable laws, rules, procedures, and regulations with respect to the use of its Accounts at Bank and its use of the Wire Service described in this Wire Schedule. Company agrees not to use or attempt to use the Wire Services for purposes prohibited by Section 2c of Part I of this Master Agreement. Company agrees that Bank is excused from the performance of any action to debit or credit an Account or transfer funds otherwise required by this Wire Schedule to the extent that such action is inconsistent with United States law, including the obligations of Bank under OFAC or any program administered by the U.S. Treasury's Financial Crimes Enforcement Network (FinCEN).

14. Unauthorized Transactions and Other Errors. All Payment Orders initiated by Company using the Wire Services will be reflected on Company's monthly or periodic account statements provided by Bank. In addition, Payment Orders initiated by Customer may be reflected in a notice or advice of funds transfer provided through Business Online Banking, and in Company's history in Business Online Banking. Company shall immediately notify Bank of any discrepancy between the Payment Order and the related funds transfer, or of any unauthorized transaction or other error, on the earlier of: (i) the next Business Day following receipt of any notice or advice provided through Business Online Banking, or (ii) the tenth (10th) day after receipt of an account statement from Bank, which time limits Company agrees are reasonable. If notification of an unauthorized transaction or other error is communicated orally, it shall be confirmed promptly in writing. The Company will be deemed to have received any advices and statements of account that are mailed by Bank five (5) Business Days after such mailing. Bank shall have no liability to the Company for any loss or damage sustained by the Company arising out of any Payment Order referenced in a statement of account for the Authorized Account or in an individual advice, and no legal proceeding or action shall be brought by Company against Bank to recover such loss or damage, unless (a) Company shall have given the written notice as provided for herein, and (b) such legal proceeding or action shall be commenced within the period established by UCC 4A. Company waives any right to seek or enforce payment of attorneys' fees related thereto. In the event that Company fails to perform these duties with respect to an unauthorized, incorrect, or otherwise improper Payment Order and Bank incurs a loss as a result of such failure, Company shall be liable to Bank for the amount of the loss. Company remains responsible for reporting any errors or other issues as required by the Account Agreement governing Company's Account. For the avoidance of doubt, nothing in this Section 14 shall be deemed to limit the provisions of Section 4 above or otherwise provided in this Agreement, and Bank shall have no liability for any Payment Order accepted by Bank in good faith and in compliance with the Security Procedures which Payment Orders shall be deemed authorized by the Company.

15. Indemnification. Company shall be liable to Bank for and shall indemnify and hold Bank and its affiliates and their respective officers, directors, employees and agents harmless from and against any and all costs, losses, claims, causes of action, damages, expenses (including reasonable attorneys' fees and other legal expenses), liabilities and other losses arising or resulting from any claim of any person with respect to a Payment Order or Bank's performance under this Wire Schedule (including without limitation, any claim of any person that Bank is responsible for any act or omission of Company or any other person), the acts or omissions of Company, or from the provision of invalid or inaccurate data by Company or by any other person or entity acting on

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Company's behalf, including without limitation (a) a breach by Company of any provision of this Wire Schedule; (b) Bank's debiting or crediting of the account of any person or entity as requested by Company; and (c) the failure to act or the delay of any financial institution other than Bank. Such liability includes, but is not limited to, instances when a current or former User effects one or more wire transfers to Company's detriment, or when unauthorized transactions are affected. This Section shall survive termination of this Wire Schedule, or the termination of the Wire Services provided in this Wire Schedule.

16. Limitation of Liability. In addition to the limitations of liability as set forth in Part I of this Master Agreement and the Other Agreements, except as otherwise stated herein, Bank shall be responsible only for performing the Wire Services expressly described in this Wire Schedule and shall be liable only for its own gross negligence or willful misconduct in performing these Wire Services unless appliable law imposes a higher standard of care. Bank shall not be liable for acts or omission by Company (including, without limitation, errors in the amount, accuracy, or timeliness of transmittal of any Payment Order received from Company or any person purporting to act on behalf of Company) or any other person or entity, including without limitation, any funds transfer systems, any Federal Reserve Bank, any receiving financial institution, and any receiver, any transmission or communications facility, any intermediary or correspondent banks and beneficiary, none of which shall be deemed Bank's agent. Bank is not responsible for verifying ownership of an intended recipient's account or for detecting an error by Company in a Payment Order. Without limitation, Bank shall be excused from delaying or failing to act if caused by legal constraint, interruption of transmission or communication facilities, equipment failure, war, emergency conditions, strikes or other circumstances beyond Bank's control. In addition, Bank shall be excused from delaying or failing to execute a funds transfer due to any changes in the rules, regulations and policies of the Federal Reserve Board that affect Bank's ability to send or receive funds at any time, for any reason, if the funds transfer would result in Bank's exceeding any limitation on its intra-day net funds position established through Federal Reserve guidelines or if the funds transfer would result in violating any present or future risk control program of the Federal Reserve or a rule or regulation of any other governmental regulatory authorities.

17. Account. Company will maintain with Bank at least one Account for the purpose of providing collected funds, for deposit of received funds, and to satisfy all Payment Orders, and pay and deduct service charges in connection with the use of the Wire Service.

18. International Payment Orders**.** Fund transfers to beneficiaries outside of the United States may be paid to the beneficiary in the foreign currency of the country to which the funds are transferred. It is the responsibility of Company to notify the beneficiary that the funds originated in U.S. dollars may be paid to the beneficiary in the currency of the country to which the funds are transferred at Bank's buying rate of exchange for funds transfers.

19. Company Cooperation. In the event that Bank is entitled under the law governing mistake and restitution to recover from any beneficiary all or any part of a funds transfer made to such beneficiary hereunder, Company shall upon Bank's request but without expense to Bank testify in any legal proceedings and otherwise take any action necessary to assist or enable Bank to recover from such beneficiary. Company hereby consents to Bank's disclosure to government authorities of information concerning the Company and transactions under this Wire Schedule that Bank believes to be appropriate or necessary to fulfill legal recordkeeping and reporting requirements.

20. Furnishing Information; Recording and Records. Upon request the Company will provide Bank with any transaction information necessary for Bank to handle inquiries and tracing, or otherwise to comply with applicable laws and regulations relating to Payment Orders, including but not limited to, dollar amounts, account(s) affected, dates and names of beneficiaries and third parties involved in the transfer. If Bank's records about a Payment Order are different from Company's records, Bank's records will control. Bank's records include its written records and any audio recordings about any Payment Orders.

21. Transactions with Bank. If the Company is a financial institution (as defined in UCC 4A), and under applicable law the Company is not deemed the originator of the order to which a Payment Order relates, the Company agrees to

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indemnify and hold Bank harmless for any loss or liability owed to such originator to the extent that such loss or liability would not have been incurred if the Company had been an originator.

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Check Positive Pay Service Schedule

1. Check Positive Pay Services. In addition to the terms of this Master Agreement, this Check Positive Pay Service Schedule (the "Positive Pay Schedule") governs your use of the check positive pay services described herein (the "Positive Pay Service" or "Check Positive Pay Service"). You may use the Positive Pay Service to quickly identify and act upon fraudulent checks as well as to quickly reconcile your Account(s). You provide Bank with a file detailing all checks you have issued on an Enrolled Account (as defined below). The file is imported into Bank's system for comparison to checks being presented against your Enrolled Account. Through this file, you can instruct Bank to "pay" or "return" checks issued against your Enrolled Account. Where not listed as an Enrolled Account, Bank will not provide the Positive Pay Service as to those non-enrolled Accounts. If there is any change of ownership or signing authority on any of the Enrolled Accounts, notification must be immediately provided to Bank.

2. Defined Terms. The capitalized terms below shall have the following meanings in connection with this Positive Pay Schedule:

    a. "Available Funds" means funds on deposit in an Enrolled Account which are available for withdrawal pursuant to banking regulations and Bank's applicable funds availability schedules and policies.

    b. "Enrolled Account(s)" is defined as your Account(s) at Bank that are enrolled or authorized for the Positive Pay Services pursuant to Exhibit C to the Enrollment Form.

    c. "Exception Check" means a Presented Check where one of the fields on the check does not match one or more of the data fields included in the Issued Check File.

    d. "Exception Check Report" means a record describing Exception Checks which is provided to you by Bank.

    e. "Issued Check File" means a record describing checks written from your Enrolled Account(s), meeting the requirements set forth in this Positive Pay Schedule, and timely provided by you to Bank.

    f. "Pay Request" means your instruction to pay an Exception Check.

    g. "Presented Check" means a check presented for payment in an Issued Check File.

    h. "Return" or "Return Request" means your instructions to not pay and return an Exception Check.

    i. Unless otherwise defined, words or phrases in this Positive Pay Schedule shall have the meanings set forth in Articles 3 and 4 of the UCC.

3. Issued Check File.

    a. You shall submit an Issued Check File to Bank via Business Online Banking. The Issued Check File shall accurately state the check number, issue date, and the exact dollar amount of each check drawn on an Enrolled Account since the last Issued Check File was submitted. You shall update the Issued Check File at any time that a new check is issued that will be the subject of an Issued Check File. Each Enrolled Account shall require an Issued Check File for all checks issued.

    b. You shall submit the Issued Check File in the format specified by Bank. In the event of a system failure of either your or Bank's systems and the Issued Check File cannot be received by Bank or Bank cannot process the Issued Check File, the Issued Check File shall be considered as not received, even if Bank has possession of the Issued Check File. You may set alerts within Business Online Banking to confirm the receipt of the Issued Check File and we recommend you do so. It is your responsibility to confirm, through Business Online Banking, that an Issued Check File has been properly uploaded and confirmed.

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c. The Issued Check File must be received by the cutoff time stated in Exhibit C to the Enrollment Form to be processed to our system for the current Business Day. Any Issued Check File received after this time will be processed on the next Business Day.

4. Payment of Presented Checks and Reporting of Exception Checks.

a. Bank shall compare each Presented Check by check number and amount against each Issued Check File received by Bank. On each Business Day, Bank:

i. May pay and charge to the Enrolled Account each Presented Check that matches by a check number and check amount shown in any Issued Check File.

ii. Shall provide the list of Exception Checks through Business Online Banking via an Exception Check Report.

You may set alerts within Business Online Banking to notify you of the presentation of Exception Checks and we recommend you do so. In the event of system problems and Bank cannot have the Exception Check information in enough time for you to respond by the Exception Check Deadline (as defined below), the Exception Check Deadline will be extended accordingly. The extended deadline will generally be communicated to you via email.

b. Each Presented Check which Bank pays in accordance with this Positive Pay Schedule will be deemed to be properly payable by you and any other signatories on an Enrolled Account regardless of the actual signatures on such Presented Check. Each matching check or other check you authorized Bank to pay will be paid without Bank performing any customary (or any other) check verification procedures, and Bank will have no liability whatsoever for paying the Presented Check if its serial number or amount is altered, if it is counterfeit, bears a forged or unauthorized signature or was otherwise not validly issued.

c. Each Exception Check that Bank returns pursuant to the terms of this Positive Schedule will be deemed not to be properly payable.

d. Each Exception Check Report will be delivered through Business Online Banking and shall list Presented Checks received for which:

i. The check number on the MICR encoding of the Presented Check does not match the number on the Issued Check File;

ii. The check number on the Presented Check is a duplicate of a check number on a previously Presented Check;

iii. The dollar amount on the encoding of the Presented Check does not match the dollar amount on the Issued Check; or

iv. The Presented Check was previously paid.

5. Pay Request/Return Request. **You shall review the Exception Checks and Exception Check Report and electronically communicate Pay Requests or Return Requests for all Exception Checks by 11:00 AM, local Bank ET (the "Exception Check Deadline").** You shall contact Bank when deciding to return a check, since the Presented Check will be considered fraudulent. If the electronic system is unavailable, the response to Bank shall be by phone call to **(352) 306-4075** and email to **treasuryops@primesouth.com** by any User on the Enrolled Account and transmitted by the Exception Check Deadline.

6. Pay Default. **IF YOU MISS THE EXCEPTION CHECK DEADLINE FOR DETERMINING EXCEPTIONS, THE EXCEPTION CHECKS WILL BE PAID OR RETURNED BY BANK BASED ON COMPANY'S SELECTION DURING SETUP AS PROVIDED ON EXHIBIT C TO THE ENROLLMENT FORM, AND COMPANY AGREES THAT COMPANY SHALL BE DEEMED TO HAVE INSTRUCTED BANK TO PROCESS EACH EXCEPTION CHECK ACCORDINGLY;** provided that Bank shall retain

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the discretion to make the final decision on any Exception Check and may return any Exception Check which is not decided by you prior to the Exception Check Deadline.

7. Checks Not Covered. This Positive Pay Schedule does not cover a check if Bank has already cashed the check or is already committed to honor or pay the item under applicable laws, regulations, or rules governing checks, including the UCC.

8. Limits on Liability.

   a. Bank is not responsible for detecting any error contained in any Issued Check File or Pay Request or Return Request sent by you to Bank.

   b. Except as otherwise stated in this Positive Pay Schedule, Bank will be liable to you only for damages directly from Bank's willful misconduct or gross negligence in the performance of the Positive Pay Service. In addition to the limits of liability provided in Part I of this Master Agreement, Bank will not be responsible for any loss, delay, cost, or liability, which arises, directly and indirectly, in whole or in part, from: (i) your actions or omissions or those of third parties who are not within Bank's immediate and reasonable control; (ii) your negligence or breach of any agreement with Bank; (iii) any ambiguity, inaccuracy, or omission in any information of instructions provided to Bank; (iv) any error, failure, or delay in the transmission of delivery of data, records due to a breakdown in equipment, computer, or communications facility; (v) accidents, strikes, labor disputes, civil unrest, fire, flood, water damages (e.g. form fire suppression systems), or acts of God; (vi) causes beyond Bank's reasonable control; (vii) Bank's inability to confirm to Bank's satisfaction the authority of any person to act on your behalf; or (viii) your failure to provide Bank with the complete and correct data in accordance with this Positive Pay Schedule and Bank's Positive Pay Service instructions.

   c. In addition to any limits of liability provided in Section I of this Master Agreement, except for losses caused solely by (but not Bank's third party processing agent) Bank's gross negligence or willful misconduct, our aggregate liability to you for all claims arising under or related to this Positive Pay Schedule or related to the Positive Pay Service, whether for breach, negligence, infringement, in contract, tort, under statute, or otherwise, shall be limited to an amount equal to the total Fees paid by you for the Positive Pay Service for the prior six (6) month period.

   d. You agree to cooperate with Bank in any loss recovery efforts Bank undertakes to reduce any loss or liability that arises in connection with the Positive Pay Service. You acknowledge that your Fees have been established in contemplation of: (i) these limitations on Bank's liability; (ii) your agreement to review all statements, confirmations, and notifications promptly and notify Bank immediately of any discrepancies or problems; and (iii) your agreement to assist Bank in any loss recovery effort.

9. Properly Payable Checks. THE PARTIES INTEND THAT AN ISSUED CHECK FILE, WHEN PROVIDED TO BANK, SHALL CONSTITUTE YOUR SIGNATURE FOR PURPOSES OF DETERMINING WHETHER A PRESENTED CHECK IS PROPERLY PAYABLE. BY PROVIDING THE ISSUED CHECK FILE TO BANK, YOU WARRANT THAT ALL CHECKS THAT MATCH THE INFORMATION IN THE ISSUED CHECK FILE ARE PROPERLY PAYABLE.

10. Termination. Notwithstanding any termination of the Positive Pay Service, this Positive Pay Schedule shall remain in full force and effect as to all Presented Checks that have been presented to Bank prior to the date of termination. Upon termination, if requested by you, Bank will provide you (or your representative) with an outstanding check report. All provisions of this Positive Pay Schedule that are intended by their terms to survive termination of the Positive Pay Schedule will survive such termination.

11. Company and Bank Communications. You or Bank, at its discretion, may each submit to the other party a revision to any communication provided for under this Positive Pay Schedule. The revised communication must: (a) be sent in its entirety and not in the form of a partial amendment to the communication originally sent; (b) identify the original communication; and (c) be sent in the format and medium, by the deadline(s) and place(s) established by the receiving party. A properly submitted revised communication services to revoke the original communication.

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12. Inability to Detect Certain Errors. Bank is not responsible for detecting any error contained in any Issued Check File, Pay Request, or Return Request sent by you to Bank.

13. Accurate Electronic Communications. You are responsible for providing accurate electronic addresses for communication in connection with transactions contemplated in this Positive Pay Schedule. If such electronic address changes, you are responsible for notifying Bank at least five (5) Business Days before such change is requested.

14. Security Procedures. You will provide all instructions in accordance with the Security Procedures set forth in Part I of this Master Agreement. Compliance with those Security Procedures will cause any instructions so issued to be conclusively determined as your instructions. If you are forced to communicate with Bank by email, such as in an emergency, the email must be sent by an Administrator or Authorized Signer on the Enrolled Account. Bank may elect to accept instructions received by email, but Bank may, in its sole discretion, choose not to act on such instructions until Bank is able to call back and confirm the instructions with an Administrator or Authorized Signer, who may have to provide additional identification information.

15. Wrongful Honor.

    a. If Bank pays an Exception Check listed in an Exception Check Report, such payment shall not be a "wrongful honor," if:

        i. You submitted a Pay Request for an Exception Check;

        ii. You did not submit a Pay Request or Return Request and your default selection is to pay Exception Checks; or

        iii. You otherwise directed Bank to pay the Exception Check.

    b. Where a wrongful honor occurs, Bank will be liable to you only for the lesser of the amount of the wrongfully paid check, or your actual damages resulting from Bank's payment of the check.

    c. You will be deemed to have no damages where honoring a check discharges for value of your indebtedness. In addition, you will be deemed to have no damages where the honoring of a check was in compliance with applicable laws or Bank otherwise has a legal defense. Bank may assert your failure to exercise reasonable care under the UCC.

16. Wrongful Dishonor. If Bank dishonors a properly payable check, the following shall apply:

    a. A wrongful dishonor shall only apply if Bank refuses to pay a Presented Check contrary to a Pay Request in compliance with this Positive Pay Schedule;

    b. There shall be no wrongful dishonor if Bank acted on a Return Request issued by you;

    c. There shall be no wrongful dishonor if Bank reasonably believed the Presented Check was not properly payable under UCC Section 4-401;

    d. There shall be no wrongful dishonor if the Issued Check File was not timely transmitted or does not contain information sufficient to determine a match to a Presented Check;

    e. There shall be no wrongful dishonor if there are insufficient Available Funds on deposit in the Enrolled Account;

    f. Where a wrongful dishonor occurs, Bank's liability for wrongful dishonor shall be limited to the types of damages contemplated and shall not exceed the amount of damages recoverable under Article 3 and 4 of the UCC;

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g. Bank shall in no event be liable for consequential, special or punitive damages; and

h. Bank shall have no liability to you for wrongful dishonor where Bank, acting in good faith, returns an Exception Check that is reasonably believed to not be properly payable, or if required to do so by the service of legal process or instructions of regulatory or governmental authorities or courts.

17. Rightful Payment and Dishonor. Where Bank honors an Exception Check as provided in this Positive Pay Schedule, you may not assert that an Exception Check was not properly payable under Georgia law, or otherwise. Where Bank dishonors an Exception Check as provided in this Positive Pay Schedule, you may not assert that the dishonor was wrongful or improper under Georgia law, or otherwise. Bank shall be deemed to exercise ordinary care whenever it rightfully pays or returns an Exception Check in compliance with this Positive Pay Schedule.

18. Stop Payments. Bank shall not pay any Presented Check for which Bank has received from you a "stop payment" order request consistent with the Other Agreements including the agreements governing the Enrolled Account.

19. Over the Counter Checks. **Company acknowledges and agrees that the Check Positive Pay Service does not apply to checks personally presented by an individual over the counter to Bank for payment**. If a Presented Check is personally presented by an individual over the counter to Bank, Company authorizes Bank to pay the Presented Check, even if the Presented Check was or was not included in the Issued Check File and/or later is presented to Company as an Exception Item. Additionally, Bank shall not have an obligation to notify Company of any check presented by an individual over the counter to Bank for payment.

20. Other Non-Check Items. You agree and understands that the Positive Pay Service applies only to magnetic ink character recognition (MICR) encoded paper checks and documents. Therefore, the Positive Pay Service and this Positive Pay Schedule shall not apply to any electronic funds transfer (EFT), Automated Clearing House (ACH) transaction, or check that has been converted to an ACH transaction that does not contain a serial number. Accordingly, this Positive Pay Schedule shall have no effect with respect to any such transaction on Bank's or your respective rights, obligations, duties, or responsibilities under any other agreements between the parties or applicable law or regulation.

21. Indemnification. In addition to your indemnification obligations in Part I of this Master Agreement, you will indemnify, defend, and hold Bank harmless against any and all actions, proceedings, liabilities, losses, investigative costs, costs (including attorneys' fees), and claims, including without limitation, warranty or statutory claims, resulting or arising in connection with: (a) Bank's processing of checks in accordance with this Positive Pay Schedule or Bank's compliance with your instructions; (b) your actions or omissions, including your negligence, willful misconduct, or breach of any warranty or failure to comply with this Positive Pay Schedule; (c) any misuse of the Positive Pay Service by you or your employees or actions of you or your employees; (d) your failure to comply with applicable state and federal laws and regulations; and (e) actions by third parties, such as an introduction of a virus, that delay, alter, or corrupt the transmission of information to Bank.

22. Notices.

a. You agree to notify Bank if you discover: (i) any error or discrepancy between your records and the information Bank provides to you about Enrolled Account(s) or transactions (e.g., in a statement, confirmation, or electronic report); (ii) unauthorized transactions involving your Account; (iii) a breach in the confidentiality of the password or other Security Procedures used to provide instructions pursuant to this Positive Pay Schedule; or (iv) other problems related to the Positive Pay Service. Nothing herein discharges or modifies your obligations under this Master Agreement and the Other Agreements with Bank to timely review and report any errors in your Enrolled Account statements.

b. You agree that you will receive any notices from Bank relating to the Positive Pay Services through Business Online Banking by text message, email or a secure inbox. Any such notice transmitted shall be treated as received upon transmission.

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ACH Block/Filter Service Schedule

1. ACH Block/Filter Services. In addition to the terms of this Master Agreement, this ACH Block/Filter Service Schedule (the "ACH Block/Filter Schedule") governs your use of the ACH block/filter services described herein (the "ACH Block/Filter Service"). The ACH Block/Filter Services Schedule governs your use of the automated clearing house ("ACH") block/filter services described herein (the "ACH Block/Filter Services"). You may use the ACH Block/Filter Services to quickly identify and act upon certain ACH Transactions as specified herein for the Enrolled Account(s) you elect to receive the ACH Block/Filter Services. Where not listed as an Enrolled Account, Bank will not provide the ACH Block/Filter Services as to those non-enrolled Accounts. If there is any change of ownership or signing authority on any of the Enrolled Accounts, notification must be immediately provided to Bank.

2. Definitions. The capitalized terms below shall have the following meanings in connection with this ACH Block/Filter Schedule:

   a. "*ACH Transaction(s*)" shall refer to certain electronic funds transfers which settle within a financial institution or between financial institutions by means of the Automated Clearing House (ACH) Network according to specified rules and procedures governed by the Federal Reserve Bank and NACHA.

   b. *"Available Funds"* means funds on deposit in an authorized Enrolled Account which are available for withdrawal pursuant to banking regulations and the Bank's applicable funds availability schedules and policies.

   c. "*ACH Credit Entry*" shall refer to any ACH Transaction which has the intended result of adding funds to your Enrolled Account(s).

   d. "*ACH Debit Entry*" shall refer to any ACH Transaction which has the intended result of removing funds from your Enrolled Account(s).

   c. "*Enrolled Account(s)"* is defined as your Account(s) at Bank that are enrolled or authorized for the ACH/Block Filter Services pursuant to Exhibit D to the Enrollment Form.

3. ACH Block/Filter Services.

   a. As provided in this ACH Block/Filter Schedule and Exhibit D to the Enrollment Form, for each Enrolled Account, Company's ACH Transactions will be processed such that Company may block unauthorized ACH Debit or ACH Credit Entries to the Enrolled Account and filter parties who are authorized to submit ACH Debit or Credit Entries to the Enrolled Account. Except for ACH Transactions with an Authorized Party (as provided below), for each ACH Transaction that is presented against the Enrolled Account, Bank will provide Company with the name of the party presenting the ACH Transaction (the "Presenting Party") and the amount of the ACH Transaction (each, an "Exception Item"). The list of the Exception Items is referred to as the "Exception Item Report." The Exception Item Report will be provided by Bank to Company within Business Online Banking. If Company wishes to allow ACH Transactions from the Presenting Party, Company may (i) approve the Presenting Party as an authorized party to present ACH Transactions (an "Authorized Party") or reject the Presenting Party (a "Rejected Party"), in which case the Exception Item will be rejected and returned.

      i. Authorized Parties, and Authorized Party List. Future ACH Transactions with an Authorized Party will not appear in the Exception Item Report and will be deemed authorized. Collectively, the Authorized Parties approved by Company to submit or receive ACH Transactions are referred to as the "Authorized Party List." If Company later seeks to remove an Authorized Party from the Authorized Party List, it must contact Bank by **email at treasuryops@primesouth.com or call 352-306-1776** to have the Authorized Party removed from the Authorized Party List.

      ii. Rejected Parties. Future ACH Transactions to a Rejected Party will appear in the Exception Item Report for Company to review and decision.

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b. With regard to Exception Items appearing in an Exception Item Report, Company must provide Bank the instructions to approve the Presenting Party as an Authorized Party or reject the Presenting Party as a Rejected Party within Business Online Banking no later than 11:00 AM local Bank ET (the "Exception Item Deadline"). For Exception Items which should be rejected, Company's request to reject the Exception Item as a Rejected Party must be received by Bank before the ACH Transaction has been paid. To be effective, a request to reject a Presenting Party as a Rejected Party must be placed in a timely manner and must include any necessary information required by Bank. Bank may also require Company to confirm the request to reject the Exception Item as a Rejected Party in writing sent by mail or personal delivery.

c. **IF YOU MISS THE EXCEPTION ITEM DEADLINE FOR DETERMINING EXEPTION ITEMS, THE EXCEPTION ITEM WILL BE REJECTED AND RETURNED**, AND COMPANY AGREES THAT COMPANY SHALL BE DEEMED TO HAVE INSTRUCTED BANK TO PROCESS EACH EXCEPTION ITEM ACCORDINGLY; provided that Bank shall retain the discretion to make the final decision on any Exception Item which is not decided by you prior to the Exception Item Deadline.

d. In all cases, Company must provide Bank with all information required by Bank in order to permit Bank to deliver the block and/or filter services for ACH Transactions. Unless Company has provided Bank with sufficient information to block or filter ACH Transactions, Bank may pay and debit or credit the Enrolled Account for each ACH Transaction that is not blocked or filtered.

e. **No instructions shall be binding on Bank unless they are received in such time as to provide Bank a reasonable opportunity to act thereon**. Bank shall be entitled to rely exclusively on the originator identification number in implementing any ACH block or filter. Notwithstanding any instructions received by Bank in connection with the ACH Block/Filter Services, Bank may charge Company's account via ACH for any fees, charges, or payments in connection with transactions or services provided to Customer or for any ACH Transactions that Bank is required to accept under applicable rules, operating circulars, guidelines, or regulations.

f. Bank will make reasonable efforts to have the ACH Block/Filter Services become effective, to be discontinued, or to have changes in the ACH Block/Filter Services become effective on the date indicated on Exhibit D to the Enrollment Form or as further updated within Business Online Banking, but Bank will not be liable for any failure to start, discontinue, or change the ACH Block/Filter Services by a particular date. Bank retains the right to terminate the ACH Block/Filter Service for any reason including without limitation an excessive number of requests for change in ACH Transactions that are permitted as Exception Items. In the event system problems cause the ACH Block/Filter Services to become unavailable, the Bank will use reasonably efforts to notify Customer of such unavailability.

g. Company shall be solely responsible for purchasing, maintaining, and using adequate software to participate in the ACH Block/Filter Services, all at Company's sole expense.

4. Properly Payable Debit. Any ACH Debit Entry that presented by an Authorized Party is not subject to the block and/or filter services on the terms set forth herein and paid shall be considered properly payable and Company agrees that Bank shall have no liability to Customer for paying such ACH Debit Entry.

5. Not Covered. This ACH Block/Filter Schedule does not cover an ACH Transaction if the Bank has paid an ACH Transaction or is already committed to honor or pay the ACH Transaction under applicable laws, regulations, or rules governing ACHs, including the NACHA Rules. The ACH Block/Filter Services and this ACH Block/Filter Schedule shall not apply to, and are not designed to detect or prevent fraud due to, other types of transactions, which include electronic funds transfer (EFT), wire or check transactions. Accordingly, this ACH Block/Filter Schedule shall have no effect with respect to any such transaction on Bank's or your respective rights, obligations, duties, or responsibilities under any Other Agreements between the parties or applicable law or regulation. In addition, you agree and understand that the ACH Block/Filter Services apply only to certain types of ACH Transactions. In addition, the ACH Block/Filter Services exclude ACH Transactions identified with Standard Entry Class (SEC) Codes of ACK, ADV, ARC, ATX, COR, DNE, ENR, MTE, POP, RCK, SHR, TRC, TRX and XCK since these transactions are either non-monetary or are checks which have been converted to electronic format. Also excluded are any incoming returns and corrections. If an Enrolled Account does not have sufficient Available

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Funds to pay an ACH Debit Transaction, Bank will not be required to pay any ACH Debit Transactions presented against the Enrolled Account.

6. Limits on Liability; Indemnification.

   a. Company acknowledges that the return of an ACH Transaction may be subject to dispute on the part of the sender. In the event of such a dispute Bank must act according to applicable laws, regulations, and the NACHA Rules, including any attachments or appendices thereto now in effect, or as may be amended from time to time. Company (i) agrees to indemnify and hold Bank harmless from any losses or liabilities (including damages, judgments, levies, executions, expenses, costs, interest, attorneys' fees and legal expenses Bank may suffer or incur as a result of or arising from Bank's payment of an ACH Transaction at the Company's instruction or from the Bank's rejection and return of an Exception Item), and (ii) releases and forever discharges Bank, and its parent, subsidiaries, affiliates, successors, officers, directors, employees and agents, from any and all manner of action or actions, suits, claims, damages, judgments, levies, executions, expenses, costs, interest, attorneys' fees and legal expenses, whether known or unknown, liquidated or not liquidated, fixed, contingent, direct or indirect, which Company may have, or ever can, may or shall have or claim to have against Bank regarding or relating to the return or payment of any ACH Transaction pursuant to provisions of this ACH Block/Filter Schedule.

   b. Except as otherwise stated in this ACH Block/Filter Schedule, Bank will be liable to you only for damages directly from Bank's willful misconduct or gross negligence in the performance of the ACH Block/Filter Services. In addition to the limits of liability provided in Part I of this Master Agreement, Bank will not be responsible for any loss, delay, cost, or liability, which arises, directly and indirectly, in whole or in part, from: (i) your actions or omissions or those of third parties who are not within Bank's immediate and reasonable control; (ii) your negligence or breach of any agreement with Bank; (iii) any ambiguity, inaccuracy, or omission in any information of instructions provided to Bank; (iv) any error, failure, or delay in the transmission of delivery of data, records due to a breakdown in equipment, computer, or communications facility; (v) accidents, strikes, labor disputes, civil unrest, fire, flood, water damages (e.g. form fire suppression systems), or acts of God; (vi) causes beyond Bank's reasonable control; (vii) Bank's inability to confirm to Bank's satisfaction the authority of any person to act on your behalf; or (viii) your failure to provide Bank with the complete and correct data in accordance with this ACH Block/Filter Schedule and Bank's ACH Block/Filter Service instructions.

   c. In addition to any limits of liability provided in Section I of this Master Agreement, except for losses caused solely by (but not Bank's third party processing agent) Bank's gross negligence or willful misconduct, our aggregate liability to you for all claims arising under or related to this ACH Block/Filter Schedule or related to the Block/Filter Services, whether for breach, negligence, infringement, in contract, tort, under statute, or otherwise, shall be limited to an amount equal to the total Fees paid by you for the ACH Block/Filter Service for the prior six (6) month period.

   d. Company and Bank acknowledge that ACH Transactions are originated according to certain processing rules provided in the NACHA Rules which require the use of an Originator name and Originator identification number imbedded in the transaction to identify its source, and this imbedded data is a critical component of Bank's ability to monitor for transactions which Company may want to block or filter. Bank shall act in good faith to process Company's instructions. However, if the identifying information in the ACH Transaction is inconsistent or incorrect, Bank shall be held harmless for posting an ACH Transaction to your Enrolled Account and any dispute related to such a transaction shall be between you and the Originator of the transaction.

   e. You agree to cooperate with Bank in any loss recovery efforts Bank undertakes to reduce any loss or liability that arises in connection with the ACH Block/Filter Service. You acknowledge that your Fees have been established in contemplation of: (i) these limitations on Bank's liability; (ii) your agreement to review all statements, confirmations, and notifications promptly and notify Bank immediately of any discrepancies or problems; and (iii) your agreement to assist Bank in any loss recovery effort.

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7. Termination. Notwithstanding any termination of the ACH Block/Filter Services, this ACH Block/Filter Schedule shall remain in full force and effect as to all ACH Transactions that have been presented to Bank prior to the date of termination. All provisions of this ACH Block/Filter Schedule that are intended by their terms to survive termination of this ACH Block/Filter Schedule will survive such termination.

8. Company and Bank Communications. You or Bank, at its discretion, may each submit to the other party a revision to any communication provided for under this ACH Block/Filter Schedule. The revised communication must: (a) be sent in its entirety and not in the form of a partial amendment to the communication originally sent; (b) identify the original communication; and (c) be sent in the format and medium, by the deadline(s) and place(s) established by the receiving party. A properly submitted revised communication services to revoke the original communication.

9. Accurate Electronic Communications. You are responsible for providing accurate electronic addresses for communication in connection with transactions contemplated in this ACH Block/Filter Schedule. If such electronic address changes, you are responsible for notifying Bank at least five (5) Business Days before such change is requested.

10. Security Procedures. You will provide all instructions in accordance with the Security Procedures set forth in Part I of this Master Agreement. Compliance with those Security Procedures will cause any instructions so issued to be conclusively determined as your instructions. If you are forced to communicate with Bank by email, such as in an emergency, the email must be sent by an Administrator or Authorized Signer on the Enrolled Account. Bank may elect to accept instructions received by email, but Bank may, in its sole discretion, choose not to act on such instructions until Bank is able to call back and confirm the instructions with an Administrator or Authorized Signer, who may have to provide additional identification information.

11. Indemnification. In addition to your indemnification obligations in Part I of this Master Agreement, you will indemnify, defend, and hold Bank harmless against any and all actions, proceedings, liabilities, losses, investigative costs, costs (including attorneys' fees), and claims, including without limitation, warranty or statutory claims, resulting or arising in connection with: (a) Bank's processing of ACH Transactions in accordance with this ACH Block/Filter Schedule or Bank's compliance with your instructions; (b) your actions or omissions, including your negligence, willful misconduct, or breach of any warranty or failure to comply with this ACH Block/Filter Schedule; (c) any misuse of the ACH Block/Filter Services by you or your employees or actions of you or your employees; (d) your failure to comply with applicable state and federal laws and regulations; and (e) actions by third parties, such as an introduction of a virus, that delay, alter, or corrupt the transmission of information to Bank.

12. Notices.

    a. You agree to notify Bank if you discover: (i) any error or discrepancy between your records and the information the Bank provides to you about Enrolled Account(s) or transactions (e.g., in a statement, confirmation, or electronic report); (ii) unauthorized transactions involving your Account; (iii) a breach in the confidentiality of the password or other Security Procedures used to provide instructions pursuant to this ACH Block/Filter Schedule; or (iv) other problems related to the ACH Block/Filter Services. Nothing herein discharges or modifies your obligations under Other Agreements with the Bank to timely review and report any errors in your Enrolled Account statements.

    b. You agree that you will receive any notices from the Bank relating to the ACH Block/Filter Services through Business Online Banking by text message, email or a secure inbox. Any such notice transmitted shall be treated as received upon transmission.

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Remote Deposit Capture (RDC) Service Schedule

1. RDC Service. If you have been approved by Bank to utilize the remote deposit capture services (the "RDC Services") as set forth in this Remote Deposit Capture Service Schedule (this "RDC Schedule"), you accept and agree to all terms, conditions, and provisions of this RDC Schedule, which sets forth the terms and conditions pursuant to which Bank will provide to Company the RDC Services. In the event of conflict between a provision of this RDC Schedule, the UCC, Part I of this Master Agreement, and the Other Agreements, the provisions of this RDC Schedule shall govern, but only to the extent reasonably necessary to resolve such conflict.

2. General Description of the Remote Deposit Service. Subject to the terms, provisions, and conditions of this RDC Schedule and any underwriting done by Bank from time to time, Bank will provide the RDC Services to you, which allows you to make deposits to your Account(s) listed in Exhibit E to the Enrollment Form, from your office by scanning checks on a desktop scanner and delivering the images and information required hereby to Bank or Bank's designated processor (a "Processor"). The term Bank and Processor may be used interchangeably when used in relation to any services performed by a Processor on behalf of Bank including, but not limited to, the receipt and processing of images and check data and any notices related thereto. The scanner must capture an image of the front and back of each Check (as herein defined) to be deposited (each an "Image" and, if more than one, "Images") in accordance with Bank's then current procedures pertaining to the RDC Services (the "Procedures") and must read and capture the magnetic ink character recognition ("MICR") line on each Check and all such other data and information as is required by this RDC Schedule. After capture of the Images, the MICR line on each Check and all other required data and information from each Check, you will transmit one or more files containing the Images, the MICR line from each Check and all other required data and information from or pertaining to all Checks and all batched ACH data and other required information (each such file a "File" and, if more than one, "Files") to Bank or Processor via the Internet. Subject to compliance with the terms, provisions and conditions of, and as provided in, this RDC Schedule, Bank will provisionally credit the Account or Accounts designated by you for the amount of the deposit(s) to which the File(s) pertains on the day of receipt of the File(s) and enter the Images into the collection process, in accordance with the provisions of Bank's then current Other Agreements and this RDC Schedule. Company and Bank agree that Bank may convert the Images to ACH entries on Company's behalf. Company hereby appoints Bank as Company's agent for the specific purpose of making the determination and decision to convert the Images to ACH entries. Company and Bank agree that Company shall be and remain the Originator and Bank shall be the Originating Depository Financial Institution, as those terms are defined in the NACHA Rules. Company acknowledges and agrees that Bank may discontinue, and/or change the terms of the RDC Services or any related content, features, products or services associated therewith, at any time without notice or liability to Company or any third party. Company hereby agrees that Bank shall be the exclusive provider of the RDC Services provided in accordance with this RDC Schedule and that Company will not use the same or similar services of any other party.

3. Hardware and Software.

   a. Company understands it must, and hereby agrees to, at its sole cost and expense, use computer hardware and software that meets all technical requirements for the proper delivery of the RDC Services and that fulfills Company's obligation to obtain and maintain secure access to the Internet. Company understands and agrees it may also incur, and shall pay, any and all expenses related to the use of the RDC Services, including, but not limited to, telephone service or Internet service charges. Company is solely responsible for the payment of any and all costs and expenses associated with meeting and maintaining all technical requirements and additional items necessary for the proper use of the RDC Services. Company understands and agrees that it is solely responsible for the operation, maintenance and updating of all equipment, software and services used in connection with the RDC Services and the cost thereof, and Company hereby agrees that it will perform, or cause to be performed, all vendor recommended maintenance, repairs, upgrades and replacements, and such performance shall be rendered by properly trained personnel, whether they are employees of Company or third-party employees. Bank is not responsible for, and Company hereby releases Bank from any and all claims or damages resulting from, or related to, any computer virus or related problems that may be associated with using electronic mail or the Internet. Bank hereby advises Company, and Company hereby agrees, to scan its computer hardware and software on a regular basis using a reliable computer virus detection product in order to detect and remove computer viruses. In connection with its use of the RDC Services, Company shall only use the hardware described in

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Exhibit E to the Enrollment Form (the "Hardware List"), as may be amended by Bank in its discretion, or such other hardware as is approved in advance by Bank and shall only use such software as is approved in advance by Bank.

b. Company acknowledges and agrees that (a) any and all computer programs ("Software"), including, but not limited to, the object and source codes therefore, and any and all updates, upgrades, fixes and enhancements thereto and any and all documentation, user guides and instructions pertaining thereto (everything in this clause (a), collectively, "Program"), and (b) any and all program manuals, users guides, instructions and other documentation provided to, or used by, Company in connection with the RDC Services (everything in this clause (b) collectively, the "Documentation") and all intellectual property rights such as copyrights, patents, and trade secrets, pertaining to the Program and the Documentation, are owned exclusively by Bank and its licensors, represent or contain valuable rights of Bank and its licensors, and are protected under United States patent, copyright, trademark and trade secret laws of general applicability. Company further acknowledges and agrees that all right, title, and interest in and to the Program and Documentation, together with all modifications, enhancements, and derivative works, including all copyright rights, are and shall remain with Bank and its licensors. This RDC Schedule does not create in Company, and does not constitute an assignment of, any rights of Bank and its licensors in and to any copyrights, trade secrets, patents, or other intellectual property rights. Company hereby assigns to Bank and/or its licensors, as directed by Bank, any rights, including any patent, copyright, mask work rights, trademarks, and trade secrets, which now exist or which it may acquire at any time in the future to the Software or the intellectual property rights to the Software, and any other computer code using any of the Program. Company hereby waives any "moral rights" to the Program. Company agrees to cooperate and to take all action reasonably requested by Bank or its licensors in connection with any such assignment.

c. Company shall not at any time, either directly or indirectly, put to issue the scope, validity or ownership of Bank or its licensors' intellectual property rights and shall not do any act, either directly or indirectly, which could reasonably be expected to impair the scope, validity or ownership of such intellectual property rights.

d. Company will not, and will not permit any third party to, (i) copy or use the Program or Documentation except as expressly authorized by this Master Agreement; (ii) rent, distribute or otherwise transfer the Program; (iii) use the Program for third-party training, commercial time-sharing or service bureau use; (iv) alter, change, modify or otherwise create derivative works of the Program; or (v) remove or alter any intellectual property or proprietary notices, legends, symbols, or labels appearing on or in the Program or Documentation. In addition, Company will not reverse engineer, disassemble or recompile any Software, except to the extent expressly permitted by applicable law. If the law of any jurisdiction purportedly authorizes or allows Company to reverse engineer, disassemble or decompile the Software and Company intends or begins to do so in reliance on such law, Company shall notify Bank in writing of its intended or actual activities. In the event of such notice, Bank may immediately terminate this RDC Schedule upon notice to Company.

e. Company will, at its expense, promptly execute and deliver such further documents and take any and all other actions reasonably requested by Bank from time to time, for the purpose of fully effectuating the intent and purposes of this RDC Schedule, and to protect the interests of Bank, its licensors, and their respective successors and assignees.

4. Checks Deposited and Security Interest.

a. You hereby agree that you will only scan and deposit a check(s) as that term is defined in Federal Reserve Board Regulation CC ("Reg CC"). You agree that the image of the check that is transmitted to Bank (each such check and other item a "Check" and, if more than one, "Checks") shall be deemed an "item" within the meaning of Article 4 of the UCC.

b. You further agree that you will not remotely deposit any check or other item that fits within one of the following categories:

i. Check images of items payable to any person or entity other than you;

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ii. Check images of items drawn, or otherwise issued, by Company or any affiliate of Company on any account of Company or such affiliate;
iii. Checks that are prohibited by Bank's Procedures or in violation of any law, rule or regulation;
iv. Check images of items drawn on banks located outside the United States;
v. Check images of items not payable in United States currency;
vi. Check images that are illegible or otherwise do not meet the image quality requirements set forth below;
vii. Check images that contain an alteration to any of the fields on the front of the check or item, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check or item is drawn;
viii. Images of Checks previously converted to Substitute Checks (as defined by The Check Clearing for the 21st Century Act and its regulations ("Check 21")), or a remotely created check;
ix. Check images with unreadable MICR information;
x. Checks issued by the United States Treasury (e.g., tax refund checks) or issued by the federal or state government (e.g., benefits checks);
xi. Checks are dated more than six (6) months prior to the date of transmission (e.g., a stale check);
xii. U.S. Postal Money Orders, U.S. Savings Bonds, Traveler's Cheques, or money orders;
xiii. Convenience checks or checks drawn on a line of credit;
xiv. Checks payable to "Cash;"
xv. Checks that have previously been returned unpaid for any reason;
xvi. Checks that exceed limitations set by Bank from time to time;
xvii. Checks that are remotely created checks; and
xviii. Checks that are not acceptable for deposit into the Account as provided in the Other Agreements.

Checks described in Section 4 (b)(i) through 4 (b)(xviii) each a "Prohibited Check" and, collectively, "Prohibited Checks".

c. You grant Bank a security interest in all Accounts or other deposits (whether general or special), and in all funds in such Accounts or other deposits, to secure your obligations to Bank under this RDC Schedule. This security interest will survive termination of this RDC Schedule.

d. Company may be required to maintain a reserve ("Settlement Reserve") of an amount to be solely determined by Bank. Company acknowledges and agrees that any Settlement Reserve will be deposited in a Bank Account for exclusive use by Bank for purposes of offsetting any of Company's obligations under this RDC Schedule. Company grants Bank a security interest in any Settlement Reserve to enable Bank to enforce any obligation owed by Company under this RDC Schedule without notice or demand to Company. Company's obligation to maintain a Settlement Reserve shall survive the termination of this RDC Schedule, with such obligation lasting until all of Company's obligations under this RDC Schedule have been fully offset.

5. Scanning of Checks and Transmission of Files.

a. Company shall properly install and use all software and hardware required by this RDC Schedule or otherwise required for, or related to, the use of the RDC Services. Company shall (a) scan the front and back of each Check to be deposited and thereby capture the image of the front and back of each Check and capture the MICR encoding on, and any other required data from, each Check and (c) transmit the File containing the images of, the MICR line from and all other required data and information from or pertaining to, such Checks and all batched ACH data and other information to Bank or its Processor in accordance with the Procedures, a copy of which Procedures have either heretofore been, or are herewith, provided to Company by Bank, and Company acknowledges receipt thereof.

b. To ensure accuracy, you shall balance the dollar amount of each deposit to the sum of the Checks prior to transmitting the File in accordance with the RDC Security Procedures. You may send multiple Files to Bank or Processor throughout the day.

c. The total dollar value of the Files sent by you to Bank on any day and the dollar amount of any single Image sent by you to Bank on any day shall not exceed the dollar amounts specified in Exhibit E to the Enrollment

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Form (the "Deposit Limits"). If the total dollar value of the Files sent by you to Bank on any day exceeds these Deposit Limits, Bank may, at its option, refuse to accept the File that exceeds the Deposit Limits, or Bank may accept and process the File. You agree not to exceed the Deposit Limits.

d. To be eligible for processing on the day transmitted, Files must be received by Bank no later than fifteen (15) minutes prior to the cutoff time specified in Exhibit E to the Enrollment Form (the "Cutoff Time"). A File is considered received by Bank when a complete copy of such File has been written on a Bank electronic storage device in conformity with Bank's technical and operational requirements. To meet the Cutoff Time, the entire File must be received by Bank prior to the Cutoff Time, and the File must successfully pass the edits for conformity with our technical requirements. For purposes of determining when a File has been delivered and received, Bank's records shall be determinative.

e. A File which is not balanced in accordance with the terms of this RDC Schedule or which is received after the Cutoff Time shall be deemed to have been received on the Business Day following the Business Day on which the File is actually received by Bank. Bank reserves the right to change the number of Files that may be transmitted in a day, the Deposit Limits and the Cutoff Time. All such changes shall be effective immediately and may be implemented prior to your receipt of notice thereof. You may contact Bank at any time to verify the current number of Files that may be transmitted in a day, the Deposit Limits and the Cutoff Time.

6. Maintenance and Destruction of Original Check. Company shall securely store all original Checks for a period of sixty (60) days after Company has received notice from Bank that the File containing the images of such Checks has been accepted (such period the "Retention Period"). During the Retention Period, Company shall take appropriate security measures to ensure that: (a) only authorized personnel shall have access to original Checks, (b) the information contained on such Checks shall not be disclosed, (c) such Checks will not be duplicated or scanned more than one time and (d) such Checks will not be deposited or negotiated in any form. Company shall also implement proper security procedures and internal controls to ensure the confidentiality of any information that is considered to be non-public personal information that is retained by Company. Company shall destroy original Checks upon the expiration of the Retention Period applicable to such Checks. Company will use commercially reasonable methods of destruction approved by Bank to destroy original Checks after expiration of the Retention Period. Company will promptly (but in all events within 5 Business Days) provide any retained Check (or, if the Check is no longer in existence, a sufficient copy of the front and back of the Check) to Bank as requested to aid in the clearing and collection process or to resolve claims by third parties with respect to any Check. Company shall also comply with any applicable retention requirements of its relative state. In case of conflict, the stricter destruction requirement will control.

7. Image and MICR Quality.

a. Each File transmitted by you to Bank shall contain Images of the front and back of the Checks scanned and remotely deposited by you. Each Image of each Check shall be of such quality that the following information can clearly be read and understood by sight review of such Image:

i. The amount of the Check;
ii. The payee of the Check;
iii. The signature of the drawer of the Check;
iv. The date of the Check;
v. The Check number;
vi. The information identifying the drawer and the paying bank that is preprinted on the Check, including the MICR line; and
vii. All other information placed on the Check prior to the time an image of the Check is captured, such as any required identification written on the front of the Check and any endorsements applied to the back of the Check.

b. Each Image shall also meet all standards for image quality established by the American National Standards Institute ("ANSI"), the Check 21 Act, all related laws, rules, or regulations, the Board of Governors of the Federal Reserve or any other regulatory agency, clearing house, or association.

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c. You shall also capture and transmit to Bank the full-field MICR encoding on each Check and, you shall ensure that the following information is captured from the MICR line of each Check:

i. The American Bankers Association routing transit number ("RTN");
ii. The number of the account on which the Check is drawn;
iii. When encoded, the amount of the Check; and
iv. When encoded, the serial number and the process control field of the Check.

8. Receipt of File.

a. You agree that you shall be solely liable for, and Bank shall not have any liability whatsoever to you for, any File or the Images or other information contained therein that are not received by Bank or for any File or the Images or other information contained therein that are intercepted or altered by an unauthorized third party.

b. You agree that Bank has no obligation to accept a File and, therefore, may reject any File or the Images or other information contained therein submitted by you. Bank has no obligation to notify you of the rejection of a File or the Images or other information contained therein. Bank shall have no liability to you for the rejection of a File or the Images or other information contained therein or for the failure to notify you of such rejection.

c. Upon receipt of a File submitted by you, Bank may examine such File and the Images and other information contained therein to ensure that you have complied with this RDC Schedule and followed the RDC Security Procedures. If Bank determines that you have not complied with this RDC Schedule or followed the RDC Security Procedures or if errors exist in the Images or other information contained in the File, Bank, in its sole discretion, may either reject the File or elect to correct the error and accept and process the corrected File (a "Corrected File"). As a form of correction, Bank may credit your Account for the full amount of the deposit and make any necessary adjustments to the Account to correct the error. Bank may, at its option, also perform a risk management analysis of one or more Files submitted by you to detect potentially fraudulent Checks, and, in its sole discretion, Bank may reject any such File, or the Images or other information contained therein. If after examination of a File and the Images and other information contained therein, Bank determines that you have complied with this RDC Schedule and processed and transmitted the File in accordance herewith and with the RDC Security Procedures, the File is balanced and the Images meet the requirements of this RDC Schedule, then Bank shall accept the File (an "Accepted File") for deposit to your Account.

d. **Notwithstanding the fact that Bank has accepted a File for deposit, any credit made to your Account shall be provisional, and you shall remain liable to Bank for any errors, inaccuracies, breach of warranties and any other loss sustained by, or claim made against, Bank**.

9. Provisional Credit and Receipt of Funds. Upon acceptance of the File, Bank shall grant your Account Provisional Credit of the total amount of the Corrected File or the Accepted File, as applicable. As used herein, "Provisional Credit" means that the credit is made to your Account subject to final payment of the Checks and subject to the terms of the Other Agreements. For the purpose of determining availability of funds, Bank may hold funds for the period of time permitted by Bank's availability disclosure.

10. Laws, Rules and Regulations.

a. Company agrees to comply with all existing and future operating procedures used by Bank for processing of transactions. Company further agrees to comply with, and be bound by, all applicable state or federal laws, rules, regulations, orders, guidelines, operating circulars and pronouncements, affecting checks and drafts and ACH transactions, including, but not limited to, all rules and procedural guidelines established by the Federal Trade Commission ("FTC"), the Board of Governors of the Federal Reserve, Electronic Check Clearing House Organization ("ECCHO") and any other clearinghouse or other organization in which Bank is a member or to which rules Bank has agreed to be bound (collectively, all such procedures, rules, and regulations, the "Rules").

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b. The Rules are incorporated herein by reference. In the event of conflict between the terms of this RDC Schedule and the Rules, the Rules will control.

11. Collection of Checks. Bank, in its sole discretion, shall determine the manner in which Images shall be presented for payment to the drawee bank. Bank, in its sole discretion, shall select the clearing agents used to collect and present the Images, and Bank's selection of the clearing agents shall be considered to have been designed by you. Bank shall not be liable for the negligence of any clearing agent. Collection of Checks are also subject to the Other Agreements.

12. Contingency Plan. You agree that, in the event you are not able to capture, balance, process, produce or transmit a File to Bank, or otherwise comply with the terms hereof for any reason, including, but not limited to, communications, equipment or software outages, interruptions or failures, you will transport the originals of all Checks to the closest office of Bank and deposit original Checks with Bank until such time that the outage, interruption or failure is identified and resolved. You hereby acknowledge and agree that Bank shall not be liable to you for any loss or damage of any nature sustained by you as the result of the inability of you to use the RDC Services. The deposit of original Checks at an office of Bank shall be governed by the terms and conditions of the Other Agreements and not by the terms of this RDC Schedule. Notwithstanding the foregoing, and to the extent applicable, the following Section of this RDC Schedule dealing with warranties shall apply to the deposit of original Checks.

13. Warranties. You represent, warrant and covenant the following to Bank:

a. Checks Deposited. You shall only deposit Checks that are authorized by this RDC Schedule, the RDC Security Procedures, and the Other Agreements;

b. No Alterations. Neither Company nor any third party has taken any action that would obscure, alter, or impair the capture or transmission of information on the front or back of the Check or that would otherwise prevent Bank or another institution from capturing or processing such information;

c. Image Quality. Each Image transmitted by you to Bank contains an accurate representation of the front and the back of each Check and complies with the requirements of this RDC Schedule;

d. Accuracy of Information. All data and other information submitted by you to Bank, including but not limited to data contained in the MICR line of each Check, is complete and accurate and complies with the requirements of this RDC Schedule;

e. Business Purpose Only. You are not a consumer, and the RDC Services shall be used for business purposes only;

f. No Duplicates. You will not: (i) create duplicate Images of the Checks, (ii) transmit a duplicate Image or File to Bank, or (iii) deposit or otherwise negotiate the original of any Check of which an Image was created. You further warrant that no subsequent transferee, including but not limited to Bank, a collecting or returning bank, drawer, drawee, payee or endorser, will be asked to pay the original Item from which the Image(s) was created or a duplication (whether paper or electronic) of the Item(s);

g. No Loss. No subsequent transferees of the Item(s), including but not limited to Bank, a collecting or returning bank, drawer, drawee, payee or endorser, shall sustain a loss as the result of the fact that the Image was presented for payment or returned instead of the original Check;

h. Information. All information provided by you to Bank is true, complete and accurate and properly reflects the business, financial condition and principal partners, owners or officers, of you. You are not engaged in, or affiliated with, any unlawful businesses, products or methods of selling;

i. Authority and Legality. (i) You are authorized to enter into, and perform your obligations under, this RDC Schedule; (ii) this RDC Schedule is valid and enforceable against you in accordance with its terms; and (iii)

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the entry into, and performance of, this RDC Schedule by you will not violate any law, or conflict with any other agreement, to which you are subject;

j. No Litigation. There is no action, suit or proceeding pending or, to your knowledge, threatened which, if decided adversely, would impair your ability to carry on its business substantially as now conducted or which would adversely affect your financial condition or operations;

k. Transactions. All Checks and your business transactions are, and will be, bona fide. All signatures on Checks are authentic and authorized;

l. Rule Compliance. You will conduct your business, and submit Checks and Files in compliance with this RDC Schedule, the RDC Security Procedures, applicable law and the Rules;

m. Computer Virus. No Files or Checks contain any computer viruses or other harmful, intrusive, or invasive codes;

n. Check Limits. No files or Checks exceed the limitations set forth in Exhibit E to the Enrollment Form for the daily deposit dollar limit.

14. Returned Checks.

a. Chargeback of Returned Checks. If Images of Checks deposited by you are dishonored or otherwise returned unpaid by the drawee bank, or are returned by a clearing agent for any reason, including, but not limited to, issues relating to the quality of the Image, you understand and agree that, since you either maintain the original Check or have destroyed the original Check in accordance with Section 6 of this RDC Schedule, the original Check will not be returned, and Bank may charge back an Image of the Check to your Account. You understand and agree that the Image may be in the form of an electronic or paper reproduction of the original Check or a substitute check. Unless otherwise instructed by Bank, you agree not to deposit the original Check if an Image or other debit as previously described is charged back to you.

b. Special Instructions. Company may request that Bank re-present returned Images of Checks to the drawee or process returned Images of Checks according to instructions provided by Company to Bank (the "Special Instructions"). These Special Instructions may be given to Bank in a separate document in conjunction with or subsequent to the execution of the Enrollment Form (in which this Master Agreement is incorporated). Bank shall not be bound by such Special Instructions until such time as Bank has agreed in writing to accept the Special Instructions. Notwithstanding the fact that Bank has agreed to accept the Special Instructions, Bank may, in its sole discretion, disregard the Special Instructions and charge the returned Check back to the Company Account to which the Checks were deposited. In the event that Company has requested that returned Images of Checks be re-presented, in no event will Bank re-present an Image of a Check or an ACH entry in excess of the limit established or permitted for the number of times that a Check or ACH entry may be re-presented by the Rules. Company may change or amend the Special Instructions by providing Bank a written request to change or amend the Special Instructions. Changes or amendments to the Special Instructions shall not become effective until acknowledged and accepted in writing by Bank. Company hereby agrees to pay Bank the fees for processing returned Checks and Special Instructions contained in Bank's then current schedule of fees for such services.

15. Confirmation: Account Reconciliation. Bank will provide notice of receipt of deposits to your Account on the periodic statement for such Account. You are responsible for detecting and reporting to Bank any discrepancy between your records and the records Bank provides to you. If you do not detect and notify Bank of such a discrepancy within thirty (30) days of your receipt of any terminal printout, mailed report, or periodic statement, whichever is received first, then such transactions shall be considered correct, and you shall be precluded from asserting such error or discrepancy against Bank.

16. Update Notice. You shall provide written notice to Bank of any changes to the information previously provided by you to Bank, including, but not limited to, any additional locations, any change in business, any new business, the identity of principals and/or owners, the form of business organization, type of goods and services provided

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and method of conducting sales. Such notice must be received by Bank within five (5) Business Days of the change. You shall provide any additional information requested by Bank within five (5) Business Days of such request. Bank retains the right to: (a) review your Checks, Files and business activities from time to time to confirm you are conducting business as stated by you, and (b) re-price or terminate the RDC Services based on changes to information previously provided to Bank by you.

17. Banks Duties and Responsibilities.

a. Bank's duties and responsibilities with regard to the RDC Services are limited to those described in this RDC Schedule or otherwise in this Master Agreement and any Other Agreements governing the Accounts. Bank will use commercially reasonable care in performing its responsibilities under this RDC Schedule.

b. You agree to monitor your Account balances and charges, to promptly notify Bank if any records conflict with your records, and to refrain from acting on information you have reason to believe is erroneous. In addition to the other limitations of Bank's liability provided in this Master Agreement, in all instances, Bank's and, if the services of a third-party provider are utilized in the provision of the RDC Services, such third party's sole liability to you shall be limited to the correction of any errors made. Bank shall not be responsible for suspension of performance of all or any of its obligations, responsibilities or covenants hereunder, whether expressed or implied, if at any time, or from time to time, compliance therewith is prevented or hindered by, or are in conflict with, any federal or state law, regulation or rule, the order of any court of competent jurisdiction, any act of God or of the public enemy, war, epidemic, strike, or work stoppages of the U.S. Postal Service and commercial carrier(s), or electric power disruption or shortage, telecommunications failure or computer failures; acts, omissions or errors of any carrier and/or agent operating between you and Bank or Bank and any Federal Reserve Bank or other agency utilized to exercise transfers or any recipients of transferred funds; any incorrect, unauthorized or fraudulent use or other fraud by any person other than Bank's employees; or, without limiting the generality of the foregoing, any other cause or circumstance beyond Bank's reasonable control or other conditions or circumstances not wholly controlled by Bank, which would prohibit, interrupt or otherwise affect Bank's complete or partial performance under this RDC Schedule.

18. RDC Security Procedures.

a. You agree that you are bound by the Security Procedures contained in Part I of this Master Agreement. In addition to the Security Procedures contained in Part I of this Master Agreement, you agree to the following (collectively, the "RDC Security Procedures"):

i. You shall be solely responsible for protecting against unauthorized access to the scanner and the RDC Services and any and all losses and damages arising from any unauthorized access to the scanner and the RDC Services including unauthorized electronic or internet access.
ii. You shall establish physical security and other security procedures necessary to ensure the confidentiality of access features as to the RDC Services.
iii. You agree that technical and operational training of your employees with respect to the RDC Services and equipment is critical to the effectiveness of the system and you agree to provide adequate training for primary and backup employees. You shall be responsible for training any employees regarding the use of the RDC Services and shall be responsible for instructing employees on the security procedures contained in this RDC Schedule.
iv. Bank may, at its sole discretion, conduct an on-site inspection, at any time and from time to time, of your place of business to ensure compliance with the provisions of this RDC Schedule.
v. Bank shall have no obligation, liability or control, either directly or indirectly over said procedures or the failure of you to maintain said procedures.

b. You agree to:

i. Take reasonable steps to safeguard the confidentiality of all passwords;
ii. Limit access to its passwords to persons who have the need to know such information;
iii. Closely and regularly monitor the activities of employees who access the RDC Services;

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iv. Prohibit your employees and agents from initiating the scanning of Images without proper supervision and adequate controls.

c. Bank recommends that different individuals handle the creation of deposit Image batches; and the approval of the Image batch for release to Bank.

d. You understand and agree that the RDC Security Procedures described in this RDC Schedule are commercially reasonable and that upon receipt of instructions following the authentication measures, Bank will treat those instructions as your instructions. Bank shall not be liable for any losses when Bank has used the authentication procedures and Bank has acted in good faith on the instructions so received.

e. Bank may suspend immediately the RDC Services or the processing of any Check or corresponding or electronic item if Bank has reason to believe that there has been a breach in the security of the RDC Services or fraud involving the Account or such Check.

f. Bank reverses the right to amend the RDC Security Procedures, with or without prior notice to you.

g. You agree to, at all times:

i. Comply with the RDC Security Procedures;
ii. Safeguard the confidentiality and security of the RDC Security Procedures and all other proprietary property or information Bank provides to you in connection with the RDC Services; and
iii. Notify Bank immediately if you have any reason to believe the security or confidentiality required by this Master Agreement or this RDC Schedule has been or may be breached.

h. You acknowledge, understand, and agree the RDC Security Procedures are not designed for the detection of errors. Bank is not, and will not be, obligated to detect errors by you or others, even if Bank takes certain actions from time to time to do so.

19. RDC End User License Agreement. This RDC Schedule applies to your use of the RDC Services and applies to your access to the RDC Services. You understand that some of the RDC Services contemplated by this RDC Schedule are provided by third parties. Bank shall not be liable for any RDC Services provided by such third parties. This RDC Schedule shall be your license to use any RDC Services provided by Bank or such third parties.

a. Bank has the right to terminate or suspend your access to or use of the RDC Services, with or without notice, in the event that you violate this RDC Schedule or close your Account.

b. The RDC Services are owned and operated by Bank or its affiliates, licensors and/or third party service providers (the “RDC Bank Parties”) and unless otherwise indicated, all designs, text, images, videos, graphics, software and other content and materials appearing in the RDC Services (collectively, “RDC Content”) are the property of Bank or the RDC Bank Parties, and protected, without limitation, by U.S. and foreign copyright, trademark and other intellectual property laws. All trademarks, service marks, trade names, logos and other indicia of origin (collectively, "RDC Marks") appearing on RDC are the property of Bank or the RDC Bank Parties. You may not make any use of any RDC Content or RDC Marks without the prior written consent of Bank. No RDC Content from RDC may be copied, reproduced, republished, uploaded, posted, transmitted, or distributed in any way.

c. In using or accessing the RDC Services you agree: (1) not to use the RDC Services for fraudulent purposes; (2) not to "spam" others or "phish" for others' personal information; (3) not to create or use a false identity; (4) not to disrupt or interfere with the security of, “deeplink”, attempt to obtain unauthorized access to or otherwise abuse, the RDC Services or affiliated or linked websites; (5) not to disrupt or interfere with any other user’s enjoyment of the RDC Services; (6) not to use, frame or utilize framing techniques to enclose any RDC Marks or other proprietary information (including RDC Content); (7) not to use meta tags or any other “hidden text” utilizing a RDC Mark ; and (8) not to use the RDC Services in a manner that is defamatory, inaccurate, profane, threatening, invasive of a person's privacy, violates any third party proprietary rights, or is in violation of any law or regulation.

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d. The RDC Services may contain links to third party websites and services, over which Bank has no control. You acknowledge and agree that Bank does not endorse, verify, or make any representations regarding these third-party websites and services and is not responsible for the availability of, and any liability arising from, any such third-party websites and services. Bank is not liable to you or any other party for any loss or damage which may be incurred by you as a result of these third-party websites and services.

e. Bank reserves the right, without notice and at its sole discretion, to suspend or terminate your ability to access or use the RDC Services, and to block or prevent future access to and use of RDC for any reason. Bank may, in its sole discretion, terminate, change, modify, suspend, make improvements to or discontinue any or all aspects of the RDC Services, temporarily or permanently, at any time with or without notice to you. You agree that Bank shall not be liable to you or to any third party for any such modification, suspension or discontinuance.

20. Equipment Maintenance. You shall be solely responsible for obtaining and properly maintaining your equipment and system requirements, electrical services, and telephone system, including computer equipment, Internet connectivity, scanning terminals (unless contracted with Bank), and any other equipment or items necessary to receive the RDC Services. Bank shall not be liable to you, in any manner whatsoever, for any type of errors, losses, damages, or other claims related to your failure to do so.

21. Confidential Information and Proprietary Right in Data. You agree to hold confidential, and to use only in connection with the RDC Services, all information furnished to you by Bank or by third parties from whom Bank has secured the right to use the RDC Services, including, but not limited to, Bank's product and service pricing structure, system design, programming techniques or other unique techniques. In addition, should you at any time receive or acquire any information relating to another customer of Bank, you shall promptly return such information to Bank and not reveal such information to any other party and shall not make use of such information for its own benefit or otherwise. Bank's and your obligations and agreements under this paragraph shall not apply to any information supplied that was known to either party prior to the disclosure by the other, is or becomes generally available to the public other than by breach of this RDC Schedule or otherwise becomes lawfully available on a non-confidential basis from a third party who is not under an obligation of confidence to either party. Notwithstanding anything to the contrary contained herein, it is understood and agreed by the parties hereto that the performance of the RDC Services is or might be subject to regulation and examination by authorized representatives of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation and/or a State regulatory agency, and you agree to the release by Bank of your reports, information, assurances and other data and information as may be required under applicable laws and regulations. You agree that any specifications or programs developed by Bank in connection with this RDC Schedule, or supplied or made available to you by Bank, are the exclusive property of Bank, its agents, suppliers or contractors, and further agrees that such material shall not be copied or used in any manner or for any purpose without the express written consent of Bank. This clause shall survive the termination of this RDC Schedule.

22. Limitation on Liability.

a. ANY PROVISION IN THIS RDC SCHEDULE, ANY OTHER AGREEMENT OR THE RULES TO THE CONTRARY NOTWITHSTANDING, AND IN ADDITION TO THE LIMITATION OF BANK'S LIABILITY OTHERWISE PROVIDED IN THIS MASTER AGREEMENT, BANK SHALL ONLY BE LIABLE FOR DAMAGES SOLELY AND PROXIMATELY CAUSED BY ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AND BANK'S LIABILITY SHALL IN NO EVENT EXCEED THE LESSER OF (i) YOUR ACTUAL DAMAGES OR (ii) THE TOTAL FEES PAID BY YOU TO BANK FOR THE RDC SERVICES FOR THE PERIOD OF SIX MONTHS IMMEDIATELY PRECEDING THE DATE OF THE ALLEGED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

b. TO THE FULLEST EXTENT ALLOWED BY LAW, AND SUBJECT TO THE FOREGOING PROVISIONS OF THIS SECTION DEALING WITH BANK'S LIABILITY FOR DAMAGES SOLELY AND PROXIMATELY CAUSED BY ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, BANK'S LIABILITY TO YOU UNDER THIS RDC SCHEDULE SHALL BE LIMITED TO CORRECTING ERRORS RESULTING FROM BANK'S FAILURE TO EXERCISE ORDINARY CARE.

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c. BANK MAKES ABSOLUTELY NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, IN LAW OR IN FACT, TO YOU OR TO ANY OTHER PERSON AS TO ANY COMPUTER HARDWARE, SOFTWARE OR EQUIPMENT IN CONNECTION WITH THE RDC SERVICES, INCLUDING, BUT NOT LIMITED TO, YOUR COMPUTER SYSTEMS OR RELATED EQUIPMENT, YOUR SOFTWARE, OR YOUR INTERNET SERVICE PROVIDER OR ITS EQUIPMENT, OR AS TO THE SUITABILITY OR COMPATIBILITY OF BANK'S SOFTWARE, INTERNET DELIVERED SERVICE, EQUIPMENT OR COMMUNICATION INTERFACES WITH THOSE THAT YOU USE, OR AS TO WHETHER ANY SOFTWARE OR INTERNET DELIVERED SERVICE WILL PERFORM IN AN UNINTERRUPTED MANNER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

d. BANK SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR FAILURES RESULTING FROM DEFECTS IN, OR MALFUNCTIONS OF, YOUR COMPUTER HARDWARE OR SOFTWARE, FOR THE QUALITY OF PERFORMANCE OR LACK OF PERFORMANCE OF ANY COMPUTER SOFTWARE OR HARDWARE OR INTERNET DELIVERED SERVICES SUPPLIED BY BANK TO YOU IN CONNECTION WITH THIS RDC SCHEDULE, OR FOR THE TRANSMISSION OR FAILURE OF TRANSMISSION OF ANY INFORMATION FROM YOU TO BANK, FROM BANK TO YOU, FROM YOU TO ANY PROCESSOR, FROM ANY PROCESSOR TO BANK, OR OTHERWISE. BANK SHALL NOT BE RESPONSIBLE FOR NOTIFYING YOU OF ANY UPGRADES OR ENHANCEMENTS TO ANY OF YOUR COMPUTER HARDWARE OR SOFTWARE. BANK IS NOT RESPONSIBLE FOR, AND YOU HEREBY RELEASES BANK FROM ANY AND ALL CLAIMS OR DAMAGES RESULTING FROM, OR RELATED TO, ANY COMPUTER VIRUS OR RELATED PROBLEMS THAT MAY BE ASSOCIATED WITH USING ELECTRONIC MAIL OR THE INTERNET.

23. Indemnification and Liability; Third Party Claims. You hereby indemnify Bank and each of its parents, subsidiaries and affiliates and their respective officers, directors, employees, members, partners, agents, insurers and attorneys (each a "Remote Deposit Indemnified Party" and, collectively, the "Remote Deposit Indemnified Parties") for, and hold each of the Remote Deposit Indemnified Parties harmless from and against, all actions, causes of action, claims, damages, liabilities and expenses (including reasonable attorneys' fees) of any nature or kind (including those by third parties) arising out of, or related to, this RDC Schedule, including all actions, causes of action, claims, damages, liabilities and expenses arising out of, related to or resulting from: (a) your (i) failure to report required changes, (ii) transmission of incorrect data to Bank, (iii) failure to maintain compliance with the Rules, (iv) destruction of original Checks, (v) deposit of an electronic representation of a substitute check into an Account instead of an original Check, (vi) deposit of a Prohibited Check; (b) Bank's (i) provision of the RDC Services, (ii) action or inaction in accordance with, or in reliance upon, any instructions or information received from any person reasonably believed by Bank to be authorized to act on your behalf; (c) your breach of any of your warranties, representations and/or obligations under this RDC Schedule or any Other Agreement between you and Bank; and/or (d) actions of third parties; provided, however, you are not obligated to indemnify Bank for any damages solely and proximately caused by Bank's gross negligence or willful misconduct.

24. Termination.

a. Without limiting the rights of Bank under Part I of this Master Agreement, this RDC Schedule shall commence upon your use of the RDC Services and remain in effect until terminated as follows: (i) by either party, with or without cause, upon at least sixty (60) days prior written notice and the return by Company of all Equipment (ii) by Bank immediately upon written notice to you if (A) Bank discovers any willful misconduct (including bad checks or fraudulent activities on the part of you or any other party with respect to the RDC Services utilized by you), (B) you fail to perform any of your obligations under this RDC Schedule, or (C) any warranty or representation you have made to Bank proves to be false or misleading; or (iv) by Bank upon the termination of Bank's license to offer the RDC Services. Notwithstanding the foregoing, Bank may immediately terminate the RDC Schedule and your access to the RDC Services without notice if, in Bank's sole discretion, Bank determines that Company has abused the RDC Services or Bank believes that it will suffer a loss or other damage if this RDC Schedule is not terminated.

b. Any termination will not affect obligations arising prior to termination, including without limitation, the obligation to process any Checks transmitted to Bank prior to termination.

c. Upon termination of this RDC Schedule, you shall promptly return the scanner (and any hardware or software associated with the Scanner) to Bank.

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d. Within thirty (30) days after termination of this RDC Schedule, you will return or destroy all copies of the RDC Documentation in your possession or under your control, and will, upon request, certify in writing that you have returned or destroyed all such copies.

e. You will keep your Account with Bank open until the later of seventy-five (75) days after the date of termination or final payment with respect to all fees and during such time will keep in such Account an amount sufficient to cover any remaining outstanding Checks. If the outstanding Checks or returned items exceed the amount in the Account, you will pay such excess to Bank upon demand. You will also continue to retain Checks and forward Checks as required under this RDC Schedule. You agree not to develop a product substantially similar to the RDC Services during the term hereof or within three (3) years after termination of this RDC Schedule.

f. All Sections of this RDC Schedule which are intended by their terms to survive termination of this RDC Schedule will survive the termination of this RDC Schedule.

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Security and Authentication Schedule

1. In addition to the terms of this Master Agreement, you acknowledge and agree that the following terms will apply with respect to your use of the Services. You must comply with the Security Procedures for the applicable Service described in this Master Agreement and/or the Enrollment Form with respect to any instructions transmitted by you to Bank for that Service. You agree and acknowledge that the Security Procedures are not the same for each Service. For example, some Services require the use of Token while others do not. You acknowledge that the purpose of such Security Procedures is for verification of authenticity and not to detect an error on the transmission or content of any instructions. No Security Procedure for the detection of any such error has been agreed upon between Bank and you. Company is solely responsible for detecting and preventing such errors. Bank shall not be responsible for any error in transmission or content of a Transfer request via the Services. Company is strictly responsible for establishing and maintaining internal procedures to safeguard against unauthorized transactions or transmissions. You acknowledge the Security Procedures established for a Service are "commercially reasonable" pursuant to Article 4A of the Uniform Commercial Code, and that you have considered these Security Procedures, weighed the risks, and wish to continue with the use of the applicable Service. If you reject any Security Procedure offered by Bank, you agree that more restrictive Security Procedures have been offered, but in light of the burden of the additional Security Procedures rejected, you have determined to utilize your own alternative security procedures selected and you assume the full risk of unauthorized access to the Services utilizing the security procedures you have selected. Regardless of any claim of unauthorized access, you will be responsible for any transaction instructions given following authentication using the Security Procedures.

2. Bank will only have an obligation to comply with the Security Procedures set forth herein or in the Enrollment Form for the applicable Service. Bank will have no liability if you or your employees disclose the Security Procedures. Any such disclosure will be treated as your consent to provide this information to that third party and provide him/her/them with access to your Account(s). If the Company believes or suspects that any such information or instructions have been accessed by unauthorized persons, Company agrees to notify Bank immediately, followed by written confirmation. The occurrence of unauthorized access will not affect any transfers or transmissions accepted in good faith by Bank pursuant to the Security Procedures prior to receipt of such notification and within a reasonable time period to prevent unauthorized transfers or transmissions. Bank has the right to suspend or cancel your Access Devices, even without receiving such notice from you, if Bank suspects that your information is being used in an unauthorized, fraudulent, or illegal way. You agree that Bank may send notices and other communications, including passcode confirmations, to the current address or email address shown in Bank's records, whether or not that address includes a designation for delivery to the attention of a particular individual. You further agree that Bank will not be responsible or liable to you in any way if information is intercepted by an unauthorized person, either in transit or at your place of business.

3. You agree that (i) Bank reserves the right to change its Security Procedures from time to time; and (ii) your continued use of the Services following notice of such changes shall constitute your acceptance of any new Security Procedures as commercially reasonable.

4. If instructions (or a request for cancellation or amendment of instructions you provided) received by Bank purports to have been transmitted or authorized by you following the Security Procedures, it will be deemed effective as your instruction (or request) and you shall be obligated to pay Bank in accordance with such instructions even though the instructions (or request) were not authorized by you, provided that Bank accepted the instructions in good faith and acted in compliance with the Security Procedures. Regardless of any claim of unauthorized access, you will be responsible for any transaction instructions given following authentication using the Security Procedures.

5. You understand that Bank: (i) may only work with any of your designated Administrators or any Authorized Signer in order to implement core changes to User access, Company accounts, and controls; and (ii) may work with any User for support assistance involving the Services.

6. The Security Procedures with regard to instructions transmitted to Bank via the Services may include the following:

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a. Company ID: the assignment of Bank of a Company identification for the Company's use of the Services.

b. Username: the assignment of an identification for the Company's User's use of the Services.

c. Password: the creation by each User of an individual user Password, which must be used in to access Business Online Banking.

d. One-time Code or Challenge Questions: the use of a one-time code or challenge questions sent to a User to verify the identity of the User for a first-time login or in the event out-of-band activity is detected by Bank's systems.

e. Dedicated Computer: the use a designated computer in the Company's office designated exclusively to access Business Online Banking. The computer shall not be used for general Internet purposes (e.g., email, visits to other web sites, including social networking sites). Computers accessing the Service should not have "computer administrative" privileges (i.e., a user with "unlimited" privileges).

f. Security Tokens: the use of a Security Token assigned to a User (in the case of a "hardware token" or "hard token") or made available to a User (in the case of a "software token" or "soft token"), which Security Token generates time sensitive codes or passwords that may be used to access the portion of the Services as required to initiate instructions to the Bank.

g. Dual Control: the use of a system whereby two individuals are required to complete a transaction. With Dual Control, a User is authorized to provide instructions to Bank. However, the instructions do not become valid until a second User provides a secondary approval to the "release" of the instructions to Bank.

We may also set limits for a Service, including but not limited to ACH, wires, remote deposit capture, and any other Services contemplated by this Master Agreement.

7. Standard Security Procedures for Services. Unless otherwise agreed to in writing between Company and Bank, the use of the username, Password, and One-time Code or Challenge Questions (if out of band activity is detected by our systems) will be required Security Procedures for all Services. In addition, unless otherwise agreed to in writing between Company and Bank, a Security Token will be required for the ACH Services and Wire Services. If Company elects to use Dual Control or Dedicated Computer as a Security Procedure, Company will elect such on the Enrollment Form .

   Because your username and Password are the principal security measures to protect access to your Account(s), you agree to keep your username and Password(s) confidential and to take all reasonable precautions to protect the secrecy of this information. You acknowledge that no person from Bank will ever ask for your Password and that our employees do not need or should not ask for your Password. You therefore agree never to provide your Password to anyone claiming to represent us. If you give your username or Password or make it available to another person, you authorize that person to access your Account(s) and to give Bank instructions relating to your Account(s). You also authorize us to comply with those instructions even if that person exceeds your authorization. Bank has no responsibility for establishing the identity of any person who uses your username and Password. You agree that you are liable for any transaction receive by Bank which includes your Password.

8. Dual Control. It is strongly recommended that you require Dual Control and authorizations for your internal functions for the ACH Services and Wire Services (i.e., more than one individual in your organization must approve the initiation of entries) to maintain a higher level of security. The decision not to use Dual Control will substantially increase your risk of unauthorized ACH entries or wire transfers, which could lead to losses. You understand and agree that Bank shall not be liable for any losses stemming in whole or in part from your decision to reject or forego Dual Control for the ACH Services or Wire Services. You understand and agree that if you decide not to use Dual Control: (i) such failure shall represent a rejection of Bank's Security Procedure; (ii) your decision not to use Dual Control in conjunction with your continued use of the ACH Services for transmittal of entries or Wire Services for the transmittal of wire transfers shall constitute the acceptance of an alternative security procedure under Uniform Commercial Code § 4A-202(c).

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9. Secure Email. Bank shall be entitled to rely on any written notice or other written communication contained in a secure email purported to be from you, which is received via Business Online Banking, and such communication shall be deemed to be authorized by you.

10. Your Authorization. Except to the extent prohibited by applicable law or regulation, you will be deemed to have expressly authorized any transaction facilitated through the Services:

    a. Initiated using your username and Password and when Bank has compiled with the Security Procedures that were agreed to between you and Bank, even if you did not initiate the transaction;

    b. Initiated by an agent or User with respect to any Account which you may access through the Services;

    c. Initiated by a member of your household, whether or not related to you;

    d. Initiated by any person (or that person's agent) who is the owner or co-owner of any Account which you may access through the Services;

    e. Which results in the transfer of funds between Accounts you may access through the Services, even if subsequent transfers out of the Accounts benefit someone else;

    f. Which is to or for your benefit (for example, the payment of a debt for which you are partially or fully liable); or

    g. Which you contend is unauthorized, unless you cooperate fully with us in our investigation of the transaction, assign to us your right of recovery against the wrongdoer if we reconstitute your Account, and cooperate fully with us in the recovery of any loss we sustain and the prosecution of any wrongdoer.

11. Discretionary Callbacks. Bank may, in its sole discretion, use callbacks to verify instructions given to Bank. **You agree that Bank's use of callbacks is not required under this Master Agreement or for any of the Services and Bank's failure to use callbacks to verify any request shall not be deemed to be a violation of the Security Procedures set forth in this Master Agreement, Enrollment Form or a Service Schedule or description.**

12. Refusal to Process. Bank, in its sole discretion, may refuse to process to abide by any instructions from you in the event: (a) Bank has a good faith belief that the instructions are not authentic; (b) the instructions are incomplete; (c) the instruction and/or identity of the User cannot be verified in the sole and absolute discretion of Bank; (d) there are insufficient collected funds in the Account to cover the instructions; or (e) any other condition or requirement for the processing of the instructions as set forth in this Master Agreement, the Other Agreements, or any funds transfer agreement between you and Bank, as amended, is unsatisfied.

13. Your Obligation to Protect Your Computers and Systems. In addition to your obligations provide in this Master Agreement, you are responsible for maintaining current software upgrades and patch management. Additionally, anti-virus, anti-malware, and anti-spyware programs and firewalls shall be maintained on all your systems, User computers, and Security Devices. Additional security may also be established by use of multi-factor authentication by Bank. You agree that Bank shall not have access to any Passwords and can only reset such Passwords. You shall be responsible for internal and external intrusion testing of your network system. You are responsible for systematic or operational risk contingency planning with regard to your network system. You are responsible for maintenance and connectivity of telecommunications with your internet service provider. In the event Bank is experiencing issues with the Service, Bank may, in its sole discretion, attempt to notify you of such issues. The risk of error, failure, or non-performance of your computers and software is your risk and includes the risk that you do not operate the computer or software properly. We make no warranty to you regarding your computers or software, including any warranty of merchantability or fitness for a particular purpose. We are not responsible for any errors or failures from any malfunction of your computer or the software nor are we responsible for any electronic virus or viruses that you may encounter. We are not responsible for any computer virus related problems that may be associated with the use of the Services. We have no liability to you for any damage or other loss, direct or consequential, which you may suffer or incur by reason of your use of your

SAMPLE

computers or software. We encourage you to routinely scan your computers and network systems using the required anti-virus, anti-spyware and anti-malware programs required to be maintained by you above, to detect and remove any viruses. Undetected or unrepaired viruses may corrupt and destroy your programs, files and even your hardware. Additionally, you may unintentionally transmit the virus to other computers. You acknowledge and understand that the Services are accessed through the Internet, which is a public system over which Bank has no control and that, accordingly, you should only use a computer or other electronic device that is in a secure location and that is used only by your Users and that your network and network hardware are secure. Except as specifically provided in this Agreement, or where applicable law requires a different result, neither we nor our service providers or other agents will be liable for any loss or liability resulting in whole or in part from any act or failure to act of your equipment or software, or that of an Internet browser provider such as Microsoft® (Internet Explorer browser) or Google® (Google Chrome® browser), by an Internet access provider, by an online service provider or by an agent or subcontractor of any of them, nor will we or our service providers or other agents be responsible for any direct, indirect, special or consequential, economic, or other damages arising in any way out of your access to or use of, or failure to obtain access to the Services.

14. **The terms of this Schedule shall be in addition to those contained in the Master Agreement and shall in no way limit the other provisions of the Master Agreement.**

SAMPLE

PRIMESOUTH BANK
Find Your Prime.

530 Memorial Drive
Waycross, GA 31501
www.primesouth.com
912-283-6685
Fax 912-283-6678

Address Service Requested

MEMBER FDIC

EQUAL HOUSING LENDER

Blackshear Branch 912-449-6685
Jesup Branch 912-427-6670
Hyde Park Commons Branch 912-264-3301
Gloucester Branch 912-265-1710
St. Simons Island Branch 912-638-7778
Altama Branch 912-265-1176
Fernandina Branch 904-432-3125

Account: 12345678
Date: 05/31/2023
Enclosures: # of Images

CUSTOMER NAME
ANY STREET
ANY CITY, STATE 00000

ACCOUNT ANALYSIS 12345678

Summary of Activity Since Your Last Statement

	Beginning Balance	First Day of Month	Opening Balance
	Deposits / Misc Credits	# of	Total Amount
	Withdrawals / Misc Debits	# of	Total Amount
**	Ending Balance	Last Business Day of Month	Amount
			Amount
	Service Charge		
	Minimum Balance		
	Enclosures		Number of Items
			Images Enclosed

Deposits & Credits

Date	Amount	Activity Description

Checks Paid

Date	Check No	Amount	Date	Check No	Amount	Date	Check No	Amount

* indicates a break in check number sequence

Withdrawals & Debits

Date	Amount	Activity Description

Daily Balance

Date	Balance	Date	Balance	Date	Balance

PRIMESOUTH BANK
Find Your Prime.

530 Memorial Drive
Waycross, GA 31501
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Gloucester Branch 912-265-1710
St. Simons Island Branch 912-638-7778
Altama Branch 912-265-1176
Fernandina Branch 904-432-3125

CHECK IMAGES INSERTED HERE

THIS FORM IS PROVIDED TO HELP YOU BALANCE YOUR STATEMENT

WITHDRAWALS OUTSTANDING
NOT CHARGED TO ACCOUNT

No.	$	
TOTAL $		

BEFORE YOU START-

PLEASE BE SURE YOU HAVE ENTERED IN YOUR REGISTER ALL AUTOMATIC TRANSACTIONS SHOWN ON THE FRONT OF YOUR STATEMENT.

YOU SHOULD HAVE ADDED IF ANY OCCURRED:
1. Loan advances.
2. Credit memos.
3. Other automatic deposits.

YOU SHOULD HAVE SUBTRACTED IF ANY OCCURRED:
1. Automatic loan payments.
2. Automatic savings transfers.
3. Service charges.
4. Debit memos.
5. Other automatic deductions and payments.

BALANCE SHOWN ON THIS STATEMENT $ _____

ADD

DEPOSITS NOT SHOWN ON THIS STATEMENT *(IFANY)* $ _____

_____

_____

TOTAL $ _____

SUBTRACT-

WITHDRAWALS OUTSTANDING $ _____

BALANCE $ _____

SHOULD AGREE WITH YOUR REGISTER BALANCE AFTER DEDUCTING SERVICE CHARGE (IF ANY) SHOWN ON THIS STATEMENT.

Please examine statement immediately and report if incorrect. If no reply is received within 60 days, the account will be considered correct.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS
FOR CONSUMER ACCOUNTS ONLY

Telephone or write us at the phone number or address located on the front of this statement as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

(1) Tell us your name and account number (if any).
(2) Describe the error or the transfer you are unsure about and explain as clearly as you can why you believe there is an error or why you need additional information.
(3) Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

YOUR LINE OF CREDIT ACCOUNTS SUMMARY OF RIGHTS IS OUTLINED BELOW.

This is a summary of your rights; a full statement of your rights and our responsibilities under the Federal Fair Credit Billing Act will be sent to you both upon request and in response to a billing error notice. The following information applies only to loans made to you under your Loan Account line of credit.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR LINE OF CREDIT ACCOUNTS

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address located on the front of this bill as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us but doing so will not preserve your rights. In your letter, give us the following information:

(1) Your name and account number.
(2) The dollar amount of the suspected error.
(3) Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are unsure about.

You do not have to pay any portion of the disputed amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. While we investigate your dispute, we cannot report you as delinquent or take any action to collect the disputed amount.

We figure a portion of the FINANCE CHARGE on your Loan Account by applying the appropriate "Daily Periodic Rate" to the appropriate portions of the "Principal" balances. We take the beginning "Principal" balance of your account each day, add any new (purchases, advances, loans) and subtract the "principal" portion of the payments or credits. This gives us the new "principal". We then apply the applicable daily periodic rate to the "principal" times the number of "days" at the new "Principal". This gives us the "Accrued Finance Charge" for each period of days in the billing cycle. To arrive at the "Finance Charge" for the billing cycle, we add all of the "Accrued Finance Charge"(s) together for the billing cycle.

The minimum periodic payment required is shown on the front of this bill. You may pay off your Credit Line Account loan balance at any time or make voluntary additional payments. Payments shall be applied, first to any unpaid **FINANCE CHARGES,** and second to the principal loan balance outstanding in your Credit Line Account. Periodic statements may be sent to you at the end of each billing cycle showing your Credit Line Account loan transactions.

Send payments and inquiries to address shown on front of bill.

NOTE: Payments received after close of business shall be deemed received on the following business day for purposes of crediting your account.

Check 21 Notification

If you request the return of your original checks, you may receive a "Substitute Check" in response. The Substitute Check is the legal equivalent of an original check and you have rights that apply when you believe, in good faith, that a Substitute Check was not properly charged to your account. Contact your branch or call the number on the front of this statement to request a Check 21 disclosure.

IntraFi | ICS® & CDARS®

PrimeSouth Bank
Find Your Prime.



SMART INVESTING

Earn Interest and Access

Multi-Million-Dollar FDIC-Insurance

© 2023 IntraFi Network LLC

WHAT ARE ICS AND CDARS?

ICS, the IntraFi Cash Service℠, and CDARS are smart, convenient ways to safeguard your large deposits.

With ICS, your funds are placed into demand deposit accounts, money market deposit accounts, or both. With CDARS, funds are placed into CDs.

With the ICS and CDARS services, you can

- Enjoy peace of mind knowing your funds are eligible for multi-million-dollar FDIC insurance
- Earn interest
- Save time by working directly with our bank
- Enjoy flexibility
- Know the amount of your deposit can be used to invest in your local community

Deposit placement through CDARS or ICS is subject to the terms, conditions, and disclosures in applicable agreements. Although deposits are placed in increments that do not exceed the FDIC standard maximum deposit insurance amount ("SMDIA") at any one destination bank, a depositor's balances at the institution that places deposits may exceed the SMDIA (e.g., before settlement for deposits or after settlement for withdrawals) or be uninsured (if the placing institution is not an insured bank). The depositor must make any necessary arrangements to protect such balances consistent with applicable law and must determine whether placement through CDARS or ICS satisfies any restrictions on its deposits. A list identifying IntraFi network banks appears at https://www.intrafi.com/network-banks. The depositor may exclude banks from eligibility to receive its funds.
IntraFi, CDARS, One Bank One Rate One Statement are registered trademarks, and the IntraFi logo and IntraFi hexagon are service marks, of IntraFi Network LLC.

WHY ICS AND CDARS?



Enjoy Peace of Mind

Make funds eligible for protection beyond $250,000 that is backed by the full faith and credit of the federal government. No one has ever lost a penny of FDIC-insured deposits.



Save Time

Work directly with us—a bank you know and trust—to access multi-million-dollar FDIC insurance, and say 'goodbye' to tracking collateral on an ongoing basis, managing multiple bank relationships, manually consolidating bank statements, and other time-consuming workarounds.

WHY ICS AND CDARS?



Enjoy Flexibility

ICS offers daily access to funds and CDARS offers multiple maturities, including 4 weeks, 13 weeks, 26 weeks, 1 year, 2 years, and 3 years.



Earn Interest

Earn one interest rate per service option or CD maturity.



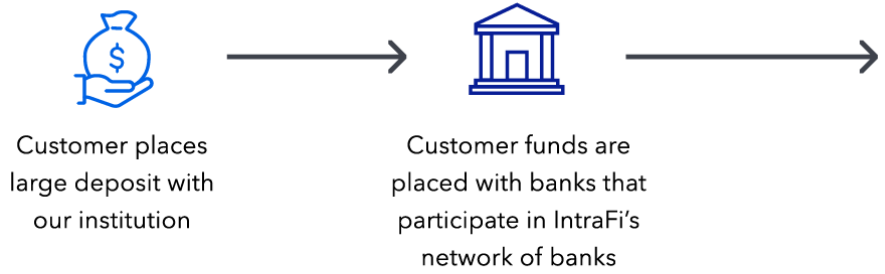
Support Your Community

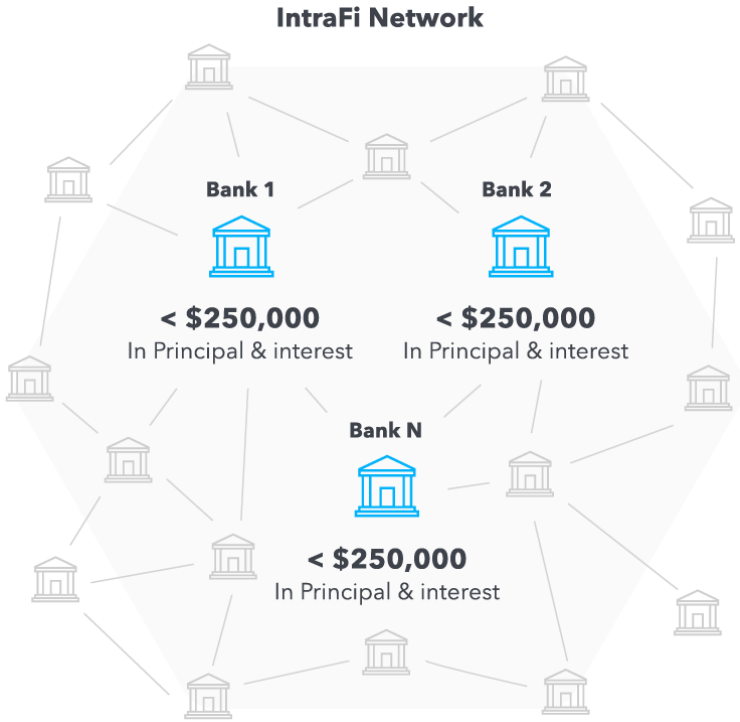
Feel good knowing that the full amount of your funds placed through ICS and/or CDARS can stay local to support lending opportunities that build a stronger community.[1]

[1] When deposited funds are exchanged on a dollar-for-dollar basis with other institutions that use ICS and/or CDARS, our bank can use the full amount of a deposit placed through ICS and/or CDARS for local lending, satisfying some depositors' local investment goals or mandates. Alternatively, with a depositor's consent, our bank may choose to receive fee income instead of deposits from other participating institutions. Under these circumstances, deposited funds would not be available for local lending.

HOW DO ICS AND CDARS WORK?

Through just one bank relationship, you can access coverage from many.





Institutions, like ours, that offer ICS and CDARS are members of the IntraFi network. When we place your funds through the ICS or CDARS service, that deposit is divided into amounts under the standard FDIC insurance maximum of $250,000. The funds are then placed in demand deposit accounts or money market deposit accounts (using ICS), or in CDs (using CDARS) at multiple banks. As a result, you can access coverage from many institutions while working directly with just one. You receive one regular statement from our bank for each service in which you participate, and, as always, your confidential information is protected.

FOLLOW THESE STRAIGHTFORWARD STEPS

ICS

1. You sign an ICS Deposit Placement Agreement and a custodial agreement with us.
2. You identify an existing transaction account (or set up a new one) to be used with ICS.
3. Your funds are placed into deposit accounts at other IntraFi network banks.[2]
4. You can check balances and see where your funds are at all times using an online tool specially developed for ICS.
5. You receive one monthly statement from us summarizing your account activity and balances across institutions.

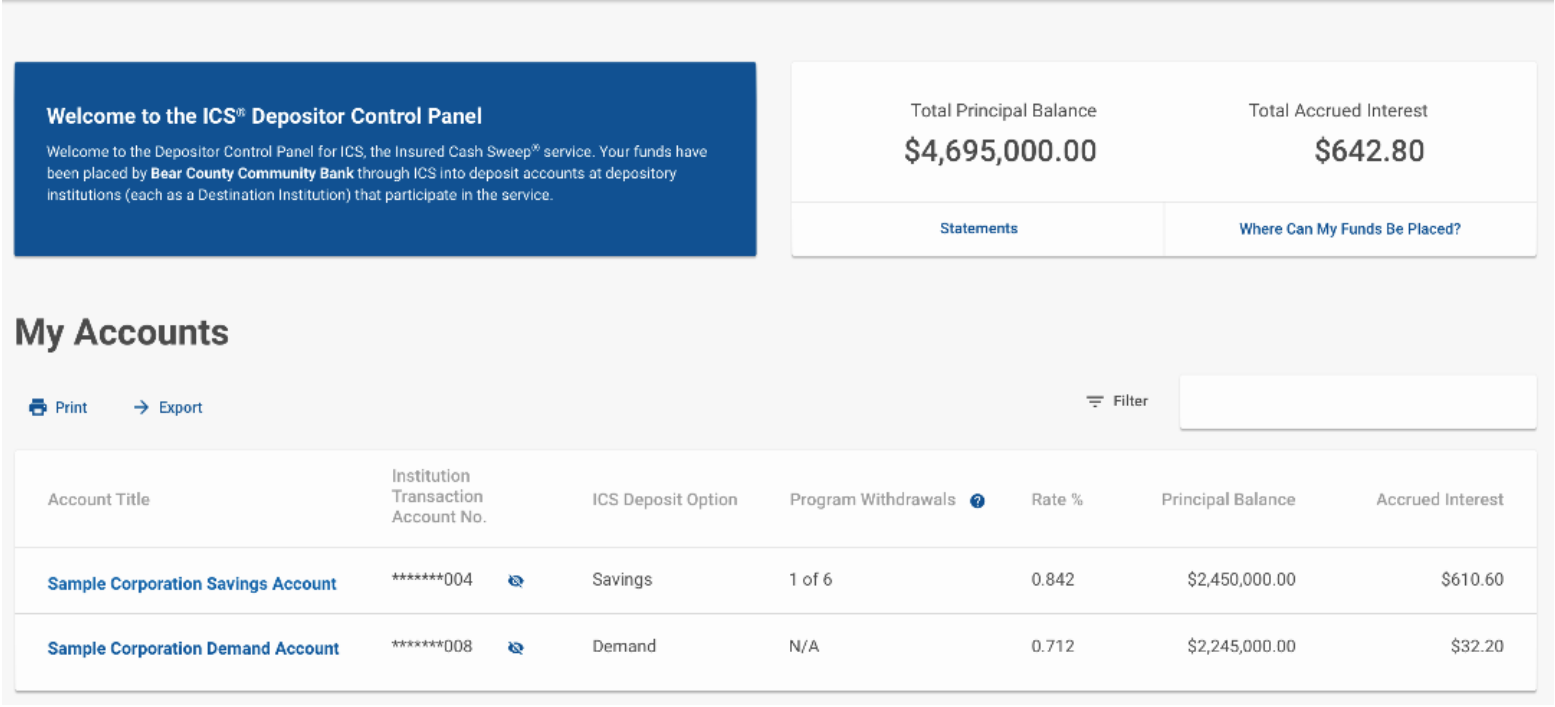
CDARS

1. You sign a CDARS Deposit Placement Agreement and a custodial agreement, and then invest money with us.
2. Your funds are placed using the CDARS service.[2]
3. Your CDs are issued by other IntraFi network banks.
4. You receive confirmation of your CDs from our bank.
5. You receive interest payments and statements from us.

[2] Funds are placed into demand deposit accounts, money market deposit accounts, or both, when using ICS and into CDs using CDARS.

UTILIZE CONVENIENT, ONLINE TOOLS

Using the Depositor Control Panel, you can check your ICS balances, view where your funds could be placed, review and manage daily proposed fund placements, track monthly program withdrawals (for placements in money market deposit accounts) and view your transaction history.



www.depositorcontrol.com

PRIMESOUTH BANK
Find Your Prime.

CALL US TODAY!

Let us know how ICS and CDARS can work for you.

Adam York | Director of Treasury Services, VP
1500 Sadler Rd Fernandina Beach FL, 32034
C: 904-465-3772
ayork@primesouth.com | www.primesouth.com

IntraFi | ICS® & CDARS®



Safe, simple cash management for government finance officers

Working directly with just our bank, government depositors can access millions in aggregate FDIC insurance across IntraFi's network of banks through a single bank relationship. Earn returns that may compare favorably with other government-backed options.

Note: A list identifying IntraFi® network banks can be found at www.IntraFi.com/network-banks. Certain conditions must be satisfied for "pass-through" FDIC deposit insurance coverage to apply.

Rest Assured

Know that your funds are eligible for millions in aggregate FDIC insurance protection across network banks that's backed by the full faith and credit of the federal government. And ICS and CDARS are not subject to floating net asset values, so you can feel secure knowing that market volatility will not negatively affect your principal.

Earn Interest

Put your funds to work. Interest rates may compare favorably to Treasuries.

Enjoy Flexible Liquidity Options

With ICS, maintain access to your funds placed in demand deposit accounts or money market demand accounts. With CDARS, select from multiple term options to help you meet your liquidity needs.

Time Savings and Transparent Reporting

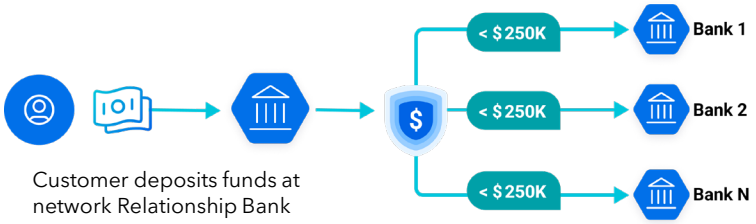
Forego the need to manage multiple bank relationships. See account balances and accrued interest, 24/7, with an online dashboard. Receive regular statements provided by our bank.

Support Your Community

Feel good knowing that the full amount of your funds placed through ICS and CDARS can stay local to support lending opportunities that build a stronger community.[1]

How Do ICS and CDARS Work?

We are members of IntraFi's network of banks. When we place your deposit through ICS and CDARS, that deposit is divided into amounts under the standard FDIC insurance maximum of $250,000. The amounts are then placed into deposit accounts at multiple, FDIC-insured banks. As a result, you can access FDIC coverage from many institutions while working directly just with us. As always, your confidential information is protected.



Customer deposits funds at network Relationship Bank

Deposits broken into increments <250K and placed at network banks

Contact Us

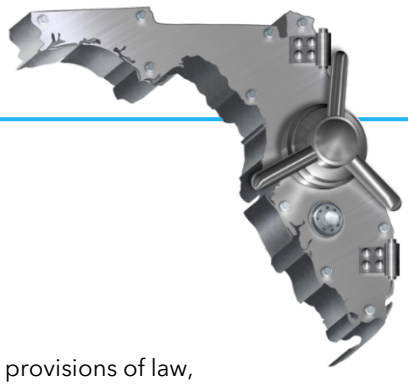
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Find Your Prime.

Adam York | Director of Treasury Services, VP
1500 Sadler Rd Fernandina Beach FL, 32034
C: 904-465-3772
ayork@primesouth.com | www.primesouth.com

[1] When deposited funds are exchanged on a dollar-for-dollar basis with other institutions that use ICS or CDARS, our bank can use the full amount of a deposit placed through ICS or CDARS for local lending, satisfying some depositors' local investment goals or mandates. Alternatively, with a depositor's consent, our bank may choose to receive fee income instead of deposits from other participating institutions. Under these circumstances, deposited funds would not be available for local lending.

Deposit placement through an IntraFi service is subject to the terms, conditions, and disclosures in the applicable agreements. Deposits that are placed through an IntraFi service at FDIC-insured banks in IntraFi's network are eligible for FDIC deposit insurance coverage at the network banks. The depositor may exclude banks from eligibility to receive its funds. To meet conditions for pass-through FDIC deposit insurance, deposit accounts at FDIC-insured banks in IntraFi's network that hold deposits placed using an IntraFi service are titled, and deposit account records are maintained, in accordance with FDIC regulations for pass-through coverage. Although deposits are placed in increments that do not exceed the FDIC standard maximum deposit insurance amount ("SMDIA") at any one bank, a depositor's balances at the institution that places deposits may exceed the SMDIA before settlement for deposits or after settlement for withdrawals. The depositor must make any necessary arrangements to protect such balances consistent with applicable law and must determine whether placement through an IntraFi service satisfies any restrictions on its deposits. IntraFi, the IntraFi logo, CDARS, IntraFi Cash Service, and ICS are registered trademarks of IntraFi LLC.

ICS and CDARS for Public Funds
in the State of Florida



Florida Statutes
Title IV. Executive Branch
Chapter 17. Chief Financial Officer
§17.57. Deposits and investments of state money.

* * *

(7) In addition to the deposits authorized under this section and notwithstanding any other provisions of law, funds that are not needed to meet the disbursement needs of the state may be deposited by the Chief Financial Officer in accordance with the following conditions:

(a) The funds are initially deposited in a qualified public depository, as defined in s. 280.02, selected by the Chief Financial Officer.
(b) The selected depository arranges for depositing the funds in financial deposit instruments insured by:
    1. The Federal Deposit Insurance Corporation in one or more federally insured banks or savings and loan associations, wherever located, for the account of the state.
    2. For credit unions designated as qualified public depositories, the National Credit Union Share Insurance Fund.
(c) The full amount of the principal and accrued interest of each financial deposit instrument is insured by the Federal Deposit Insurance Corporation or, for credit unions designated as qualified public depositories, the National Credit Union Share Insurance Fund.
(d) The selected depository acts as custodian for the state with respect to each financial deposit instrument issued for its account.

Title XIV. Taxation and Finance.
Chapter 218, Part IV.
Investment of Local Government Surplus Funds
§218.403. Definitions.

* * *

(11) "Unit of local government" means any governmental entity within the state not part of state government and shall include, but not be limited to, the following and the officers thereof: any county, municipality, school district, special district, clerk of the circuit court, sheriff, property appraiser, tax collector, supervisor of elections, authority, board, public corporations, or any other political subdivision of the state.

§218.415. Local government investment policies.

* * *

(23) Authorized Deposits. In addition to the investments authorized for local governments in subsections (16) and (17) and notwithstanding any other provisions of law, a unit of local government may deposit any portion of surplus public funds in its control or possession in accordance with the following conditions:

(a) The funds are initially deposited in a qualified public depository, as described in s. 280.02, selected by the unit of local government.
(b) The selected depository arranges for depositing the funds in financial deposit instruments insured by the Federal Deposit Insurance Corporation in one or more federally insured banks or savings and loan associations, wherever located, for the account of the unit of local government.
(c) The full amount of the principal and accrued interest of each financial deposit instrument is insured by the Federal Deposit Insurance Corporation.
(d) The selected depository acts as custodian for the unit of local government with respect to each financial deposit instrument issued for its account.

Best Deale Bank
123 Main Street
Anytown, US 12345

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Find Your Prime.

Contact Us
(555) 123-4567
contact@bestdealebank.com
www.bestdealebank.com

SAMPLE COUNTY
234 Main Street
Any City, US 56789

Account
SAMPLE COUNTY

Date
01/29/2021

CDARS® New Account Notice

Thank you for purchasing certificates of deposit. These deposits have been placed by us, as your agent and custodian, through CDARS with one or more FDIC-insured depository institutions. Per your request, your funds will be resubmitted for deposit at maturity. There is no grace period after maturity, so please advise us prior to 4:00 PM (local time) two business days before maturity if you wish to amend these instructions. If any of the following information is incorrect, or if you have any questions, please contact us using the contact information noted above.

Custom text may be added here.

Account Summary

Account ID	*******789	Principal Amount	$3,830,029.44
Effective Date	01/28/2021	Interest Rate	0.01%
Maturity Date	02/25/2021	Annual Percentage Yield	0.01%
Interest Payment Frequency	At Maturity	Old Account ID	*******345
Interest Disbursement Type	Credit to Principal		
Maturity Disbursement Type	Reinvest		
Product Term	4-Week Personal CD		

SAMPLE

Your certificates of deposit were issued by the following FDIC-insured depository institutions:

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Southstreet Community Bank	Louisville, KY	**010	$248,500.00
Winchester County Bank	Orlando, FL	**011	248,500.00
Southeast Regional Bank	Atlanta, GA	**012	248,500.00
Loring Savings Bank	Edwardsville, IL	**013	248,500.00
Calera Bank	Nashville, TN	**014	248,500.00
Port Addison Bank	Newark, OH	**015	248,500.00
Alpine National Bank and Trust	Pittsburg, PA	**016	248,500.00
First Bank of Ogdentown	Ada, OK	**017	248,500.00
Bank of North Haverbrook	Cobb, AZ	**018	102,529.44
Copper Savings and Loan	Carson City, NV	**019	248,500.00

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Member FDIC

Account ID: *******789
Account Title: **SAMPLE COUNTY**

SAMPLE

Your certificates of deposit were issued by the following FDIC-insured depository institutions:

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Niles Bank	Toledo, OH	**020	248,500.00
Rhinefield Bank and Trust	Albany, NY	**021	248,500.00
First Bank of Tiberton	St. Louis, MO	**022	248,500.00
Bear County Community Bank	High Point, NC	**023	248,500.00
Bank of Hudsonville	Richmond, VA	**024	248,500.00
Green Forrest View Savings Bank	Tampa, FL	**025	248,500.00
			$3,830,029.44

Depository institutions that you have excluded from eligibility to receive your funds through CDARS are listed below:

FDIC-Insured Institution	City/State
INNERST SAVINGS BANK	TULSA, OK
FIRST EAGLEVILLE BANK	SYRACUSE, NY
LOCKLAND BANK	SAN DIEGO, CA
CAPITAL BANK OF ST LORETTA	MESA, AZ
AMSEL BANK AND TRUST	DES MOINES, IA

Custom text may be added here.

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Member FDIC

Best Deale Bank
123 Main Street
Anytown, US 12345

PRIMESOUTH BANK
Find Your Prime.

Contact Us
1-555-123-4567
contact@bestdealebank.com
www.bestdealebank.com

Sample School District
456 Main Street
Anytown, US 56789

Account
Sample School District

Date
01/31/2021

Page
1 of 3

IntraFi® Cash Service, or ICS®, Monthly Statement

The following information is a summary of activity in your account(s) for the month of January 2021 and the list of FDIC-insured institution(s) that hold your deposits as of the date indicated. These deposits have been placed by us, as your agent and custodian, in deposit accounts through ICS. Funds in your deposit accounts at the FDIC-insured institutions at which your funds have been placed will be “deposits,” as defined by federal law.

Custom text may be added here.

Summary of Accounts

Account ID	Deposit Option	Interest Rate	Opening Balance	Ending Balance
*********123	Savings	0.15%	$4,726,287.32	$4,726,963.69
*********456	Demand	0.15%	1,738,049.65	1,738,345.38
TOTAL			**$6,464,336.97**	**$6,465,309.07**

SAMPLE

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Member FDIC

DETAILED ACCOUNT OVERVIEW

Account ID: **********123
Account Title: **Sample School District**

Account Summary - Savings

Statement Period	1/1-1/31/2021	Average Daily Balance	$4,726,371.48
Previous Period Ending Balance	$4,726,287.32	Interest Rate at End of Statement Period	0.15%
Total Program Deposits	74.33	Statement Period Yield	0.15%
Total Program Withdrawals	(0.00)	YTD Interest Paid	602.04
Interest Capitalized	602.04	YTD Taxes Withheld	0.00
Taxes Withheld	(0.00)		
Current Period Ending Balance	**$4,726,963.69**		

Account Transaction Detail

Date	Activity Type	Amount	Balance
01/05/2021	Deposit	$74.33	$4,726,361.65
01/29/2021	Interest Capitalization	602.04	4,726,963.69

Summary of Balances as of January 31, 2021

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Innerst Savings Bank	Tulsa, OK	**010	248,373.72
First Eagleville Bank	Syracuse, NY	**011	248,381.64
Lockland Bank	San Diego, CA	**012	248,378.59
Southstreet Community Bank	Boston, MA	**013	248,381.64
Winchester County Bank	Pasadena, CA	**014	248,381.64
Southeast Regional Bank	Atlanta, GA	**015	248,381.64
Loring Savings Bank	Lansing, PA	**016	248,366.78
Calera Bank	Clarksville, TN	**017	7,745.56
Port Addison Bank	Uniondale, MT	**018	248,381.64
Alpine National Bank and Trust	Dallas, TX	**019	248,381.64
First Bank of Ogdentown	Auburn Hills, NJ	**020	248,381.64
Bank of North Haverbrook	Topeka, KS	**021	248,381.64
Copper Savings and Loan	Carmel, IN	**022	248,378.64
Seashore National Bank	Pasadena, CA	**023	248,381.63
Sperry Sound Bank	Newark, OH	**024	248,381.64
Harbor Bell Savings and Trust	Birmingham, AL	**025	248,381.63
Huntingfield Bank	Winter Haven, FL	**026	248,381.64
Torrence Bank	Fairfax, VA	**027	248,381.64
Amsel Bank and Trust	Des Moines, IA	**028	248,381.43
Capital Bank of St. Loretta	Mesa, AZ	**029	248,377.67

SAMPLE

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Member FDIC

DETAILED ACCOUNT OVERVIEW

Account ID: *********456
Account Title: Sample School District

Account Summary - Demand

Statement Period	1/1-1/31/2021	Average Daily Balance	$1,738,121.53
Previous Period Ending Balance	$1,738,049.65	Interest Rate at End of Statement Period	0.15%
Total Program Deposits	74.33	Statement Period Yield	0.15%
Total Program Withdrawals	(0.00)	YTD Interest Paid	221.40
Interest Capitalized	221.40	YTD Taxes Withheld	0.00
Taxes Withheld	(0.00)		
Current Period Ending Balance	**$1,738,345.38**		

Account Transaction Detail

Date	Activity Type	Amount	Balance
01/05/2021	Deposit	$74.33	$1,738,123.98
01/29/2021	Interest Capitalization	221.40	1,738,345.38

Summary of Balances as of January 31, 2021

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Niles Bank	Charleston, SC	**030	$248,381.64
Rhinefield Bank and Trust	New York, NY	**031	248,067.61
First Bank of Tiberton	Orlando, FL	**032	248,381.64
Bear County Community Bank	High Point, NC	**033	248,381.64
Bank of Hudsonville	Rome, AR	**034	248,369.57
First Bank of Hayfield	St. Augustine, FL	**035	248,381.64
Green Forrest View Savings Bank	Minneapolis, MN	**036	248,381.64

SAMPLE

Custom text may be added here.

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City of Fernandina Beach PrimeSouth Bank Realtionship Team



Josh Mattox - Market President

I've been in the banking industry for 25+ years and throughout my career I've worked in both retail and commercial banking. Majority of my career which includes the last 20 years I've focused on commercial opportunities which included municipality. Atlantic Beach and Jacksonville Beach Fl. were the larger government entities I banked. Daily I met with clients and reviewed financials and business analysis bank statements to offer solutions to create efficiency and cost savings. I've managed commercial relationships more than $100MM in revenue all the way to a small bookstore doing less than $500K. I graduated from Valdosta State University with a degree in Finance and continued my education by graduating from Banking School at Wake Forest University.



Lisa Sanborn - Branch Manager

Lisa is a veteran banking professional with 25 years of experience in the financial services industry, specializing in retail, business, and personal banking. A lifelong resident of Fernandina Beach, she has dedicated her career to fostering deep-rooted community relationships throughout Nassau County. Including managing the banking needs for the City of Fernandina Beach and Nassau County



Adam York - Director of Treasury Sales, SVP, CTM

Adam has over 15 years banking experience with 8 years being in Treasury Services. During his time in treasury he has worked with multiple municipalities and government entities including ones in Flagler County, St Johns County, Brantley County Georgia, and Wayne County Georgia.

Right to Financial Privacy Act

Date of Board Approval: 5/14/25

Policy Statement

The Board of Directors, Senior Management, and employees of PrimeSouth Bank are fully committed to comply with all applicable provisions of Title XI of the Financial Institutions Regulatory and Interest Rate Control Act of 1978 relative to the Right To Financial Privacy Act (RFPA). In compliance with the rules and orders of RFPA, the Board of Directors, in conjunction with Senior Management, has authorized and approved the development of this policy which describes our institution's accountability with regard to its compliance with the RFPA. Further, this policy will be regularly updated whenever additional guidance is issued by the applicable Federal agencies, and standard operating procedures have been developed to ensure ongoing compliance.

Operating Procedures

Refer to Appendix A to this policy for the Bank's detailed operating procedures to ensure compliance with the RFPA.

Background

The Right to Financial Privacy Act of 1978 was enacted to establish specific procedures that government authorities must follow when requesting a customer's financial records from a bank or other financial institution. Further, it imposes duties and limitations on financial institutions prior to the release of information sought by government agencies. The RFPA generally requires that customers receive

- A written notice of the federal authority's intent to obtain financial records
- An explanation of the purpose for which the records are sought
- A statement describing procedures to follow if the customer does not wish such records or information to be made available

Certain exceptions allow for delayed notice or no customer notice at all. Prior to passage of the act, bank customers were not informed that their personal financial records were being turned over to a government authority and could not challenge government access to the records. In *United States v. Miller*, the Supreme Court held that because financial records are maintained by a financial institution, the records belong to the institution rather than the customer; therefore, the

customer has no protectable legal interest in the bank's records and cannot limit government access to those records. It was principally in response to this decision that the RFPA was enacted.

REQUIREMENTS OF RFPA

Confidentiality of Records (Government Authorities)

- With certain exceptions, a Government authority may ***not*** obtain certain information from a customer of a financial institution unless:
  - The desired records are reasonably described
  - The customer has been notified and has authorized the disclosure
  - The financial records are disclosed in response to administrative subpoena or summons that meets certain requirements
  - The financial records are disclosed in response to a search warrant that meets certain requirements
  - The financial records are disclosed in response to a judicial subpoena which meets certain requirements
  - The financial records are disclosed in response to a formal written request which meets certain specific requirements

Delayed Notice Requirements

Under certain circumstances, a government entity may request a court order delaying the customer notice for up to 90 days. This delay may be granted if the court finds that earlier notice would result in endangering the life or physical safety of any person, flight from prosecution, destruction of or tampering with evidence or intimidation of potential witnesses or would otherwise seriously jeopardize or unduly delay an investigation or official proceeding. A delayed notice of up to 90 days is also allowed for search warrants.

Confidentiality of Records (Financial Institutions)

- A financial institution may not release a customer's financial records until the government authority seeking the records certifies in writing that it has complied with the provisions of the RFPA.

- A financial institution or anyone affiliated with the institution may notify a Government authority that information is available with respect to a violation of a statute or regulation. In the event of this occurrence, the institution or individual should refer to RFPA for additional information.

- A financial institution shall not be prevented from providing copies of financial records to a court or Government authority because of perfecting a security interest, proving a bankruptcy claim, or collecting an applicable debt.

- The financial institution must maintain a record of all instances in which a customer's records are disclosed to a government authority as a result of a customer's authorization. The records must contain the following information:
  - The date
  - The name of the government authority
  - An identification of the records disclosed

The customer has a right to inspect the records in most instances.

Customer Definition

A customer is defined by the RFPA as any person or representative of that person who has used or is using any service of a bank or other financial institution, including a person for whom the institution has acted or is acting as a fiduciary in relation to an account maintained in the person's name. A person is defined as an individual or partnership of five or fewer individuals. Restrictions in the RFPA do not apply to the financial records of corporations or partnerships with six or more partners.

Customer Authorizations

- The customer may authorize disclosure if a signed and dated statement is furnished to the financial institution and the government authority and the following conditions are met:

  - The period of the disclosure does not exceed three months
  - The disclosure states that the customer may revoke the authorization any time before the records are disclosed
  - The authorization identifies the financial records to be disclosed
  - The authorization specifies the purposes for the disclosure
  - The authorization specifies the Government authority to which the disclosure is to be made
  - The authorization states the customer's rights under the RFPA

In addition, the authorization shall not be required as a condition of doing business with any financial institution.

Duty of Financial Institutions

A financial institution must begin assembling the required information upon receipt of the agency's summons or subpoena or a judicial subpoena and must be prepared to deliver the records upon receipt of the written certificate of compliance.

Exceptions to Notice and Certification Requirements

In general, exceptions to the notice and certification requirements cover situations pertinent to routine banking business, information requested by supervisory agencies, and requests subject to other statutory requirements.

- Specific exceptions include records
  - Submitted by financial institutions to any court or agency when perfecting a security interest, proving a claim in bankruptcy, or collecting a debt for itself or a fiduciary
  - Requested by a supervisory agency in connection with its supervisory, regulatory, or monetary functions, including regular examinations and any investigations relating to consumer complaints
  - Sought in accordance with procedures authorized by the Internal Revenue Code (records that are intended to be accessed by procedures authorized by the Tax Reform Act of 1976)
  - Required to be reported in accordance with any federal statute or rule promulgated thereunder, such as the Bank Secrecy Act
  - Requested by the Government Accountability Office for an authorized proceeding, investigation, examination, or audit directed at a federal agency
  - Subject to a subpoena issued in conjunction with proceedings before a grand jury, with the exception of cost reimbursement and the restricted use of grand jury information
  - Requested by a government authority subject to a lawsuit involving the bank customer; the records may be obtained under the Federal Rules of Civil and Criminal Procedure

- The act also allows financial institutions to
  - Release records that are not individually identifiable with a particular customer
  - Notify law enforcement officials if it has information relevant to a violation of the law

Exceptions to Notice Requirements But Not to Certification Requirements

In certain cases, the Act does not require the customer to be notified of the request but still requires the federal agency requesting the information to certify in writing that it has complied with all applicable provisions of the act.

- Exceptions to the notice provisions include
  - Instances in which a financial institution, rather than a customer, is being investigated
  - Requests for records incidental to the processing of a government loan, loan guaranty, loan insurance agreement, or default on a government-guaranteed or government-insured

loan. In this case, the federal agency must give the loan applicant a notice of the government's rights to access financial records when the customer initially applies for the loan. The financial institution is then required to keep a record of all disclosures made to government authorities, and the customer is entitled to inspect this record

- Instances in which the government is engaging in authorized foreign intelligence activities or the Secret Service is carrying out its protective functions

Although the Securities and Exchange Commission is covered by the act, it can obtain customer records from an institution without prior notice to the customer by obtaining an order from a U.S. district court. The agency must, however, provide the certificate of compliance to the institution along with the court order prohibiting disclosure of the fact that the documents have been obtained. The court order will set a delay-of-notification date, after which the customer will be notified by the institution that the SEC has obtained his or her records.

Cost Reimbursement

With certain exceptions, government entities must reimburse financial institutions for the cost of providing the information. This reimbursement may include costs for assembling or providing records, reproduction and transportation costs, or any other costs reasonably necessary or incurred in gathering and delivering the requested information. The Federal Reserve Board's Regulation S establishes rates and the conditions under which these payments may be made.

Civil Liability

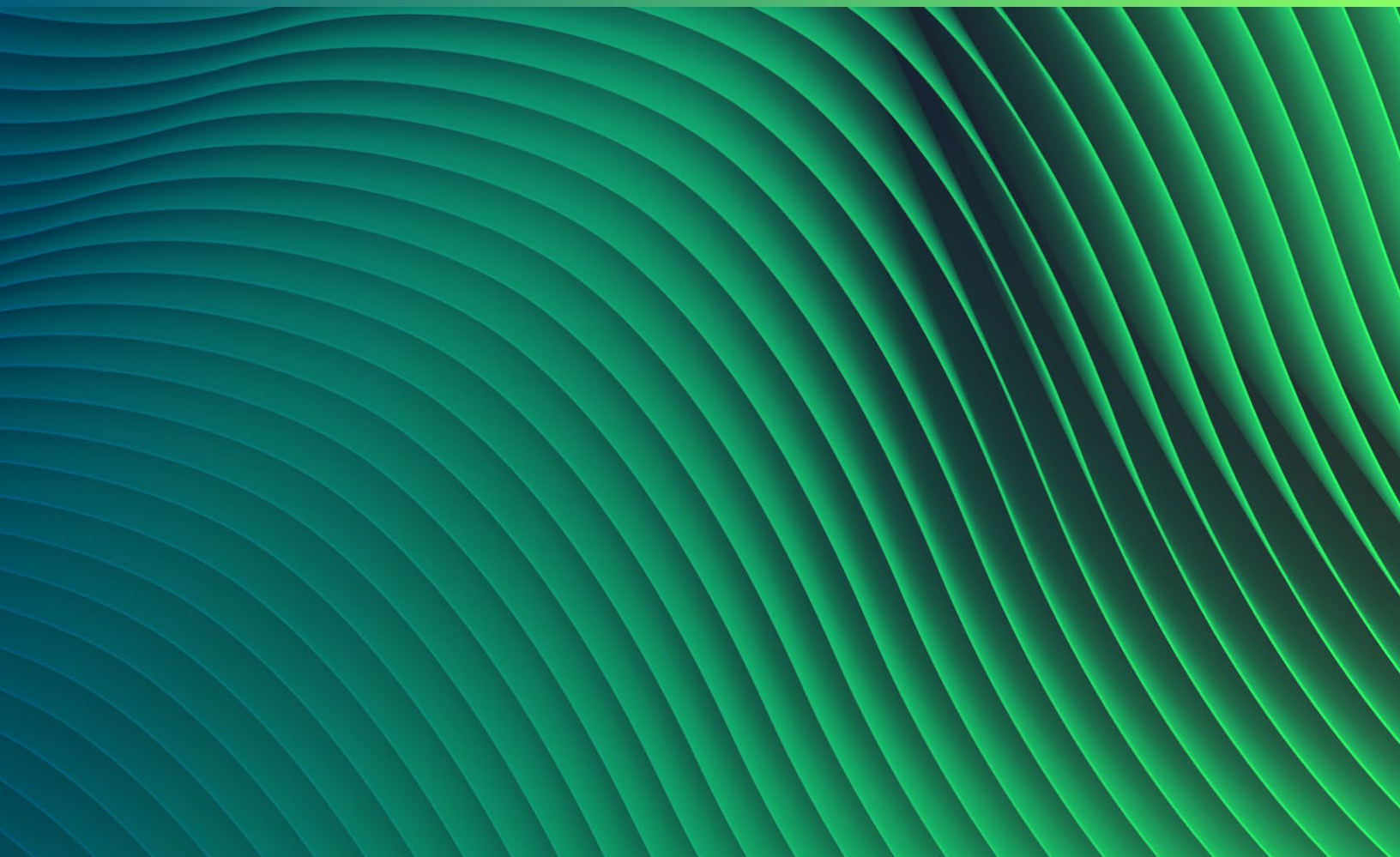
A customer may collect civil penalties from the financial institution or employee of the financial institution who discloses information in violation of the act. However, a financial institution may not be held liable to a customer for the disclosure of financial records if the institution relies in good faith on a federal agency's certification.

Record Retention

Although RFPA details no specific record-retention requirements, financial institutions should retain copies of all administrative and judicial subpoenas, search warrants, and formal written requests given to them by federal government agencies or departments along with the written certification required. A civil liabilities action may be brought up to three years after the date of the violation or the date the violation was discovered.

Digital One Business

Reports User Guide



Updated: **February 2026**

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ACCOUNTS

About Accounts

Company users can search for and view activity for deposit accounts. Search results can be downloaded.

Company users can search for transactions by account, date range, transaction type, amount (or amount range), and check serial number (or check range). If available, company users can view images of paid checks.

Search results include a running balance which company users can modify to include the next instance of a recurring transfer, scheduled bill payments, and loan payments (if applicable). Up to three different types of account balances could appear in the search results depending on what is defined by the financial institution. For instance, search results could include an account's available balance and calculated balance.

Account activity can also be accessed quickly through the Welcome page. When accessed through the Welcome page a default view of 30 days of activity (including current day) and all transaction details is provided.

Current-day Internal Transfers

When account activity search results are generated to the screen (HTML) company users are provided with a link they can use to make a current-day internal transfer. This option is available to company users who have accounts entitled to the Internal Transfer service. If multiple approvals are not required for the Internal Transfer service, then the transfer is immediately included in the account activity. If multiple approvals are required for the Internal Transfer service, the transaction is included in the account activity after the final approval is received.

Search Deposit Account Activity

1. Click **Reports > Accounts**.
2. Complete the following fields:

Output To	**Screen**, **CSV file**, **PDF**, **QIF file**, **QuickBooks®**, **Microsoft Money®**, or **Quicken®**.

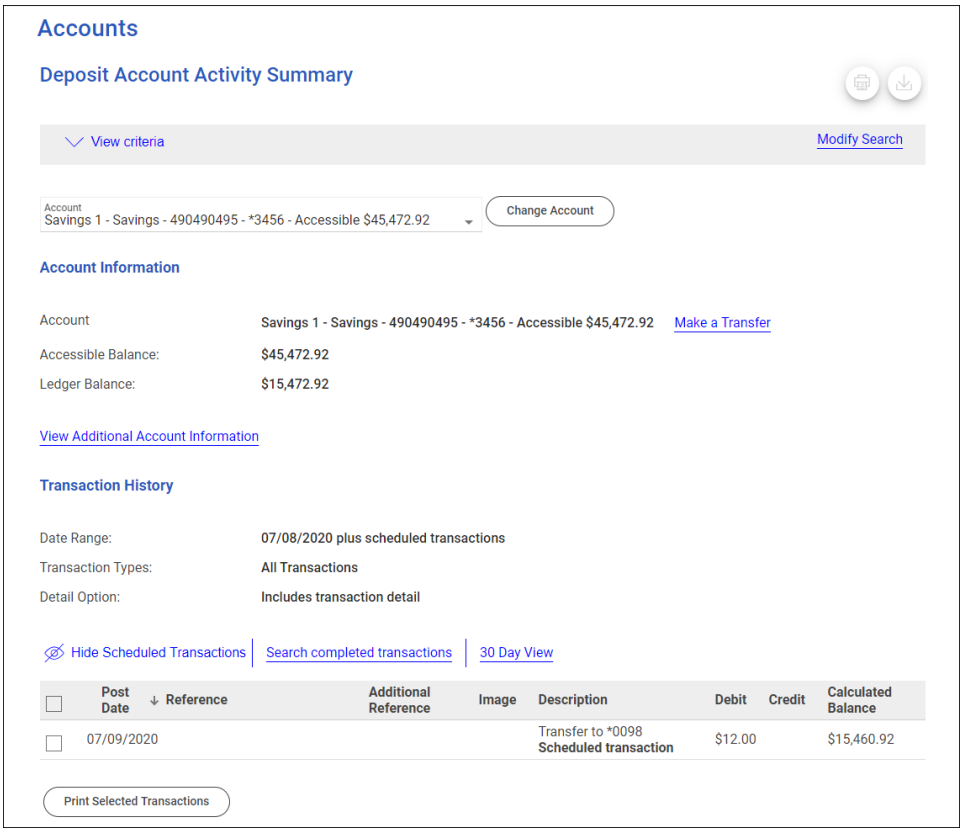
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	The **QuickBooks®**, **Microsoft Money®**, and **Quicken®** options might not be available to all company users. Custom file export formats are fixed or delimited file definitions created by users in the company.
Account	List of entitled accounts.
Date	**Specific Date**, **Date Range**, **Previous Business Day**.
Transaction Types	**Debits**, **Credits**, **Checks**.
Amount (Optional)	**Exact Amount** or **Range**. If a decimal is not entered, the amount is interpreted as a whole dollar.
Check Serial Number	**Exact Number** or **Range from/to**
Detail Option	**Include transaction detail**

3. Click **Search**.

Deposit Account Activity Summary Page Sample



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Search for Completed Transactions

Search for transactions that have been fully processed

1. Complete the Search Deposit Account Activity task.
2. Click the **Search completed transactions** link.
3. Complete the following fields:

Date	**Specific Date** or **Date Range**
Transaction Types	**Debits**, **Credits**, **Checks**.

4. Click **Search**.

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DEPOSIT ACCOUNT REPORTING

About Deposit Account Reporting

Deposit Account Reporting provides company users with multiple ways by which to search for and view account activity and balances. Search results can be downloaded.

Company users can search for transactions by multiple accounts, date range, transaction type, amount (or amount range), and check serial number (or check range). If available, company users can view images of paid checks.

Deposit account activity can also be accessed quickly through the Welcome page. When accessed through the Welcome page a default view that includes the previous and current day's transactions with all transaction details is provided.

Activity search results include a running balance which company users can modify to include the next instance of a recurring transfer, scheduled bill payments, and loan payments (if applicable). Transactions that have not posted can be manually added for better forecasting of account balances. If enabled, company users can save searches they perform regularly and set up the system to run the searches automatically and send the results through FTP.

Current-day Internal Transfers

When account activity search results are generated to the screen (HTML) company users are provided with a link they can use to make a current-day internal transfer. This option is available to company users who have accounts entitled to the Internal Transfer service. If multiple approvals are not required for the Internal Transfer service, then the transfer is immediately included in the account activity. If multiple approvals are required for the Internal Transfer service, the transaction is included in the account activity after the final approval is received.

Activity

Search Deposit Account Activity

1. Click **Reports > Deposit Account Reporting > Activity**.
2. Complete the following fields:

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Output To	**Screen**, **BAI2 file**, **CSV file**, **CSV file - all fields**, **PDF**, **QIF file**, **Microsoft Money® file**, **QuickBooks®**, **Quicken®**, or a custom file export format. The CSV file - all fields option allows company users to download all information including information in the **Additional Reference** column. The **QuickBooks®**, **Microsoft Money® file**, and **Quicken®** options might not be available to all company users. Custom file export formats are fixed or delimited file definitions created by users in the company.	
Account	List of entitled accounts.	
Date	**Specific Date**, **Date Range**, or **Previous Business Day**.	
Transaction Types	**All Transactions**	Includes all debit and credit transactions.
	All Credits	All deposits, ACH credits, wire credits, and/or other credits.
	All Debits	All checks, ACH debits, wire debits, and/or other debits.
	Selected Groups	**Deposits**, **ACH Credits**, **Wire Credits**, **Other Credits**, **Checks**, **ACH Debits**, **Wire Debits**, or **Other Debits**.
	Transaction Codes	**All Codes**, **Deposits**, **ACH Credits**, **Wire Credits**, **Other Credits**, **Checks**, **ACH Debits**, **Wire Debits**, **Other Debits**. If **All Codes** is selected, click the **Transaction Codes** drop-down and select one or more codes.

3. **Optional:** Click the **Show Advanced Options** link to search for specific transactions and customize how the search results are displayed. Advanced options are only available when one account is selected.

   a. Complete the **Display Options** fields:

   Account Sort. Determines how the search results are sorted; specifically: **Account number**, **Description**, **ABA number and account number**, or **ABA number and description**.

   Include. **Transaction detail**, **Subtotals for selected transaction groups,** and/or **Totals by day for the selected date range.**

   b. **Optional:** Complete the **Advanced Search Options** fields:

   Amount. **Exact Amount** or **Range**. If a decimal is not entered, the amount is interpreted as a whole dollar.

   Check Serial Number. **Exact Number** or **Range**.

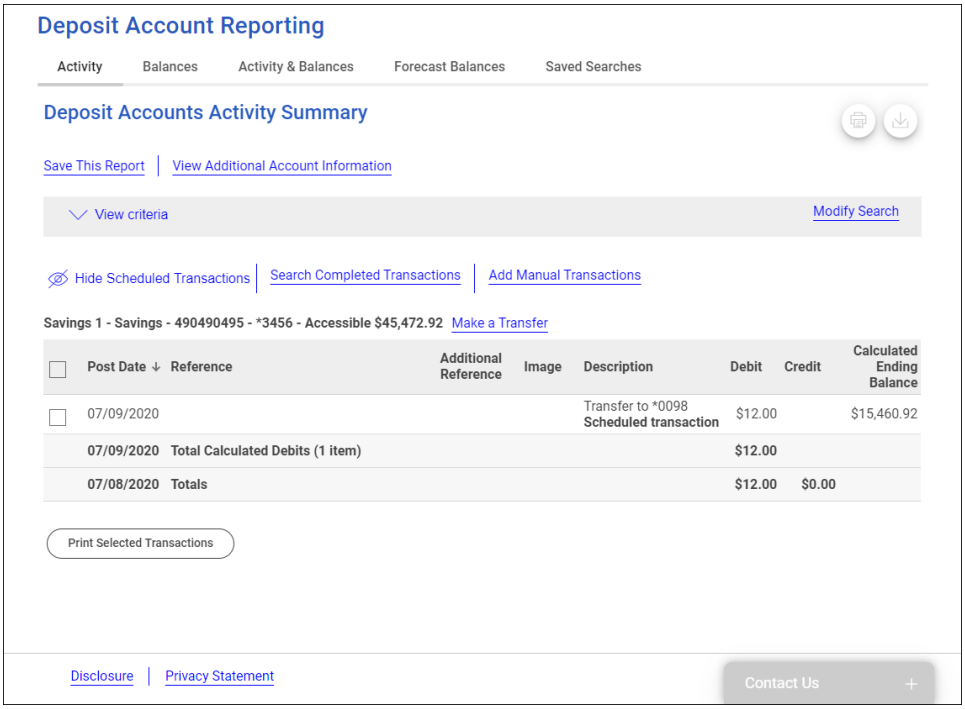
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Description Search for transactions by their descriptions.

4. Click **Generate Report**.

Deposit Accounts Activity Summary Page Sample



View Multiple Check Images

1. Complete the Search Deposit Account Activity task.
2. Select each image you want to view and then click **View Selected Images**.

Add Transactions Manually

Manually include transactions that have not posted to an account to better forecast an account's balance. Transactions can be included singly or collectively by row for a selected account. Manually entered transactions are saved until the expected post date or until they are manually removed.

1. Complete the Search Deposit Account Activity task.
2. Click the **Add Manual Transactions** link.
3. Complete the following **Transaction Details**:

Account The account used in the transaction.

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Expected Post Date	The date on which you expect the transaction to post. Current or future dates are allowed.
Amount	The amount of the transaction.
Type	**Debit** or **Credit**.
Reference (optional)	Reference information associated with the transaction.
Description (optional)	Text describing the transaction.

a. **Optional:** Click the **Add additional entry row** to add more transactions.

4. Click **Save Entries**.

Search for Completed Transactions

1. Complete the Search Deposit Account Activity task.
2. Click the **Search Completed Transactions** link.
3. Complete the following fields:

Date	**Specific Date** or **Date Range**	
Transaction Types	**All Transactions**	All debit and credit transactions.
	All Credits	All deposits, ACH credits, wire credits, and/or other credits.
	All Debits	All Checks, ACH debits, wire debits, and/or other debits.
	Selected groups	**Credit groups: Deposits**, **ACH credits**, **Wire credits**, **Other credits**. **Debit groups: Checks**, **ACH debits**, **Wire debits**, **Other debits**.

4. Click **Search**.

Search Deposit Account Activity & Balances

1. Click **Reports > Deposit Account Reporting > Activity & Balances**.
2. Complete the following fields:

Output To	**Screen**, **BAI2 file**, **CSV file**, **CSV file - all fields**, **PDF**, **QIF file**, **QuickBooks®**, **Quicken®**, or a custom file export format. The CSV file - all fields allows company users to download all information including information in the **Additional Reference** column.

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	The **QuickBooks®** and **Quicken®** options might not be available to all company users. Custom file export formats are fixed or delimited file definitions created by users in the company.	
Account	List of entitled accounts.	
Date	**Specific Date**, **Date Range**, **Previous Business Day**, or **Since Last Download** (for QuickBooks®).	
Transaction Types	**All Transactions**	Includes all debit and credit transactions.
	All Credits	All deposits, ACH credits, wire credits, and/or other credits.
	All Debits	All checks, ACH debits, wire debits, and/or other debits.
	Selected Groups	**Deposits**, **ACH Credits**, **Wire Credits**, **Other Credits**. **Checks**, **ACH Debits**, **Wire Debits**, **Other Debits**.
	Transaction Codes	Select one or more codes (up to 25).

3. **Optional:** Click the **Show Advanced Options** link to search for specific transactions and customize how the search results are displayed. Advanced search options can be used when only one account is selected.

   a. Complete the **Display Options** fields:

      Account Sort. How the search results are sorted: **Account number**, **Description**, **ABA number and account number**, or **ABA and description**.

      Include. **Transaction detail**, **Subtotals for selected transaction groups**, and/or **Totals by day for the selected date range**.

   b. **Optional:** Select **Total summary information by day for the selected date range**. Include summary balance information for each day of your selected date range.

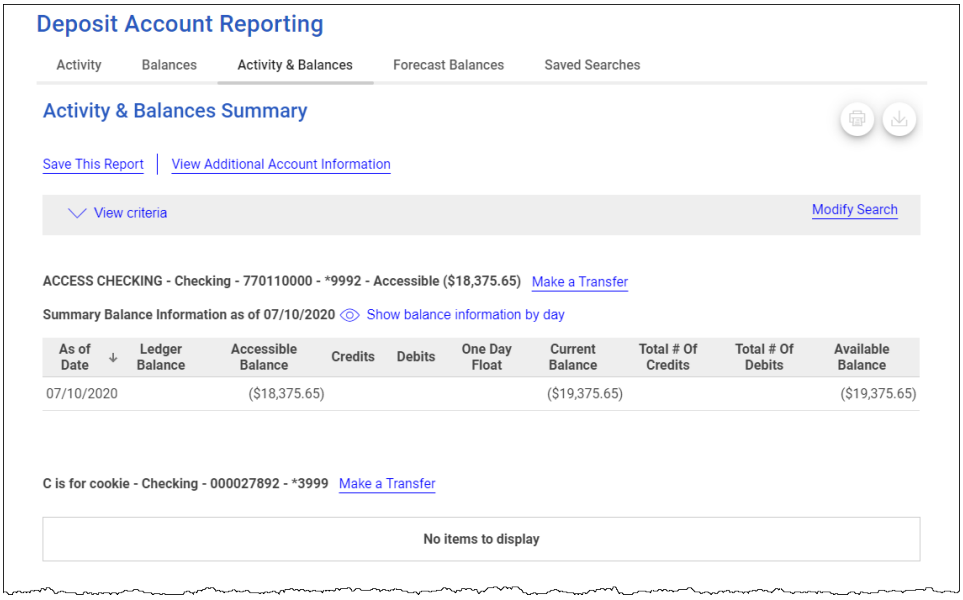
      Summary Information. Summary information based on financial institution-selected BAI codes.

4. Click **Search**.

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Activity & Balances Page Sample



Balances

Search Deposit Account Balances

Search for and view summarized information and balances for one or more accounts for a selected date or date range.

1. Click **Reports > Deposit Account Reporting > Balances**.
2. Complete the following fields:

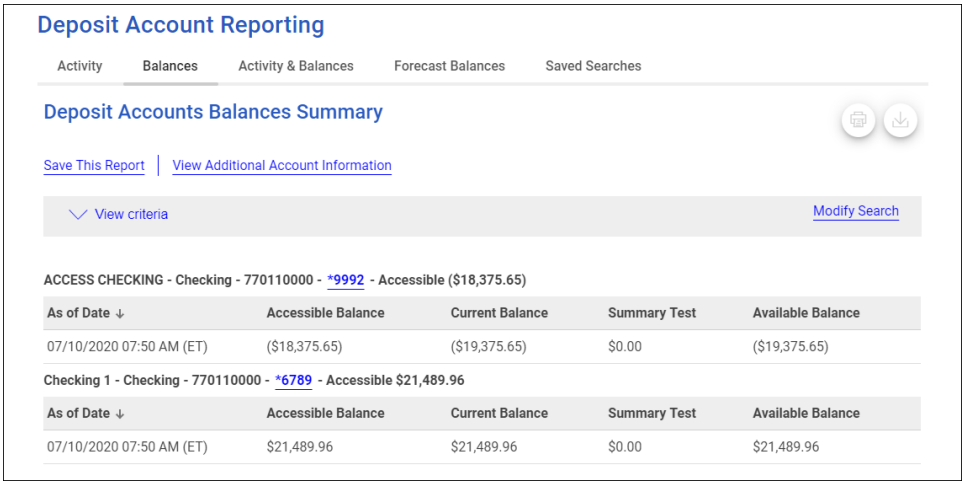
Output To	**Screen**, **BAI2 file**, **CSV file**, **PDF**, or a custom file export format.
Account	List of entitled accounts.
Date	**Specific Date**, **Date Range**, **Previous Business Day**.
Account Sort	**Account number**, **Description**, **ABA number and account number**, or **ABA number and description**.
Summary Information	**All Information** or **Specific Information** (summary information based on financial institution-selected BAI codes)

3. Click **Search**.

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Deposit Account Balances Page Sample



Forecast Deposit Account Balances

View total balances of multiple accounts by date. Manual and scheduled transactions can be included for better forecasting of account balances.

1. Click **Reports > Deposit Account Reporting > Forecast Balances**.
2. Complete the following fields:

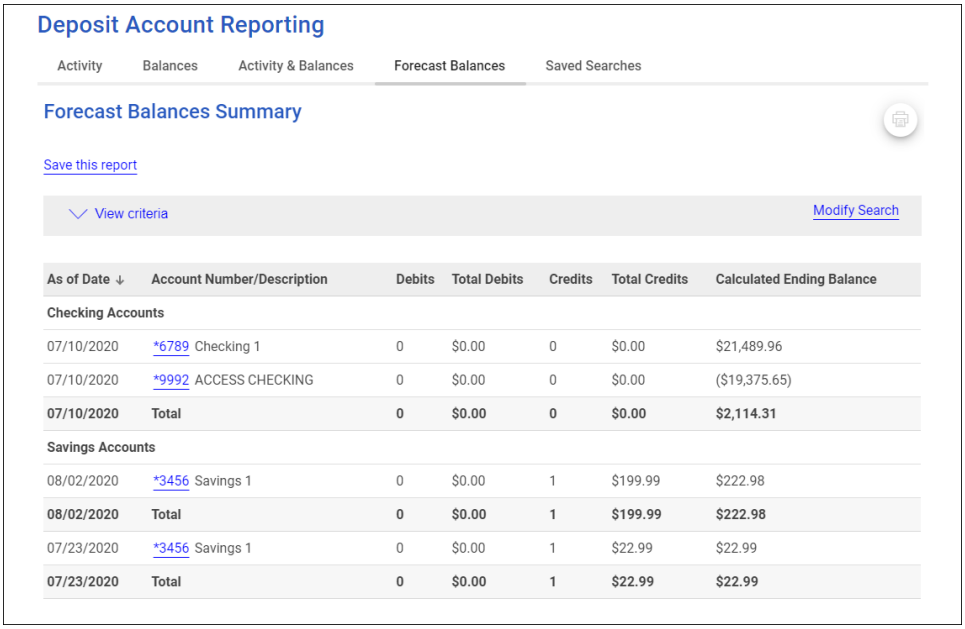
Output To	**Screen**, **BAI2 file**, **CSV file**, **PDF**, or a custom file export format.
Account	List of entitled accounts.
Date	**Specific Date** or **Date Range**.
Calculate balance by	**Current Balance**, **Ledger Balance**, or **Accessible Balance**. Use the current or ledger balance to include scheduled or manually entered transactions.
Show Scheduled Transactions	Include scheduled transactions.
Show Manually Entered Transactions	Include transactions that have not posted.

3. Click **Search**.

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Forecast Balances Summary Page Sample



Deposit Account Reporting

Activity | Balances | Activity & Balances | Forecast Balances | Saved Searches

Forecast Balances Summary

Save this report

View criteria — Modify Search

As of Date	Account Number/Description	Debits	Total Debits	Credits	Total Credits	Calculated Ending Balance
Checking Accounts						
07/10/2020	*6789 Checking 1	0	$0.00	0	$0.00	$21,489.96
07/10/2020	*9992 ACCESS CHECKING	0	$0.00	0	$0.00	($19,375.65)
07/10/2020	**Total**	**0**	**$0.00**	**0**	**$0.00**	**$2,114.31**
Savings Accounts						
08/02/2020	*3456 Savings 1	0	$0.00	1	$199.99	$222.98
08/02/2020	**Total**	**0**	**$0.00**	**1**	**$199.99**	**$222.98**
07/23/2020	*3456 Savings 1	0	$0.00	1	$22.99	$22.99
07/23/2020	**Total**	**0**	**$0.00**	**1**	**$22.99**	**$22.99**

Saved Searches

Save Deposit Account Activity/Balance Searches

1. Complete one of the following tasks:
   - Search Deposit Account Activity
   - Search Deposit Account Activity & Balances
   - Search Deposit Account Balances
   - Forecast Deposit Account Balances

   Ensure **Output To** is set to **Screen**.
2. Click the **Save this report** link.
3. Complete the following fields:

Report Name	A name for the search (up to 40 alphanumeric characters).
Date Range	**Display information for the selected date range** or **Display the future days worth of information**. If applicable, type the number of days into the **Future Days** field.

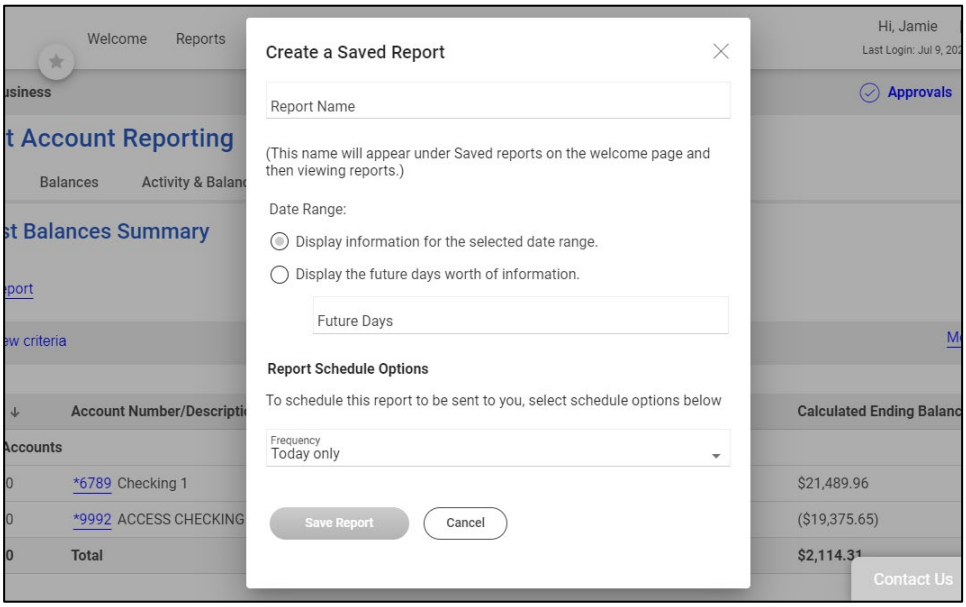
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Frequency	**Today only**, **Daily**, **Weekly**, **Twice a month - the 15th and last day of the month**, **Monthly**, or **Monthly - last day of the month**.
Next Send On	The date you want the first search results sent to you.
End on	This is last date on which the search results are sent to you: **Continue indefinitely**, **Continue until this date**, or **Continue for this many occurrences**. If applicable, type a number into the **Occurrences** field.
Processing Options	Determines when the search results are sent when a chosen date falls on a non-processing date such as a holiday. Select **Use the next processing date if a scheduled request falls on a non-processing date** or **Use the previous processing date if a scheduled request falls on a non-processing date**.

4. Click **Save Report**.

Create a Saved Report Page Sample



Rename Saved Deposit Account Activity/Balance Searches

1. Click **Welcome** and then click the edit icon ( ) beside the **Saved Reports** heading.
2. Type the new name (up to 40 alphanumeric characters) into the text field and then click **Update**.

Delete Saved Deposit Account Activity/Balance Searches

1. Click **Welcome** and then click the edit icon ( ) beside the **Saved Reports** heading.

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2. Click the delete icon ( ) beside the report.
3. Click **Update**.

File Export

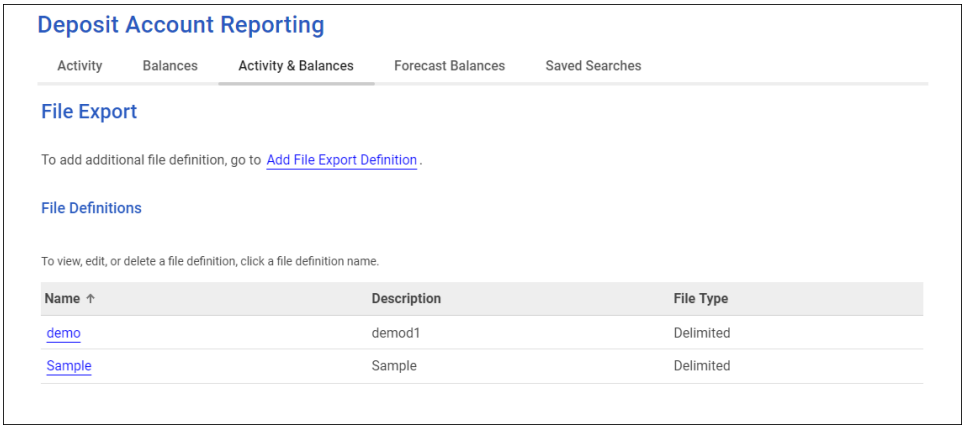
About Custom File Export Formats

Deposit account activity can be exported from Digital One Business using custom delimited or fixed file export definitions which outline the format for the data.

A delimited file is a flat text file consisting of data items separated by a specific character. A fixed file is a text file consisting of data that have specific lengths and positions.

File export definitions are not user ID specific. When a user in a company creates a file export definition it is available to all other users in that company.

File Export Page Sample



Create a Custom File Export Definition

Custom file export definitions can be created through various pages.

1. Do one of the following:
   - Click **Reports > Deposit Account Reporting > Activity**.
   - Click **Reports > Deposit Account Reporting > Balances**.
   - Click **Reports > Deposit Account Reporting > Activity & Balances**.

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- Click **Reports > Deposit Account Reporting > Forecast Balances**.

2. Click the **File Export** link.
3. Click the **Add File Export Definition** link.
4. Complete the following fields:

Definition Name	The name of the definition (up to 20 alphanumeric characters). The name cannot be changed once the file export definition is saved.
Description	Information about the definition (up to 20 alphanumeric characters).
File Type	**Fixed**. A file where a field's length is the same in each record. **Delimited**. A flat text file consisting of data items separated by a field delimiter character such as a comma.
Field Delimiter	For delimited files. The character used to separate the data: comma (,), dash (-), semi-colon (;), or Tab.

5. Click **Continue**.
6. Do one of the following:

   - For delimited file definitions, type the numeric order of the fields in the **Position** fields as you want them to appear in the exported file. For example, if the first field in your file is **ABA/TRC** and the second field is **Account Number**, those would be listed as number 1 and number 2 to export.

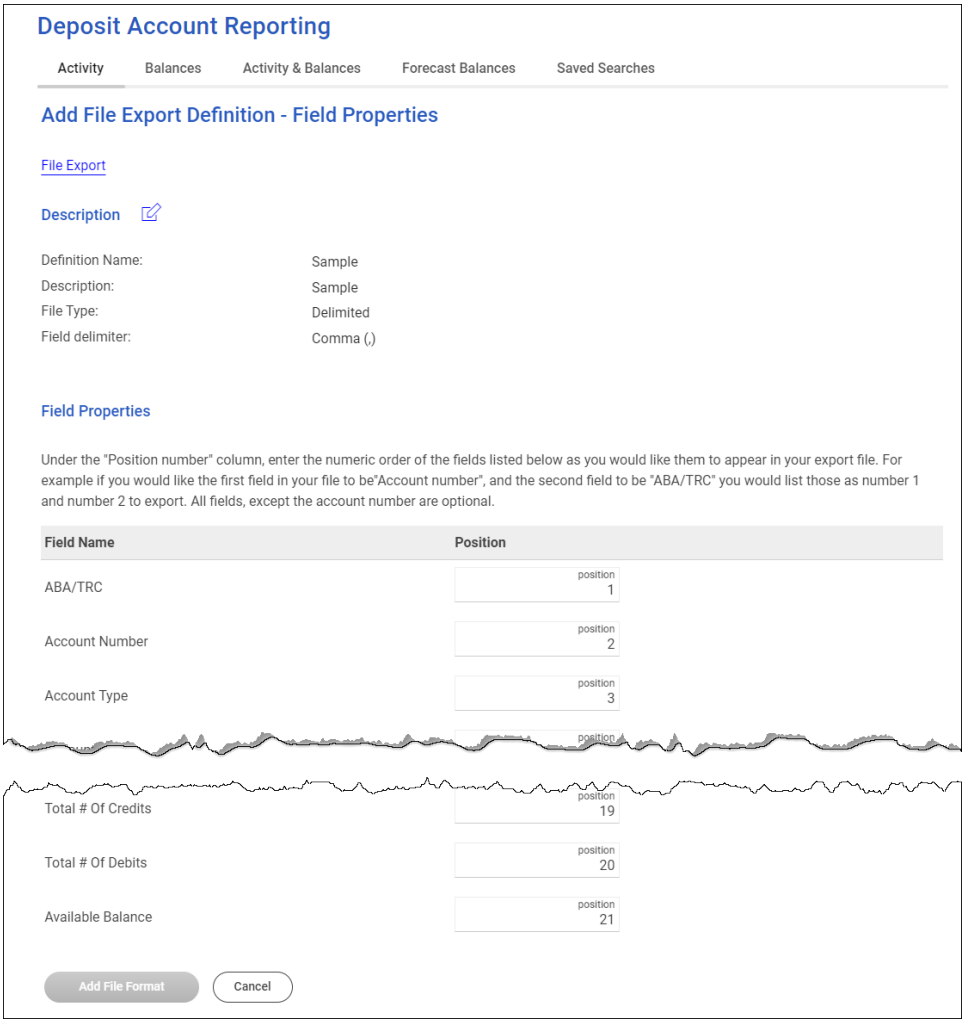
   - For fixed file definitions, type the appropriate start and end positions into the **Position Number** fields.

7. Click **Add File Format**.

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Add File Export Definition - Field Properties Page Sample



Change a Custom File Export Definition

The description, field delimiter, and field positions in a custom file definition can be changed. The file definition name and type cannot be changed.

1. Do one of the following:
   - Click **Reports > Deposit Account Reporting > Activity**.
   - Click **Reports > Deposit Account Reporting > Balances**.
   - Click **Reports > Deposit Account Reporting > Activity & Balances**.

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- Click **Reports > Deposit Account Reporting > Forecast Balances**.

2. Click the **File Export** link.
3. Click the link in the **Name** column of the file definition you want to change.
4. Do one or more of the following:
   - Click the edit icon ( ) beside the **Description** heading to change the **Description** and/or **Field Delimiter** (for delimited files only).
   - Click the edit icon ( ) beside the **Field Properties** heading to change the **Position** numbers.
5. Click **Save Changes**.

Delete a Custom File Export Definition

File export definitions cannot be recovered once they are deleted.

1. Do one of the following:
   - Click **Reports > Deposit Account Reporting > Activity**.
   - Click **Reports > Deposit Account Reporting > Balances**.
   - Click **Reports > Deposit Account Reporting > Activity & Balances**.
   - Click **Reports > Deposit Account Reporting > Forecast Balances**.
2. Click the **File Export** link.
3. Click the link in the **Name** column of the file definition you want to change.
4. Click the delete icon ( ) beside the **Description** heading.
5. Verify that the file export definition is the one you want to delete and then click **Delete This Definition**.

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DEPOSIT REPORTING

About Deposit Reporting

Deposit Reporting provides company users with ways by which to search for and view account activity and balances. Search results can be downloaded.

Company users can search for transactions by multiple accounts, date range, transaction type, amount (or amount range), and check serial number (or check range). If available, company users can view images of paid checks.

Account activity can also be accessed quickly through the Welcome page. When accessed through the Welcome page a default view of 14 days of activity (including current day) and all transaction details is provided.

Current-day Internal Transfers

When account activity search results are generated to the screen (HTML) company users are provided with a link they can use to make a current-day internal transfer. This option is available to company users who have accounts entitled to the Internal Transfer service. If multiple approvals are not required for the Internal Transfer service, then the transfer is immediately included in the account activity. If multiple approvals are required for the Internal Transfer service, the transaction is included in the account activity after the final approval is received.

Activity

Search Deposit Account Activity

1. Click **Reports > Deposit Reporting > Activity**.
2. Complete the following fields:

Output To	**Screen**, **CSV file**, **CSV file - all fields**, **Microsoft Money® file**, **PDF**, **QIF file**, **QuickBooks®**, or **Quicken®**. CSV file - all fields allows company users to download all information including information in the **Additional Reference** column. The **Microsoft Money®**, **QuickBooks®**, and **Quicken®** options might not be available to all company users. Custom file export formats are fixed or delimited file definitions created by users in the company.

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Account	List of entitled accounts.	
Date	**Specific Date**, **Date Range**, **Previous Business Day** or **Since last download** (for QuickBooks®).	
Transaction Types	**All Transactions**	Includes all debit and credit transactions.
	All Credits	All deposits, ACH credits, wire credits, and/or other credits.
	All Debits	All checks, ACH debits, Wire debits, and/or other debits.
	Selected Groups	**Select All**, **Deposits**, **ACH Credits**, **Wire Credits**, **Other Credits**, **Checks**, **ACH Debits**, **Wire Debits**, or **Other Debits**.

3. **Optional:** Click the **Show Advanced Options** link to search for specific transactions and customize how the search results are displayed. Advanced options are only available when one account is selected.

   a. Complete the **Display Options** fields:

   Account Sort. How the search results are sorted: **Account number**, **Description**, **ABA number and account number**, or **ABA and description**.

   Include. **Transaction detail** and/or **Subtotals for selected transaction groups**

   b. **Optional:** Complete the **Advanced Search Options** fields:

   Amount. Exact Amount or **Range.** Enter the **Amount** or **Minimum** and **Maximum**. If a decimal is not entered, the amount is interpreted as a whole dollar.

   Check Serial Number. **Exact Number** or **Range**. Enter the check number into the **Number** field or the range of check numbers into the **Minimum** and **Maximum** fields.

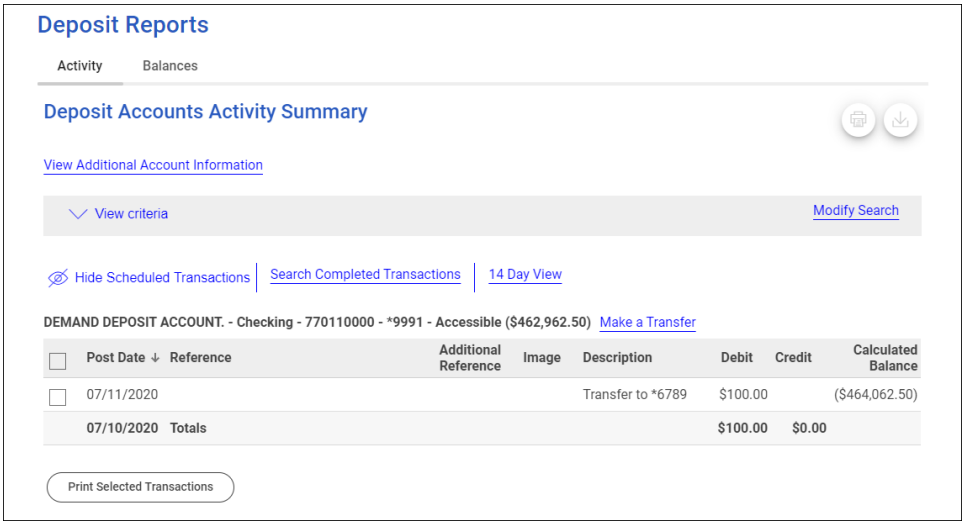
   Description. Search for transactions by their descriptions.

4. Click **Search**.

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Deposit Accounts Activity Page Sample



Search for Completed Transactions

1. Complete the Search Deposit Account Activity task.
2. Click the **Search Completed Transactions** link.
3. Complete the following fields:

Date	**Specific Date** or **Date Range**
Transaction Types	**All Transactions**. All debit and credit transactions. **All Credits**. All deposits, ACH credits, wire credits, and/or other credits. **All Debits**. All checks, ACH debits, wire debits, and/or other debits. Selected Groups. **Select All**, **Deposits**, **ACH Credits**, **Wire Credits**, **Other Credits**, **Checks**, **ACH Debits**, **Wire Debits**, and/or **Other Debits**.

4. Click **Search**.

Balances

Search Deposit Account Balances

Search for and view summarized information and balances for one or more accounts for a selected date or date range.

1. Click **Reports > Deposit Reporting > Balances**.

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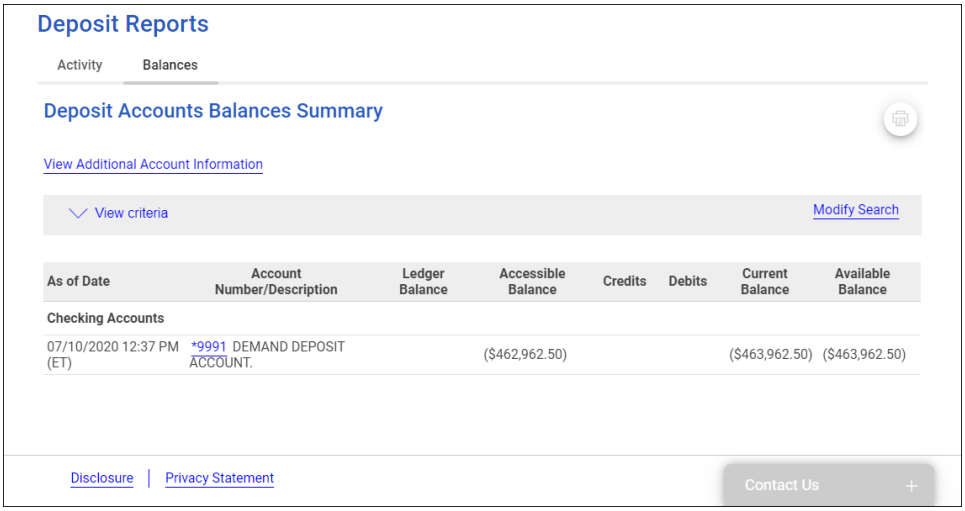
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2. Complete the following fields:

Account	List of entitled accounts.
Date	**Specific Date**, **Date Range**, or **Previous Business Day**.
Account Sort	**Account number**, **Description**, **ABA number and account number**, **ABA number and description**.

3. Click **Search**.

Deposit Accounts Balances Summary Page Sample



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CHECK IMAGING

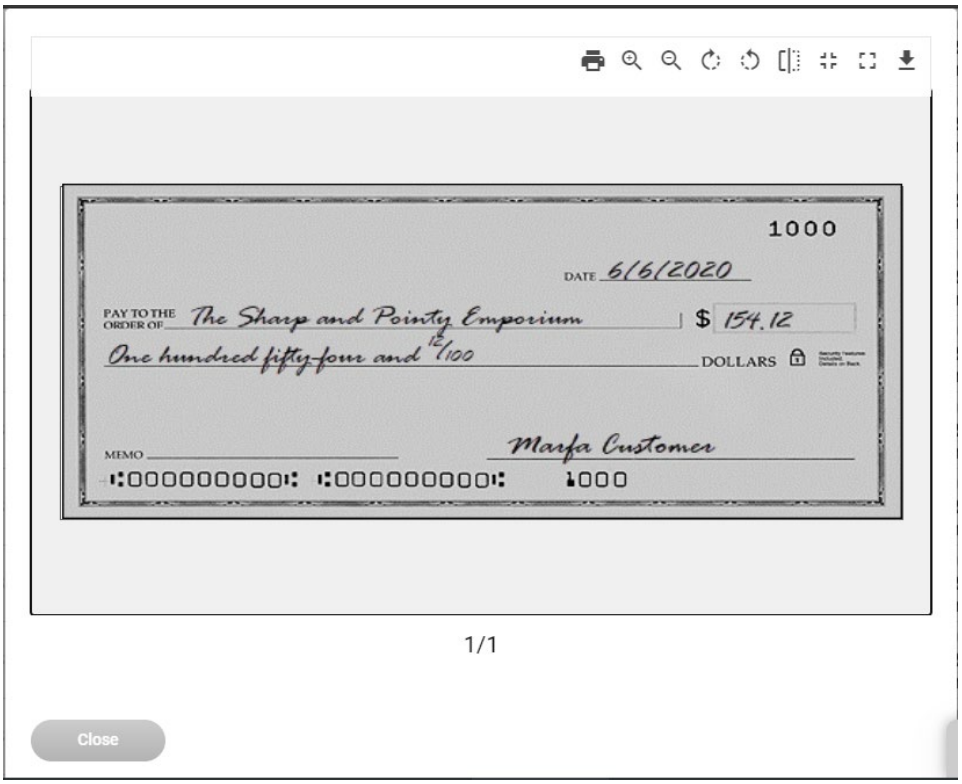
About Check Imaging

Check Imaging allows company users to view electronic images of posted checks.

View a Check Image

1. Click the check image icon ( ) associated with a transaction.

Check Image Viewer Page Sample



Check Image Viewer Controls

Control	Function
	Save image.

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Control	Function
	Print image.
	Rotate image clockwise.
	Rotate image counter clockwise.
	Zoom in.
	Zoom out.
	View back.
	Full screen.
	Reset zoom.
	View next image.
	View previous image.

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DEPOSIT TICKET IMAGING

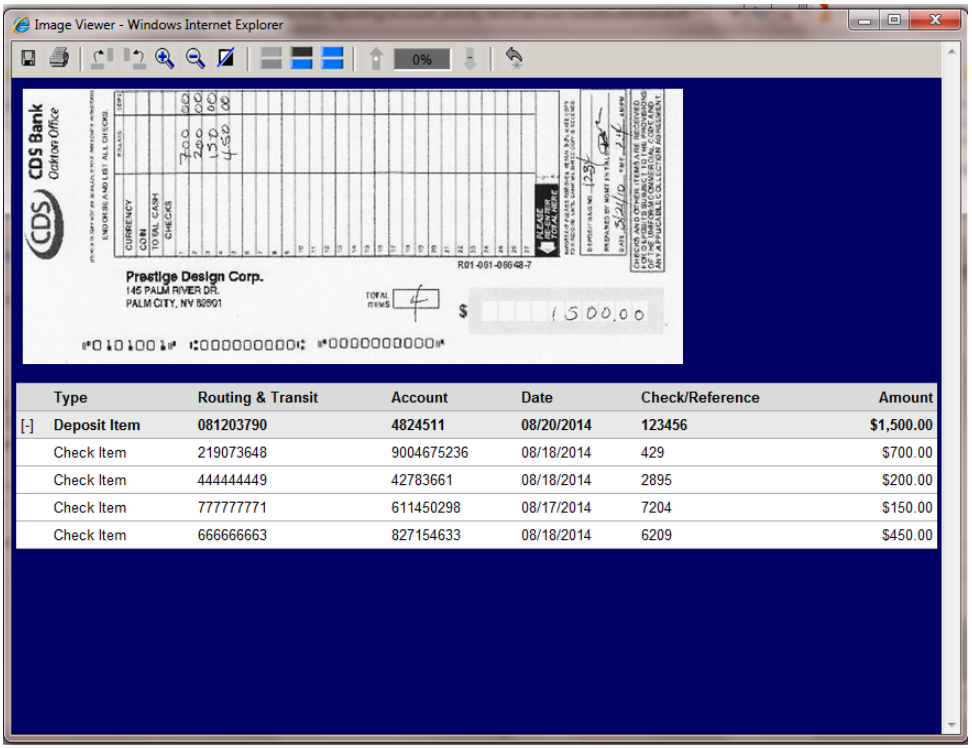
About Deposit Ticket Imaging

Deposit Ticket Imaging helps company users reconcile transactions faster by allowing them to view electronic images of deposit tickets and if available, items contained in the deposit such as checks.

View a Deposit Ticket Image

1. Click the check icon ( ) associated with a transaction.

Deposit Ticket Image Viewer Page Sample



	Type	Routing & Transit	Account	Date	Check/Reference	Amount
[-]	**Deposit Item**	**081203790**	**4824511**	**08/20/2014**	**123456**	**$1,500.00**
	Check Item	219073648	9004675236	08/18/2014	429	$700.00
	Check Item	444444449	42783661	08/18/2014	2895	$200.00
	Check Item	777777771	611450298	08/17/2014	7204	$150.00
	Check Item	666666663	827154633	08/18/2014	6209	$450.00

Deposit Ticket Image Viewer Controls

Control	Function
	Save image.

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Control	Function
	Print image.
	Rotate image clockwise.
	Rotate image counter clockwise.
	Zoom in.
	Zoom out.
	Invert.
	View front.
	View back.
	View front and back.
	Increase contrast
	Decrease contrast.
	Return to original view.

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RETURNED CHECKS

About Returned Checks

The Returned Checks (also called Returned Deposited Items or Imaging Returns) service gives company users immediate access to images of checks that have been deposited and returned for accounts that are entitled to the Information Reporting service. A returned check is typically a check that was deposited by a company user but returned them after the check failed to clear the bank on which it was drawn. For example, a check is returned for insufficient funds.

Company users can be notified automatically when images of returned checks are available by subscribing to the Returned Deposited Item alert.

Search for Returned Checks

Up to three months of images can be retrieved in a search.

1. Click **Reports > Returned Checks**.
   If available, images available for the current day are presented.
2. Click the **Modify Search** link.
3. Complete the following fields:

Output To	Defaults to **Screen (HTML)**, which is the only option currently available.
View	Defaults to **All accounts**. Filter account list by type.
Accounts	A list of accounts that are entitled to the Information Reporting service.
Date	**Specific Date** or **Date Range**.

4. **Optional:** To view one or multiple check images, do one of the following:

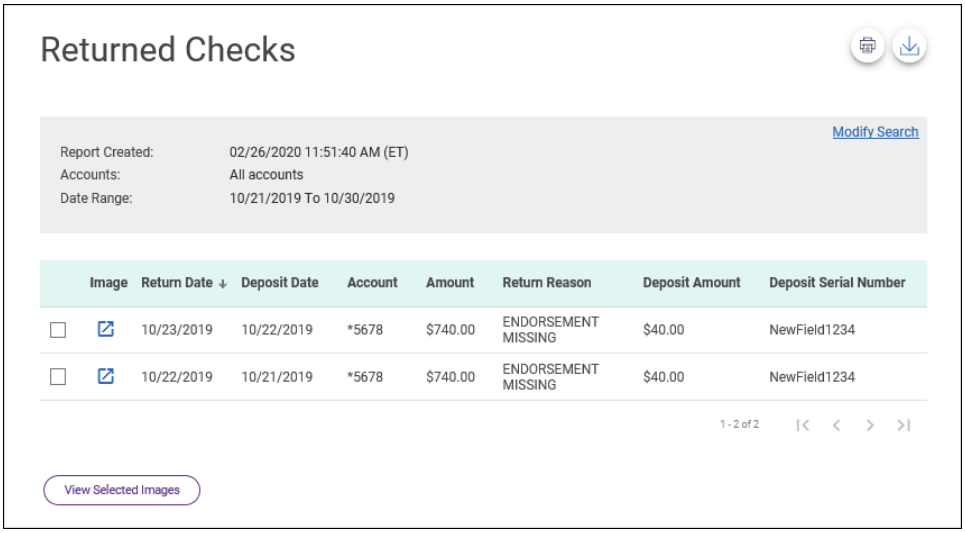
View one check image	Click the view icon ( ) beside the item you want to view.
View multiple check images	Click the check box in the **Image** column for each image you want to view and then click the **View Selected Images** button.

   The selected image(s) are opened in the image viewer. See the Check Imaging chapter for information about how to use the check image viewer controls.
5. Click **Generate Report**.

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Returned Checks Page Sample



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ACH REPORTING

About ACH Reporting

ACH Reporting allows company users to view returned ACH transactions and Notice of Change (NOC) information in Digital One Business and update their records so future ACH transactions contain correct information. Notices of Change are linked to the ACH templates they affect (when applicable) so company users can apply the changes quickly.

The Manage Alerts page includes two optional alerts to which company users can subscribe to be notified of Notices of Change and returns automatically.

Notices of Change

About Notices of Change

A Notice of Change is a notice sent from a Receiving Depository Financial Organization (RDFI) to an Originating Depository Financial Organization (ODFI) that informs the ODFI that there is a detail record in an ACH transaction with inaccurate/out-of-date information.

A Notice of Change could be sent for a number of reasons:

- ABA of the bank needs to be updated.
- The account number of the recipient needs to be updated.
- The name of the recipient needs to be updated.
- The account type indicated in the transaction is of the wrong type (checking/savings).
- The individual identification number for the recipient needs to be updated.
- An addenda record was formatted incorrectly or unclear.
- An incorrect SEC code was used for the Outbound International Payment (specific to International ACH Transactions).

A Notice of Change could originate from a one-time or template-based ACH transaction or from a transaction included in an ACH file that has been uploaded to the system.

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Note: *Template changes are not subject to a prenote delay (if assigned) only if they are made through the Notices of Change page.*

If a template has both a Notice of Change and pending changes submitted by a company user, the Notice of Change cannot be applied until the pending template changes have received all required approvals or the changes are canceled.

Company users might be prevented by their financial organization from using or modifying an ACH template until the associated Notices of Change are applied.

In these instances, templates appear with an alert icon (⚠) in place of the radio button so they cannot be selected to initiate a transaction.

Pending ACH Transactions

If a template is used to initiate a transaction and then a Notice of Change is received for it, the alert icon appears next to the pending transaction to indicate that it cannot be approved/transmitted.

The alert icon (⚠) remains next to the pending transaction even after the Notice of Change is applied to the template because changes to a template are not applied to pending transactions. In this situation company users can only delete the pending transaction and then recreate it.

Scheduled ACH Transactions

If a template is used to schedule transactions and then a Notice of Change is received for it, fully approved transactions have their last approval removed and are moved to the Approve ACH Transactions page upon their send-on dates. Company users can delete the transactions through the Approve ACH Transactions page.

If a Notice of Change is applied to a template before the schedule is transmitted, the changes are applied to the next scheduled transaction and all previously applied approvals are removed.

Search for Notices of Change

1. Click **Reports > ACH > Notices of Change**. Notices of change received in the last seven days are provided on the Notices of Change page by default.
2. Click the **Modify Search** link.
3. Complete the following fields:

Output To	**Screen (HTML)**, **CSV**, **PDF**, or **NACHA**.

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Date	**Specific Date** or **Date Range**.

5. Click **Generate Report**.

   When **Screen (HTML)** is selected as the **Output To** option, the correct values appear in bold green font. Templates that can be updated appear as hyperlinks; the chevron icon (>) can be used to view additional information. Templates that have pending changes appear as read-only and cannot be updated until the pending changes are either approved or canceled. User entitlements determine the templates displayed.

6. If applicable, apply changes to a template by clicking the link in the **Templates Impacted** column.

Returned ACH Transactions

About Returned ACH Transactions

A returned ACH transaction (or return for short) is an ACH transaction that is received by an RDFI and sent back to the ODFI. A returned ACH transaction contains the reason why it was returned.

View Returned ACH Transactions for the Current Date

1. Click **Reports > ACH > Returned ACH Transactions**.

By default, the *Returned ACH Transactions* page appears in the screen (HTML) format and includes returns for the current date for all ACH company IDs.

Note: *The company user's ACH service and account entitlements determine the ACH Company IDs that are shown.*

Search for Returned ACH Transactions

1. Click **Reports > ACH > Returned ACH Transactions**.
2. Click the **Modify Search** link.
3. Complete the following fields:

Output To	**Screen (HTML)**, **CSV**, **PDF**, or **NACHA**.
Company name/ID	A company user's ACH service and account entitlements determine the ACH Company IDs that are available for selection. For example, if a company is only entitled to ACH File Upload, then individual ACH Company IDs are not available for selection.

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Date **Specific Date** or **Date Range**.

4. Click **Generate Report**.

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DOWNLOADABLE REPORTS

About Downloadable Reports

Downloadable Reports allows company users to view, print, and download files.

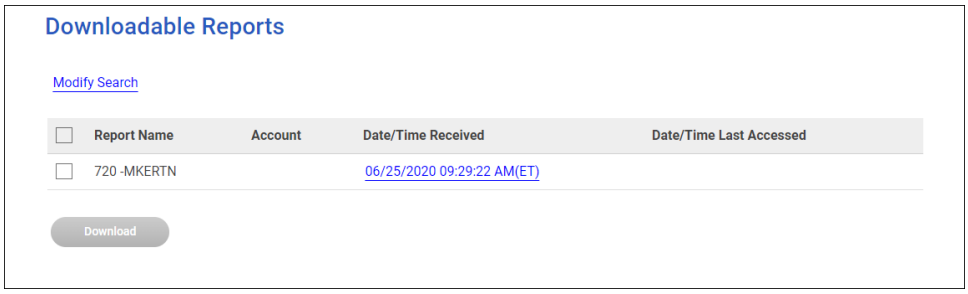
Search for Downloadable Reports

1. Click **Reports > Downloadable Reports**. All reports that are available for the current date are provided by default.
2. Click the **Modify Search** link.
3. Complete the following fields:

Report Name	List of entitled reports.
Date	**Previous Business Day**, **Current Day**, or **Date Range**.

4. Click **Submit**.
5. Do one of the following:
   - Click the check box beside a report and then click **Download**.
   - Click the link in the **Date/Time Received** column to view the details.

Report Download - Selection Page Sample



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INVESTMENT REPORTING

About Investment Reporting

Investment Reporting allows company users to search for and view investment account activity and balances. Search results can be downloaded.

Investment account activity can also be accessed quickly through the Welcome page. When accessed through the Welcome page a default view of the past 30 days of investment activity is provided.

Search Investment Account Activity

1. Click **Reports > Investment Accounts**.
2. Complete the following fields:

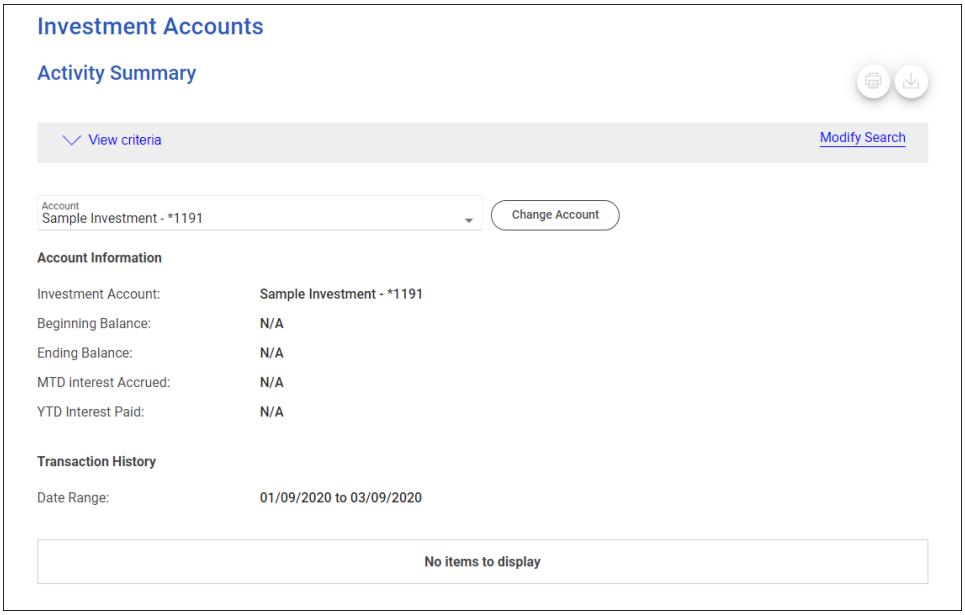
Output To	**Screen (HTML)**, **BAI2 file**, **CSV file**, **Microsoft Money® file**, **QIF file**, **QuickBooks®**, or **Quicken®**. The **Microsoft Money® file**, **QuickBooks®**, and **Quicken®** options may not be available to all company users.
Account	List of entitled accounts.
Date	**Specific Date**, **Date Range**, **Previous Business Day** , or **Since last download** (for QuickBooks®).

3. Click **Search**.

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Activity Summary Page Sample



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STATEMENTS AND DOCUMENTS

About Statements and Documents

Statements and Documents allows company users to view statements and other documents, such as notices, for analysis, checking, credit card, loan, and savings accounts.

When a company is set up with the Statements & Documents service the company's Administrator is responsible for setting up accounts for online delivery of statements and documents. Company administrators are also responsible for reviewing and accepting service agreements/disclosures relative to statements and documents.

Note: *Individually billed credit cards are supported. Statements for corporate credit cards billed to a centralized account are not supported.*

The Manage Alerts page includes alerts to which company users can subscribe to be notified automatically when statements and documents are available.

Set up Online Viewing for Statements/Documents

Company administrators are responsible for setting up accounts for online delivery of statements and documents.

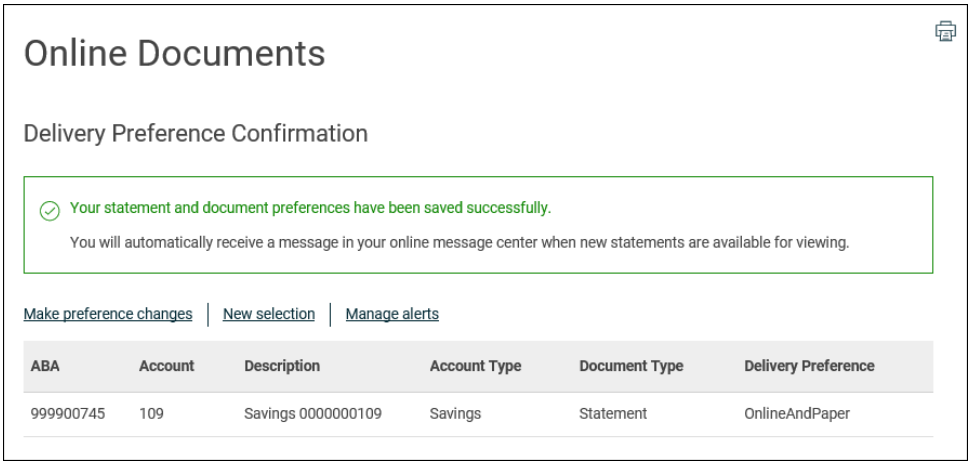
1. Click **Reports > Statements and Documents**.
2. Click the **View and maintain document preferences** link.
3. Click the **Delivery Preference** drop-down beside an account and then select one of the following: **Online**, **Online & Paper**, **Delivery Preference**. **Online** should be used for combined online statements for the primary account.

   Online & Paper enrolls the account for online statement/document delivery and continues the delivery of the paper statement.
4. Click **Continue**.
5. If applicable, review the service agreement and click **I agree** to accept it.
6. Click **Save Preferences**.

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Delivery Preferences Confirmation Page Sample



Remove Online Viewing for Statements/Documents

1. Click **Reports > Statements and Documents**.
2. Click the **View and maintain document preferences** link.
3. Click the **Delivery Preference** drop-down beside the account from which you want to remove online viewing and then select **Paper**. For combined online statements, select **Paper** for the primary account.
4. Click **Continue**.
5. Review the selected accounts as needed and then click **Save Preferences**.

Search Recent Statements/Documents

Search for the latest statements or documents.

1. Click **Reports > Statements and Documents**.
2. If more than two accounts are enrolled for online document viewing, select a **View** option:

Most recent documents for an account type	View the latest statements or documents for a specific account type (analysis, checking, credit card, certificate of deposit, loan, or savings). This option does not appear if fewer than two accounts are enrolled.
Documents for a specific account	View the statements/documents for a particular account.

3. Do one of the following:

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- If **Documents for a specific account** was selected:
  - Select a **Filter By Account** option: **All accounts**, **Checking accounts**, **Credit card accounts**, **Savings accounts**, or **Recently used**
  - Select an **Account**.
- If **Most recent documents for an account type** was selected, select an **Account Type**: **Checking accounts**, **Credit card accounts**, or **Savings accounts**.

4. If applicable, select a **Document Type**: **Analysis statement**, **Statement**, or **Notice**.

   Note: *Some of the Document type options may not be available to all company users.*

5. Click **Continue**.

Search Older Statements/Documents

Search for statements/documents received before the last 60 days.

1. Complete the Search Recent Statement/Documents task.
2. Click the **Search for older or specific documents** link.
3. Fill in or select a **Document cycle date** and then click **Search**.

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INCOMING WIRE REPORT

About Incoming Wire Report

The Incoming Wire Report service allows company users to view money that has been wired to their accounts.

The Manage Alerts page includes an optional alert to which company users can subscribe to be notified of incoming wires automatically.

Remittance Information

The inclusion of remittance information with a wire transfer is optional at the discretion of the wire originator. Digital One Business provides access to all remittance information included with incoming wires. Depending on the wire service vendor and the format in which the remittance information is received, it is displayed on the screen or provided in the CSV file.

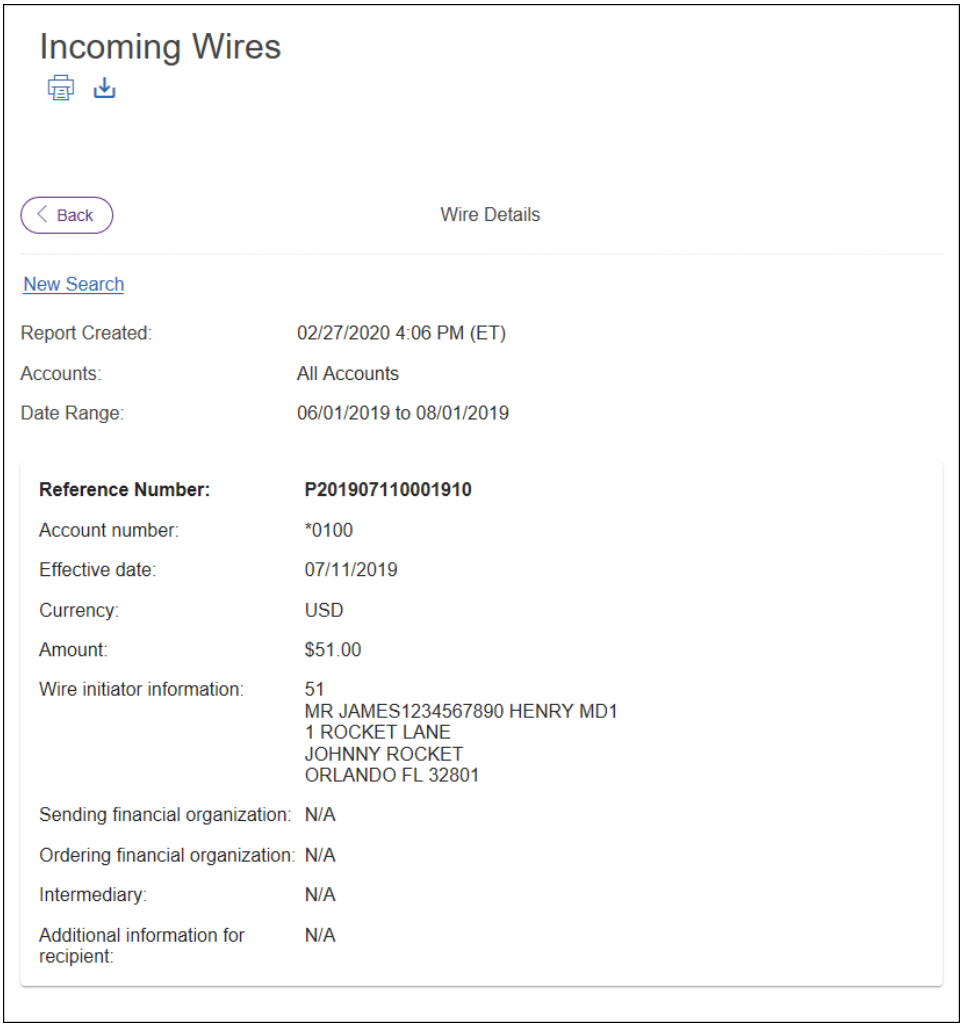
View Incoming Wires for the Current Date

1. Click **Reports > Incoming Wires**.
2. **Optional:** Review the wire details:
   a. Select each wire to view.
   b. Click **View Selected**.

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Incoming Wires Detail Page Sample



Search for Incoming Wires

1. Click **Reports > Incoming Wires**.
2. Click the **Modify Search** link.
3. Complete the following fields:

Output To	**Screen (HTML)** or **CSV file**.
View	**All Accounts**, **Savings Accounts**, or **Checking Accounts**.
Accounts	List of entitled accounts.
Date	**Specific Date** or **Date Range**.

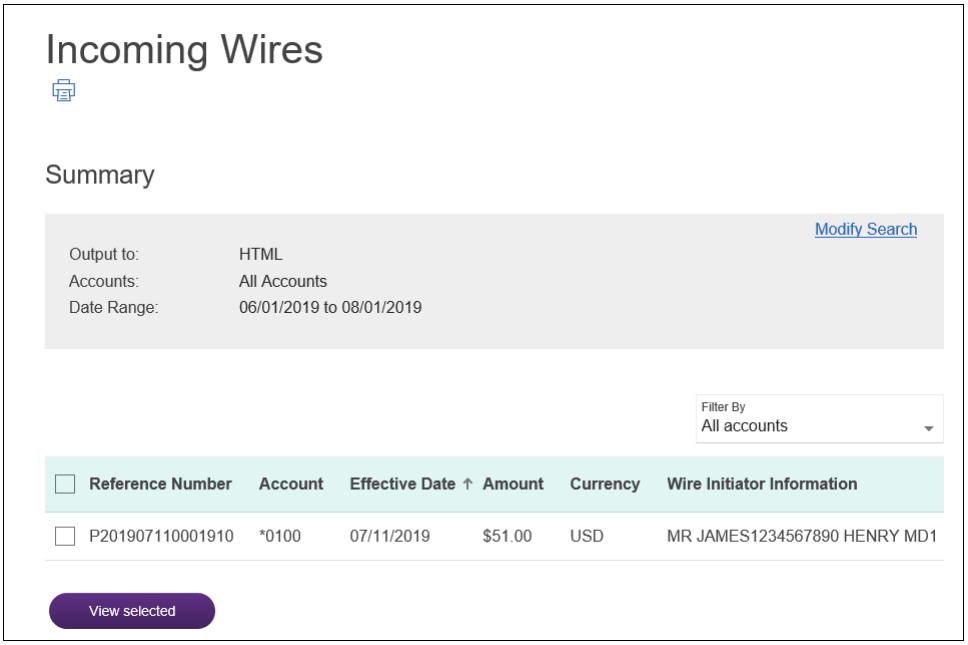
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Wire Initiator (Optional)	Search for a specific initiator by typing part of or the entire name. Refine the search by clicking **Exact Match** .
Amount (Optional)	**Specific amount** or **range**.

4. Click **Search**.

Incoming Wires Page Sample



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ESCROW ACCOUNT REPORTING

About Escrow Account Reporting

Escrow Account Reporting allows company users to search for and view activity and balances for escrow accounts—subsidiary accounts that have a relationship with one master account.

Escrow account relationships include but are not limited to:

- Landlord and tenants
- Law firms and their clients
- Funeral trusts
- College trusts

Company Administrators can entitle their company users to the main account which automatically entitles the related sub accounts.

Aggregate balance information for entitled escrow accounts is available on the Welcome page.

Activity

Search Escrow Account Activity

1. Click **Reports > Escrow Accounts > Activity**.
2. Complete the following fields:

Output To	**Screen (HTML)**, **BAI2 file**, **CSV file**, or **PDF**.
Master ID	Entitled master IDs.
Sub Account Number	**Select** (choose from a list of sub accounts). **Specific** (type the account number in the adjacent text box).
Date	**Specific Date** or **Date Range**.
Transaction Types	**All Transactions**. All transactions. **Group**. **All Debits**, **All Credits**, and/or **All Checks**.

3. **Optional:** Click the **Show advanced options** link:

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a. Select an **Amount**: **Exact Amount** or **Range**.

b. Select a **Check Serial Number**: **Exact Number** or **Range**.

c. Type a **Description**.

4. Click **Search**.

Escrow Activity Page Sample



Search for Completed Escrow Transactions

1. Complete the Search Escrow Account Activity task.
2. Click the **Search completed transactions** link.
3. Complete the following fields:

Date	**Specific Date** or **Range**.
Transaction Types	**All Transactions**, **Transaction Types**, or **Transaction Codes**.

.

4. Click **Search**.

Balances

Search Escrow Account Balances

1. Click **Reports > Escrow Accounts > Balances**.
2. Complete the following fields:

Output To	**Screen**, **CSV file**, or **PDF**.
Report By	**Account** or **Master ID**.

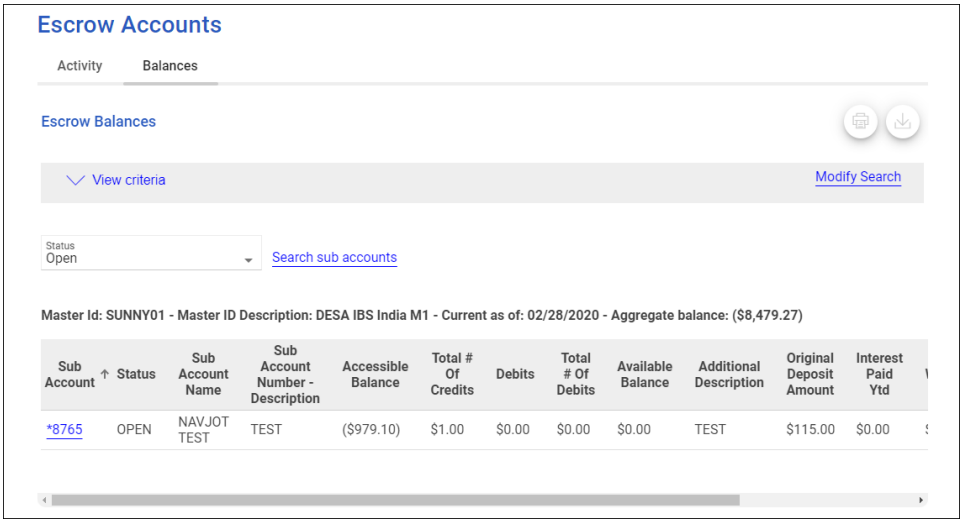
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Sub Account Number	**All Accounts**, **Select** (specific sub account) or **Specific** (type a specific sub account). Click **Exact match on sub account number** to refine the search.
Status	**Open**, **Closed**, or **All**.
Sub Account Name	Search for a specific account by typing part or the whole account name. Click **Exact match on sub account name** to refine the search.
Exact match on sub account description (optional)	Select to refine the search by description.

3. Click **Search**.

Escrow Balances Page Sample



Note: *Some columns displayed on the Escrow Balances page are determined by the financial institution and may differ from those depicted in the page sample.*

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LOAN REPORTING

About Loan Reporting

Loan reporting provides company users with loan activity, summary and detailed information about notes and commitments (if applicable).

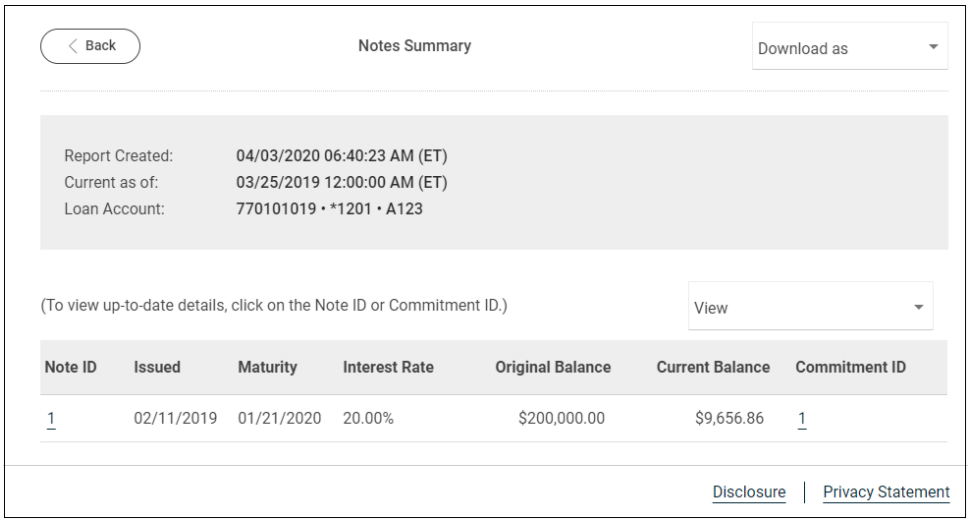
Loan note and commitment balance information can also be accessed quickly through the Welcome page.

Notes

View a Summary of Loan Notes

1. Click **Reports > Loans > Manage Loans**.
2. Click the chevron icon (›) to expand the row for one loan account and view its notes or click the **Show All Notes** link to expand all rows and view all notes at once.
3. Click the link in the **Account Number/Note ID** column or click the more actions icon (•••) and select **Loan Summary - Notes**.

Notes Summary Page Sample



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Commitments

View a Summary of Loan Commitments

1. Click **Reports > Loans > Manage Loans**.
2. Click the chevron icon (›) to expand the row for one loan account and view its notes or click the **Show All Notes** link to expand all rows and view all notes at once.
3. Click the link in the **Commitment ID** column or click the more actions icon (•••) and select **Loan Summary - Commitments**.

Commitments Summary Page Sample



Activity

Search Loan Account Activity

View transactions initiated in Digital One Business and those initiated externally (for example, teller window or mailed-in payment) for a selected note.

1. Click **Reports > Loans > Manage Loans**.
2. Click the chevron icon (›) to expand the row for one loan account and view its notes or click the **Show All Notes** link to expand all rows and view all notes at once.
3. Click the more actions icon (•••) and select **Loan Activity - Report**.

   Activity for the past 90 days is shown by default.
4. **Optional:** Change the default date range to view other activity:

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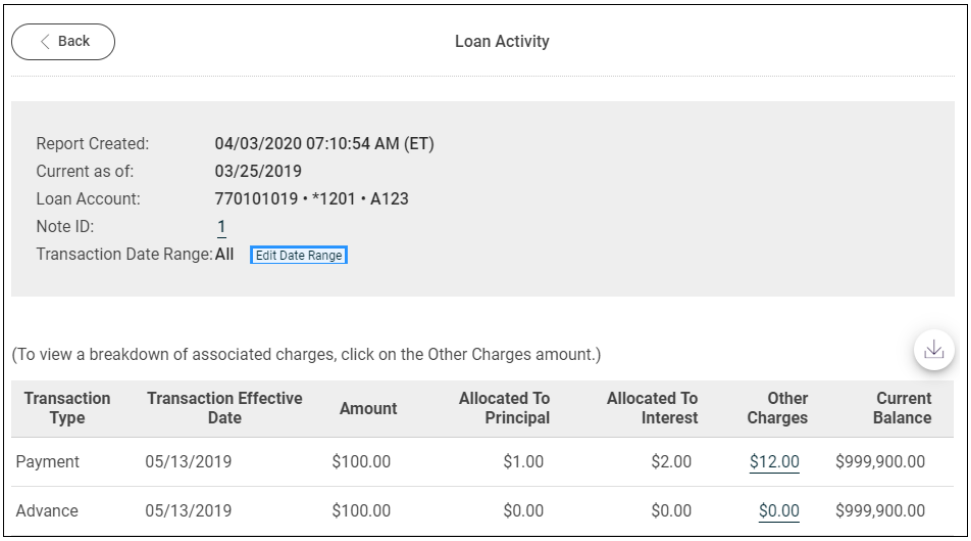
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a. Click the **Edit Date Range** link.

b. Select a **Date**: **Specific Date**, **Date Range**, **Previous Business Day**, or **Do not limit by date range**.

c. Click **Save**.

Loan Activity Page Sample



Balances

Search Loan Account Note Balances

1. Click **Reports > Loans > Balances**.
2. Complete the following fields:

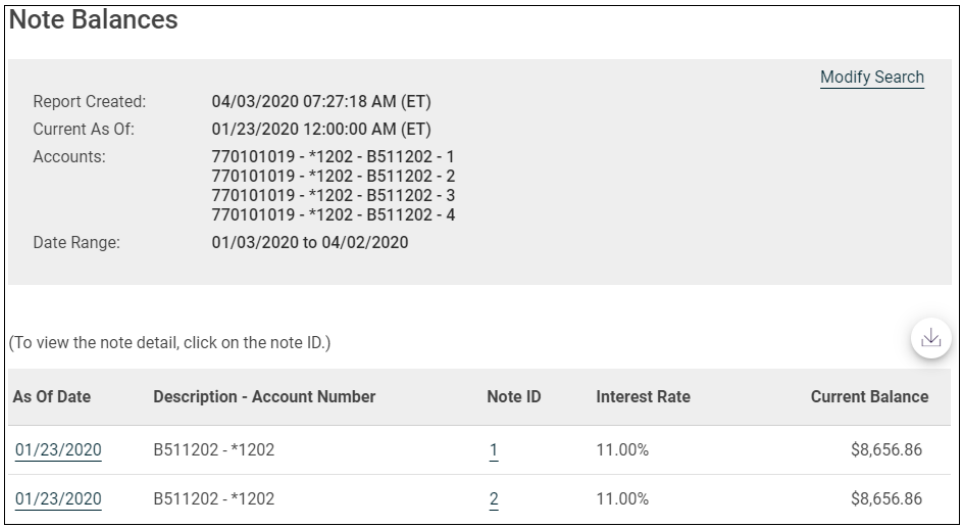
Output To	**Screen (HTML)**, **CSV file**, **PDF**
View	Select **Available Notes**.
Accounts	List of entitled accounts.
Date	**Specific Date**, **Date Range**, or **Previous Business Day**.

3. **Optional:** Click **Display totals by day for the selected date range**.
4. Click **Generate Report**.

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Note Balances Page Sample



Note Balances

Modify Search

Report Created: 04/03/2020 07:27:18 AM (ET)
Current As Of: 01/23/2020 12:00:00 AM (ET)
Accounts: 770101019 - *1202 - B511202 - 1
770101019 - *1202 - B511202 - 2
770101019 - *1202 - B511202 - 3
770101019 - *1202 - B511202 - 4
Date Range: 01/03/2020 to 04/02/2020

(To view the note detail, click on the note ID.)

As Of Date	Description - Account Number	Note ID	Interest Rate	Current Balance
01/23/2020	B511202 - *1202	1	11.00%	$8,656.86
01/23/2020	B511202 - *1202	2	11.00%	$8,656.86

Search Loan Account Commitment Balances

1. Click **Reports > Loans > Balances**.
2. Complete the following fields:

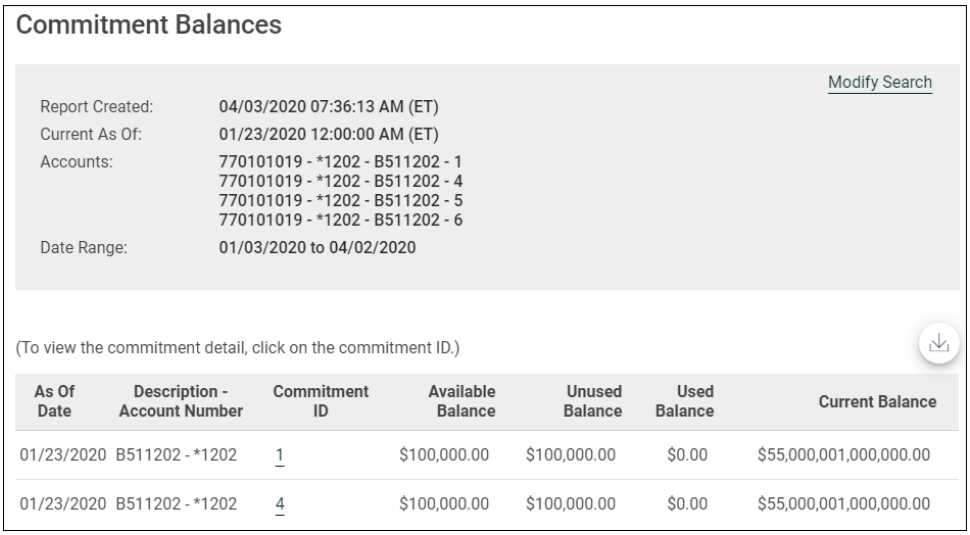
Output To	**Screen (HTML)**, **CSV file**, **PDF**
View	Select **Available Commitments**
Accounts	List of entitled accounts.
Date	**Specific Date**, **Date Range**, or **Previous Business Day**.

3. **Optional:** Click **Display totals by day for the selected date range**.
4. Click **Generate Report**.

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Commitment Balances Page Sample



Commitment Balances

Modify Search

Report Created: 04/03/2020 07:36:13 AM (ET)
Current As Of: 01/23/2020 12:00:00 AM (ET)
Accounts: 770101019 - *1202 - B511202 - 1
770101019 - *1202 - B511202 - 4
770101019 - *1202 - B511202 - 5
770101019 - *1202 - B511202 - 6
Date Range: 01/03/2020 to 04/02/2020

(To view the commitment detail, click on the commitment ID.)

As Of Date	Description - Account Number	Commitment ID	Available Balance	Unused Balance	Used Balance	Current Balance
01/23/2020	B511202 - *1202	1	$100,000.00	$100,000.00	$0.00	$55,000,001,000,000.00
01/23/2020	B511202 - *1202	4	$100,000.00	$100,000.00	$0.00	$55,000,001,000,000.00

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CREDIT CARD REPORTING

About Credit Card Reporting

Credit Card Reporting allows company users to view credit card information and transaction activity for a selected credit card.

Credit card activity can also be accessed quickly through the *Welcome* page. When accessed through the *Welcome* page a default view of the past 30 days of information is provided.

The *Manage Alerts* page includes many alerts to which company users can subscribe to be notified automatically about various credit card-related events.

Activity

Search Credit Card Activity

1. Click **Reports > Credit Card**.
   If fewer than 11 credit card accounts are entitled, the activity appears.
2. If more than 11 credit cards are entitled, or if you want to search for other transactions, click the **Modify Search** link and then fill in the following fields:

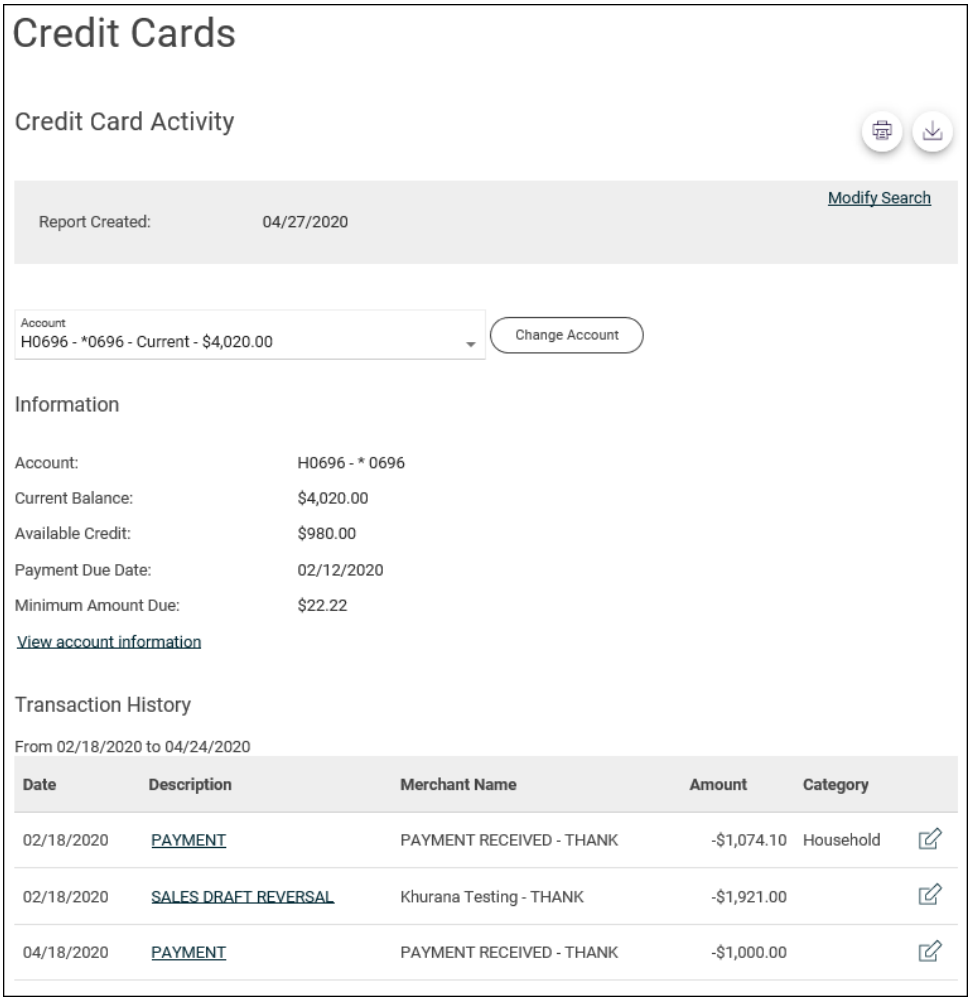
Output To	**CSV**, **OFX**, **PDF**, **QuickBooks®**, **Quicken®**, **QIF**, or **Microsoft Money®**. **Microsoft Money®**, **QuickBooks®**, and **Quicken®** may not be available to all company users.
Date	**Specific Date** or **Date Range**.
Amount (Optional)	**Specific Amount** or **Range**.

3. Click **Generate Report**.

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Credit Card Activity Page Sample



Categories

About Credit Card Categories

Categories help company users classify their credit card transactions and better manage activity.

All credit card transactions are assigned to default categories. Company users can create custom categories and assign transactions to them. If a category is changed for a transaction made to a particular merchant, it is not automatically applied to future transactions made to that merchant.

When a company user adds or modifies a category it is only applicable to their company.

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Add a Credit Card Category

1. Complete the Search Credit Card Activity task.

   Note: *Ensure **Screen (HTML)** is selected as the **Output To** option.*

2. Click the edit icon ( ).
3. Click **Add New Category**, type a category in the adjacent field (up to 30 alphanumeric characters), and then click **Save Changes**.

Change a Credit Card Category

1. Complete the Search Credit Card Activity task.

   Ensure **Screen (HTML)** is selected as the **Output To** option.

2. Click the edit icon ( ).
3. Click the **Select Category** drop-down and select a new category for each transaction you want to change.
4. Click **Save Changes**.

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REWARDS

About Rewards

The Rewards service allows company users to view reward account information on Digital One Business.

A list of rewards accounts and the rewards point balance for each account is available on the Welcome page. Rewards points are added to accounts on a monthly basis and points redeemed by company users are updated nightly.

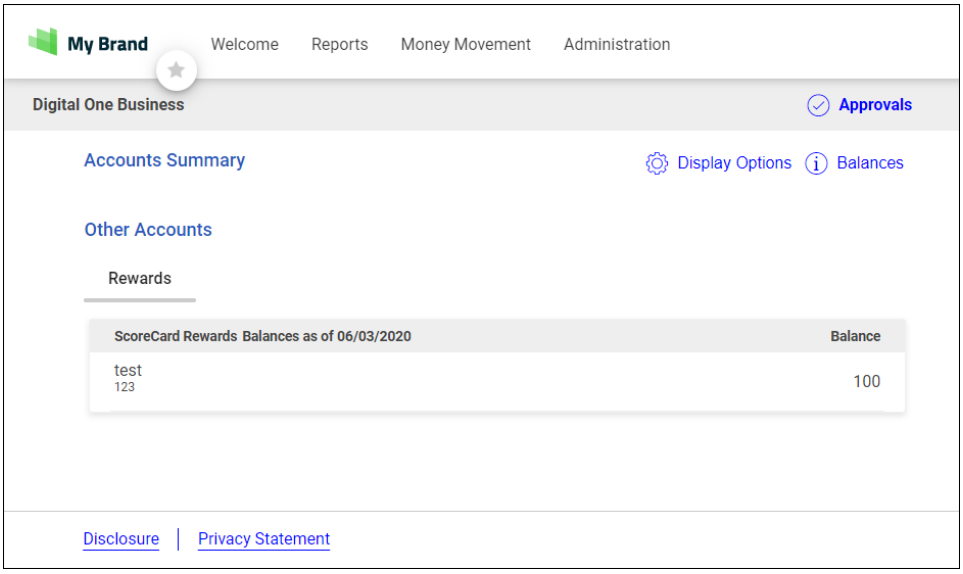
Company users who have the Administration role can access their financial institution's loyalty program Web site from Digital One Business for account management and point redemption.

Access the Rewards Site

Company users who have the Administration role can access their financial institution's loyalty program Web site from Digital One Business for account management and point redemption.

1. Click **Welcome > Rewards**.
2. Click the table row for the account you want to view.

Welcome (Rewards) Page Sample



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TRIPS WEB DIRECT

About TRIPS Web Direct

The TRIPS WebDirect service gives company users convenient access to the TRIPS Web Direct application through Digital One Business to view images of checks that have been deposited and returned.

Digital One Business out-of-band and token authentication capabilities are leveraged when company users access TRIPS Web Direct from Digital One Business.

Access TRIPS Web Direct from Digital One Business

1. Click **Reports > TRIPS WebDirect**.

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PRIMESOUTH BANCSHARES, INC.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2023 AND 2022

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Independent Auditor's Report

To the Board of Directors and Shareholders
PrimeSouth Bancshares, Inc. and Subsidiaries
Waycross, Georgia

Opinions on the Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated financial statements (the ''financial statements'') of PrimeSouth Bancshares, Inc. and Subsidiaries (the "Company"), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income, comprehensive income, changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of PrimeSouth Bancshares, Inc. and Subsidiaries as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (''GAAP'').

We also have audited the Company's internal control over financial reporting, including controls over the preparation of regulatory financial statements in accordance with instructions to the Federal Financial Institutions Examination Council Consolidated Reports of Condition and Income ("Call Report"), as of December 31, 2023, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in 2013. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control—Integrated Framework* issued by COSO in 2013.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements and Internal Control Over Financial Reporting section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements and Internal Control Over Financial Reporting

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of effective internal control over financial reporting relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management is also responsible for its assessment about the effectiveness of internal control over financial reporting, included in the accompanying Management Report.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditor's Responsibilities for the Audits of the Financial Statements and Internal Control Over Financial Reporting

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and about whether effective internal control over financial reporting was maintained in all material respects, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit of financial statements or an audit of internal control over financial reporting conducted in accordance with GAAS will always detect a material misstatement or a material weakness when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit of financial statements or an audit of internal control over financial reporting in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the financial statement audit in order to design audit procedures that are appropriate in the circumstances.
- Obtain an understanding of internal control over financial reporting relevant to the audit of internal control over financial reporting, assess the risks that a material weakness exists, and test and evaluate the design and operating effectiveness of internal control over financial reporting based on the assessed risk.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the financial statement audit.

Definition and Inherent Limitations of Internal Control over Financial Reporting

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable financial statements in accordance with GAAP. Because management's assessment and our audit were conducted to meet the reporting requirements of Section 112 of the Federal Deposit Insurance Corporation Improvement Act ("FDICIA"), our audit of the Company's internal control over financial reporting included controls over the preparation of financial statements in accordance with GAAP and with Call Report instructions.

An entity's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the entity are being made only in accordance with authorizations of management and those charged with governance; and (3) provide reasonable assurance regarding prevention or timely detection and correction of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect and correct misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Wipfli LLP
Atlanta, Georgia

March 29, 2024

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	As of December 31,	
	2023	2022
Assets		
Cash and due from banks	$ 14,555,121	$ 9,912,172
Interest-bearing due from banks	73,151,469	62,077,873
Federal funds sold	608,149	2,703,268
Total cash and cash equivalents	88,314,739	74,693,313
Debt securities available for sale, at fair value	132,880,926	138,978,674
Federal Home Loan Bank (FHLB) stock, restricted, at cost	1,541,900	1,191,200
Loans held for sale	920,093	-
Loans, net of unearned income	970,903,387	880,995,411
Less - allowance for credit losses	(13,983,000)	(12,644,072)
Loans, net	956,920,387	868,351,339
Bank premises and equipment, net	13,172,598	12,417,063
Other real estate	134,543	-
Goodwill, net of amortization	2,629,343	3,341,435
Core deposit intangible, net of amortization	791,854	1,006,306
Cash surrender value of life insurance	4,739,339	4,630,038
Other assets	15,757,883	14,817,969
Total Assets	$ 1,217,803,605	$ 1,119,427,337
Liabilities and Shareholders' Equity		
Deposits:		
Non-interest bearing	$ 268,313,192	$ 302,607,411
Interest bearing	807,391,623	693,043,089
Total deposits	1,075,704,815	995,650,500
Accrued expenses and other liabilities	5,755,807	1,750,225
Junior subordinated debentures	8,248,000	8,248,000
Federal funds purchased	-	5,000,000
FHLB Advances	16,000,000	15,500,000
Other borrowings, net of capitalized offering costs	4,992,819	5,240,904
Total liabilities	1,110,701,441	1,031,389,629
Shareholders' Equity:		
Preferred stock, $9,968.26 par value, authorized 903 shares, 903 issued and outstanding at December 31, 2023 and 2022	9,001,339	9,001,339
Common stock, $800 par value, authorized 150,000 shares, 3,796 issued and outstanding at December 31, 2023 and 2022	3,036,800	3,036,800
Paid-in capital surplus	13,628,808	13,628,808
Retained earnings	92,381,753	74,910,678
Accumulated other comprehensive loss	(10,946,536)	(12,539,917)
Total shareholders' equity	107,102,164	88,037,708
Total Liabilities and Shareholders' Equity	$ 1,217,803,605	$ 1,119,427,337

See Accompanying Notes to Consolidated Financial Statements

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	Years Ended December 31,	
	2023	**2022**
Interest and Dividend Income:		
Interest and fees on loans	$ 60,644,731	$ 42,462,127
Interest income on taxable securities	1,972,624	1,480,233
Interest income on nontaxable securities	1,877,853	1,391,838
Income on federal funds sold	102,814	35,815
Income on interest-bearing deposits in other banks	2,330,573	1,271,454
Other interest income	195,373	35,639
Total interest and dividend income	67,123,968	46,677,106
Interest Expense:		
Deposits	17,014,759	3,538,151
Borrowings	2,135,496	697,278
Total interest expense	19,150,255	4,235,429
Net interest income before provision for credit losses	47,973,713	42,441,677
Provision for credit losses	1,322,767	1,020,000
Net interest income after provision for credit losses	46,650,946	41,421,677
Noninterest Income:		
Service charges on deposit accounts	1,196,265	1,179,880
Other service charges, commissions and fees	973,171	444,941
Gain on sales of other real estate	613	263,060
Mortgage fee income	1,627,390	2,420,326
Increase in cash surrender value of life insurance	109,301	96,665
Interchange fees	2,901,646	2,651,307
Other noninterest income	282,509	1,592
Total noninterest income	7,090,895	7,057,771
Noninterest Expense:		
Salaries	12,032,021	11,046,413
Employee benefits	2,871,252	2,520,084
Equipment and occupancy	1,998,035	2,024,607
Loss on writedown of other real estate	-	144,349
Amortization of intangibles	926,544	926,544
Data processing	4,452,098	3,525,370
Other noninterest expense	7,719,815	6,811,211
Total noninterest expense	29,999,765	26,998,578
Income Before Provision for Income Taxes	23,742,076	21,480,870
Provision for Income Taxes	5,148,089	4,957,601
Net Income	$ 18,593,987	$ 16,523,269

See Accompanying Notes to Consolidated Financial Statements

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years ended December 31,	
	2023	**2022**
Net Income	$ 18,593,987	$ 16,523,269
Other comprehensive income (loss):		
Unrealized holding gain (loss) on debt securities available for sale, at fair value	2,182,714	(17,477,246)
Net unrealized gain (loss)	2,182,714	(17,477,246)
Tax effect	(589,333)	4,718,860
Total other comprehensive income (loss), net of tax	1,593,381	(12,758,386)
Total comprehensive income	$ 20,187,368	$ 3,764,883

See Accompanying Notes to Consolidated Financial Statements

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Preferred Stock	Common Stock	Paid-in Capital Surplus	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance, December 31, 2021	$ 9,001,339	$ 3,036,800	$ 13,628,808	$ 58,927,489	$ 218,469	$ 84,812,905
Cash dividends	-	-	-	(540,080)	-	(540,080)
Net income	-	-	-	16,523,269	-	16,523,269
Other comprehensive loss	-	-	-	-	(12,758,386)	(12,758,386)
Balance, December 31, 2022	$ 9,001,339	$ 3,036,800	$ 13,628,808	$ 74,910,678	$ (12,539,917)	$ 88,037,708
Cash dividends	-	-	-	(540,080)	-	(540,080)
CECL impact on date of adoption	-	-	-	(582,832)	-	(582,832)
Net income	-	-	-	18,593,987	-	18,593,987
Other comprehensive income	-	-	-	-	1,593,381	1,593,381
Balance, December 31, 2023	$ 9,001,339	$ 3,036,800	$ 13,628,808	$ 92,381,753	$ (10,946,536)	$ 107,102,164

See Accompanying Notes to Consolidated Financial Statements

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years ended December 31,	
	2023	2022
Cash Flows from Operating Activities:		
Net Income	$ 18,593,987	$ 16,523,269
Adjustments to reconcile net income to cash provided by operating activities:		
Provision for credit losses	1,322,767	1,020,000
Depreciation	898,430	954,209
Net amortization on debt securities available for sale	364,503	653,355
Amortization of intangibles	926,544	926,544
(Gain) loss on disposals of bank premises and equipment	(235,012)	33,867
Deferred income tax expense	(402,932)	145,402
Gain on sale of other real estate	(613)	(263,060)
Loss on write down of other real estate	-	144,349
Changes in loans held for sale	(920,093)	3,757,945
Increase in cash surrender value of life insurance	(109,301)	(96,665)
Changes in other assets	(928,917)	(2,177,073)
Changes in acrrued expenses and other liabilities	3,172,720	(257,149)
Net cash provided by operating activities	22,682,083	21,364,993
Cash Flows from Investing Activities		
Net change in loans	(90,031,463)	(123,093,546)
Purchase of debt securities available for sale	(1,329,047)	(57,719,535)
Proceeds from maturities, calls, and paydowns of debt securities available for sale	9,245,006	13,667,148
Purchases of FHLB stock	(350,700)	(751,000)
Bank premises and equipment expenditures	(1,559,058)	(490,760)
Proceeds from disposal of bank premises and equipment	140,105	123,539
Proceeds from sales of other real estate	58,350	1,032,111
Net cash used in investing activities	(83,826,807)	(167,232,043)
Cash Flows from Financing Activities:		
Net change in deposits	80,054,315	28,447,194
Net change in federal funds purchased	(5,000,000)	5,000,000
Proceeds from advance from FHLB	16,000,000	15,500,000
Repayments of advance from FHLB	(15,500,000)	-
Repayments of other borrowings	-	(509,096)
Paydown of other borrowings, net of capitalized offering costs	(248,085)	-
Cash dividends paid	(540,080)	(540,080)
Net cash provided by financing activities	74,766,150	47,898,018
Net change in cash and cash equivalents	13,621,426	(97,969,032)
Cash and cash equivalents, beginning of year	74,693,313	172,662,345
Cash and cash equivalents, end of year	$ 88,314,739	$ 74,693,313

See Accompanying Notes to Consolidated Financial Statements

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES

SUPPLEMENTAL INFORMATION TO CONSOLIDATED STATEMENTS OF CASH FLOWS

Cash paid for interest and taxes	*Years ended December 31,*	
	2023	**2022**
Interest on deposits and borrowings	$ 16,053,488	$ 4,223,417
Income taxes, net	$ 6,001,315	$ 4,660,048

Noncash items	*Years ended December 31,*	
	2023	**2022**
Changes in unrealized loss on investments	$ 1,593,381	$ (12,758,386)
Transfer of loans to other real estate	$ 192,280	$ -

See Accompanying Notes to Consolidated Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. ***Principles of Consolidation*** – The consolidated financial statements include the accounts of PrimeSouth Bancshares, Inc. (the "Company") and its wholly owned subsidiaries, PrimeSouth Bank (the "Bank") and PrimeSouth Insurance (the "Insurance Company"). All significant intercompany balances and transactions have been eliminated in consolidation.

2. ***Reporting Entity*** - The Company was formed in February 1990 as Blackshear Bancshares, Inc. and operates as a bank holding company with one bank Subsidiaries. In 1997, the Company changed its name to PrimeSouth Bancshares, Inc. The Bank has branch locations in Brunswick, Jesup, St. Simons Island, and Waycross, Georgia, and Fernandina Beach, Florida. The Company provides a variety of financial services to individuals and small businesses through its offices in South Georgia and North Florida. Its primary deposit products are savings and term certificate accounts, and its primary lending products are residential and commercial mortgage loans. In 2017, the Company completed the acquisition of Atlantic National Bank ("Atlantic National"), which closed on September 5, 2017.

3. ***Cash and Cash Equivalents*** - For purposes of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks, highly liquid debt instruments purchased with an original maturity of three months or less, and federal funds sold. Generally, federal funds are purchased and sold for one-day periods.

4. ***Debt Securities*** – The classification of debt securities is determined at the date of purchase. Gains or losses on the sale of securities are recognized on a specific identification basis.

   Securities available for sale, primarily debt securities, are recorded at fair value with unrealized gains or losses (net of tax effect) excluded from earnings and reported as a component of shareholders' equity. Securities available for sale are used as a part of the Company's interest rate risk management strategy and may be sold in response to changes in interest rates, changes in prepayment risk, and other factors.

   The market value of securities is generally based on quoted market prices. If a quoted market price is not available, market value is estimated using quoted market prices for similar securities.

   Amortization of premiums and accretion of discounts are recognized in interest income using the effective interest method. Premiums that exceed the amount repayable by the issuer at the next call date are amortized to the next call date. Other premiums and discounts are amortized (accreted) over the estimated lives of the securities.

   Prior to the Adoption of ASC 326

   Declines in fair value of debt securities that are deemed to be other than temporary, if applicable, are reflected in earnings as realized losses. In estimating other-than-temporary impairment losses, management considers the length of time and the extent to which fair value has been less than cost, the financial condition and near-term prospects of the issuer, and the intent and ability of the to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value.

   Subsequent to Adoption of ASC 326

   Effective January 1, 2023, the Company evaluates individual securities available for sale in an unrealized loss position by first determining whether the decline in fair value below the amortized cost basis of the security has resulted from a credit loss or other factors. A credit loss exists when the present value of cash flows expected to be collected from the security is less than the amortized cost basis of the security. In determining whether a credit loss exists, the Company considers the extent to which the fair value is less than the amortized cost basis, adverse conditions related to the security, the industry, or geographic areas, the payment structure of the debt security, failure of the issuer to make scheduled payments, and any changes to the rating of the security. Impairment related to credit losses is recognized through an allowance for credit losses up to the amount that fair value is less than the amortized cost basis. Changes to the allowance are recognized through earnings as a provision for (or recovery of) credit losses. Impairment related to other factors is recognized in other comprehensive income. See Note B for additional discussion.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

If the Company intends to sell, or it is more likely than not the Company will be required to sell the security before recovery of its amortized cost basis, any allowance for credit losses is written off and the amortized cost basis is written down to the security's fair value at the reporting date with any incremental impairment recognized in earnings.

The Company excludes accrued interest receivable from the amortized cost basis of securities available for sale when estimating credit losses and when presenting required disclosures in the financial statements. Accrued interest on securities available for sale totaling approximately $828,000 and $910,000 at December 31, 2023 and 2022, respectively, was excluded from the amortized cost basis of securities available for sale and is included in other assets on the Consolidated Balance Sheet.

5. ***FHLB Stock*** – FHLB stock is an investment that does not have a readily determinable fair value and is carried at cost less any impairment. The Company is required to hold FHLB stock as a member of the FHLB and transfer of the stock is substantially restricted. FHLB stock is evaluated for impairment on an annual basis.

6. ***Loans Held for Sale*** – Loans originated and intended for sale are carried at the lower of aggregate cost or fair value, as determined by aggregate outstanding commitments from investors. Gains or losses realized on the sales of loans are recognized at the time of sale and are determined by the difference between the net sales proceeds and the carrying value of the loans sold. Gains and losses on sales of the loans are included in mortgage fee income.

7. ***Loans and Interest Income*** – Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are stated at the amount of unpaid principal, reduced by net deferred loan fees, unearned discounts and a valuation allowance for possible credit losses. Interest on loans is accrued and credited to income based on the unpaid principal balance. Loans are generally placed on non-accrual status when full payment of principal or interest is in doubt, or when they are past due 90 days as to either principal or interest. Senior management may grant a waiver from non-accrual status if a past due loan is well secured and in process of collection. A non-accrual loan may be restored to accrual status when all principal and interest amounts contractually due, including payments in arrears, are reasonably assured of repayment within a reasonable period, and there is a sustained period of performance by the borrower in accordance with the contractual terms of the loan. When interest accrual is discontinued, all unpaid accrued interest is reversed. Interest income is subsequently recognized only to the extent cash payments are received.

The Company has identified the following pools of financial assets with similar risk characteristics for measuring expected credit losses:

Construction and land – This category of loans consists of loans to finance the ground up construction, improvement and or carrying for sale after the completion of construction of owner occupied and non-owner occupied residential and commercial properties, and loans secured by raw or improved land. The repayment of construction loans is generally dependent upon the successful completion of the improvements by the builder for the end user, or sale of the property to a third party. Repayment of land secured loans are dependent upon the successful development and sale of the property, the sale of the land as is, or the outside cash flow of the owners to support the retirement of the debt. These loans are secured by the underlying land and any improvements made to the land.

Farmland – These loans are principally loans to purchase farmland. These loans are secured by farmland and improvements thereon.

1-4 family residential – This category of loans includes both first and junior liens on residential real estate. Home equity revolving lines of credit and home equity term loans are included in this group of loans. At the time of origination, the Company evaluates the borrower's repayment ability through a review of debt to income and credit scores, or debit service coverage. Appraisals are obtained to support the loan amount. Financial information is obtained from the borrowers and/or the individual project to evaluate cash flows sufficiency to service debt at the time of origination. Residential mortgage loans are susceptible to weakening

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

general economic conditions and increases in unemployment rates and declining real estate values. These loans are secured by the underlying real estate.

Multi-family residential – This category of loans is primarily secured by non-owner-occupied apartment or multi-family buildings. Generally, these types of loans are thought to involve a greater degree of credit risk than owner occupied CRE as they are more sensitive to adverse economic conditions. These loans are secured by the underlying real estate.

Owner-occupied commercial real estate ("OOCRE") – This category of loans includes real estate loans for a variety of commercial property types and purposes. The repayment of real estate loans is generally largely dependent on the successful operation of the property securing the loans or the business conducted on the property securing the loan. Real estate loans may be more adversely affected by conditions in the real estate markets or in the general economy. These loans are generally secured by the underlying real estate.

Non-owner-occupied commercial real estate ("NOOCRE") – This category of loans includes investment real estate loans that are primarily secured by office and industrial buildings, retail shopping centers and various special purpose properties. Generally, these types of loans are thought to involve a greater degree of credit risk than OOCRE as they are more sensitive to adverse economic conditions. These loans are generally secured by the underlying real estate.

Commercial – This category of loans is for commercial, corporate and business purposes, including agriculture. Commercial and industrial loans are primarily for working capital, physical asset expansion, asset acquisition loans and other. These loans are made based primarily on historical and projected cash flow of the borrower and secondarily on the underlying collateral provided by the borrower. The cash flows of borrowers, however, may not behave as forecasted and collateral securing loans may fluctuate in value due to economic or individual performance factors. Financial information is obtained from the borrowers to evaluate cash flows sufficiency to service debt and are periodically updated during the life of the loan. Risks to this loan category include customer or industry concentrations and the inability to monitor the condition of the collateral which often consists of inventory, accounts receivable and other non-real estate assets. Equipment and inventory obsolescence can also pose a risk. Declines in general economic conditions and other events can cause cash flows to fall to levels insufficient to service debt. Agriculture loans consist of loans to finance farming operations and are secured by farm equipment, crops, and other farm-related non-real estate assets. Among the risks that affect agriculture loans are production risks (due to weather, pests, and diseases) as well as market and price risks. The agriculture sector is highly political, and the considerable degree of government interventions also pose a risk. These loans are generally secured by assets other than real estate, i.e. assignment of negotiable stock, deposits, life insurance, commercial vehicles, equipment etc.

Consumer – This category of loans is used for personal use typically for consumer purposes. Consumer loans may take the form of installment loans, demand loans, or single payment loans and are extended to consumers for household, family, and other personal expenditures. At the time of origination, the Company evaluates the borrower's repayment ability through a review of debt to income and credit scores. Risks common to individual loans include regulatory risks, unemployment, and changes in local economic conditions as well as the inability to monitor collateral consisting of personal property. These loans are generally secured by assets other than real estate, i.e. automobiles, boats, trailers etc.

Credit Cards – This category of loans relates to those outstanding balances on credit cards. These loans are unsecured.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

8. ***Allowance for Credit Losses*** – The allowance for credit losses is available to absorb losses inherent in the credit extension process. The entire allowance is available to absorb losses related to the loan portfolio. Credit exposures deemed to be uncollectible are charged against the allowance for credit losses. Recoveries of previously charged-off amounts are credited to the allowance for credit losses. Additions to the allowance for credit losses are made by charges to the provision for credit losses.

   Subsequent to adoption of ASC 326

   On January 1, 2023, the Company implemented ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments*. This standard changed how financial assets measured at amortized cost are presented on our balance sheet. Such assets, which include most loans, are presented at the net amount expected to be collected over their remaining contractual lives. Estimated credit losses are based on relevant information about historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts. Under the Current Expected Credit Losses ("CECL") model, loans are segregated by loan type and a reserve is calculated accordingly. The Bank utilizes the discounted cash flow methodology for most reserve valuations but also uses remaining life methodology for those loan types that do not fit the discounted cash flow methodology.

   Under the CECL model, loans that do not share similar risk characteristic with loans in their respective pools are individually evaluated for expected credit losses and are excluded from the collectively evaluated loan credit loss estimates. Management individually evaluates substandard loans (those loans with a risk rating of six or higher) over $200,000 and other loans with evidence of credit deterioration. For loans individually evaluated, a specific reserve is estimated based on either the fair value of collateral or the discounted value of expected future cash flows.

   A loan is considered to be collateral dependent when, based upon management's assessment, the borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the operation or sale of the collateral. For collateral dependent loans, expected credit losses are based on the fair value of collateral as of the date of the balance sheet, with consideration for estimated selling costs if satisfaction of the loan depends on the sale of the collateral.

   The following describes the types of collateral that secure collateral dependent loans:

   Commercial or Construction real estate loans are primarily secured by office and industrial buildings, warehouses, retail shopping facilities and various special purpose properties, including hotels and restaurants.

   Residential real estate loans considered collateral dependent are generally secured by first liens on residential real estate or junior liens on residential real estate.

   Commercial loans considered collateral dependent are secured by assets other than real estate, i.e. assignment of negotiable stock, deposits, life insurance, commercial vehicles, equipment etc.

   Consumer loans considered collateral dependent are generally secured by assets other than real estate, i.e. automobiles, boats, trailers etc.

   Management evaluates all collectively evaluated loans, except for credit card loans, using the discounted cash flow methodology. The discounted cash flow methodology uses loan level attributes, such as interest rates and maturity dates, as well as pool level inputs, such as prepayment rates, curtailment rates, probability of default and loss given default rates, to estimate credit losses over the contractual term of each collectively evaluated loan. Expected credit losses are determined by comparing the loan's amortized cost with the expected future principal and interest cash flows. Individual loan level results are aggregated for collectively evaluated loans and are then adjusted for qualitative factors deemed appropriate by management.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Credit card loans are evaluated under the weighted average remaining life methodology. For the consumer segments, a long-term average loss rate is calculated and applied on a quarterly basis for the remaining life of the pool. Adjustments for economic expectations are made in the qualitative portion of the calculation.

Management has elected to utilize the Company's historical loss data with a maximum lookback period for the probability of default and loss given default historical rate calculations required for the discounted cash flow methodology. Probability of default rates are then forecasted over a 24-month period using a regression model based on national unemployment rate, real gross domestic product seasonally adjusted rate, and national home price index forecasts obtained from Federal Open Market Committee ("FOMC"). Management has elected to use a straight-line reversion method for a 12-month period subsequent to the 24-month forecast period for probability of default rates.

The quantitative analysis described above is supplemented with other qualitative factors based on the risks present for each collectively evaluated loan pool. These qualitative factors include: effects of any changes in lending policies and procedures, including changes in underwriting standards and collections, changes in international , national, regional and local conditions, changes in the nature and volume of the portfolio and terms of loans, changes in the experience, depth and ability of lending management, changes in the volume and severity of past due loans and other similar conditions, changes in the quality of the organization's loan review system, changes in the value of underlying collateral for collateral dependent loans, the existence and effect of any concentrations of credit and changes in the levels of such concentrations, and the effect of other external factors (i.e. competition, legal and regulatory requirements) on the level of estimated credit losses.

The Company excludes accrued interest receivable from the amortized cost basis of loans when estimating credit losses and when presenting required disclosures in the financial statements. Accrued interest on loans totaling approximately $5,272,000 and $3,684,000 at December 31, 2023 and 2022, respectively, was excluded from the amortized cost basis of loans and is included in other assets on the Consolidated Balance Sheet.

Unfunded loan commitments are segmented into the same pools used for estimating the allowance for credit losses on loans. Estimated credit losses on unfunded loan commitments are based on the same methodologies, inputs and assumptions used to estimate credit losses on collectively evaluated loans, adjusted for estimated funding probabilities. The estimated funding probabilities represent management's estimate of the amount of the current unfunded loan commitment that will be funded over the remaining contractual life of the commitment and is based on historical data.

The Company may modify loans to borrowers experiencing financial difficulty and grant certain concessions that include principal forgiveness, a term extension, an other-than-insignificant payment delay, an interest rate reduction, or a combination of these concessions. An assessment of whether the borrower is experiencing financial difficulty is made at the time of the loan modification.

Upon the Company's determination that a modified loan (or portion of a loan) has subsequently been deemed uncollectible, the loan (or portion of the loan) is written off. Therefore, the amortized cost basis of the loan is reduced by the uncollectible amount and the allowance for credit losses is adjusted by the same amount.

Prior to Adoption of ASC 326:

The allowance for credit losses represents a reserve for inherent losses in the loan portfolio. The adequacy of the allowance for credit losses is evaluated periodically based on a review of all significant loans, with a particular emphasis on non-accruing, past due and other loans that management believes might be potentially impaired or warrant additional attention. The Company segregates the loan portfolio by type of loan and utilizes this segregation in evaluating exposure to risks within the portfolio. In addition, based on internal reviews and external reviews performed by independent auditors and regulatory authorities, the Company further segregates the loan portfolio by loan grades based on an assessment of risk for a particular loan or group of loans. Certain reviewed loans are assigned specific allowances when a review of relevant data determines that a general allocation is not sufficient or when the review affords management the opportunity to fine tune the amount of exposure in a given credit. In establishing allowances, management considers

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

historical credit loss experience but adjusts this data with a significant emphasis on data such as current loan quality trends, current economic conditions and other factors in the markets where the Company operates. Factors considered include, among others, current valuations of real estate in their markets, unemployment rates, the effect of weather conditions on agricultural related entities and other significant local economic events.

Certain loans if restructuring is required are individually evaluated for impairment and included in the separately identified impairment disclosures. Individually evaluated loans are measured at the present value of estimated future cash flows using the loan's original effective rate or based on collateral if deemed to be a collateral dependent loan. These loans are measured at the fair value of the collateral less applicable estimated selling costs. If an individually evaluated loan subsequently defaults, the Company determines the amount of the allowance on that loan in accordance with the accounting policy for the allowance for credit losses on loans individually identified as impaired.

The allowance for credit losses is maintained at a level, which, in management's judgment, is adequate to absorb credit losses inherent in the loan portfolio. The amount of the allowance is based on management's evaluation of the collectability of the loan portfolio, including the nature of the portfolio, credit concentrations, trends in historical loss experience, specific impaired loans, economic conditions and other risks inherent in the portfolio. Allowances for impaired loans are generally determined based on collateral values or the present value of estimated cash flows. Although management uses available information to recognize losses on loans, because of uncertainties associated with local economic conditions, collateral values and future cash flows on individually analyzed loans, it is reasonably possible that a material change could occur in the allowance for credit losses in the near term. However, the amount of the change that is reasonably possible cannot be estimated.

A loan is considered impaired when, based on current information and events, it is probable that a creditor will not be able to collect the scheduled payments of principal or interest when due according to the contractual terms of the loan agreement. Factors considered by management in determining impairment include payment status, collateral value and the probability of collecting scheduled principal and interest payments when due. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record and the amount of the shortfall in relation to the principal and interest owed. Impairment is measured on a loan by loan basis by either the present value of expected future cash flows discounted at the loan's effective interest rate, the loan's obtainable market price, or the fair value of the collateral if the loan is collateral dependent. Substantially all of the Bank's loans, which have been identified as impaired, have been measured by the fair value of existing collateral.

Large groups of smaller balance homogenous loans are collectively evaluated for impairment. Accordingly, the Company does not separately identify individual consumer loans for impairment disclosures.

9. ***Premises and Equipment*** – Land is carried at cost. Other premises and equipment are stated at cost, less accumulated depreciation. Depreciation is charged to operating expenses over the estimated useful lives of the assets and is computed on the straight-line method. In general, estimated lives for buildings are up to 40 years, furniture and equipment useful lives range from three to 20 years, and the lives of software and computer related equipment range from three to five years. Leasehold improvements are amortized over the life of the related lease, or the related assets, whichever is shorter. Expenditures for major improvements of the Company's premises and equipment are capitalized and depreciated over their estimated useful lives. Minor repairs, maintenance and improvements are charged to operations as incurred. When assets are sold or disposed of, their cost and related accumulated depreciation are removed from the accounts and any gain or loss is reflected in earnings.

10. ***Cash Surrender Value of Life Insurance*** - The Company has purchased life insurance policies on certain key executives. Life insurance is measured at the amount that could be realized under the insurance contract as of the balance sheet date, which generally is the cash surrender value of the policy.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

11. ***Other Real Estate*** - Other real estate, acquired principally through foreclosure, is held for sale and initially recorded at fair value less cost to sell. Credit losses incurred in the acquisition of these properties are charged against the allowance for possible credit losses at the time of foreclosure. Cost of improvements are capitalized up to the fair value of the property, whereas costs related to holding other real estate and subsequent adjustments to the value are charged against current period operations. There are no residential real estate loans that are in process of foreclosure at December 31, 2023 and 2022.

12. ***Goodwill and Core Deposit Intangible*** – Core deposit intangible is stated at cost less accumulated amortization and is amortized on a straight-line basis over the estimated lives of the assets. The Company has also elected to amortize the excess of purchase price over fair value of net assets acquired (goodwill) over a ten-year period. The Company evaluates whether goodwill and core deposit intangible may be impaired at least annually and whenever events or changes in circumstances indicate it is more likely than not the fair value of the reporting unit or asset is less than it's carrying amount. No indicators of impairment were identified during the years ended December 31, 2023 or 2022.

13. ***Income Taxes*** – The Company reports income taxes under Accounting Standards Codification Topic 740, Income Taxes, which requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax liabilities and assets are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

    The Company and the Bank file a consolidated income tax return. The Bank computes its income tax expense as if it filed an individual return except that it does not receive any portion of the surtax allocation. Any benefits or disadvantages of the consolidation are absorbed by the parent company. The Bank pays its allocation of federal income taxes to the parent company or receives payment from the parent company to the extent that tax benefits are realized.

    A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50 percent likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded.

    The Company recognizes penalties related to income tax matters in income tax expense. The Company is subject to U.S. federal and Georgia state income tax audit for returns for the tax periods ending December 31, 2022, 2021, and 2020.

14. ***Use of Estimates*** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("US GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

    The determination of the adequacy of the allowance for credit losses is based on estimates that are particularly susceptible to significant changes in the economic environment and market conditions. In connection with the determination of the estimated losses on loans, management obtains independent appraisals for significant collateral.

    The Bank's loans are generally secured by specific items of collateral including real property, consumer assets and business assets. Although the Bank has a diversified loan portfolio, a substantial portion of its debtors' ability to honor their contracts is dependent on local economic conditions.

    While management uses available information to recognize losses on loans, further reductions in the carrying amounts of loans may be necessary based on changes in local economic conditions. In addition, regulatory agencies, as an integral part of their examination process, periodically review the estimated losses on loans. Such agencies may require the Bank to recognize additional losses based on their judgments about information available to them at the time of their

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

examination. Because of these factors, it is reasonably possible that the estimated losses on loans may change materially in the near term. However, the amount of the change that is reasonably possible cannot be estimated.

The determination of the value of assets acquired and liabilities assumed as part of acquisitions are based upon differences in stated rates and market rates of the acquired assets or liabilities assumed. When possible, an independent valuation of the assets acquired, and liabilities assumed was obtained to estimate their fair value.

15. ***Acquisitions*** - US GAAP requires that the acquisition method of accounting, formerly referred to as the purchase method, be used for all business combinations and that an acquirer be identified for each business combination. Under US GAAP, the acquirer is the entity that obtains control of one or more businesses in the business combination, and the acquisition date is the date the acquirer achieves control. US GAAP requires that the acquirer recognize the fair value of assets acquired, liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date.

16. ***Comprehensive Income*** – US GAAP generally requires that recognized revenues, expenses, gains, and losses be included in net income. Although certain changes in assets and liabilities, such as unrealized gains and losses on available-for-sale securities, are reported as a separate component of the equity section of the consolidated balance sheets, such items along with net income, are components of comprehensive income. The Company presents comprehensive income in a separate consolidated statement of comprehensive income.

17. ***Revenue Recognition*** - The core revenue recognition principle requires the Company to recognize revenue to depict the transfer of services or products to customers [members] in an amount that reflects the consideration to which the Company expects to be entitled to receive in exchange for those services or products recognized as performance obligations are satisfied. The guidance includes a five-step model to apply to revenue recognition, consisting of the following; (1) identify the contract with a customer [member]; (2) identify the performance obligation(s) within the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligation(s) within the contract; and (5) recognize revenue when (or as) the performance obligation(s) are/is satisfied.

    The Company generally fully satisfies its performance obligations on its contracts with customers as services are rendered and the transaction prices are typically fixed; charged either on a periodic basis or based on activity. Since performance obligations are satisfied as services are rendered and the transaction prices are fixed, there is little judgment involved in applying revenue recognition that significantly affects the determination of the amount and timing of revenue from contracts with customers.

    The following significant revenue-generating transactions are within the scope of ASC 606, which are presented in The consolidated statements of income:

    Service charges on deposit accounts: The deposit contract obligates the Company to serve as a custodian of the customer's deposited funds and is generally terminable at will by either party. The contract permits the customer to access the funds on deposit and request additional services for which the Company earns a fee, including NSF and analysis charges, related to the deposit account. Income for deposit accounts is recognized over the statement cycle period (typically on a monthly basis) or at the time the service is provided, if additional services are requested.

    Interchange fee income: A contract between the Company, as a card-issuing bank, and its customers whereby the Company receives a transaction fee from the merchant's bank whenever a customer uses a debit or credit card to make a purchase. These fees are earned as the service is provided (i.e., when the customer uses a debit or ATM card).

    Other non-interest income (included in Other service charges, commissions and fees and Other income on the consolidated statements of income): Other non-interest income includes several items, such as wire transfer income, rental income from bank properties and safe deposit box rental fees. This income is generally recognized at the time the service is provided and/or the income is earned.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

18. ***Legal Contingencies*** - Various legal claims arise from time to time in the normal course of business. In the opinion of management, any liability resulting from such proceedings would not have a material impact on the financial statements of the Company.

19. ***Book Value per Common Share*** – Book value per common share is total stockholders' equity including accumulated other comprehensive income (loss) less preferred stock divided by the number of common shares outstanding at period end.

	As of December 31,	
	2023	**2022**
Shareholders equity	107,102,164	88,037,708
Preferred stock	9,001,339	9,001,339
Shareholders equity less preferred stock	98,100,825	79,036,369
Common shares	3,796	3,796
Book value per common share	$ 25,843	$ 20,821

20. **Reclassifications** – Certain reclassifications have been made to the 2022 financial statements to conform to the 2023 classifications.

B. RECENT ACCOUNTING PRONOUNCEMENTS

During the year ended December 31, 2023, the company adopted the following accounting pronouncements:

Accounting Standards Update ("ASU") 2016-13, *"Financial Instruments – Credit Losses (Topic 326)."*

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, *"Financial Instruments – Credit Losses (Topic 326)."* The amendments in this ASU require that entities change the impairment model for most financial assets that are measured at amortized cost and certain other instruments from an incurred loss model to an expected loss model. Under this model, entities will estimate credit losses over the entire contractual term of the instrument from the date of initial recognition of that instrument. It includes financial assets such as loan receivables, held-to-maturity debt securities, net investments in leases that are not accounted for at fair value through net income, and certain off-balance sheet credit exposures. This ASU was effective for public business entities that are SEC filers for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. In 2019, the FASB amended this ASU, which delays the effective date to 2023 for certain SEC filers that are Smaller Reporting Companies and private companies, which would apply to the Company.

On January 1, 2023, the Company adopted the provisions of ASC 326 through the application of the modified retrospective transition approach and recorded a net decrease of $582,832 to the beginning balance of retained earnings as of January 1, 2023 for the cumulative effect adjustment, reflecting an initial adjustment to the allowance for credit losses ("ACL") on loans of $30,223 and the ACL on off-balance sheet credit exposures of $750,006, net of related deferred tax assets arising from temporary differences of $197,397. The initial adjustment to the ACL is reflective of expected lifetime credit losses associated with the composition of financial assets within the scope of ASC 326 as of January 1, 2023 as well as managements current expectation of future economic conditions.

B. RECENT ACCOUNTING PRONOUNCEMENTS, CONTINUED

ASU 2022-02, "Financial Instruments-Credit Losses (Topic 326) – "*Troubled Debt Restructuring and Vintage Disclosures."*

In March 2022, the FASB issued ASU 2022-02, "Financial Instruments-Credit Losses (Topic 326) – "*Troubled Debt Restructuring and Vintage Disclosures."* The amendments in this ASU eliminates the accounting guidance for TDRs by creditors in ASC 310-40, "Receivables – Troubled Debt Restructurings by Creditors," while enhancing disclosure requirements for restructurings involving borrowers that are experiencing financial difficulty. The Company adopted this ASU as of January 1, 2023, in conjunction with eh adoption of ASU 2016-13. The Company did not have a material impact on its consolidated financial statements upon adoption of this ASU.

C. DEBT SECURITIES

Debt securities have been classified in the consolidated balance sheet according to management's intent. The following table reflects the amortized cost and estimated market values of investments in debt securities available for sale held at December 31, 2023 and 2022. In addition, gross unrealized gains and gross unrealized losses are disclosed as of December 31, 2023 and 2022.

The amortized cost and market values of debt securities available for sale were:

	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Market Value
December 31, 2023				
U.S. government agencies	$ 1,217,190	$ 404	$ 73,509	$ 1,144,085
State, county, and municipal securities	52,726,277	157,331	3,615,229	49,268,379
Other debt securities	500,000	-	12,893	487,107
Residential mortgage backed securities	93,432,718	297	11,451,660	81,981,355
Total	$ 147,876,185	$ 158,032	$ 15,153,291	$ 132,880,926
December 31, 2022				
U.S. government agencies	$ 1,637,627	$ 1,933	$ 82,298	$ 1,557,262
State, county, and municipal securities	52,884,480	15,355	5,158,626	47,741,209
Other debt securities	500,000	161	-	500,161
Residential mortgage backed securities	101,134,542	652	11,955,152	89,180,042
Total	$ 156,156,649	$ 18,101	$ 17,196,076	$ 138,978,674

The market values of pledged securities for public deposits were $104,492,528 and $100,715,866 at December 31, 2023 and 2022, respectively.

The amortized cost and estimated market value of debt securities available for sale at December 31, 2023, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or repay obligations with or without call or prepayment penalties.

December 31, 2023	Amortized Cost	Estimated Market Value
Due in one year or less	$ 232,957	$ 229,683
Due after one year through five years	1,594,790	1,589,194
Due after five years through ten years	8,875,515	8,061,274
Due after ten years	43,740,205	41,019,420
Residential mortgage backed securities	93,432,718	81,981,355
Total	$ 147,876,185	$ 132,880,926

C. DEBT SECURITIES, CONTINUED

Information pertaining to securities with gross unrealized losses at December 31, 2023 and 2022, aggregated by investment category and length of time that individual securities have been in a continuous loss position, follows:

	December 31, 2023			
	Less Than Twelve Months		Twelve Months or More	
Securities Available for sale	Unrealized Losses	Estimated Market Value	Unrealized Losses	Estimated Market Value
U.S. Government agencies	$ -	$ -	$ 73,509	$ 712,159
State, county, and municipal securities	39,534	5,571,749	3,575,695	34,466,317
Other debt securities	12,893	487,107	-	-
Residential mortgage backed securities	106,526	9,690,156	11,345,134	72,233,028
Total	$ 158,953	$ 15,749,012	$ 14,994,338	$ 107,411,504

	December 31, 2022			
	Less Than Twelve Months		Twelve Months or More	
Securities Available for sale	Unrealized Losses	Estimated Market Value	Unrealized Losses	Estimated Market Value
U.S. Government agencies	$ 161	$ 22,167	$ 82,137	$ 820,301
State, county, and municipal securities	1,776,079	32,538,704	3,382,547	12,400,174
Residential mortgage backed securities	2,709,629	43,534,826	9,245,523	45,553,889
Total	$ 4,485,869	$ 76,095,697	$ 12,710,207	$ 58,774,365

At December 31, 2023, there were unrealized losses in the investment portfolio related to available-for-sale debt securities. The unrealized losses on the debt securities arose due to changing interest rates and market conditions and are considered to be temporary because of acceptable investment grades or where the repayment sources of principal and interest are largely backed by U.S Government sponsored agencies. As a result, no allowance for credit losses was considered necessary at December 31, 2023.

At December 31, 2023, 132 debt securities are in an unrealized losses position including 2 U.S. Government agencies securities, 1 other debt security, 49 state, county and municipal securities, and 80 residential mortgage backed securities. The severity of these unrealized losses based on their underlying cost basis at December 31, 2023 was 10.96%. The Company does not intend to sell the investments and it is not likely that the Company will be required to sell the investments before recovery of their amortized cost basis, which may be at maturity.

The Company did not sell any investment securities in 2023 or 2022.

D. LOANS

The Company engages in a full complement of lending activities, including real estate-related loans, commercial and industrial loans and consumer installment loans. The majority of its lending activities are concentrated in real estate loans. While risk of loss in the Company's portfolio is primarily tied to the credit quality of the various borrowers, risk of loss may increase due to factors beyond the Company's control, such as local, regional and/or national economic downturns. General conditions in the real estate market may also impact the relative risk in the real estate portfolio.

D. LOANS, CONTINUED

Loans are stated at unpaid balances, net of unearned income. Balances within the major loans receivable categories at December 31, 2023 and 2022 are presented in the following table:

	2023	2022
Real Estate:		
Construction and Land	$ 144,895,059	$ 148,010,533
Farmland	41,125,639	49,070,318
1 - 4 Family Residential	283,591,049	249,566,746
Multi-Family Residential	39,838,852	35,752,566
OOCRE	180,264,224	162,381,431
NOOCRE	119,160,597	99,758,913
Commercial	138,331,602	109,525,150
Consumer	22,870,920	25,452,023
Credit Cards	1,912,365	1,899,561
Total Loans	971,990,305	881,417,241
Deferred PPP loan fees	-	
Fair value discount	(560,601)	(689,948)
Overdraft, in-process, and suspense accounts	(526,318)	268,118
Allowance for credit losses	(13,983,000)	(12,644,072)
Loans, net	$ 956,920,385	$ 868,351,339

D. LOANS, CONTINUED

The following tables present an analysis of past due loans and loans accounted for on a nonaccrual basis as of December 31, 2023 and 2022:

	As of December 31, 2023							
		Past Due and Still Accruing						
	Current	30-59 Days	60-89 Days	90 days or More	Total Accruing Past Due	Nonaccrual Loans without Specific Reserve	Nonaccrual Loans with Specific Reserve	Total Loans
Real Estate:								
Construction and Land	$ 144,868,478	$ 21,181	$ -	$ -	$ 21,181	$ 5,400	-	$ 144,895,059
Farmland	41,124,218	-	-	-	-	1,421	-	41,125,639
1 - 4 Family Residential	281,661,815	1,186,106	75,507	421,029	1,682,642	246,593	-	283,591,050
Multi-Family Residential	39,838,852	-	-	-	-	-	-	39,838,852
OOCRE	178,991,689	48,771	258,271	557,378	864,420	408,115	-	180,264,224
NOOCRE	118,773,507	387,090	-	-	387,090	-	-	119,160,597
Commercial	138,192,853	6,863	21,892	-	28,755	109,994	-	138,331,602
Consumer	22,455,070	183,411	33,712	6,137	223,260	192,590	-	22,870,920
Credit Cards	1,866,984	29,028	15,308	1,045	45,381	-	-	1,912,365
Total	$ 967,773,466	$ 1,862,450	$ 404,690	$ 985,589	$ 3,252,729	$ 964,113	$ -	$ 971,990,308

	As of December 31, 2022						
	Past Due and Still Accruing						
	Current	30-59 Days	60-89 Days	90 days or More	Total Accruing Past Due	Nonaccrual Loans	Total Loans
Real Estate:							
Construction and Land	$ 148,001,036	$ -	$ 9,497	$ -	$ 9,497	$ -	$ 148,010,533
Farmland	47,076,154	-	-	-	-	1,994,164	49,070,318
1 - 4 Family Residential	247,685,269	487,103	594,217	322,614	1,403,934	477,543	249,566,746
Multi-Family Residential	35,752,566	-	-	-	-	-	35,752,566
OOCRE	161,224,742	991,733	-	-	991,733	164,956	162,381,431
NOOCRE	99,734,521	24,392	-	-	24,392	-	99,758,913
Commercial	109,362,785	114,960	-	10,960	125,920	36,445	109,525,150
Consumer	25,214,721	76,539	8,102	694	85,335	151,967	25,452,023
Credit Cards	1,898,062	1,137	-	362	1,499	-	1,899,561
Total	$ 875,949,856	$ 1,695,864	$ 611,816	$ 334,630	$ 2,642,310	$ 2,825,075	$ 881,417,241

D. LOANS, CONTINUED

Impaired Loans

The following is an analysis of information pertaining to impaired loans as of December 31, 2022:

	As of December 31, 2022						
	Unpaid Total Principal Balance	Recorded Investment With No Allowance	Recorded Investment With Allowance	Total Recorded Investment	Related Allowance	Average Recorded Investment	Interest Inome Recognized
Real Estate:							
Construction and Land	$ 38,761	$ -	$ 38,761	$ 38,761	$ 18,511	$ 129,096	$ 1,315
Farmland	2,205,829	213,875	1,991,954	2,205,829	523,994	2,098,892	7,484
1 - 4 Family Residential	1,786,250	1,487,660	291,144	1,778,804	84,253	2,047,534	73,288
OOCRE	1,877,149	1,193,138	684,011	1,877,149	147,045	2,024,958	121,244
NOOCRE	1,514,855	590,045	924,810	1,514,855	105,514	2,527,669	64,936
Commercial	66,927	-	66,927	66,927	66,927	131,586	1,410
Consumer	-	-	-	-	-	18,703	-
Total	$ 7,489,771	$ 3,484,718	$ 3,997,607	$ 7,482,325	$ 946,244	$ 8,978,438	$ 269,677

Credit Quality Indicators

The Company uses an eight-category risk grading system to assign a risk grade to each loan in the portfolio. The following is a description of the general characteristics of the grades:

Grade 1 – PrimeSouth Bank Cash Secured
A loan secured by properly margined PrimeSouth Bank cash collateral, such as certificates of deposit. Repayment is definite and being handled as agreed.

Grade 2 – Other Cash Secured
Loans secured by certificates of deposit not on PrimeSouth Bank, properly margined marketable stocks and bonds with appropriate maintenance of margin documented in file.

Grade 3 – Satisfactory
Loans in this category meet or exceed all of the Bank's guidelines as defined in the Bank's policy, have a definite repayment agreement in effect, and are repaid as agreed.

Grade 4 – Low Satisfactory
Loans in this category have one or more exceptions to the Bank's policy; however, there are mitigating factors that still permit the loan to be made.

Grade 5 – Watch
Loans or assets in this category are currently protected but are potentially weak. Those loans constitute an undue and unwarranted credit risk but not to the point of justifying a classification of substandard. The credit may be relatively minor yet constitute an unwarranted risk in the light of the circumstances surrounding a specific asset. Other loans or assets especially mentioned have potential weaknesses which may, if not checked or corrected, weaken the asset or inadequately protect the Bank's credit position at some future date. Assets which might be detailed in this category include credits which the lending officer may be unable to supervise properly because of a lack of expertise, an inadequate loan agreement, the condition of and control over collateral, failure to obtain proper documentation or any other deviations from prudent lending practices. An adverse trend in the obligor's operations or an imbalance position in the balance sheet, which has not reached a point where the liquidation is jeopardized, may best be handled by this classification. Loans that are classified Watch or worse do not automatically get upgraded upon renewal.

D. LOANS, CONTINUED

Grade 6 – Substandard Assets

A substandard asset is one that is not adequately protected by current paying capacity of the obligor or adequate value of the collateral pledged, if any. Assets so classified must have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected. Loss potential, while existing in the aggregate amount of substandard assets, does not have to exist in individual assets classified substandard.

Grade 7 – Doubtful

Loans will be graded doubtful if there is not a clear repayment potential evident, if the loan has previously been classified as substandard and no improvement in the status of the loan is evident, if collection in full is dubious, there is not a current appraisal to determine that the loan is adequately protected by collateral, or the original primary source of repayment is gone and serious doubt exists as to the quality of a secondary source of repayment. If the possibility of a loss is high but it continues to perform, a loan is extended outside the Bank's normal trade area causing it to require more than usual monitoring or servicing, the Bank's files do not clearly indicate that the customer and the Bank have performed exactly according to the details set out in a loan agreement or other provisions of the loan, or if there are no inspections or appraisals which demonstrate the Bank has adequately serviced the loan; doubtful loans will require remedial action and close monitoring by the officer of record.

Grade 8 – Loss

Loans will be determined to be in the loss category if there is clearly no repayment potential, if there is inadequate collateral to liquidate the debt, if the borrower has been unresponsive to demands for payment, if there is an indication that only through protracted litigation will any amount be recovered from the borrower and if the loan does not present itself as a valid asset of the Bank.

The following tables present the loan portfolio by risk grade as of December 31, 2023 and 2022:

	As of December 31, 2023						
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Total
Real Estate:							
Construction and Land	$ -	$ -	$ 16,589,742	$ 128,296,983	$ -	$ 8,334	$ 144,895,059
Farmland	-	-	1,881,566	37,066,401	170,251	2,007,421	41,125,639
1 - 4 Family Residential	-	184,248	89,862,129	189,288,169	3,442,972	813,532	283,591,050
Multi-Family Residential	-	-	544,761	39,294,091	-	-	39,838,852
OOCRE	28,168	474,745	15,455,799	159,873,949	3,833,668	597,895	180,264,224
NOOCRE	-	-	4,523,006	113,852,450	785,141	-	119,160,597
Commercial	3,773,034	2,920,669	3,324,303	121,278,469	6,897,140	137,987	138,331,602
Consumer	3,194,341	129,641	1,128,773	18,042,699	163,367	212,099	22,870,920
Credit Cards	-	-	-	1,912,365	-	-	1,912,365
Total	$ 6,995,543	$ 3,709,303	$ 133,310,079	$ 808,905,576	$ 15,292,539	$ 3,777,268	$ 971,990,308

	As of December 31, 2022						
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Total
Real Estate:							
Construction and Land	$ -	$ -	$ 25,962,866	$ 121,973,479	$ 67,703	$ 6,485	$ 148,010,533
Farmland	-	-	3,378,107	42,564,257	898,837	2,229,117	49,070,318
1 - 4 Family Residential	35,733	192,998	88,736,211	157,271,287	2,120,843	1,209,674	249,566,746
Multi-Family Residential	-	-	1,341,021	34,411,545	-	-	35,752,566
OOCRE	80,317	536,125	15,529,422	142,165,386	3,650,938	419,243	162,381,431
NOOCRE	-	-	6,186,363	93,162,720	409,830	-	99,758,913
Commercial	2,026,654	732,518	5,365,055	101,120,052	180,989	99,882	109,525,150
Consumer	4,144,946	159,678	1,134,216	19,649,530	123,538	240,115	25,452,023
Credit Cards	-	-	-	1,899,561	-	-	1,899,561
Total	$ 6,287,650	$ 1,621,319	$ 147,633,261	$ 714,217,817	$ 7,452,678	$ 4,204,516	$ 881,417,241

D. LOANS, CONTINUED

There were no loan modifications to borrowers with financial difficulty during the year ended December 31, 2023. There were no new troubled debt restructurings during the year ended December 31, 2022.

D. LOANS, CONTINUED

Allowance for Credit Losses

The following tables detail activity in the allowance for credit losses by portfolio segment for the years ended December 31, 2023 and 2022. Allocation of a portion of the allowance to one category of loans does not preclude its availability to absorb losses in other categories.

	2023									
Allowance for credit losses:	Construction and Land	Farmland	1 - 4 Family Residential	Multi-Family Residential	OO CRE	NOO CRE	Commercial	Consumer	Credit Cards	Total
Beginning Balance	$ 2,115,257	$ 701,277	$ 3,566,623	$ 510,949	$ 2,320,635	$ 1,425,681	$ 1,530,656	$ 400,184	$ 72,810	$ 12,644,072
Impact of adoption of ASU 326	5,056	1,676	8,525	1,221	5,547	3,408	3,659	957	174	30,223
Chargeoffs	(45)	-	-	-	-	-	(83,753)	(126,073)	(5,053)	(214,924)
Recoveries	145,767	-	10,200	-	26,618	-	58,937	40,964	1,232	283,718
Provision	155,532	(562,657)	1,338,523	117,838	534,468	533,169	(834,177)	12,995	(55,780)	1,239,911
Ending Balance	$ 2,421,567	$ 140,296	$ 4,923,871	$ 630,008	$ 2,887,268	$ 1,962,258	$ 675,322	$ 329,027	$ 13,383	$ 13,983,000

	2022									
Allowance for loan losses:	Construction and Land	Farmland	1 - 4 Family Residential	Multi-Family Residential	OO CRE	NOO CRE	Commercial	Consumer	Credit Cards	Total
Beginning Balance	$ 1,588,010	$ 661,433	$ 3,144,718	$ 350,814	$ 2,104,689	$ 1,260,716	$ 1,417,998	$ 486,051	$ 57,002	$ 11,071,431
Chargeoffs	-	-	-	-	-	-	(66,897)	(88,974)	(29,622)	(185,493)
Recoveries	480,312	-	12,100	-	144,174	-	46,389	54,459	700	738,134
Provision	46,935	39,844	409,805	160,135	71,772	164,965	133,166	(51,352)	44,730	1,020,000
Ending Balance	$ 2,115,257	$ 701,277	$ 3,566,623	$ 510,949	$ 2,320,635	$ 1,425,681	$ 1,530,656	$ 400,184	$ 72,810	$ 12,644,072

E. BANK PREMISES AND EQUIPMENT

Premises and equipment as of December 31, 2023 and 2022 are summarized as follows:

	2023	2022
Land	$ 2,893,601	$ 2,798,447
Buildings and improvements	10,491,490	9,990,933
Equipment, furniture and fixtures	5,159,013	5,081,223
Total	18,544,104	17,870,603
Less - accumulated depreciation	(5,371,506)	(5,453,540)
Bank premises and equipment, net	$ 13,172,598	$ 12,417,063

Depreciation, included in operating expenses, amounted to $898,430 and $954,209 for the years ended December 31, 2023 and 2022, respectively.

F. GOODWILL AND CORE DEPOSIT INTANGIBLE

The carrying amount, accumulated amortization and amortization expense related to goodwill and core deposit intangible for December 31, 2023 and the five succeeding fiscal years are as follows:

	2023	2024	2025	2026	2027
Amortizing intangible assets					
Core deposit premium					
Gross carrying amount	$ 2,144,515	$ 2,144,515	$ 2,144,515	$ 2,144,515	$ 2,144,515
Accumulated amortization	(1,352,661)	(1,567,113)	(1,781,564)	(1,996,016)	(2,144,515)
Net carrying value	$ 791,854	$ 577,402	$ 362,951	$ 148,499	$ -
Amortization expense	$ 214,452	$ 214,452	$ 214,452	$ 214,452	$ 148,499
Goodwill					
Gross carrying amount	$ 7,120,919	$ 7,120,919	$ 7,120,919	$ 7,120,919	$ 7,120,919
Accumulated amortization	(4,491,576)	(5,203,668)	(5,915,760)	(6,627,852)	(7,120,919)
Net carrying value	$ 2,629,343	$ 1,917,251	$ 1,205,159	$ 493,067	$ -
Amortization expense	$ 712,092	$ 712,092	$ 712,092	$ 712,092	$ 493,067

G. CASH SURRENDER VALUE OF LIFE INSURANCE

The Bank has established a bank-owned life insurance (BOLI) program under which single-premium insurance contracts are purchased on certain eligible officers. Initial investments in the policies are non-deductible for income tax purposes, and the related investment income and death benefits are non-taxable when received. Death benefits are divided among the Bank and beneficiaries designated by the insured officer. The cash surrender value of these policies was $4,739,339 and $4,630,038 and at December 31, 2023 and 2022, respectively. Income earned on the cash surrender value of these policies was $109,301 and $96,665 for the years ended December 31, 2023 and 2022, respectively.

H. DEPOSITS

The aggregate amount of time deposits of $250,000 or more at December 31, 2023 and 2022 was $71,254,852 and $43,615,813, respectively.

At December 31, 2023, the scheduled maturities of time deposits are as follows:

2024	$	220,442,164
2025		3,332,902
2026		1,081,999
2027		1,089,184
2028		563,166
2030		24,451
Total time deposits	$	226,533,866

I. SHORT-TERM BORROWINGS

The Bank had lines of credit for federal funds purchased of $23,300,000 as of December 31, 2023 and 2022. There was no amount outstanding at December 31, 2023. The Company had an outstanding balance of $5,000,000 as of December 31, 2022.

J. LONG-TERM BORROWINGS

As of December 31, 2023, the Bank had one outstanding FHLB advance totaling $16,000,000 with a maturity date of February 29, 2024. The advance had a variable interest rate of 5.57% as of December 31, 2023. The Bank had outstanding advances of $15,500,000 as of December 31, 2022. The available line amount is based upon eligible mortgage loans available for pledge in the amount of $134,154,917, as well as FHLB stock with a carrying value of $1,541,900 at December 31, 2023. The Bank is required to maintain a minimum investment in FHLB stock of the greater of 1% of total mortgage assets or 0.15% of total assets while the advance agreement is in effect. As of December 31, 2023, the total lendable collateral value of the line was $89,587,641.

On September 5, 2017, the Company executed a promissory agreement in the amount of $9,000,000 with a variable interest rate of Prime minus 0.5% with a minimum rate of 3.5%. Quarterly interest only payments are due for the first year of the term. Principal and interest payments were due quarterly beginning January 2019 through the maturity date of September 2022.

On September 5, 2022, the Company renewed the promissory agreement in the amount of $5,250,000 with a variable interest rate of Prime minus 0.5% with a minimum rate of 3.5%. Quarterly interest only payments are due for the first year of the term. Principal and interest payments are due quarterly beginning December 2023 through the maturity date of September 2027.

The outstanding principal balance due was $5,000,000 and $5,250,000 as of December 31, 2023 and 2022, respectively. The Company has pledged, as collateral, its interest in PrimeSouth Bank shares consisting of 96,207.71 shares of common stock with a par value of $10 per share. Additional financial covenants that are in place as part of the lending agreement state that the Bank is to maintain the following performance measures:

1. A “well-capitalized” status in accordance with the regulations of the primary federal bank regulatory agency of the Subsidiaries Bank;

2. A Tier 1 Leverage Ratio of at least seven and one-half percent (7.50%);

3. A Non-Performing Asset Ratio of not more than twenty-five percent (25%); and

4. A Return on Assets Ratio of at least .50 (50 bps)

J. LONG-TERM BORROWINGS, CONTINUED

As of December 31, 2023, the scheduled principal payments of outstanding debt were as follows:

2023	
2024	$ 1,000,000
2025	1,000,000
2026	1,000,000
2027	2,000,000
Total	$ 5,000,000

K. INCOME TAXES

The components of income tax expense for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022
Current	$ 5,551,021	$ 4,812,199
Deferred	(402,932)	145,402
	$ 5,148,089	$ 4,957,601

The differences between the provision for income taxes and income tax expense computed by applying the statutory federal income tax rate to earnings before taxes for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022
Pretax income at statutory rate	$ 4,985,836	$ 4,510,983
State income taxes, net of federal tax benefit	441,981	326,599
Tax-exempt interest income	(225,277)	(200,060)
Cash surrender value of life insurance income	(22,953)	(20,300)
Other	(31,498)	340,379
	$ 5,148,089	$ 4,957,601

The following summarizes the sources and expected tax consequences of future table deductions, which comprise the net deferred tax asset, which is included as a component of other assets as of December 31, 2023 and 2022:

	2023	2022
Deferred Income Tax Assets:		
Provision for credit losses	$ 3,537,699	$ 3,198,950
Unfunded commitments reserve	232,270	-
Nonaccrual Interest	101,797	70,773
Unrealized losses on securities available for sale	6,064,130	4,638,056
Amortization of Goodwill and Core Deposit Intangible	492,873	414,735
Total deferred tax assets	10,428,769	8,322,514
Deferred Income Tax Liabilities:		
Depreciation	701,149	621,298
Total deferred tax liabilities	701,149	621,298
Net deferred tax asset	$ 9,727,620	$ 7,701,216

L. EMPLOYEE BENEFIT PLAN

The Company has a 401(k)-plan covering substantially all of its employees meeting age and length-of-service requirements. Matching contributions to the plan are at the discretion of the Board of Directors. The Company made matching contributions of $361,161 and $456,597 and for the years ended December 31, 2023 and 2022, respectively.

M. JUNIOR SUBORDINATED DEBENTURES

On September 9, 2003, PrimeSouth Capital Trust I ("PCT"), a wholly owned Subsidiaries of the Company closed a pooled private offering of 160 Trust Preferred Securities (Trusts) with a liquidation amount of $50,000 per security. The proceeds of the offering were loaned to the Company in exchange for junior subordinated debentures with terms similar to the Trust Preferred Securities. The sole assets of PCT are the junior subordinated debentures of the Company and payments there under. The junior subordinated debentures and the back-up obligations, in the aggregate, constitute a full and unconditional guarantee by the Company of the obligations of PCT under the Trust Preferred Securities. Distributions on the Trust Preferred Securities are payable quarterly at the floating interest rate, which is equal to the “prime rate”, as published in The Wall Street Journal, plus 25 basis points and are included in interest expense in the consolidated financial statements. These securities are considered Tier 1 capital (with certain limitations applicable) under current regulatory guidelines. As of December 31, 2023 and 2022, the outstanding principal balance of the Trust Preferred Securities was $8,248,000.

The junior subordinated debentures are subject to mandatory redemption, in whole or in part, upon repayment of the Trust Preferred Securities at maturity or their earlier redemption at the liquidation amount. Subject to the Company having received prior approval of the Federal Reserve, if then required, the Trust Preferred Securities are redeemable prior to the maturity date of December 31, 2033 at the option of the Company on or after December 31, 2008 at par or upon the occurrence of specific events defined within the trust indenture.

In accordance with Topic No. 810 of the FASB’s Accounting Standards Codification, Non-Consolidated Entities (FASB Interpretation No. 46), the Trusts are not consolidated with the Company. Accordingly, the Company does not report the securities issued by the Trust as a liability, and instead reports as liabilities the junior subordinated debentures issued by the Company and held by the Trust, as these are no longer eliminated in consolidation. The trust preferred securities are recorded as junior debentures on the balance sheets, but subject to certain limitations, qualify for the Tier 1 capital for regulatory capital purposes.

N. LIMITATION ON DIVIDENDS

The Board of Directors of any state-chartered bank in Georgia may declare and pay cash dividends on its outstanding capital stock without any request for approval of the Bank's regulatory agency if the following conditions are met:

1) Total classified assets at the most recent examination of the bank do not exceed eighty (80) percent of equity capital.

2) The aggregate amount of dividends declared in the calendar year does not exceed fifty (50) percent of the prior year's net income.

3) The ratio of equity capital to adjusted total assets shall not be less than six (6) percent.

As of December 31, 2023, the amount available for distribution by the Bank as dividends in the subsequent year without regulatory consent was $9,604,846.

O. COMMITMENTS

The Bank is a party to financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit. Those instruments involve, to varying degrees, elements of credit risk and interest rate risk in excess of the amount recognized in the

O. COMMITMENTS, CONTINUED

balance sheet. The contract or notional amounts of those instruments reflect the extent of involvement the Bank has in those particular financial instruments.

The Bank's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and standby letters of credit is represented by the contractual notional amount of those instruments. The Bank uses the same credit policies in making commitments and conditional obligations as it does for on-balance-sheet instruments.

	Years Ended December 31,	
	2023	2022
	Contract or Notional Amount	
Financial instruments whose contract amount represent credit risk:		
Commitments to extend credit	$ 164,976,329	$ 156,016,853
Standby letters of credit	1,923,946	1,397,273
Total	$ 166,900,275	$ 157,414,126

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The Bank evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained if deemed necessary by the Bank upon extension of credit is based on management's credit evaluation. Collateral held varies but may include accounts receivable, inventory, property, plant and equipment and income-producing commercial properties.

Standby letters of credit are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party. Those guarantees are primarily issued to support public and private borrowing arrangements, including commercial paper, bond financing and similar transactions. All letters of credit are due within one year of the original commitment date. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers.

The table below presents the activity in the allowance for unfunded commitment credit losses related to those financial instruments discussed above. This allowance is recorded in accrued expenses and other liabilities on the Consolidated Balance Sheets:

	Years Ended December 31,	
	2023	2022
Beginning balance for allowance for credit losses on unfunded commitments	$ 85,200	$ 85,200
Impact of CECL adoption	750,006	-
Provision for credit losses on unfunded commitments	82,857	-
Ending balance of allowance for credit losses on unfunded commitments	$ 918,063	$ 85,200

P. RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Company, through the Bank, has direct and indirect loans outstanding to or for the benefit of certain executive officers and directors. These loans were made on substantially the same terms as those prevailing, at the time made, for comparable loans to other persons and did not involve more than the normal risk of collectability or present other unfavorable features.

P. RELATED PARTY TRANSACTIONS, CONTINUED

The following is a summary of activity during the years ended December 31, 2023 and 2022 with respect to such loans to these individuals:

Balances at December 31, 2021	$	3,300,662
New loans		1,627,147
Repayments		(902,793)
Balances at December 31, 2022	$	4,025,016
Balances at December 31, 2022	$	4,025,016
New loans		67,724
Repayments		(1,115,410)
Balances at December 31, 2023	$	2,977,330

The Bank also had deposits from these related parties of $34,097,003 and $24,917,695 at December 31, 2023 and 2022, respectively.

Q. FAIR VALUE MEASUREMENTS AND DISCLOSURES

The fair value of a financial instrument is the current amount that would be exchanged between willing parties, other than in a forced liquidation. Fair value is best determined based upon quoted market prices. However, in many instances, there are no quoted market prices for the company's various financial instruments. In cases where quoted market prices are not available, fair value is based on discounted cash flows or other valuation techniques. These techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument. The accounting standard for disclosures about the fair value of financial instruments excludes certain financial instruments and all nonfinancial instruments from its disclosure requirements. Accordingly, the aggregate fair value amounts presented may not necessarily represent the underlying fair value of the Company.

The fair value hierarchy describes three levels of inputs that may be used to measure fair value:

Level 1 – Valuation is based upon quoted prices for identical instruments traded in active markets.

Level 2 – Valuation is based upon observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of assets or liabilities.

Following is a description of valuation methodologies used for assets which are recorded at fair value.

Debt Securities Available for Sale

The fair value of securities available for sale is determined by various valuation methodologies. Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows. Level 2 securities include mortgage-backed securities issued by government sponsored enterprises and municipal bonds. The level 2 fair value pricing is provided by an independent third-party and is based upon similar securities in an active market. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy and include certain residual municipal securities and other less liquid securities.

Q. FAIR VALUE MEASUREMENTS AND DISCLOSURES, CONTINUED

Loans

The Company does not record loans at fair value on a recurring basis. However, from time to time, a loan is considered impaired and an allowance for credit losses is established. Loans for which it is probable that payment of interest and principal will not be made in accordance with the contractual terms of the loan agreement are collateral dependent. Once a loan is identified as collateral dependent, management measures impairment based on the present value of expected future cash flows discounted at the loan's effective interest rate, except that as a practical expedient, a creditor may measure impairment based on a loan's observable market price, or the fair value of the collateral if repayment of the loan is dependent upon the sale of the underlying collateral. Those individually evaluated loans not requiring an allowance represent loans for which the fair value of the expected repayments or collateral exceed the recorded investments in such loans. In accordance with ASC 820, individually evaluated loans where an allowance is established based on the fair value of collateral require classification in the fair value hierarchy. When the fair value of the collateral is based on an observable market price or a current appraised value, the Company records the collateral dependent loan as nonrecurring Level 2. When an appraised value is not available or management determines the fair value of the collateral is further impaired below the appraised value and there is no observable market price, the Company records the collateral dependent loan as nonrecurring Level 3.

Other Real Estate

Other real estate is adjusted to fair value, less cost to sell, upon transfer of the loans to other real estate. Subsequently, other real estate is carried at the lower of carrying value or fair value. Fair value is based upon independent market prices, appraised values of the collateral or management's estimation of the value of the collateral. When the fair value of the collateral is based on an observable market price or a current appraised value, the Company records the other real estate as nonrecurring Level 2. When an appraised value is not available or management determines the fair value of the collateral is further impaired below the appraised value and there is no observable market price, the Company records the other real estate as nonrecurring Level 3.

Assets and Liabilities Recorded at Fair Value on a Recurring Basis

The table below presents the recorded amount of assets measured at fair value on a recurring basis as of December 31, 2023 and 2022, aggregated by the level in the fair value hierarchy within which those measurements fall.

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Debt securities available for sale				
U.S. government agencies	$ -	$ 1,144,085	$ -	$ 1,144,085
State, county, and municipal securities	-	49,268,379	-	49,268,379
Other debt securities	-	487,107	-	487,107
Residential mortgage backed securities	-	81,981,355	-	81,981,355
Total debt securities	$ -	$ 132,880,926	$ -	$ 132,880,926

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Debt securities available for sale				
U.S. Government agencies	$ -	$ 1,557,262	$ -	$ 1,557,262
State, county, and municipal securities	-	47,741,209	-	47,741,209
Other debt securities	-	500,161	-	500,161
Residential mortgage backed securities	-	89,180,042	-	89,180,042
Total debt securities	$ -	$ 138,978,674	$ -	$ 138,978,674

Q. FAIR VALUE MEASUREMENTS AND DISCLOSURES, CONTINUED

Assets Recorded at Fair Value on a Nonrecurring Basis

The Company may be required, from time to time, to measure certain assets at fair value on a nonrecurring basis in accordance with U.S. generally accepted accounting principles. These include assets that are measured at the lower of cost or market that were recognized at fair value below cost at the end of the period.

The table below presents the Company's assets and liabilities measured at fair value on a nonrecurring basis as of December 31, 2023 and 2022, aggregated by the level in the fair value hierarchy within which those measurements fall.

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Collateral dependent loans	$ -	$ -	$ 1,119,193	$ 1,119,193
Other real estate	-	-	134,543	134,543
Total	$ -	$ -	$ 1,253,736	$ 1,253,736

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Impaired loans	$ -	$ -	$ 3,051,363	$ 3,051,363
Total	$ -	$ -	$ 3,051,363	$ 3,051,363

The following table shows significant unobservable inputs used in the fair value measurement of Level 3 assets and liabilities.

Measurements:	Fair Value at December 31, 2023	Valuation Technique	Unobservable Inputs	Range
Nonrecurring:				
Collateral dependent loans	$ 1,119,193	Third party appraisals, discounted cash flows, and loan pricing	Collateral discounts, estimated selling expenses, and discount rates	11.00% - 100.00%
Other real estate	$ 134,543	Third party appraisals	Collateral discounts and estimated selling costs	10.00% - 80.00%

Measurements:	Fair Value at December 31, 2022	Valuation Technique	Unobservable Inputs	Range
Nonrecurring:				
Impaired loans	$ 3,051,363	Third party appraisals, discounted cash flows, and loan pricing	Collateral discounts, estimated selling expenses, and discount rates	11.00% - 100.00%
Other real estate	$ -	Third party appraisals	Collateral discounts and estimated selling costs	10.00% - 80.00%

R. PREFERRED STOCK

In 2017, the Company issued 903 shares of non-cumulative preferred stock. As of December 31, 2023 and 2022, 903 shares were outstanding. Each share of preferred stock is convertible to a single share of common stock upon election by the shareholder.

S. REGULATORY MATTERS

The Bank is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Company's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of the Bank's assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios (set forth in the table below) of total risk-based and Tier I capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier I capital (as defined) to average assets (as defined).

As of December 31, 2023, the most recent notification from the FDIC categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Bank must maintain minimum regulatory capital ratios as set forth in the table. There are no conditions or events since that notification that management believes have changed the Bank's category.

S. REGULATORY MATTERS, CONTINUED

The Bank's actual capital amounts and ratios are presented in the following table.

	Actual		For Capital Adequacy Purposes		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2023						
Total Risk-Based Capital To (Risk-Weighted Assets)	$ 135,838,000	14.64%	$ 74,208,000 ≥	8.0%	$ 92,760,000 ≥	10.0%
Common-equity Tier 1 To (Risk-Weighted Assets)	$ 124,202,000	13.39%	$ 41,742,000 ≥	4.5%	$ 60,294,000 ≥	6.5%
Tier I Capital To (Risk-Weighted Assets)	$ 124,202,000	13.39%	$ 55,656,000 ≥	6.0%	$ 74,208,000 ≥	8.0%
Tier I Capital To (Average Assets)	$ 124,202,000	10.45%	$ 47,530,000 ≥	4.0%	$ 59,413,000 ≥	5.0%
As of December 31, 2022						
Total Risk-Based Capital To (Risk-Weighted Assets)	$ 115,950,000	13.58%	$ 68,322,000 ≥	8.0%	$ 85,402,000 ≥	10.0%
Common-equity Tier 1 To (Risk-Weighted Assets)	$ 105,249,000	12.32%	$ 38,431,000 ≥	4.5%	$ 55,511,000 ≥	6.5%
Tier I Capital To (Risk-Weighted Assets)	$ 105,249,000	12.32%	$ 51,241,000 ≥	6.0%	$ 68,322,000 ≥	8.0%
Tier I Capital To (Average Assets)	$ 105,249,000	9.61%	$ 43,809,000 ≥	4.0%	$ 54,761,000 ≥	5.0%

T. SUBSEQUENT EVENTS

The Company performed an evaluation of subsequent events through March 29, 2024, the date upon which the Company's financial statements were available for issue. The Company has not evaluated subsequent events after this date. No subsequent events were identified that would have required a change to the financial statements or disclosure in the notes to the financial statements.

PRIMESOUTH BANCSHARES, INC.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

WIPFLI

Independent Auditor's Report

To the Board of Directors and Shareholders
PrimeSouth Bancshares, Inc. and Subsidiaries
Waycross, Georgia

Opinions on the Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated financial statements (the "financial statements") of PrimeSouth Bancshares, Inc. and Subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of PrimeSouth Bancshares, Inc. and Subsidiaries as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

We also have audited the Company's internal control over financial reporting, including controls over the preparation of regulatory financial statements in accordance with instructions to the Federal Financial Institutions Examination Council Consolidated Reports of Condition and Income ("Call Report"), as of December 31, 2024, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in 2013. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control—Integrated Framework* issued by COSO in 2013.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements and Internal Control Over Financial Reporting section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements and Internal Control Over Financial Reporting

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of effective internal control over financial reporting relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management is also responsible for its assessment about the effectiveness of internal control over financial reporting, included in the accompanying Management Report.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditor's Responsibilities for the Audits of the Financial Statements and Internal Control Over Financial Reporting

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and about whether effective internal control over financial reporting was maintained in all material respects, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit of financial statements or an audit of internal control over financial reporting conducted in accordance with GAAS will always detect a material misstatement or a material weakness when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit of financial statements or an audit of internal control over financial reporting in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the financial statement audit in order to design audit procedures that are appropriate in the circumstances.
- Obtain an understanding of internal control over financial reporting relevant to the audit of internal control over financial reporting, assess the risks that a material weakness exists, and test and evaluate the design and operating effectiveness of internal control over financial reporting based on the assessed risk.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the financial statement audit.

Definition and Inherent Limitations of Internal Control over Financial Reporting

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable financial statements in accordance with GAAP. Because management's assessment and our audit were conducted to meet the reporting requirements of Section 112 of the Federal Deposit Insurance Corporation Improvement Act ("FDICIA"), our audit of the Company's internal control over financial reporting included controls over the preparation of financial statements in accordance with GAAP and with Call Report instructions.

An entity's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the entity are being made only in accordance with authorizations of management and those charged with governance; and (3) provide reasonable assurance regarding prevention or timely detection and correction of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect and correct misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Wipfli LLP

Wipfli LLP
Atlanta, Georgia

April 7, 2025

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	As of December 31, 2024	As of December 31, 2023
Assets		
Cash and due from banks	$ 27,669,206	$ 14,555,121
Interest-bearing due from banks	75,091,962	73,151,469
Federal funds sold	382,826	608,149
Total cash and cash equivalents	103,143,994	88,314,739
Debt securities available for sale, at fair value	125,437,262	132,880,926
Federal Home Loan Bank (FHLB) stock, restricted, at cost	2,038,300	1,541,900
Loans held for sale	503,915	920,093
Loans, net of unearned income	1,091,900,529	970,903,387
Less - allowance for credit losses	(15,844,121)	(13,983,000)
Loans, net	1,076,056,408	956,920,387
Bank premises and equipment, net	13,782,191	13,172,598
Other real estate	24,000	134,543
Goodwill, net of amortization	1,917,251	2,629,343
Core deposit intangible, net of amortization	577,403	791,854
Cash surrender value of life insurance	4,865,608	4,739,339
Other assets	16,868,819	15,757,883
Total Assets	$ 1,345,215,151	$ 1,217,803,605
Liabilities		
Non-interest bearing	$ 284,710,735	$ 268,313,192
Interest bearing	887,942,555	807,391,623
Total deposits	1,172,653,290	1,075,704,815
Accrued expenses and other liabilities	9,378,552	5,755,807
Junior subordinated debentures	8,248,000	8,248,000
FHLB Advances	25,000,000	16,000,000
Other borrowings, net of capitalized offering costs	3,994,734	4,992,819
Total liabilities	1,219,274,576	1,110,701,441
Shareholders' Equity		
Preferred stock, $9,968.26 par value, authorized 903 shares, 903 issued and outstanding at December 31, 2024 and 2023	9,001,339	9,001,339
Common stock, $800 par value, authorized 150,000 shares, 3,796 issued and outstanding at December 31, 2024 and 2023	3,036,800	3,036,800
Paid-in capital surplus	13,628,808	13,628,808
Retained earnings	112,336,342	92,381,753
Accumulated other comprehensive loss	(12,062,714)	(10,946,536)
Total shareholders' equity	125,940,575	107,102,164
Total Liabilities and Shareholders' Equity	$ 1,345,215,151	$ 1,217,803,605

See Accompanying Notes to Consolidated Financial Statements

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	Years Ended December 31,	
	2024	**2023**
Interest and Dividend Income:		
Interest and fees on loans	$ 73,419,562	$ 60,644,731
Interest income on taxable securities	2,049,207	1,972,624
Interest income on nontaxable securities	1,859,306	1,877,853
Income on federal funds sold	93,771	102,814
Income on interest-bearing deposits in other banks	2,318,982	2,330,573
Other interest income	361,786	195,373
Total interest and dividend income	80,102,614	67,123,968
Interest Expense:		
Deposits	25,224,462	17,014,759
Borrowings	2,006,412	2,135,496
Total interest expense	27,230,874	19,150,255
Net interest income before provision for credit losses	52,871,740	47,973,713
Provision for credit losses	1,709,000	1,322,767
Net interest income after provision for credit losses	51,162,740	46,650,946
Noninterest Income:		
Service charges on deposit accounts	1,278,893	1,196,265
Other service charges, commissions and fees	1,260,325	973,171
Gain on sales of other real estate	3,848	613
Mortgage fee income	2,209,845	1,627,390
Increase in cash surrender value of life insurance	126,269	109,301
Interchange fees	3,210,215	2,901,646
Other noninterest income	86,594	282,509
Total noninterest income	8,175,989	7,090,895
Noninterest Expense:		
Salaries	13,978,213	12,032,021
Employee benefits	3,187,283	2,871,252
Equipment and occupancy	2,072,645	1,998,035
Amortization of intangibles	926,543	926,544
Data processing	4,868,304	4,452,098
Other noninterest expense	8,066,495	7,719,815
Total noninterest expense	33,099,483	29,999,765
Income Before Provision for Income Taxes	26,239,246	23,742,076
Provision for Income Taxes	5,743,095	5,148,089
Net Income	$ 20,496,151	$ 18,593,987

See Accompanying Notes to Consolidated Financial Statements

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years ended December 31,	
	2024	**2023**
Net income	$ 20,496,151	$ 18,593,987
Other comprehensive income (loss):		
Unrealized holding gain (loss) on debt securities available for sale, at fair value	(1,529,011)	2,182,714
Tax effect	412,833	(589,333)
Total other comprehensive income (loss), net of tax	(1,116,178)	1,593,381
Total comprehensive income	$ 19,379,973	$ 20,187,368

See Accompanying Notes to Consolidated Financial Statements

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Preferred Stock	Common Stock	Paid-in Capital Surplus	Retained Earnings	Accumulated Other Comprehensive Loss	Total
Balance, December 31, 2022	$ 9,001,339	$ 3,036,800	$ 13,628,808	$ 74,910,678	$ (12,539,917)	$ 88,037,708
Cash dividends	-	-	-	(540,080)	-	(540,080)
CECL impact on date of adoption				(582,832)		(582,832)
Net income	-	-	-	18,593,987	-	18,593,987
Other comprehensive income	-	-	-	-	1,593,381	1,593,381
Balance, December 31, 2023	$ 9,001,339	$ 3,036,800	$ 13,628,808	$ 92,381,753	$ (10,946,536)	$ 107,102,164
Cash dividends	-	-	-	(541,562)	-	(541,562)
Net income	-	-	-	20,496,151	-	20,496,151
Other comprehensive loss	-	-	-	-	(1,116,178)	(1,116,178)
Balance, December 31, 2024	$ 9,001,339	$ 3,036,800	$ 13,628,808	$ 112,336,342	$ (12,062,714)	$ 125,940,575

See Accompanying Notes to Consolidated Financial Statements

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years ended December 31,	
	2024	**2023**
Cash Flows from Operating Activities:		
Net Income	$ 20,496,151	$ 18,593,987
Adjustments to reconcile net income to cash provided by operating activities:		
Provision for credit losses	1,709,000	1,322,767
Depreciation	910,715	898,430
Net amortization on debt securities available for sale	322,576	364,503
Amortization of intangibles	926,543	926,544
Gain (loss) on disposals of bank premises and equipment	51,557	(235,012)
Deferred income tax benefit	(594,307)	(402,932)
Gain on sale of other real estate	(3,848)	(613)
Changes in loans held for sale	416,178	(920,093)
Increase in cash surrender value of life insurance	(126,269)	(109,301)
Changes in other assets	(103,796)	(928,917)
Changes in acrrued expenses and other liabilities	3,622,745	3,172,720
Net cash provided by operating activities	27,627,245	22,682,083
Cash Flows from Investing Activities		
Net change in loans	(120,880,887)	(90,031,463)
Purchase of debt securities available for sale	(7,191,222)	(1,329,047)
Proceeds from maturities, calls, and paydowns of debt securities available for sale	12,783,299	9,245,006
Purchases of FHLB stock	(15,221,400)	(350,700)
Sales of FHLB stock	14,725,000	(350,700)
Bank premises and equipment expenditures	(1,598,807)	(1,559,058)
Proceeds from disposal of bank premises and equipment	26,942	140,105
Proceeds from sales of other real estate	150,257	58,350
Net cash used in investing activities	(117,206,818)	(84,177,507)
Cash Flows from Financing Activities:		
Net change in deposits	96,948,475	80,054,315
Net change in federal funds purchased	-	(5,000,000)
Proceeds from advance from FHLB	25,000,000	16,000,000
Repayments of advance from FHLB	(16,000,000)	(15,500,000)
Paydown of other borrowings, net of capitalized offering costs	(998,085)	(248,085)
Cash dividends paid	(541,562)	(540,080)
Net cash provided by financing activities	104,408,828	74,766,150
Net change in cash and cash equivalents	14,829,255	13,621,426
Cash and cash equivalents, beginning of year	88,314,739	74,693,313
Cash and cash equivalents, end of year	$ 103,143,994	$ 88,314,739

See Accompanying Notes to Consolidated Financial Statements

PRIMESOUTH BANCSHARES, INC. AND SUBSIDIARIES

SUPPLEMENTAL INFORMATION TO CONSOLIDATED STATEMENTS OF CASH FLOWS

Cash paid for interest and taxes	*Years ended December 31,*	
	2024	**2023**
Interest on deposits and borrowings	$ 28,108,786	$ 4,223,417
Income taxes, net	$ 4,418,573	$ 4,660,048

Noncash items	*Years ended December 31,*	
	2024	**2023**
Changes in unrealized loss on investments, net of tax	$ (1,116,178)	$ 1,593,381
Transfer of loans to other real estate	$ 35,866	$ 192,280

See Accompanying Notes to Consolidated Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. ***Principles of Consolidation*** – The consolidated financial statements include the accounts of PrimeSouth Bancshares, Inc. (the "Company") and its wholly owned subsidiaries, PrimeSouth Bank (the "Bank") and PrimeSouth Insurance (the "Insurance Company"). All significant intercompany balances and transactions have been eliminated in consolidation.

2. ***Reporting Entity*** - The Company was formed in February 1990 as Blackshear Bancshares, Inc. and operates as a bank holding company with one bank subsidiary. In 1997, the Company changed its name to PrimeSouth Bancshares, Inc. The Bank has branch locations in Blackshear, Brunswick, Jesup, St. Simons Island, and Waycross, Georgia, and Fernandina Beach, Florida. The Company provides a variety of financial services to individuals and small businesses through its offices in South Georgia and North Florida. Its primary deposit products are savings and term certificate accounts, and its primary lending products are residential and commercial mortgage loans. In 2017, the Company completed the acquisition of Atlantic National Bank ("Atlantic National"), which closed on September 5, 2017.

3. ***Cash and Cash Equivalents*** - For purposes of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks, highly liquid debt instruments purchased with an original maturity of three months or less, and federal funds sold. Generally, federal funds are purchased and sold for one-day periods.

4. ***Debt Securities*** – The classification of debt securities is determined at the date of purchase. Gains or losses on the sale of securities are recognized on a specific identification basis.

   Debt securities available for sale are recorded at fair value with unrealized gains or losses (net of tax effect) excluded from earnings and reported as a component of shareholders' equity. Securities available for sale are used as a part of the Company's interest rate risk management strategy and may be sold in response to changes in interest rates, changes in prepayment risk, and other factors.

   The market value of securities is generally based on quoted market prices. If a quoted market price is not available, market value is estimated using quoted market prices for similar securities.

   Amortization of premiums and accretion of discounts are recognized in interest income using the effective interest method. Premiums that exceed the amount repayable by the issuer at the next call date are amortized to the next call date. Other premiums and discounts are amortized (accreted) over the estimated lives of the securities.

   The Company evaluates individual securities available for sale in an unrealized loss position by first determining whether the decline in fair value below the amortized cost basis of the security has resulted from a credit loss or other factors. A credit loss exists when the present value of cash flows expected to be collected from the security is less than the amortized cost basis of the security. In determining whether a credit loss exists, the Company considers the extent to which the fair value is less than the amortized cost basis, adverse conditions related to the security, the industry, or geographic areas, the payment structure of the debt security, failure of the issuer to make scheduled payments, and any changes to the rating of the security. Impairment related to credit losses is recognized through an allowance for credit losses up to the amount that fair value is less than the amortized cost basis. Changes to the allowance are recognized through earnings as a provision for (or recovery of) credit losses. Impairment related to other factors is recognized in other comprehensive income.

   If the Company intends to sell, or it is more likely than not the Company will be required to sell the security before recovery of its amortized cost basis, any allowance for credit losses is written off and the amortized cost basis is written down to the security's fair value at the reporting date with any incremental impairment recognized in earnings.

   The Company excludes accrued interest receivable from the amortized cost basis of securities available for sale when estimating credit losses and when presenting required disclosures in the financial statements. Accrued interest on securities available for sale totaling $843,913 and $828,068 at December 31, 2024 and 2023, respectively, was excluded from the amortized cost basis of securities available for sale and is included in other assets on the Consolidated Balance Sheet.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

5. ***FHLB Stock*** – FHLB stock is an investment that does not have a readily determinable fair value and is carried at cost less any impairment. The Company is required to hold FHLB stock as a member of the FHLB and transfer of the stock is substantially restricted. FHLB stock is evaluated for impairment on an annual basis.

6. ***Loans Held for Sale*** – Loans originated and intended for sale are carried at the lower of aggregate cost or fair value, as determined by aggregate outstanding commitments from investors. Gains or losses realized on the sales of loans are recognized at the time of sale and are determined by the difference between the net sales proceeds and the carrying value of the loans sold. Gains and losses on sales of the loans are included in mortgage fee income.

7. ***Loans and Interest Income*** – Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are stated at the amount of unpaid principal, reduced by net deferred loan fees, unearned discounts and a valuation allowance for possible credit losses. Interest on loans is accrued and credited to income based on the unpaid principal balance. Loans are generally placed on non-accrual status when full payment of principal or interest is in doubt, or when they are past due 90 days as to either principal or interest. A non-accrual loan may be restored to accrual status when all principal and interest amounts contractually due, including payments in arrears, are reasonably assured of repayment within a reasonable period, and there is a sustained period of performance by the borrower in accordance with the contractual terms of the loan. When interest accrual is discontinued, all unpaid accrued interest is reversed. Interest income is subsequently recognized only to the extent cash payments are received.

   The Company has identified the following pools of financial assets with similar risk characteristics for measuring expected credit losses:

   Construction and land – This category of loans consists of loans to finance the ground up construction, improvement and or carrying for sale after the completion of construction of owner occupied and non-owner occupied residential and commercial properties, and loans secured by raw or improved land. The repayment of construction loans is generally dependent upon the successful completion of the improvements by the builder for the end user, or sale of the property to a third party. Repayment of land secured loans are dependent upon the successful development and sale of the property, the sale of the land as is, or the outside cash flow of the owners to support the retirement of the debt. These loans are secured by the underlying land and any improvements made to the land.

   Farmland – These loans are principally loans to purchase farmland. These loans are secured by farmland and improvements thereon.

   1-4 family residential – This category of loans includes both first and junior liens on residential real estate. Home equity revolving lines of credit and home equity term loans are included in this group of loans. At the time of origination, the Company evaluates the borrower's repayment ability through a review of debt to income and credit scores, or debit service coverage. Appraisals are obtained to support the loan amount. Financial information is obtained from the borrowers and/or the individual project to evaluate cash flows sufficiency to service debt at the time of origination. Residential mortgage loans are susceptible to weakening general economic conditions and increases in unemployment rates and declining real estate values. These loans are secured by the underlying real estate.

   Multi-family residential – This category of loans is primarily secured by non-owner-occupied apartment or multi-family buildings. Generally, these types of loans are thought to involve a greater degree of credit risk than owner occupied CRE as they are more sensitive to adverse economic conditions. These loans are secured by the underlying real estate.

   Owner-occupied commercial real estate ("OOCRE") – This category of loans includes real estate loans for a variety of commercial property types and purposes. The repayment of real estate loans is generally largely dependent on the successful operation of the property securing the loans or the business conducted on the

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

property securing the loan. Real estate loans may be more adversely affected by conditions in the real estate markets or in the general economy. These loans are generally secured by the underlying real estate.

Non-owner-occupied commercial real estate ("NOOCRE") – This category of loans includes investment real estate loans that are primarily secured by office and industrial buildings, retail shopping centers and various special purpose properties. Generally, these types of loans are thought to involve a greater degree of credit risk than OOCRE as they are more sensitive to adverse economic conditions. These loans are generally secured by the underlying real estate.

Commercial – This category of loans is for commercial, corporate and business purposes, including agriculture. Commercial and industrial loans are primarily for working capital, physical asset expansion, asset acquisition loans and other. These loans are made based primarily on historical and projected cash flow of the borrower and secondarily on the underlying collateral provided by the borrower. The cash flows of borrowers, however, may not behave as forecasted and collateral securing loans may fluctuate in value due to economic or individual performance factors. Financial information is obtained from the borrowers to evaluate cash flows sufficiency to service debt and are periodically updated during the life of the loan. Risks to this loan category include customer or industry concentrations and the inability to monitor the condition of the collateral which often consists of inventory, accounts receivable and other non-real estate assets. Equipment and inventory obsolescence can also pose a risk. Declines in general economic conditions and other events can cause cash flows to fall to levels insufficient to service debt. Agriculture loans consist of loans to finance farming operations and are secured by farm equipment, crops, and other farm-related non-real estate assets. Among the risks that affect agriculture loans are production risks (due to weather, pests, and diseases) as well as market and price risks. The agriculture sector is highly political, and the considerable degree of government interventions also pose a risk. These loans are generally secured by assets other than real estate, i.e. assignment of negotiable stock, deposits, life insurance, commercial vehicles, equipment etc.

Consumer – Consumer loans may take the form of installment loans, demand loans, or single payment loans and are extended to consumers for household, family, and other personal expenditures. At the time of origination, the Company evaluates the borrower's repayment ability through a review of debt to income and credit scores. Risks common to individual loans include regulatory risks, unemployment, and changes in local economic conditions as well as the inability to monitor collateral consisting of personal property. These loans are generally secured by assets other than real estate, such as automobiles, boats, trailers etc.

Credit Cards – This category of loans relates to those outstanding balances on credit cards. These loans are unsecured.

8. ***Allowance for Credit Losses*** – The allowance for credit losses is available to absorb losses inherent in the credit extension process. The entire allowance is available to absorb losses related to the loan portfolio. Credit exposures deemed to be uncollectible are charged against the allowance for credit losses. Recoveries of previously charged-off amounts are credited to the allowance for credit losses. Additions to the allowance for credit losses are made by charges to the provision for credit losses.

Estimated credit losses are based on relevant information about historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts. Loans are segregated by loan type and a reserve is calculated accordingly. The Bank utilizes the discounted cash flow methodology for most reserve valuations but also uses remaining life methodology for those loan types that do not fit the discounted cash flow methodology.

Loans that do not share similar risk characteristics with loans in their respective pools are individually evaluated for expected credit losses and are excluded from the collectively evaluated loan credit loss estimates. Management individually evaluates substandard loans (those loans with a risk rating of six or higher) over $200,000 and other loans

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

with evidence of credit deterioration. For loans individually evaluated, a specific reserve is estimated based on either the fair value of collateral or the discounted value of expected future cash flows.

A loan is considered to be collateral dependent when, based upon management's assessment, the borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the operation or sale of the collateral. For collateral dependent loans, expected credit losses are based on the fair value of collateral as of the date of the balance sheet, with consideration for estimated selling costs if satisfaction of the loan depends on the sale of the collateral.

The following describes the types of collateral that secure collateral dependent loans:

Commercial or Construction real estate loans are primarily secured by office and industrial buildings, warehouses, retail shopping facilities and various special purpose properties, including hotels and restaurants.

Residential real estate loans considered collateral dependent are generally secured by first liens on residential real estate or junior liens on residential real estate.

Commercial loans considered collateral dependent are secured by assets other than real estate, i.e. assignment of negotiable stock, deposits, life insurance, commercial vehicles, equipment etc.

Consumer loans considered collateral dependent are generally secured by assets other than real estate, i.e. automobiles, boats, trailers etc.

Management evaluates all collectively evaluated loans, except for credit card loans, using the discounted cash flow methodology. The discounted cash flow methodology uses loan level attributes, such as interest rates and maturity dates, as well as pool level inputs, such as prepayment rates, curtailment rates, probability of default and loss given default rates, to estimate credit losses over the contractual term of each collectively evaluated loan. Expected credit losses are determined by comparing the loan's amortized cost with the expected future principal and interest cash flows. Individual loan level results are aggregated for collectively evaluated loans and are then adjusted for qualitative factors deemed appropriate by management.

Credit card loans are evaluated under the weighted average remaining life methodology. For the consumer segments, a long-term average loss rate is calculated and applied on a quarterly basis for the remaining life of the pool. Adjustments for economic expectations are made in the qualitative portion of the calculation.

Management has elected to utilize the Company's historical loss data with a maximum lookback period for the probability of default and loss given default historical rate calculations required for the discounted cash flow methodology. Probability of default rates are then forecasted over a 24-month period using a regression model based on national unemployment rate, real gross domestic product seasonally adjusted rate, and national home price index forecasts obtained from Federal Open Market Committee ("FOMC"). Management has elected to use a straight-line reversion method for a 12-month period after the 24-month forecast period for probability of default rates.

The quantitative analysis described above is supplemented with other qualitative factors based on the risks present for each collectively evaluated loan pool. These qualitative factors include: effects of any changes in lending policies and procedures, including changes in underwriting standards and collections, changes in international , national, regional and local conditions, changes in the nature and volume of the portfolio and terms of loans, changes in the experience, depth and ability of lending management, changes in the volume and severity of past due loans and other similar conditions, changes in the quality of the organization's loan review system, changes in the value of underlying collateral for collateral dependent loans, the existence and effect of any concentrations of credit and changes in the levels of such concentrations, and the effect of other external factors (i.e. competition, legal and regulatory requirements) on the level of estimated credit losses.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

The Company excludes accrued interest receivable from the amortized cost basis of loans when estimating credit losses and when presenting required disclosures in the financial statements. Accrued interest on loans totaling $5,853,302 and $5,272,054 at December 31, 2024 and 2023, respectively, was excluded from the amortized cost basis of loans and is included in other assets on the Consolidated Balance Sheet.

Unfunded loan commitments are segmented into the same pools used for estimating the allowance for credit losses on loans. Estimated credit losses on unfunded loan commitments are based on the same methodologies, inputs and assumptions used to estimate credit losses on collectively evaluated loans, adjusted for estimated funding probabilities. The estimated funding probabilities represent management's estimate of the amount of the current unfunded loan commitment that will be funded over the remaining contractual life of the commitment and is based on historical data.

The Company may modify loans to borrowers experiencing financial difficulty and grant certain concessions that include principal forgiveness, a term extension, an other-than-insignificant payment delay, an interest rate reduction, or a combination of these concessions. An assessment of whether the borrower is experiencing financial difficulty is made at the time of the loan modification.

Upon the Company's determination that a modified loan (or portion of a loan) has subsequently been deemed uncollectible, the loan (or portion of the loan) is written off. Therefore, the amortized cost basis of the loan is reduced by the uncollectible amount and the allowance for credit losses is adjusted by the same amount.

9. ***Premises and Equipment*** – Land is carried at cost. Other premises and equipment are stated at cost, less accumulated depreciation. Depreciation is charged to operating expenses over the estimated useful lives of the assets and is computed on the straight-line method. In general, estimated lives for buildings are up to 40 years, furniture and equipment useful lives range from three to 20 years, and the lives of software and computer related equipment range from three to five years. Leasehold improvements are amortized over the life of the related lease, or the related assets, whichever is shorter. Expenditures for major improvements of the Company's premises and equipment are capitalized and depreciated over their estimated useful lives. Minor repairs, maintenance and improvements are charged to operations as incurred. When assets are sold or disposed of, their cost and related accumulated depreciation are removed from the accounts and any gain or loss is reflected in earnings.

10. ***Cash Surrender Value of Life Insurance*** - The Company has purchased life insurance policies on certain key executives. Life insurance is measured at the amount that could be realized under the insurance contract as of the balance sheet date, which generally is the cash surrender value of the policy.

11. ***Other Real Estate*** - Other real estate, acquired principally through foreclosure, is held for sale and initially recorded at fair value less cost to sell. Credit losses incurred in the acquisition of these properties are charged against the allowance for credit losses at the time of foreclosure. Cost of improvements are capitalized up to the fair value of the property, whereas costs related to holding other real estate and subsequent adjustments to the value are charged against current period operations. There are no residential real estate loans that are in process of foreclosure at December 31, 2024 and 2023.

12. ***Goodwill and Core Deposit Intangible*** – Core deposit intangible is stated at cost less accumulated amortization and is amortized on a straight-line basis over the estimated lives of the assets. The Company has also elected to amortize the excess of purchase price over fair value of net assets acquired (goodwill) over a ten-year period. The Company evaluates whether goodwill and core deposit intangible may be impaired at least annually and whenever events or changes in circumstances indicate it is more likely than not the fair value of the reporting unit or asset is less than it's carrying amount. No indicators of impairment were identified during the years ended December 31, 2024 or 2023.

13. ***Income Taxes*** – The Company reports income taxes under Accounting Standards Codification Topic 740, *Income Taxes*, which requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax liabilities and assets are

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

The Company and the Bank file a consolidated income tax return. The Bank computes its income tax expense as if it filed an individual return except that it does not receive any portion of the surtax allocation. Any benefits or disadvantages of the consolidation are absorbed by the parent company. The Bank pays its allocation of federal income taxes to the parent company or receives payment from the parent company to the extent that tax benefits are realized.

A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50 percent likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded.

The Company recognizes penalties related to income tax matters in income tax expense. The Company is subject to U.S. federal and Georgia state income tax audit for returns for the tax periods ending December 31, 2023, 2022, and 2021.

14. ***Use of Estimates*** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("US GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

    The determination of the adequacy of the allowance for credit losses is based on estimates that are particularly susceptible to significant changes in the economic environment and market conditions. In connection with the determination of the estimated losses on loans, management obtains independent appraisals for significant collateral.

    The Bank's loans are generally secured by specific items of collateral including real property, consumer assets and business assets. Although the Bank has a diversified loan portfolio, a substantial portion of its debtors' ability to honor their contracts is dependent on local economic conditions.

    While management uses available information to recognize allowance for credit losses on loans, further reductions in the carrying amounts of loans may be necessary based on changes in local economic conditions. In addition, regulatory agencies, as an integral part of their examination process, periodically review the estimated losses on loans. Such agencies may require the Bank to recognize additional losses based on their judgments about information available to them at the time of their examination. Because of these factors, it is reasonably possible that the estimated losses on loans may change materially in the near term. However, the amount of the change that is reasonably possible cannot be estimated.

    The determination of the value of assets acquired and liabilities assumed as part of acquisitions are based upon differences in stated rates and market rates of the acquired assets or liabilities assumed. When possible, an independent valuation of the assets acquired, and liabilities assumed was obtained to estimate their fair value.

15. ***Acquisitions*** - US GAAP requires that the acquisition method of accounting, formerly referred to as the purchase method, be used for all business combinations and that an acquirer be identified for each business combination. Under US GAAP, the acquirer is the entity that obtains control of one or more businesses in the business combination, and the acquisition date is the date the acquirer achieves control. US GAAP requires that the acquirer recognize the fair value of assets acquired, liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date.

16. ***Comprehensive Income*** – US GAAP generally requires that recognized revenues, expenses, gains, and losses be included in net income. Although certain changes in assets and liabilities, such as unrealized gains and losses on available-for-sale securities, are reported as a separate component of the equity section of the consolidated balance sheets, such items

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

along with net income, are components of comprehensive income. The Company presents comprehensive income in a separate consolidated statement of comprehensive income.

17. ***Revenue Recognition*** - The core revenue recognition principle requires the Company to recognize revenue to depict the transfer of services or products to customers in an amount that reflects the consideration to which the Company expects to be entitled to receive in exchange for those services or products recognized as performance obligations are satisfied. The guidance includes a five-step model to apply to revenue recognition, consisting of the following; (1) identify the contract with a customer; (2) identify the performance obligation(s) within the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligation(s) within the contract; and (5) recognize revenue when (or as) the performance obligation(s) are/is satisfied.

    The Company generally fully satisfies its performance obligations on its contracts with customers as services are rendered and the transaction prices are typically fixed; charged either on a periodic basis or based on activity. Since performance obligations are satisfied as services are rendered and the transaction prices are fixed, there is little judgment involved in applying revenue recognition that significantly affects the determination of the amount and timing of revenue from contracts with customers.

    The following significant revenue-generating transactions are within the scope of ASC 606, which are presented in The consolidated statements of income:

    Service charges on deposit accounts: The deposit contract obligates the Company to serve as a custodian of the customer's deposited funds and is generally terminable at will by either party. The contract permits the customer to access the funds on deposit and request additional services for which the Company earns a fee, including NSF and analysis charges, related to the deposit account. Income for deposit accounts is recognized over the statement cycle period (typically on a monthly basis) or at the time the service is provided, if additional services are requested.

    Interchange fee income: A contract between the Company, as a card-issuing bank, and its customers whereby the Company receives a transaction fee from the merchant's bank whenever a customer uses a debit or credit card to make a purchase. These fees are earned as the service is provided (i.e., when the customer uses a debit or ATM card).

    Other non-interest income (included in Other service charges, commissions and fees and Other income on the consolidated statements of income): Other non-interest income includes several items, such as wire transfer income, rental income from bank properties and safe deposit box rental fees. This income is generally recognized at the time the service is provided and/or the income is earned.

18. ***Legal Contingencies*** - Various legal claims arise from time to time in the normal course of business. In the opinion of management, any liability resulting from such proceedings would not have a material impact on the financial statements of the Company.

19. ***Book Value per Common Share*** – Book value per common share is total stockholders' equity including accumulated other comprehensive income (loss) less preferred stock divided by the number of common shares outstanding at period end.

	As of December 31,	
	2024	2023
Shareholders equity	$ 125,940,575	$ 107,102,164
Preferred stock	9,001,339	9,001,339
Shareholders equity less preferred stock	$ 116,939,236	$ 98,100,825
Common shares	3,796	3,796
Book value per common share	$ 30,806	$ 25,843

B. DEBT SECURITIES

Debt securities have been classified in the consolidated balance sheet according to management's intent. The following table reflects the amortized cost and estimated market values of investments in debt securities available for sale held at December 31, 2024 and 2023. In addition, gross unrealized gains and gross unrealized losses are disclosed as of December 31, 2024 and 2023.

The amortized cost and market values of debt securities available for sale were:

	Amortized Cost	Unrealized Gains	Unrealized Losses	Allowance for Credit Losses	Fair Value
December 31, 2024					
U.S. government agencies	$ 5,032,397	$ 44,450	$ 68,047	$ -	$ 5,008,800
State, county, and municipal securities	50,275,206	13,069	4,620,682	-	45,667,593
Other debt securities	500,000	-	23,179	-	476,821
Residential mortgage backed securities	86,153,929	69	11,869,950	-	74,284,048
Total	$ 141,961,532	$ 57,588	$ 16,581,858	$ -	$ 125,437,262

	Amortized Cost	Unrealized Gains	Unrealized Losses	Allowance for Credit Losses	Fair Value
December 31, 2023					
U.S. government agencies	$ 1,217,190	$ 404	$ 73,509	$ -	$ 1,144,085
State, county, and municipal securities	52,726,277	157,331	3,615,229	-	49,268,379
Other debt securities	500,000	-	12,893	-	487,107
Residential mortgage backed securities	93,432,718	297	11,451,660	-	81,981,355
Total	$ 147,876,185	$ 158,032	$ 15,153,291	$ -	$ 132,880,926

The market values of pledged securities for public deposits were $102,437,488 and $104,492,528 at December 31, 2024 and 2023, respectively.

The amortized cost and estimated market value of debt securities available for sale at December 31, 2024, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or repay obligations with or without call or prepayment penalties.

December 31, 2024	Amortized Cost	Fair Value
Due after one year through five years	$ 6,394,755	$ 6,399,893
Due after five years through ten years	7,991,747	7,144,315
Due after ten years	41,421,101	37,609,006
Residential mortgage backed securities	86,153,929	74,284,048
Total	$ 141,961,532	$ 125,437,262

B. DEBT SECURITIES, CONTINUED

Information pertaining to securities with gross unrealized losses at December 31, 2024 and 2023, aggregated by investment category and length of time that individual securities have been in a continuous loss position, follows:

	December 31, 2024			
	Less Than Twelve Months		Twelve Months or More	
Securities Available for sale	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value
U.S. government agencies	$ 1,149	$ 384,758	$ 66,898	$ 608,573
State, county, and municipal securities	196,560	8,773,202	4,424,122	34,711,004
Other debt securities	-	-	23,179	476,821
Residential mortgage backed securities	353,144	11,883,087	11,516,806	62,278,240
Total	$ 550,853	$ 21,041,047	$ 16,031,005	$ 98,074,638

	December 31, 2023			
	Less Than Twelve Months		Twelve Months or More	
Securities Available for sale	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value
U.S. government agencies	$ -	$ -	$ 73,509	$ 712,159
State, county, and municipal securities	39,534	5,571,749	3,575,695	34,466,318
Other debt securities	12,893	487,107	-	-
Residential mortgage backed securities	106,526	9,690,156	11,345,134	72,233,028
Total	$ 158,953	$ 15,749,012	$ 14,994,338	$ 107,411,505

At December 31, 2024, there were unrealized losses in the investment portfolio related to available-for-sale debt securities. The unrealized losses on the debt securities arose due to changing interest rates and market conditions and are considered to be temporary because of acceptable investment grades or where the repayment sources of principal and interest are largely backed by U.S Government sponsored agencies. As a result, no allowance for credit losses was considered necessary at December 31, 2024.

At December 31, 2024, debt securities in an unrealized losses position include:

	Number of Securities	Aggregate Depreciation
U.S. government agencies	3	-6.41%
State, county, and municipal securities	52	-9.61%
Other debt securities	1	-4.64%
Residential mortgage backed securities	81	-13.80%
Totals	137	-12.22%

The Company does not intend to sell the investments, and it is not likely that the Company will be required to sell the investments before recovery of their amortized cost basis, which may be at maturity.

The Company did not sell any investment securities in 2024 or 2023.

C. LOANS

The Company engages in a full complement of lending activities, including real estate-related loans, commercial and industrial loans and consumer installment loans. The majority of its lending activities are concentrated in real estate loans. While risk of loss in the Company's portfolio is primarily tied to the credit quality of the various borrowers, risk of loss may increase due to factors beyond the Company's control, such as local, regional and/or national economic downturns. General conditions in the real estate market may also impact the relative risk in the real estate portfolio.

Loans are stated at unpaid balances, net of unearned income. Balances within the major loans receivable categories at December 31, 2024 and 2023 are presented in the following table:

LOAN PORTFOLIO

	2024	2023
Real Estate:		
Construction and Land	$ 137,727,176	$ 144,895,059
Farmland	51,272,974	41,125,639
1 - 4 Family Residential	356,566,338	283,591,049
Multi-Family Residential	41,517,176	39,838,852
OOCRE	204,759,140	180,264,224
NOOCRE	143,048,487	119,160,597
Commercial	135,411,302	138,331,602
Consumer	20,338,296	22,870,920
Credit Cards	12,721	1,912,364
Total Loans	1,090,653,610	971,990,306
Fair value discount	(395,282)	(560,601)
Overdraft, in-process, and suspense accounts	1,642,201	(526,318)
Allowance for credit losses	(15,844,121)	(13,983,000)
Loans, net	$ 1,076,056,408	$ 956,920,387

C. LOANS, CONTINUED

The following tables present an analysis of past due loans and loans accounted for on a nonaccrual basis as of December 31, 2024 and 2023:

	As of December 31, 2024							
		Past Due and Still Accruing						
	Current	30-59 Days	60-89 Days	90 days or More	Total Accruing Past Due	Nonaccrual Loans without Specific Reserve	Nonaccrual Loans with Specific Reserve	Total Loans
Real Estate:								
Construction and Land	$ 137,693,008	$ 34,168	$ -	$ -	$ 34,168	$ -	$ -	$ 137,727,176
Farmland	49,266,533	-	-	-	-	2,006,441	-	51,272,974
1 - 4 Family Residential	345,114,209	8,680,225	1,539,827	16	10,220,068	1,117,594	114,467	356,566,338
Multi-Family Residential	41,517,176	-	-	-	-	-	-	41,517,176
OOCRE	202,309,356	468,689	-	-	468,689	1,886,642	94,453	204,759,140
NOOCRE	143,048,487	-	-	-	-	-	-	143,048,487
Commercial	134,654,155	570,231	-	-	570,231	186,916	-	135,411,302
Consumer	19,829,688	317,990	14,137	588	332,715	175,893	-	20,338,296
Credit Cards	12,721	-	-	-	-	-	-	12,721
Total	$ 1,073,445,333	$ 10,071,303	$ 1,553,964	$ 604	$ 11,625,871	$ 5,373,486	$ 208,920	$ 1,090,653,610

	As of December 31, 2023							
		Past Due and Still Accruing						
	Current	30-59 Days	60-89 Days	90 days or More	Total Accruing Past Due	Nonaccrual Loans without Specific Reserve	Nonaccrual Loans with Specific Reserve	Total Loans
Real Estate:								
Construction and Land	$ 144,868,478	$ 21,181	$ -	$ -	$ 21,181	$ 5,400	$ -	$ 144,895,059
Farmland	41,124,218	-	-	-	-	1,421	-	41,125,639
1 - 4 Family Residential	281,661,814	1,186,106	75,507	421,029	1,682,642	246,593	-	283,591,049
Multi-Family Residential	39,838,852	-	-	-	-	-	-	39,838,852
OOCRE	178,991,689	48,771	258,271	557,378	864,420	408,115	-	180,264,224
NOOCRE	118,773,507	387,090	-	-	387,090	-	-	119,160,597
Commercial	138,192,853	6,863	21,892	-	28,755	109,994	-	138,331,602
Consumer	22,455,070	183,411	33,712	6,137	223,260	192,590	-	22,870,920
Credit Cards	1,866,983	29,028	15,308	1,045	45,381	-	-	1,912,364
Total	$ 967,773,464	$ 1,862,450	$ 404,690	$ 985,589	$ 3,252,729	$ 964,113	$ -	$ 971,990,306

Credit Quality Indicators

The Company uses an eight-category risk grading system to assign a risk grade to each loan in the portfolio. The following is a description of the general characteristics of the grades:

Grade 1 – PrimeSouth Bank Cash Secured
A loan secured by properly margined PrimeSouth Bank cash collateral, such as certificates of deposit. Repayment is definite and being handled as agreed.

Grade 2 – Other Cash Secured
Loans secured by certificates of deposit not on PrimeSouth Bank, properly margined marketable stocks and bonds with appropriate maintenance of margin documented in file.

C. LOANS, CONTINUED

Grade 3 – Satisfactory
Loans in this category meet or exceed all of the Bank's guidelines as defined in the Bank's policy, have a definite repayment agreement in effect, and are repaid as agreed.

Grade 4 – Low Satisfactory
Loans in this category have one or more exceptions to the Bank's policy; however, there are mitigating factors that still permit the loan to be made.

Grade 5 – Watch
Loans or assets in this category are currently protected but are potentially weak. Those loans constitute an undue and unwarranted credit risk but not to the point of justifying a classification of substandard. The credit may be relatively minor yet constitute an unwarranted risk in the light of the circumstances surrounding a specific asset. Other loans or assets especially mentioned have potential weaknesses which may, if not checked or corrected, weaken the asset or inadequately protect the Bank's credit position at some future date. Assets which might be detailed in this category include credits which the lending officer may be unable to supervise properly because of a lack of expertise, an inadequate loan agreement, the condition of and control over collateral, failure to obtain proper documentation or any other deviations from prudent lending practices. An adverse trend in the obligor's operations or an imbalance position in the balance sheet, which has not reached a point where the liquidation is jeopardized, may best be handled by this classification. Loans that are classified Watch or worse do not automatically get upgraded upon renewal.

Grade 6 – Substandard Assets
A substandard asset is one that is not adequately protected by current paying capacity of the obligor or adequate value of the collateral pledged, if any. Assets so classified must have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected. Loss potential, while existing in the aggregate amount of substandard assets, does not have to exist in individual assets classified substandard.

Grade 7 – Doubtful
Loans will be graded doubtful if there is not a clear repayment potential evident, if the loan has previously been classified as substandard and no improvement in the status of the loan is evident, if collection in full is dubious, there is not a current appraisal to determine that the loan is adequately protected by collateral, or the original primary source of repayment is gone and serious doubt exists as to the quality of a secondary source of repayment. If the possibility of a loss is high but it continues to perform, a loan is extended outside the Bank's normal trade area causing it to require more than usual monitoring or servicing, the Bank's files do not clearly indicate that the customer and the Bank have performed exactly according to the details set out in a loan agreement or other provisions of the loan, or if there are no inspections or appraisals which demonstrate the Bank has adequately serviced the loan; doubtful loans will require remedial action and close monitoring by the officer of record.

Grade 8 – Loss
Loans will be determined to be in the loss category if there is clearly no repayment potential, if there is inadequate collateral to liquidate the debt, if the borrower has been unresponsive to demands for payment, if there is an indication that only through protracted litigation will any amount be recovered from the borrower and if the loan does not present itself as a valid asset of the Bank.

C. LOANS, CONTINUED

The following tables present the loan portfolio by risk grade as of December 31, 2024 and 2023:

	As of December 31, 2024						
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Total
Real Estate:							
Construction and Land	$ -	$ -	$ 10,878,212	$ 126,848,964	$ -	$ -	$ 137,727,176
Farmland	-	-	4,363,005	44,903,528	-	2,006,441	51,272,974
1 - 4 Family Residential	-	177,496	129,836,310	223,261,856	1,582,162	1,708,514	356,566,338
Multi-Family Residential	-	-	525,870	40,991,306	-	-	41,517,176
OOCRE	-	424,736	16,563,003	180,301,422	6,517,343	952,636	204,759,140
NOOCRE	-	-	3,778,538	138,619,160	650,789	-	143,048,487
Commercial	6,802,754	663,905	2,569,461	125,115,376	148,073	111,733	135,411,302
Consumer	3,952,766	34,051	1,186,520	14,897,176	115,014	152,769	20,338,296
Credit Cards	-	-	-	12,721	-	-	12,721
Total	$ 10,755,520	$ 1,300,188	$ 169,700,919	$ 894,951,509	$ 9,013,381	$ 4,932,093	$ 1,090,653,610

	As of December 31, 2023						
	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Grade 6	Total
Real Estate:							
Construction and Land	$ -	$ -	$ 16,589,742	$ 128,296,983	$ -	$ 8,334	$ 144,895,059
Farmland	-	-	1,881,566	37,066,401	170,251	2,007,421	41,125,639
1 - 4 Family Residential	-	184,248	89,862,129	189,288,168	3,442,972	813,532	283,591,049
Multi-Family Residential	-	-	544,761	39,294,091	-	-	39,838,852
OOCRE	28,168	474,745	15,455,799	159,873,949	3,833,668	597,895	180,264,224
NOOCRE	-	-	4,523,006	113,852,450	785,141	-	119,160,597
Commercial	3,773,034	2,920,669	3,324,303	121,278,469	6,897,140	137,987	138,331,602
Consumer	3,194,341	129,641	1,128,773	18,042,699	163,367	212,099	22,870,920
Credit Cards	-	-	-	1,912,364	-	-	1,912,364
Total	$ 6,995,543	$ 3,709,303	$ 133,310,079	$ 808,905,574	$ 15,292,539	$ 3,777,268	$ 971,990,306

There were no loan modifications to borrowers with financial difficulty during the years ended December 31, 2024 or 2023.

C. LOANS, CONTINUED

Allowance for Credit Losses

The following tables detail activity in the allowance for credit losses by portfolio segment for the years ended December 31, 2024 and 2023. Allocation of a portion of the allowance to one category of loans does not preclude its availability to absorb losses in other categories.

	2024									
Allowance for credit losses:	Construction and Land	Farmland	1 - 4 Family Residential	Multi-Family Residential	OO CRE	NOO CRE	Commercial	Consumer	Credit Cards	Total
Beginning Balance	$ 2,421,567	$ 140,296	$ 4,923,871	$ 630,008	$ 2,887,268	$ 1,962,258	$ 675,322	$ 329,027	$ 13,383	$ 13,983,000
Chargeoffs	-	-	-	-	-	-	(34,777)	(88,967)	(2,684)	(126,428)
Recoveries	28,852	-	170,771	-	7,200	-	54,506	12,656	4,564	278,549
Provision	(1,457,922)	76,410	2,774,033	(44,806)	(51,340)	98,436	359,911	(30,459)	(15,263)	1,709,000
Ending Balance	$ 992,497	$ 216,706	$ 7,868,675	$ 585,202	$ 2,843,128	$ 2,060,694	$ 1,054,962	$ 222,257	$ -	$ 15,844,121

	2023									
Allowance for credit losses:	Construction and Land	Farmland	1 - 4 Family Residential	Multi-Family Residential	OO CRE	NOO CRE	Commercial	Consumer	Credit Cards	Total
Beginning Balance	$ 2,115,257	$ 701,277	$ 3,566,623	$ 510,949	$ 2,320,635	$ 1,425,681	$ 1,530,656	$ 400,184	$ 72,810	$ 12,644,072
Impact of adoption of ASU 326	5,056	1,676	8,525	1,221	5,547	3,408	3,659	957	174	30,223
Chargeoffs	(45)	-	-	-	-	-	(83,753)	(126,073)	(5,053)	(214,924)
Recoveries	145,767	-	10,200	-	26,618	-	58,937	40,964	1,233	283,719
Provision	155,532	(562,657)	1,338,523	117,838	534,468	533,169	(834,177)	12,995	(55,781)	1,239,910
Ending Balance	$ 2,421,567	$ 140,296	$ 4,923,871	$ 630,008	$ 2,887,268	$ 1,962,258	$ 675,322	$ 329,027	$ 13,383	$ 13,983,000

D. BANK PREMISES AND EQUIPMENT

Premises and equipment as of December 31, 2024 and 2023 are summarized as follows:

	2024	2023
Land	$ 2,893,601	2,893,601
Buildings and improvements	11,331,993	10,491,490
Equipment, furniture and fixtures	5,336,163	5,159,013
Total	19,561,757	18,544,104
Less - accumulated depreciation	(5,779,566)	(5,371,506)
Bank premises and equipment, net	$ 13,782,191	$ 13,172,598

Depreciation, included in operating expenses, amounted to $910,715 and $898,430 for the years ended December 31, 2024 and 2023, respectively.

E. GOODWILL AND CORE DEPOSIT INTANGIBLE

The carrying amount, accumulated amortization and amortization expense related to goodwill and core deposit intangible for December 31, 2024 and the three succeeding fiscal years are as follows:

	2024	2025	2026	2027
Amortizing intangible assets				
Core deposit premium				
Gross carrying amount	$ 2,144,515	$ 2,144,515	$ 2,144,515	$ 2,144,515
Accumulated amortization	(1,567,112)	(1,781,564)	(1,996,016)	(2,144,515)
Net carrying value	$ 577,403	$ 362,951	$ 148,499	$ -
Amortization expense	$ 214,452	$ 214,452	$ 214,452	$ 148,499
Goodwill				
Gross carrying amount	$ 7,120,919	$ 7,120,919	$ 7,120,919	$ 7,120,919
Accumulated amortization	(5,203,668)	(5,915,760)	(6,627,852)	(7,120,919)
Net carrying value	$ 1,917,251	$ 1,205,159	$ 493,067	$ -
Amortization expense	$ 712,092	$ 712,092	$ 712,092	$ 493,067

F. CASH SURRENDER VALUE OF LIFE INSURANCE

The Bank has established a bank-owned life insurance (BOLI) program under which single-premium insurance contracts are purchased on certain eligible officers. Initial investments in the policies are non-deductible for income tax purposes, and the related investment income and death benefits are non-taxable when received. Death benefits are divided among the Bank and beneficiaries designated by the insured officer. The cash surrender value of these policies was $4,865,608 and $4,739,339 at December 31, 2024 and 2023, respectively. Income earned on the cash surrender value of these policies was $126,269 and $109,301 for the years ended December 31, 2024 and 2023, respectively.

G. DEPOSITS

The aggregate amount of time deposits of $250,000 or more at December 31, 2024 and 2023 was $78,499,433 and $71,254,852, respectively.

At December 31, 2024, the scheduled maturities of time deposits are as follows:

2025	$	242,936,255
2026		2,080,107
2027		1,530,689
2028		540,074
2029		629,483
2030		24,758
Total time deposits	$	247,741,366

H. SHORT-TERM BORROWINGS

The Bank had lines of credit for federal funds purchased of $23,300,000 as of December 31, 2024 and 2023. There was no amount outstanding at December 31, 2024 or 2023.

I. LONG-TERM BORROWINGS

As of December 31, 2024, the Bank had one outstanding FHLB advance totaling $25,000,000 with a maturity date of February 28, 2025. The advance had a variable interest rate of 4.57% as of December 31, 2024. The Bank had outstanding advances of $16,000,000 as of December 31, 2023 with a maturity date of February 29, 2024. The advance had a variable interest rate of 5.57% as of December 31, 2023. The available line amount is based upon eligible mortgage loans available for pledge in the amount of $99,660,715, as well as FHLB stock with a carrying value of $2,038,300 at December 31, 2024. The Bank is required to maintain a minimum investment in FHLB stock of the greater of 1% of total mortgage assets or 0.15% of total assets while the advance agreement is in effect. As of December 31, 2024, the total lendable collateral value of the line was $74,760,715.

On September 5, 2022, the Company renewed a promissory agreement in the amount of $5,250,000 with a variable interest rate of Prime minus 0.5% with a minimum rate of 3.5%. Quarterly interest only payments are due for the first year of the term. Principal and interest payments are due quarterly beginning December 2023 through the maturity date of September 2027.

The outstanding principal balance due was $4,000,000, net of deferred offering costs of $5,266, and $5,000,000, net of deferred offering costs of $7,181, as of December 31, 2024 and 2023, respectively. The Company has pledged, as collateral, its interest in PrimeSouth Bank shares consisting of 96,207.71 shares of common stock with a par value of $10 per share. Additional financial covenants that are in place as part of the lending agreement state that the Bank is to maintain the following performance measures:

1. A "well-capitalized" status in accordance with the regulations of the primary federal bank regulatory agency of the Subsidiaries Bank;
2. A Tier 1 Leverage Ratio of at least seven and one-half percent (7.50%);
3. A Non-Performing Asset Ratio of not more than twenty-five percent (25%); and
4. A Return on Assets Ratio of at least .50 (50 bps)

The Bank is in compliance as of December 31, 2024 and 2023.

I. LONG-TERM BORROWINGS, CONTINUED

As of December 31, 2024, the scheduled principal payments of other borrowings were as follows:

2025	1,000,000
2026	1,000,000
2027	2,000,000
Total	$ 4,000,000

J. INCOME TAXES

The components of income tax expense for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Current	$ 6,337,402	$ 5,551,021
Deferred	(594,307)	(402,932)
	$ 5,743,095	$ 5,148,089

The differences between the provision for income taxes and income tax expense computed by applying the statutory federal income tax rate to earnings before taxes for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Pretax income at statutory rate	$ 5,510,242	$ 4,985,836
State income taxes, net of federal tax benefit	498,343	441,981
Tax-exempt interest income	(211,396)	(225,277)
Cash surrender value of life insurance income	(26,517)	(22,953)
Other	(27,577)	(31,498)
	$ 5,743,095	$ 5,148,089

The following summarizes the sources and expected tax consequences of future table deductions, which comprise the net deferred tax asset, which is included as a component of other assets as of December 31, 2024 and 2023:

	2024	2023
Deferred Income Tax Assets:		
Provision for credit losses	$ 4,008,563	$ 3,537,699
Unfunded commitments reserve	232,270	232,270
Nonaccrual Interest	157,642	101,797
Unrealized losses on securities available for sale	4,461,552	6,064,130
Amortization of Goodwill and Core Deposit Intangible	571,012	492,873
Total deferred tax assets	9,431,040	10,428,769
Deferred Income Tax Liabilities:		
Depreciation	711,690	701,149
Total deferred tax liabilities	711,690	701,149
Net deferred tax asset	$ 8,719,350	$ 9,727,620

K. EMPLOYEE BENEFIT PLAN

The Company has a 401(k)-plan covering substantially all its employees meeting age and length-of-service requirements. Matching contributions to the plan are at the discretion of the Board of Directors. The Company made matching contributions of $447,519 and $361,161 for the years ended December 31, 2024 and 2023, respectively.

L. JUNIOR SUBORDINATED DEBENTURES

On September 9, 2003, PrimeSouth Capital Trust I ("PCT"), a wholly owned subsidiary of the Company closed a pooled private offering of 160 Trust Preferred Securities (Trusts) with a liquidation amount of $50,000 per security. The proceeds of the offering were loaned to the Company in exchange for junior subordinated debentures with terms similar to the Trust Preferred Securities. The sole assets of PCT are the junior subordinated debentures of the Company and payments there under. The junior subordinated debentures and the back-up obligations, in the aggregate, constitute a full and unconditional guarantee by the Company of the obligations of PCT under the Trust Preferred Securities. Distributions on the Trust Preferred Securities are payable quarterly at the floating interest rate, which is equal to the "prime rate", as published in The Wall Street Journal, plus 25 basis points and are included in interest expense in the consolidated financial statements. At December 31, 2024, the interest rate was 7.75%. These securities are considered Tier 1 capital (with certain limitations applicable) under current regulatory guidelines. As of December 31, 2024 and 2023, the outstanding principal balance of the Trust Preferred Securities was $8,248,000.

The junior subordinated debentures are subject to mandatory redemption, in whole or in part, upon repayment of the Trust Preferred Securities at maturity or their earlier redemption at the liquidation amount. Subject to the Company having received prior approval of the Federal Reserve, if then required, the Trust Preferred Securities are redeemable prior to the maturity date of December 31, 2033, at the option of the Company on or after December 31, 2008 at par or upon the occurrence of specific events defined within the trust indenture.

In accordance with Topic No. 810 of the FASB's Accounting Standards Codification, Non-Consolidated Entities (FASB Interpretation No. 46), the Trusts are not consolidated with the Company. Accordingly, the Company does not report the securities issued by the Trust as a liability and instead reports as liabilities the junior subordinated debentures issued by the Company and held by the Trust, as these are no longer eliminated in consolidation. The trust preferred securities are recorded as junior debentures on the balance sheets, but subject to certain limitations, qualify for the Tier 1 capital for regulatory capital purposes.

M. LIMITATION ON DIVIDENDS

The Board of Directors of any state-chartered bank in Georgia may declare and pay cash dividends on its outstanding capital stock without any request for approval of the Bank's regulatory agency if the following conditions are met:

1) Total classified assets at the most recent examination of the bank do not exceed eighty (80) percent of equity capital.

2) The aggregate amount of dividends declared in the calendar year does not exceed fifty (50) percent of the prior year's net income.

3) The ratio of equity capital to adjusted total assets shall not be less than six (6) percent.

As of December 31, 2024, the amount available for distribution by the Bank as dividends in the subsequent year without regulatory consent was $10,543,482.

N. COMMITMENTS

The Bank is a party to financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit. Those instruments involve, to varying degrees, elements of credit risk and interest rate risk in excess of the amount recognized in the balance sheet. The contract or notional amounts of those instruments reflect the extent of involvement the Bank has in those particular financial instruments.

The Bank's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and standby letters of credit is represented by the contractual notional amount of those instruments. The Bank uses the same credit policies in making commitments and conditional obligations as it does for on-balance-sheet instruments.

	Years Ended December 31,	
	2024	2023
	Contract or Notional Amount	
Financial instruments whose contract amount represent credit risk:		
Commitments to extend credit	$ 160,876,526	$ 164,976,329
Standby letters of credit	2,796,141	1,923,946
Total	$ 163,672,667	$ 166,900,275

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The Bank evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained if deemed necessary by the Bank upon extension of credit is based on management's credit evaluation. Collateral held varies but may include accounts receivable, inventory, property, plant and equipment and income-producing commercial properties.

Standby letters of credit are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party. Those guarantees are primarily issued to support public and private borrowing arrangements, including commercial paper, bond financing and similar transactions. All letters of credit are due within one year of the original commitment date. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers.

The table below presents the activity in the allowance for unfunded commitment credit losses related to those financial instruments discussed above. This allowance is recorded in accrued expenses and other liabilities on the Consolidated Balance Sheets:

	Years Ended December 31,	
	2024	2023
Beginning balance for allowance for credit losses on unfunded commitments	$ 918,063	$ 85,200
Impact of CECL adoption	-	750,006
Provision for credit losses on unfunded commitments	-	82,857
Ending balance of allowance for credit losses on unfunded commitments	$ 918,063	$ 918,063

O. RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Company, through the Bank, has direct and indirect loans outstanding to or for the benefit of certain executive officers and directors. These loans were made on substantially the same terms as those prevailing, at the time made, for comparable loans to other persons and did not involve more than the normal risk of collectability or present other unfavorable features.

The following is a summary of activity during the years ended December 31, 2024 and 2023 with respect to such loans to these individuals:

Balances at December 31, 2022	$	4,025,016
New loans		67,724
Repayments		(1,115,410)
Balances at December 31, 2023	$	2,977,330
Balances at December 31, 2023	$	2,977,330
New loans		1,025,357
Repayments		(440,259)
Change in related party		(716,859)
Balances at December 31, 2024	$	2,845,569

The Bank also had deposits from these related parties of $30,190,160 and $34,097,003 at December 31, 2024 and 2023, respectively.

P. FAIR VALUE MEASUREMENTS AND DISCLOSURES

The fair value of a financial instrument is the current amount that would be exchanged between willing parties, other than in a forced liquidation. Fair value is best determined based upon quoted market prices. However, in many instances, there are no quoted market prices for the company's various financial instruments. In cases where quoted market prices are not available, fair value is based on discounted cash flows or other valuation techniques. These techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument. The accounting standard for disclosures about the fair value of financial instruments excludes certain financial instruments and all nonfinancial instruments from its disclosure requirements. Accordingly, the aggregate fair value amounts presented may not necessarily represent the underlying fair value of the Company.

The fair value hierarchy describes three levels of inputs that may be used to measure fair value:

Level 1 – Valuation is based upon quoted prices for identical instruments traded in active markets.

Level 2 – Valuation is based upon observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of assets or liabilities.

Following is a description of valuation methodologies used for assets which are recorded at fair value.

Debt Securities Available for Sale

The fair value of securities available for sale is determined by various valuation methodologies. Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not

P. FAIR VALUE MEASUREMENTS AND DISCLOSURES, CONTINUED

available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows. Level 2 securities include mortgage-backed securities issued by government sponsored enterprises and municipal bonds. The level 2 fair value pricing is provided by an independent third-party and is based upon similar securities in an active market. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy and include certain residual municipal securities and other less liquid securities.

Loans

The Company does not record loans at fair value on a recurring basis. However, from time to time, a loan is considered collateral dependent and an allowance for credit losses is established. Loans for which it is probable that payment of interest and principal will not be made in accordance with the contractual terms of the loan agreement are collateral dependent. Once a loan is identified as collateral dependent, management measures impairment based on the present value of expected future cash flows discounted at the loan's effective interest rate, except that as a practical expedient, a creditor may measure impairment based on a loan's observable market price, or the fair value of the collateral if repayment of the loan is dependent upon the sale of the underlying collateral. Those individually evaluated loans not requiring an allowance represent loans for which the fair value of the expected repayments or collateral exceed the recorded investments in such loans. In accordance with ASC 820, individually evaluated loans where an allowance is established based on the fair value of collateral require classification in the fair value hierarchy. When the fair value of the collateral is based on an observable market price or a current appraised value, the Company records the collateral dependent loan as nonrecurring Level 2. When an appraised value is not available or management determines the fair value of the collateral is further impaired below the appraised value and there is no observable market price, the Company records the collateral dependent loan as nonrecurring Level 3.

Other Real Estate

Other real estate is adjusted to fair value, less cost to sell, upon transfer of the loans to other real estate. Subsequently, other real estate is carried at the lower of carrying value or fair value. Fair value is based upon independent market prices, appraised values of the collateral or management's estimation of the value of the collateral. When the fair value of the collateral is based on an observable market price or a current appraised value, the Company records the other real estate as nonrecurring Level 2. When an appraised value is not available or management determines the fair value of the collateral is further impaired below the appraised value and there is no observable market price, the Company records the other real estate as nonrecurring Level 3.

P. FAIR VALUE MEASUREMENTS AND DISCLOSURES, CONTINUED

Assets and Liabilities Recorded at Fair Value on a Recurring Basis

The table below presents the recorded amount of assets measured at fair value on a recurring basis as of December 31, 2024 and 2023, aggregated by the level in the fair value hierarchy within which those measurements fall.

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Debt securities available for sale				
U.S. government agencies	$ -	$ 5,008,800	$ -	$ 5,008,800
State, county, and municipal securities	-	45,667,593	-	45,667,593
Other debt securities	-	476,821	-	476,821
Residential mortgage backed securities	-	74,284,048	-	74,284,048
Total debt securities	$ -	$ 125,437,262	$ -	$ 125,437,262

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Debt securities available for sale				
U.S. Government agencies	$ -	$ 1,144,085	$ -	$ 1,144,085
State, county, and municipal securities	-	49,268,379	-	49,268,379
Other debt securities	-	487,107	-	487,107
Residential mortgage backed securities	-	81,981,355	-	81,981,355
Total debt securities	$ -	$ 132,880,926	$ -	$ 132,880,925

Assets Recorded at Fair Value on a Nonrecurring Basis

The Company may be required, from time to time, to measure certain assets at fair value on a nonrecurring basis in accordance with U.S. generally accepted accounting principles. These include assets that are measured at the lower of cost or market that were recognized at fair value below cost at the end of the period.

The table below presents the Company's assets and liabilities measured at fair value on a nonrecurring basis as of December 31, 2024 and 2023, aggregated by the level in the fair value hierarchy within which those measurements fall.

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Collateral dependent loans	$ -	$ -	$ 1,197,265	$ 1,197,265
Other real estate	-	-	24,000	24,000
Total	$ -	$ -	$ 1,221,265	$ 1,221,265

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Collateral dependent loans	$ -	$ -	$ 1,119,193	$ 1,119,193
Other real estate	-	-	134,543	134,543
Total	$ -	$ -	$ 1,253,736	$ 1,253,736

P. FAIR VALUE MEASUREMENTS AND DISCLOSURES, CONTINUED

The following table shows significant unobservable inputs used in the fair value measurement of Level 3 assets and liabilities.

Measurements:	Fair Value at December 31, 2024	Valuation Technique	Unobservable Inputs	Range
Nonrecurring:				
Collateral dependent loans	$ 1,197,265	Third party appraisals, discounted cash flows, and loan pricing	Collateral discounts, estimated selling expenses, and discount rates	11.00% - 100.00%
Other real estate	$ 24,000	Third party appraisals	Collateral discounts and estimated selling costs	10.00%

Measurements:	Fair Value at December 31, 2023	Valuation Technique	Unobservable Inputs	Range
Nonrecurring:				
Collateral dependent loans	$ 1,119,193	Third party appraisals, discounted cash flows, and loan pricing	Collateral discounts, estimated selling expenses, and discount rates	11.00% - 100.00%
Other real estate	$ 134,543	Third party appraisals	Collateral discounts and estimated selling costs	10.00% - 80.00%

Q. PREFERRED STOCK

In 2017, the Company issued 903 shares of non-cumulative preferred stock. As of December 31, 2024 and 2023, 903 shares were outstanding. Each share of preferred stock is convertible to a single share of common stock upon election by the shareholder.

R. REGULATORY MATTERS

The Bank is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Company's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of the Bank's assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios (set forth in the table below) of total risk-based and Tier I capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier I capital (as defined) to average assets (as defined).

As of December 31, 2024, the most recent notification from the FDIC categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Bank must maintain minimum regulatory capital ratios as set forth in the table. There are no conditions or events since that notification that management believes have changed the Bank's category.

R. REGULATORY MATTERS, CONTINUED

The Bank's actual capital amounts and ratios are presented in the following table.

	Actual		For Capital Adequacy Purposes		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2024						
Total Risk-Based Capital To (Risk-Weighted Assets)	$ 156,536,000	15.44%	$ 81,088,000 ≥	8.0%	$ 101,360,000 ≥	10.0%
Common-equity Tier 1 To (Risk-Weighted Assets)	$ 143,815,000	14.19%	$ 45,612,000 ≥	4.5%	$ 65,884,000 ≥	6.5%
Tier I Capital To (Risk-Weighted Assets)	$ 143,815,000	14.19%	$ 60,816,000 ≥	6.0%	$ 81,088,000 ≥	8.0%
Tier I Capital To (Average Assets)	$ 143,815,000	10.84%	$ 53,080,000 ≥	4.0%	$ 66,351,000 ≥	5.0%
As of December 31, 2023						
Total Risk-Based Capital To (Risk-Weighted Assets)	$ 135,838,000	14.64%	$ 74,208,000 ≥	8.0%	$ 92,760,000 ≥	10.0%
Common-equity Tier 1 To (Risk-Weighted Assets)	$ 124,202,000	13.39%	$ 41,742,000 ≥	4.5%	$ 60,294,000 ≥	6.5%
Tier I Capital To (Risk-Weighted Assets)	$ 124,202,000	13.39%	$ 55,656,000 ≥	6.0%	$ 74,208,000 ≥	8.0%
Tier I Capital To (Average Assets)	$ 124,202,000	10.45%	$ 47,530,000 ≥	4.0%	$ 59,413,000 ≥	5.0%

S. SUBSEQUENT EVENTS

The Company performed an evaluation of subsequent events through April 7, 2025, the date upon which the Company's financial statements were available for issue. The Company has not evaluated subsequent events after this date. No subsequent events were identified that would have required a change to the financial statements or disclosure in the notes to the financial statements.

Attachment Q – Bank References

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Brunswick Housing Authority

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Bank Exceptions

ACH, EFT's, and Wire Transfers Incoming:
The RFP should include a wire transfer agreement. The agreement shall reflect that the selected bank agrees to the standard of 'simple negligence'. The City receives receipts through the ACH, EFT's, and Fedwire systems in its accounts on a regular basis. Receipts are received from payment card settlements, various customers, federal and state agencies, and from maturing investments. A proposing bank shall report ACH payment messages on the bank statements. The bank shall be capable of reporting ACH payment, EFT, and Fedwire messages in total on its web-based banking system. The bank shall report transaction confirmation numbers on its web-based banking system. The bank shall provide book transfer capability on its web-based banking system to transfer money between accounts at the bank. The bank uses the FRB EDI System to notify customer of additional information. Some detail is in the transaction online.

Deposit Reconciliation: Only banks with the capability of providing deposit reconciliation services on a web-based banking system shall be considered. Each deposit ticket shall bear the department name and number. PSB Does not offer

Positive Pay Services: As additional fraud protection over the City's checks, the City desires to negotiate a positive pay services agreement with a no-pay default option. The agreement shall reflect that the selected bank's positive pay system be implemented at its teller lines. The bank shall report discrepancies electronically through its web-based banking system. The City shall provide an affirmative or negative response for each 'exception check'.
Positive Pay Services
All positive pay exceptions are monitored via the online banking system. Alerts are configured to notify designated City employees of exceptions at 9 AM, and decisions must be completed by the specified cutoff time (11 AM EST).
• Positive Pay for Checks: The City may set an automatic response to either "Pay" or "Return" if action is not taken by the cutoff time.
• Positive Pay for ACH: The default response is "Return" for all exceptions unless a decision is made before the cutoff time.
• These protocols remain in effect during holidays when the City offices are closed but the bank is open. Exception decisions can also be processed using a mobile device.

Check Reconciliation: Only banks with the capability of providing partial and full check reconciliation services on a web- based banking system shall be considered. Check reconciliation services may be part of a proposing bank's positive pay service.
While the bank does not provide check reconciliation services, transaction data can be exported from the online banking platform.

ACH and Wire Transfers Outgoing: The RFP should include a wire transfer agreement. The agreement shall reflect that the selected bank agrees to the standard of 'simple negligence'. The City disburses vendor payments electronically through ACH and wire transfers on a regular basis. Electronic payments are made for payroll direct deposit, federal and state tax liabilities, debt service, purchases of investment securities, and others. The bank shall memo-post ACH transfers immediately for later settlement and execute wire transfers within **15** minutes after placement. The bank shall promptly notify, by telephone, the Comptroller's designated contact of any wire failures. The bank shall report ACH payment messages on the bank statements. The

bank shall be capable of reporting ACH payment and wire transactions on its web-based banking system. The bank shall report transaction confirmation numbers on its web-based banking system.

ACH origination files are memo posted on the designated effective date.

• Wire transfers are memo posted upon creation and processed within a reasonable timeframe, contingent upon transaction volume. All outgoing wires undergo verification by the Treasury Services Department to mitigate fraud risk for both the customer and the bank.

• Wire confirmation is provided to City-assigned employees at the time of processing and includes the beneficiary's name along with the trace number for reference.

ACCOUNT AGREEMENT
CHECKING ACCOUNT



ACCOUNT TITLE AND ADDRESS

ACCOUNT OPEN DATE	ACCOUNT NUMBER	OWNERSHIP TYPE	PRODUCT NAME	INITIAL DEPOSIT
		Nonprofit Corporation Tax Classification: ____	ANALYSIS - MSB	$0.00

DEFINITIONS. Throughout this Agreement, these terms have the following meaning:

- "You," "your," and "account owner" refer to the Customer named on the account.
- "We," "our," and "us" refer to the Bank, Primesouth Bank.
- "Item" or "items," as defined by Article 4 of the Uniform Commercial Code (UCC), means an instrument or a promise or order to pay money handled by a financial institution for collection or payment. The term includes a check but does not include a payment order governed by Article 4A of the UCC or a credit or debit card slip.
- "Debit transactions," "debit," or "debits" refer to funds that are taken out of your account. Common types of debits may include: checks that you have written, ACH payments, wire transfers, PIN-based debit card transactions, and signature-based debit card transactions.
- "Credit transactions," "credit," or "credits" refer to deposits of funds into your account. Common types of credits include: cash deposits, direct deposits, check deposits, and ACH and wire transfers made payable to you. Credits are generally added to your account and are made available to you in accordance with our funds availability schedule.

GENERAL AGREEMENT. You understand that the following Account Agreement ("Agreement") governs your Checking account with us, along with any other documents applicable to your account, including any account opening Disclosures that have been provided to you, which are incorporated by reference. You understand that your account is also governed by applicable law. The information found in any account opening Disclosures may change from time to time in our sole discretion. If the fees, charges, minimum balance requirements, or other items change in a manner that would adversely affect you, we will provide you with written notice prior to the change. By providing a written or electronic signature on the Account Information document or other agreement to open your account, or by using any of our deposit account services, you and any identified account owners agree to the terms contained in this Account Agreement.

YOUR CHOICE OF ACCOUNT. You have instructed us as to the title and type of the account that you have chosen. You acknowledge that it is your sole responsibility to determine the full legal effect of opening and maintaining the type of account you have chosen. We have not set forth all laws that may impact your chosen account. You must determine whether the account you select is appropriate for your current and future needs. Except as required by law, we assume no legal responsibility to inform you as to the effect of your account choice on your legal interests.

BUSINESS ACCOUNTS. Business accounts are those established by any partnership, corporation, association or other entity operated on a for-profit basis; all corporations and associations operated on a not-for-profit-basis; and any individual who intends to use the account for carrying on a trade or business. We reserve the right to require separate written authorization, in a form acceptable to us, telling us who is authorized to act on your behalf. We are authorized to follow the directions of a person designated as having authority to act on the entity's behalf until we receive written notice that the authority has been terminated and have had a reasonable time to act upon that notice.

ADDITIONAL DOCUMENTS TO OPEN ACCOUNT. You agree to supply us with a copy of any chartering document, Operating Agreement, or related documents requested by us.

ESCROW, TRUST, FIDUCIARY AND CUSTODIAL ACCOUNTS. When your account is set up as an escrow account, trust account, fiduciary account or custodial account, it is your sole responsibility to determine the legal effects of opening and maintaining an account of this nature. We have no obligation to act as trustee or to inquire into your powers or responsibilities over this account. We reserve the right to require the documentation necessary under applicable law to establish, maintain, manage, and close this account. There may be additional terms and conditions that apply to this account that are governed by a separate agreement.

TRANSFERS AND ASSIGNMENTS. We may assign or transfer any or all of our interest in this account. You cannot assign or transfer any interest in your account unless we agree in writing.

RESTRICTIVE LEGENDS. We are not required to honor any restrictive legend on checks you write unless we have agreed to the restriction in writing signed by an officer of the Bank. Examples of restrictive legends are "two signatures required", "must be presented within 90 days" or "not valid for more than $1,000.00."

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STALE OR POSTDATED CHECKS. We reserve the right to pay or dishonor a check more than six (6) months old without prior notice to you. You agree not to postdate any check drawn on the account. If you do, and the check is presented for payment before the date of the check, we may pay it or return it unpaid. We are not liable for paying any stale or postdated check. Any damages you incur that we may be liable for are limited to actual damages not to exceed the amount of the check.

PREAUTHORIZED CHECKS OR DRAFTS. You should guard information about your account (such as your routing number and your account number) as carefully as you would guard blank checks. If you voluntarily give such information about your account to a party which is seeking to sell you goods or services, without physically delivering a check to that party, any debit to or withdrawal from your account it initiates will be deemed authorized by you.

VERIFYING FUNDS AVAILABILITY FOR CHECK. You authorize us to release funds availability information about your account to individuals or merchants who represent to us that they have received a check from you.

CHECK SAFEKEEPING. If you utilize a check safekeeping system or any other system offered by us for the retention of your checks, you understand that the canceled checks will be retained by us and destroyed after a reasonable time period or as required by law. Any request for a copy of any check may be subject to a fee, as indicated in the Fee Schedule or Disclosures and as allowed by law. If for any reason we cannot provide you with a copy of a check, our liability will be limited to the lesser of the face amount of the check or the actual damages sustained by you.

YOUR RESPONSIBILITY FOR BACK OF CHECK. All negotiable paper ("checks") presented for deposit must be in a format that can be processed and we may refuse to accept any check that does not meet this requirement. All endorsements on the reverse side of any check deposited into your account must be placed on the left side of the check when looking at it from the front, and the endorsements must be placed so as not to go beyond an area located 1-½ inches from the left edge of the check when looking at it from the front. It is your responsibility to ensure that these requirements are met and you are responsible for any loss incurred by us for failure of an endorsement to meet this requirement.

ELECTRONIC CHECKS AND ELECTRONICALLY-CREATED ITEMS. Pursuant to Regulation CC, electronic checks may be treated the same as paper checks for check collection and processing purposes. See the Substitute Checks section for more information.

Electronically-created items ("ECI") are check-like items created in electronic form that never existed in paper form. For example, you set up automatic bill payments with us to pay your utility bill. From your account information, we create an ECI that is sent to your utility company for payment. An ECI cannot be used to create a substitute check since it never existed in paper form.

SUBSTITUTE CHECKS. To make check processing faster, federal law permits financial institutions to replace original checks with "substitute checks." These substitute checks are similar in size to the original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Some or all of the checks that you receive back from us may be substitute checks. An electronic check can be used to create a substitute check since the electronic image and electronic information was derived from its paper form.

REMOTE DEPOSIT CAPTURE. Remote deposit capture ("RDC") allows you to make deposits to your account from remote locations by electronically transmitting digital images of your original paper checks, which are drawn on or payable through United States financial institutions in United States dollars to us. We may then use the digital image to create an electronic check or substitute check for collection. If you use our RDC services, if applicable, we may require you to endorse the back of the paper check to indicate that it has been remotely deposited. For example, "for mobile deposit only" or "for mobile deposit at Primesouth Bank only."

REMOTELY CREATED CHECKS. A remotely created check, as defined in Regulation CC, means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn. By having a deposit account with us, you certify that all remotely created checks deposited to your account(s) will be expressly and verifiably authorized by the payer. And we reserve the rights to refuse for deposit any such remotely created check if we have any reason to believe that the check is fraudulent in any manner and to obtain from you the payer's express, verifiable authorization for any such check.

WITHDRAWALS. Deposits will be available for withdrawal consistent with the terms of the Disclosures. Withdrawals may be subject to a service charge.

DEPOSITS. Deposits may be made in person, by mail, or in another form and manner as agreed by us in our sole discretion. We are not responsible for transactions mailed until we actually receive and record them. We may in our sole discretion refuse to accept particular instruments as a deposit to your account. Cash deposits are credited to your account according to this Agreement. Other items you deposit are handled by us according to our usual collection practices. If an item you deposit is returned unpaid, we will debit your account for the item. You are liable to us for the amount of any check you deposit to your account that is returned unpaid and all costs and expenses related to the collection of all or part of such amount from you. Funds deposited to your account, excluding any Time Deposit accounts, are available in accordance with the Disclosures.

COLLECTION OF DEPOSITED ITEMS. In receiving items for deposit or collection, we act only as your agent and assume no responsibility beyond the exercise of ordinary care. All items are credited subject to final settlement in cash or credits. We shall have the right to forward items to correspondents including all Federal Reserve Banks, and we shall not be liable for default or neglect of said correspondents for loss in transit, nor shall any correspondent be liable except for its own negligence. You specifically authorize us or our correspondents to utilize Federal Reserve Banks to handle such items in accordance with provisions of Regulation J (12 CFR Part 210), as revised or amended from time to time

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by the Federal Reserve Board. In the event we are subject to local clearinghouse rules, you specifically authorize us to handle such items in accordance with the rules and regulations of the clearinghouse.

If we permit you to withdraw funds from your account before final settlement has been made for any deposited item, and final settlement is not made, we have the right to charge your account or obtain a refund from you. In addition, we may charge back any deposited item at any time before final settlement for whatever reason. We shall not be liable for any damages resulting from the exercise of these rights. Except as may be attributable to our lack of good faith or failure to exercise ordinary care, we will not be liable for dishonor resulting from any reversal of credit, return of deposited items or for any damages resulting from any of those actions.

UNLAWFUL INTERNET GAMBLING. Restricted transactions are prohibited from being processed through your account with us as required by the Unlawful Internet Gambling Enforcement Act of 2006 and Regulation GG. A restricted transaction is a transaction or transmittal involving any credit, funds, instrument, or proceeds in connection with the participation of another person in unlawful Internet gambling. You will notify us if your business practices regarding Internet gambling change in the future.

STATEMENTS. We will provide you with a periodic statement showing the account activity. The last address you supply us in writing will be deemed the proper address for mailing this statement to you. The account holder who receives this statement is the agent for his/her co-account holder(s) for purposes of receiving the statement and items. You must exercise reasonable care in reviewing your statement and reasonable promptness in notifying us of any discrepancies, such as alterations or forged or unauthorized signatures, even if by the same wrongdoer. Reasonable promptness will not exist if you fail to notify us within 30 days after we mail or otherwise make the statement available to you. If you fail to notify us of any discrepancies, with reasonable promptness, your right to assert such discrepancies will be barred or limited to the extent permitted by law. Additionally, you agree that we will not be liable for your forged or unauthorized signature or alteration on the face of the item reported to us after 60 days after we mail or otherwise make the statement or items available to you, and for any unauthorized indorsement or alteration on the back of the item reported to us after one year after we mail or otherwise make the statement or items available to you, even if we failed to exercise ordinary care. If you do not receive a statement from us because you have failed to claim it or have supplied us with an incorrect address, we may stop sending your statements until you specifically make written request that we resume sending your statements and you supply us with a proper address.

ELECTRONIC STATEMENTS AND NOTICES. You may have the option to have statements and notices regarding this account provided to you in an electronic form, including to a designated e-mail address, through an online banking portal, or other electronic method, upon your authorization. The authorization may be withdrawn at any time to return to a mailed paper form by providing written notice to us at the address provided. The fees for receiving in either form, and for receiving paper copies, are described in your account opening documents.

ACH AND WIRE TRANSFERS. This Agreement is subject to Article 4A of the Uniform Commercial Code - Funds Transfers as adopted in the State of Georgia. If you send or receive a wire transfer, you agree that Fedwire® Funds Service may be used. Federal Reserve Board Regulation J is the law that covers transactions made over Fedwire® Funds Service. When you originate a funds transfer for which Fedwire® Funds Service is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named.

If you are a party to an Automated Clearing House ("ACH") entry, you agree that we may transmit an entry through the ACH, and you agree to be bound by the National Automated Clearing House Association ("Nacha") Operating Rules and Guidelines, the rules of any local ACH, and the rules of any other systems through which the entry is made.

PROVISIONAL PAYMENT. Credit we give you is provisional until we receive final settlement for that entry. If we do not receive final settlement, you agree that we are entitled to a refund of the amount credited to you in connection with the entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

INTERNATIONAL ACH TRANSACTIONS. If your transaction originates from a financial agency that is outside of the territorial jurisdiction of the United States, it may be subject to additional review for compliance with the rules of the Office of Foreign Assets Control (OFAC). If additional review is required, the International ACH transaction will not be available to you until it passes final verification.

NOTICE OF RECEIPT. We will not provide you with notice of our receipt of the order, unless we are so requested by the transfer originator in the order. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

CHOICE OF LAW. We may accept on your behalf payments to your account which have been transmitted, that are not subject to the Electronic Fund Transfer Act, and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state where we are located.

DIRECT DEPOSITS. We may offer direct deposit services, including preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. If your account is overdrawn, you authorize us to deduct the amount of the overdraft from any deposit, including deposits of government payments or benefits. If we are required to reimburse the U.S. government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.

STOP PAYMENTS.

STOP PAYMENT ON CHECKS. You may stop payment on a check drawn against your account by a record or written order or other confirmation as allowed by us, provided that we receive the Stop Payment Order in a time and manner that gives us a reasonable opportunity to act on it. The Stop Payment Order must describe the check or account with reasonable certainty. Oral requests for a Stop

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Payment Order are binding on us for 14 calendar days only and must be confirmed by you in a record or writing within that period. If the record or written confirmation is not received as specified, we will no longer be bound by your request. Upon receipt of confirmation in a record or writing, a Stop Payment Order on a check remains in effect for six months or until we receive a record or writing revoking the Stop Payment Order, whichever occurs first. If the check on which a Stop Payment Order has been placed has not cleared or been returned to you by the payee, you may renew the Stop Payment Order for an additional six months by providing a request to us in a record or writing within the time period the Stop Payment Order is in effect. You understand that we may accept the Stop Payment Order request from any of the authorized signers of the account regardless of who signed the check.

We have a daily cutoff time by which we must receive any knowledge, notice, Stop Payment Order, set-off or legal process affecting our right or duty to pay a check. That cutoff time is one hour after the opening of your branch's banking day, following the banking day on which your branch received the check.

STOP PAYMENT ON EFT DEBITS. A Stop Payment Order may be placed on either a one-time debit transfer or on a multiple debit entry transfer. If you request a Stop Payment Order on an Electronic Check Conversion or other one-time debit transfer, we must receive the request, orally or in a record or writing, in a period of time that provides us a reasonable opportunity to act on it prior to acting on the debit entry, otherwise the Stop Payment Order shall be of no effect. If you requested a stop payment on a multiple debit entry transfer, we must receive the Stop Payment Order, orally or in a record or writing, at least three business days before a scheduled multiple debit entry. Oral stop payment orders are binding on us for 14 calendar days only and must be confirmed by you in a record or writing within that period. A Stop Payment Order on an EFT debit remains in effect until the earlier of 1) your withdrawal of the Stop Payment Order, 2) the return of the debit entry, or 3) six months from the date of the Stop Payment Order, unless you renew the Stop Payment Order. You may renew the Stop Payment Order for an additional six months to prevent the transfer from being paid by providing a request to us within the time period the Stop Payment Order is in effect. When a stop is placed on a multiple debit entry transfer, we may require your confirmation in a record or writing stating that you have canceled your authorization for the transfer with the payee (a Stop Payment Order does not revoke authorization).

The Stop Payment Order shall be governed by the provision of the Uniform Commercial Code 4A in effect in the state in which we are located, Nacha Operating Rules, and any applicable state law.

You may be charged a fee every time you request a Stop Payment Order, and for each Stop Payment Order renewal you make. A release of the Stop Payment Order may be made by the person who initiated the stop payment request or any of the authorized signers on the account. Our acceptance of a stop payment request does not constitute a representation by us that the item has not already been paid or that we have had a reasonable opportunity to act on the request.

DEATH OR INCOMPETENCY. Neither the death nor the legal adjudication of incompetence of any individual authorized to act on your behalf revokes our authority to accept, pay, or collect items until we know of the fact of death or of an adjudication of incompetence and have a reasonable opportunity to act on it. To the extent permitted by law, even with knowledge, we may for 10 days after the date of death, pay checks drawn on or before the date of death unless ordered to stop payment by a person claiming an interest in the account.

NON-SUFFICIENT FUNDS AND OVERDRAFTS INFORMATION

Available Balance. This is the money in your account you can use, excluding pending transactions and check holds. For example, if you have $500 and authorize a $100 debit card payment, your available balance drops to $400. Items like uncashed checks or pending deposits are not reflected in this amount.

Overdraft. An overdraft happens when a transaction exceeds your available balance, and the bank covers it for a fee.

Non-Sufficient Funds (NSF). If an item is presented to an account with insufficient funds, the bank may return the item and apply a fee.

Processing Order. Transactions are processed in the order in which they are received. Credits are posted to your account first, followed by debits. Payments are made from your available balance; if necessary, items may be paid using your overdraft limit. A Non-Sufficient Funds (NSF) fee may apply if a transaction is declined, or an overdraft fee may be charged if we approve the transaction.

Represented Item. If we choose not to pay a debit transaction or item on your behalf and instead return the debit or item, a non-sufficient funds fee may be assessed. According to NACHA Operating Rules and Guidelines, as well as other applicable laws, a debit or item may be presented for payment multiple times. We do not assess a non-sufficient funds fee for represented items.

How fees are assessed. If there are not enough funds in your available balance to cover an item, we may take one of two actions: 1) return the item and apply a non-sufficient funds fee of $35.00, or 2) pay the item and apply an Overdraft fee of $35.00. Consumer accounts may incur up to 5 fees ($175.00) per day. There is no daily fee limit for non-consumer or business accounts.

Overdraft Options. It is important for you to use your checking account responsibly and to never intentionally overdraw your account. However, we realize that financial shortfalls happen from time to time, and we have several options available for you. As a benefit to our customers, we offer these useful services:

Transfer from another account. If you have other accounts with us, you can authorize us to transfer the funds needed to cover your overdraft.

Overdraft Protection Program. Our Overdraft Protection Program is automatically included with qualified accounts. Some account types, such as those involved in bankruptcy, delinquency, or those belonging to minors, may not be eligible. This service assists in covering specific items when the funds are insufficient, allowing your checking account balance to go negative. We will make every effort to pay items that exceed your balance whenever possible. The program will assess whether to pay or decline these items based on predetermined criteria, such as your account history, in a fair and consistent manner. This service is discretionary, and we are not obligated to pay items if your account has insufficient funds, even if previous NSF items have been paid. While we strive to assist in covering your transactions, we do charge a fee for these items. Please refer to the fee schedule for this detailed information.

Eligibility. The overdraft Protection Program is added at account opening for most account types unless declined by the customer. Eligibility is at the sole discretion of the Bank and is based on you managing your checking account in a responsible manner.

Overdraft Privilege may be suspended or permanently removed based on the following criteria:

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• You do not bring your account to a positive balance within 30 days of becoming overdrawn.
• Your account type is not eligible.
• You are more than 30 days past due on any Bank loan or delinquent on any other obligation to the Bank.
• You are subject to any legal or administrative orders, levy, or are currently a party in a bankruptcy proceeding.
• You have an outstanding balance on an Overdraft Repayment Plan.
• Your account is being reviewed for fraudulent activity or transactions.
• The primary account owner is less than 18 years old.
• Your account is classified as inactive.
• You have an unresolved prior loss with the Bank.
• We do not have a valid address for you.
• We believe you are not managing your account in a responsible manner which may harm you or us.

Eligible Transactions. Transactions that are eligible to overdraft using the Overdraft Protection Program include: checks written, ACH transactions, preauthorized automatic transfers, and re-occurring debit card transaction.

Ineligible Transaction. Transaction that will not be included in the Overdraft Protection Program are ATM withdrawal, one-time purchases using your debit card.

Decline Program - If you decide the Overdraft Protection Program is not right for you, we are happy to remove it from your account. Simply call us at 1-833-540-5581, visit a branch, or send us a secure message via online banking. If you remove this service, you may still be charged a non-sufficient funds fee when items are presented, and the funds are unavailable to pay the item.

SIGNATURES. Your signature on the Account Information document is your authorized signature. You authorize us, at any time, to charge you for all checks, drafts, orders, or other items for the payment of money, that are drawn on us regardless of by whom or by what means your signature may have been affixed so long as the signature resembles the signature specimen in our files. For withdrawal and other purposes relating to any account you have with us, we are authorized to recognize your signature; and we will not be liable to you for refusing to honor signed instruments or instructions if we believe in good faith that one or more of the signatures appearing on the instrument or instructions is not genuine.

Further, most checks, and other items are processed automatically, i.e., without individual review of each item. Therefore, unless we agree in a separate writing, in our sole discretion, upon your request and due to unique circumstances to conduct individual review of each item, you agree that we are acting within common and reasonable banking practices by automatically processing checks, and other items, i.e., without individual review of each check, or item. You agree to indemnify, defend, and hold us harmless from and against all loss, costs, damage, liability, and other injury (including reasonable attorney fees) that you or we may suffer or incur as a result of this practice.

FEES, SERVICE CHARGES AND BALANCE REQUIREMENTS. You agree to pay us and are responsible for any fees, charges or balance/deposit requirements as provided in the Fee Schedule or Disclosures provided to you at the time you opened the account. Fees, charges and balance requirements may change from time to time. We also reserve the right to impose a service charge for cashing checks drawn on your account if the person cashing the check is not a customer of this Bank.

SET-OFFS AND SECURITY INTEREST. If you ever owe us money as a borrower, guarantor, or otherwise, and it becomes due, we have the right under the law (called "set-off") and under this Agreement (by which you grant us a security interest in your deposit account and any other accounts held by you) to use your account funds to pay the debt, where permitted by law. The security interest granted by this Agreement is consensual and is in addition to our right of set-off.

CLAIMS. In response to any garnishment, attachment, restraining order, injunction, levy, citation to discover assets, judgment, reclamation, other order of court or other legal process ("Claim(s)"), we have the right to place a hold on, remove from your account(s) and/or remit to the designated third-party(ies) any amount on deposit in your account as set forth in and required by such Claim(s). In addition, we may charge against your account(s) any fee authorized by law in connection with the Claim(s) or as otherwise set forth in the Fee Schedule.

DORMANT/INACTIVE ACCOUNTS. You understand that if your account is dormant or inactive, we may charge fees specified in the Disclosures to the extent permitted by the law. You agree that we are relieved of all responsibility if your account balance is escheated (that is, turned over to the state) in accordance with state law.

ATTORNEYS' FEES AND EXPENSES. You agree to be liable to us for any loss, costs or expenses, including reasonable attorneys' fees to the extent permitted by law, that we incur as a result of any dispute involving your account, and you authorize us to deduct any such loss, costs or expense from your account without prior notice to you. This obligation includes disputes between yourself and us involving the account and situations where we become involved in disputes between you and an authorized signer, another joint owner, or a third party claiming an interest in the account. It also includes situations where you, an authorized signer, another joint owner, or a third party takes action with respect to the account that causes us, in good faith, to seek the advice of counsel, whether or not we actually become involved in a dispute.

LEGAL PROCESS AGAINST ACCOUNT. You agree to be responsible for, to reimburse us, and/or have your account charged for any expenses or reasonable attorney fees we incur due to an attachment, garnishment, levy or subpoena of records of your account. Any garnishment or other levy against your account is subject to our right of set-off and security interest. We may restrict the use of your account if it is involved in any legal proceeding.

CLOSING ACCOUNT. We may close the account at any time, with or without cause, after sending you notice as required by the law. At our discretion, we have the authority to pay an otherwise properly payable check, which is presented after the closing of your account. Such a

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termination will not release you from any fees or other obligations incurred before the termination. We will send a check for the balance in our possession to which you are entitled.

OUR WAIVER OF RIGHTS. You understand and agree that no delay or failure on our part to exercise any right, remedy, power or privilege available to us under this Agreement shall affect or preclude our future exercise of that right, remedy, power or privilege.

YOUR WAIVER OF NOTICE. By signing the Account Information form, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your deposit account to the extent permitted by law. For example, if a check that you deposited is dishonored and returned to us, we are not required to notify you of the dishonor.

NOTICE. You are responsible for notifying us of any change to the name, type or address of your entity or other information affecting your account. Notices must be in a form and manner acceptable to us with enough information to allow us to identify the account. Notice sent by you to us is not effective until we have received it and have had a reasonable opportunity to act upon it. Written notice sent by us to you is effective when mailed to the last address supplied.

LIABILITY. If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if, for example: (1) your account contains an insufficient available balance for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution's negligence; or (4) your account funds are subject to legal process or other claim. We will not be liable for consequential damages, except liability for wrongful dishonor. We are not responsible for a check that is paid by us if we acted in a commercially reasonable manner and exercised ordinary care. We exercise ordinary care if our actions or non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearing house rules, and general financial institution practices followed in the area we serve. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Agreement. Any conflict regarding what you and our employees say or write will be resolved by reference to this Agreement.

TAXPAYER IDENTIFICATION NUMBER AND BACKUP WITHHOLDING. You must provide a taxpayer identification number (hereinafter TIN) with your account with us. If you fail to provide your TIN within a reasonable time, we may suspend opening your account or close your account and return the balance to you, less any applicable service fees. Your failure to furnish a correct TIN or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service a percentage of payments.

TELEPHONE AND ELECTRONIC COMMUNICATION. You agree that we may call or send text messages to you at the telephone numbers that you provide to us, including a cell phone number, which may result in charges to you, for informational purposes regarding your account(s) with us. These calls and text messages may be made from an automatic telephone dialing system (i.e., an autodialer) or from an artificial or prerecorded voice message system. Additionally, you agree that we may send electronic communication to you at the email addresses you provide to us. You may contact us at any time if you no longer want to receive these communications from us. You also agree that we may monitor and record telephone and electronic communications that affect your account(s) with us to the extent permitted by law. We need not provide further notice to you or receive additional approval.

ONLINE OR MOBILE SERVICES. If you open an account or obtain a product or service from us using our online or mobile services, we may record your personal information from a scan or a copy of your driver's license or other personal identification card, or we may receive an image or make a copy of your driver's license or other personal identification card. We may store or retain this information to the extent permitted by law.

AMENDMENTS AND ALTERATIONS. Except as prohibited by law, we may amend this Agreement by adding, removing, or changing terms at any time. We will notify you of amendments as required by applicable law. Your continued use of the account evidences your agreement to any amendments. Notices will be sent to the most recent address shown on the account records.

SEVERABILITY. If a court for any reason holds a provision of this Agreement to be unenforceable, the rest remains fully enforceable. All headings are intended for reference only and are not to be construed as part of the Agreement.

ENFORCEMENT. You are liable to us for any losses, costs, or expenses we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such losses, costs, or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post judgment collection actions.

EFFECTIVE APPLICABLE LAWS AND REGULATIONS. You understand that this Agreement is governed by the laws of Georgia, except to the extent that federal law is controlling. Changes in these laws and regulations may modify the terms and conditions of your account(s). We do not have to notify you of these changes, unless required to do so by law. If any of the terms of this Agreement come into conflict with the applicable law and are declared to be invalid or unenforceable, those terms will be nullified to the extent that they are inconsistent with the law and the applicable law will govern. However, this shall not affect the validity of the remaining provisions.

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NOTICE OF POTENTIAL DISCLOSURE OF NEGATIVE INFORMATION TO CONSUMER REPORTING AGENCIES

This notice is being furnished pursuant to the Fair Credit Reporting Act (15 U.S.C. 1681) as amended by the Fair and Accurate Credit Transactions Act of 2003 (FACT Act).

NOTICE

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

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EXHIBIT "A"
CONTACT SHEET

Name: PrimeSouth Bank

Federal Taxpayer ID 58-0136257

Mailing Address: 1500 Sadler Rd

City, State, & Zip Code: Fernandina Beach FL, 32034

Telephone: O -904-432-3132/ C - 904-252-8437 **Fax:** _____

Email: jmattox@primesouth.com

Submitted By: Josh Mattox

Title: Market President

Accounting Contact:

Name: Corey Barefield **Title:** Senior Accountant, AVP

Email Address: cbarefield@primesouth.com **Phone:** 912-283-6685 x2150

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES

THIS FORM SHALL BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for PrimeSouth Bank.

2. This sworn statement is submitted by (entity) PrimeSouth Bank whose business address is 1500 Sadler Rd Fernandina Beach FL, 32034 and (if applicable) Federal Employer Identification Number (FEIN) is 58-0136257 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is Josh Mattox and my relationship to the entity named above is Market President.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or

    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for

fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)

____ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)

____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)

_X_ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____
Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____
20_____ by _____,

Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"
DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.

2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.

3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.

4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.

5. Impose a sanction on, or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.

6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: PrimeSouth Bank

CITY: Fernandina Beach STATE: FL ZIP CODE: 32034

SIGNATURE: _____ PHONE: 904-252-8437

NAME (TYPED OR PRINTED): Josh Mattox TITLE: Market President

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: RFP 26-04

Project Description: Management Banking Services

I/FIRM acknowledges and agrees to the following:

I/FIRM will utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: PrimeSouth Bank

Authorized Signature: _____

Title: Market President

Date: _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "E"
PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Josh Mattox _____ Title: Market President _____

Signature: _____ Date: _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for PrimeSouth Bank.

This sworn statement is submitted by (entity) PrimeSouth Bank whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is 1500 Sadler Rd Fernandina Beach FL, 32034 and my relationship to the entity named above is Market President.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.

2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.

3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.

4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.

5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.

6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.

7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.

8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.

9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above named entity, will immediately notify the City of Fernandina Beach.

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____
20_____ by _____,

_____
Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for PrimeSouth Bank.

This sworn statement is submitted by (entity) PrimeSouth Bank whose business address is 1500 Sadler Rd Fernandina Beach FL, 32034 and (if applicable) Federal Employer Identification Number (FEIN) is 58-0136257 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Josh Mattox and my relationship to the entity named above is Market President.

1. The above named is fully informed respecting the preparation and contents of the attached proposal and of all pertinent circumstances respecting such proposal;

2. Such Proposal is genuine and is not a collusive or sham proposal;

3. Neither the said Proposer nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Proposal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached proposal or any other Bidder, or to fix any overhead, profit or cost element of the proposal price or the proposal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and

4. The price or prices quoted in the attached proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____

20_____ by _____,

_____

Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO_X_

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO_X___

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO_X___

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

PrimeSouth Bank
Firm Date

Josh Mattox, Market President
Authorized Signature Printed or Typed Name and Title

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

Request for Proposal Response

RFP No. 26-04

City of Fernandina Beach, Florida
204 Ash Street
Fernandina Beach, FL 32034

Proposal Due Date: February 27, 2026

Presented by:

Jennifer Kirouac
Vice President
Commercial Banking Group
51 West Bay Street
Jacksonville FL 32205
Phone: (904) 281-7640
Jennifer.kirouac@regions.com

Georgette Smith
Vice President
Treasury Management Services
51 West Bay Street
Jacksonville FL 32205
Phone: (904) 998-4977
georgette.smith@regions.com

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Cover Letter

Regions Bank is pleased to have the opportunity to submit the following proposal to the City of Fernandina Beach, Florida. Regions provides a full complement of services that can provide increased revenue, technological enhancement, and process improvements equivalent to the largest financial institutions paired with an experienced, local team of responsive bankers and unmatched customer service.

We provide our municipal clients with the highest quality of products and are proud of our recurring awards for service, trust and satisfaction. We know you will appreciate our local delivery model with not only your primary contacts being in Jacksonville, but the ability to provide specialized local support in areas such as Treasury Management, Investment Management and Government and Institutional Banking.

1. Legal name of the Proposer: Regions Bank
2. Primary location (Physical business address): 51 W Bay Street, Jacksonville, FL 32202
3. Telephone number, Fax number and e-mail address: 904.281.7640; Jennifer.kirouac@regions.com
4. Name of contact person: Jennifer Kirouac
5. Authorized signature of contact person (see below)

In the following proposal you will find details on why Regions Bank is the best banking services partner for the City of Fernandina Beach, Florida based on the following:

- Financial Strength in Government Accounts
  - Regions Bank is a $160B full-service banking institution with enhanced capabilities in commercial banking, treasury management and trust services all delivered by local experts. and is an "A"-rated institution with a "Stable" outlook from all major rating agencies. We are an industry leader in financial stability, corporate responsibility, and associate engagement.
  - Regions Bank provides banking services for hundreds of governmental entities across our 15-state footprint.
  - Regions Bank is an "A"-rated institution with a "Stable" outlook from all major rating agencies. We are an industry leader in financial stability, corporate responsibility, and associate engagement.
- Quality of Scope of Conversion Plan and Implementation
  - Regions Bank has provided a preliminary, step-by-step Implementation plan in this Proposal, to demonstrate our commitment to a seamless transition for the City of Fernandina Beach, Florida.
  - Regions Bank will provide full relationship review meetings with the City of Fernandina Beach, Florida on an ongoing, and quarterly basis, to ensure maximum efficiencies and expectations are met throughout the conversion period and the duration of the relationship.
- Qualifications of Professional Personnel Assigned to City Accounts
  - Regions Bank's local team, including our Government Banking specialist, has full capacity to establish the City of Fernandina Beach, Florida accounts and banking services in the

necessary timeframe and maintain responsive service levels throughout the life of this banking services contract.

- ❖ Proposed Fees/Compensation/Interest Income Formula
  - o Net Interest Checking: No monthly fees and FL QPD Collateralized Interest Rate indexed to Fed Funds
  - o Sweep Checking: Low monthly fees and highest interest rate on AAA-rated Money Market Sweep Account
  - o NOTE: Regions Bank will continually monitor market conditions and provide interest-earning alternatives to the City of Fernandina Beach, Florida, should market conditions shift.
- ❖ Breadth of Services/Innovation/Additional Services
  - o Regions Bank has been providing banking solutions for government clients for over 50 years and has a dedicated, experienced service team for the City of Fernandina Beach, Florida. During our quarterly relationship review meetings, we will bring new solutions and ideas, as they become available to the City.

With our local coverage, municipal banking expertise, and award-winning service and solutions, Regions Bank can deliver the complete banking solution the City of Fernandina Beach, Florida requires. We will continue to bring the City of Fernandina Beach, Florida ideas for enhanced efficiency and provide excellent support at both the local and executive levels of our organization.

We hope you find the following Proposal responsive, competitive and reinforcement that Regions Bank focuses on Customer Service and Communication.

Please do not hesitate to contact us with any questions or clarifications as you review our complete response. Regions Bank would love the opportunity to continue to serve the City of Fernandina Beach, Florida as your banking services partner in the many years to come.

Sincerely,

Jennifer Kirouac
Vice President

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "A"
BANK INFORMATION
RESPONSE FORM

Bank Name: Regions Bank_____

Federal Taxpayer ID: 63-0371391_____

Authorized Representative Signature: Jennifer Kirouac_____

Printed Name: Jennifer Kirouac_____**Title: VP Commercial RM**_____

Email Address: Jennifer.kirouac@regions.com_____

Mailing Address: 51 W. Bay St., Jacksonville, FL 32202_____

City, State, & Zip Code: Jacksonville, FL 32202_____

Telephone: 904-281-7640_____**Fax:** _____

B. Objectives and Scope of Services Response Form "Attachment B"

ATTACHMENT "B"
OBJECTIVES AND SCOPE OF SERVICES
RESPONSE FORM

Proposing bank: Regions

RFP Section	Affirm	Exception
Objectives:		
Objectives	X	
Contract Period:		
Contract period	X	
Bank Qualifications:		
Qualified Public Depository	X	
Bank Financial Strength	X	
Geographic Proximity	X	
Contract Structure:		
Contract structure	X	
Collection and Deposit Services:		
Funds Availability	X	
Deposit Deadline	X	
Ledger Cutoff Time	X	
Collected Balances	X	
ACH and Wire Transfers In	X	
Returned items	X	
Deposit Reconciliation	X	
Lock Box	X	
Remote Deposit	X	
Concentration and Disbursement Services:		
Positive Pay Services	X	
Check Reconciliation	X	
Stop Payment and Date Legend	X	
ACH and Wire Transfers Out	X	
Account Maintenance:		
Electronic Banking	X	
Account Analysis	X	
Earnings Credit and Earnings Credit Rate	X	
Overdrafts	X	
Monthly Account Statements, Debit and Credit Memos	X	
Investment Services:		
Investment services	X	

Attachment B

PROPOSAL SUMMARY

1. Type of Bank (Federal or Florida State Charter): Federal
2. Is your Bank a member of the Federal Reserve System? Yes X No
3. Is your Bank a Qualified Public Depository? Yes X No
4. Is there a branch located within the city limits of the City of Fernandina Beach? Yes X No
5. Is your Bank a member of the Federal Depository Insurance Corp? Yes X No
6. Deposits Federally insured up to: $250,000
7. Hours and location of Local Branch closest to the City of Fernandina Beach City Hall (204 Ash Street, Fernandina Beach, Florida 32034):
   Address: 1409 Sadler Rd., Fernandina Beach, FL 32034
   Hours: 9:00 am – 5:00 pm, Monday through Friday
8. Location of home office: 51 W. Bay St., Jacksonville, FL 32202
9. Attach a list that includes location and business hours for each branch within Nassau County. Is the list attached?

   No – Only 1 branch located in Nassau county.
10. List the locations with Night Drop facilities.
    1409 Sadler Rd., Fernandina Beach, FL
11. Attach a copy of your audited financial statements for the last two years, and recent credit rating reports. Are copies attached? Yes X No
    Attached link:
    https://ir.regions.com/financial-information/regulatory-disclosures/default.aspx#:~:text=Regions%20Financial%20Corporation's%20Reports%20of,Federal%20Reserve%20System%20Filings%20website.
12. Provide a summary of any litigation filed against the respondent bank in the past three years which is related to the services that respondent provides in the regular course of business. Is list attached? Yes X No N/A
    Attached link:
    https://ir.regions.com/news-events/press-releases/news-details/2022/Regions-Bank-Comments-on-Settlement-with-the-Consumer-Financial-Protection-Bureau-09-28-2022/default.aspx
13. Provide biographical information on the personnel that will be directly involved in the management of the accounts, who the primary contact will be and what, if any, experience these individuals have in working with governmental clients.
    PRIMARY CONTACT – RELATIONSHIP MANAGER
    Jennifer Kirouac, Vice President, Commercial Banking Group

(904) 281-7640; jennifer.kirouac@reigons.com

Jennifer Kirouac serves as a Vice President at Regions Bank, managing commercial relationships across a range of industries including Government/Non Profit organizations, manufacturing, transportation, retail and professional practices across North Florida. With almost 30 years of retail and commercial banking experience, Jennifer brings deep expertise relationship management, delivering treasury solutions, and driving strategic growth across multiple industry sectors.

Jennifer holds a Bachelors of Arts degree from the College of Charleston and is active in her local community. She is on the University of North Florida College of Education Advisory Board and is also engaged with organizations such as the North Florida School of Special Education and Junior Achievement.

She resides in Fernandina Beach with her husband and four children.

14. Will a customer service representative or a customer service department be assigned to handle day-to-day transactions? Yes _X___No
15. What are the hours of operation of the customer service unit involved in supporting the proposed services? 8:00 am – 5:00 pm
16. If an error is discovered by the City, how would you propose to resolve it (i.e. who should the City contact first, etc.)? Jennifer Kirouac
17. Will the Proposer cash checks drawn on a City disbursement account without charge to either the City or the check payee? If not, what is the charge? Is a check cashing agreement required?

    Yes, there will be a charge depending on the amount of the check, up to $20. No check cashing agreement required.
18. Will the Proposer offer free checking to all City employees? Yes ___X___No
19. Would the Proposer be interested in offering a package of banking services, education programs and/or special rates to employees? If so, please describe.

    Yes, Listed under section O of the proposal.
20. Provide a copy of the most recent security audit(s) of internet transactional sites and information regarding in-house systems and security hacking controls.

    https://regions.sharepoint.com/sites/TreasuryManagement/Additional%20TM%20Services%20and%20Resources/Forms/AllItems.aspx?id=%2Fsites%2FTreasuryManagement%2FAdditional%20TM%20Services%20and%20Resources%2FRFP%20Information%20%26%20Tools%2FRegions%20Treasury%20Management%20%5FSOC%5F2%5FReport%2D6%2E23%2E2025%5FvF%5FSecured%2Epdf&parent=%2Fsites%2FTreasuryManagement%2FAdditional%20TM%20Services%20and%20Resources%2FRFP%20Information%20%26%20Tools

21. How many times in the last three years has the Proposer's system been accessed by an unauthorized user? How was the access discovered? What action was taken in

    each instance?
    https://regions.sharepoint.com/sites/TreasuryManagement/Additional%20TM%20Services%20and%20Resources/Forms/AllItems.aspx?id=%2Fsites%2FTreasuryManagement%2FAdditional%20TM%20Services%20and%20Resources%2FRFP%20Information%20%26%20Tools%2FRegions%20Treasury%20Management%20%5FSOC%5F2%5FReport%2D6%2E23%2E2025%5FvF%5FSecured%2Epdf&parent=%2Fsites%2FTreasuryManagement%2FAdditional%20TM%20Services%20and%20Resources%2FRFP%20Information%20%26%20Tools
22. How many times in the past three years has the Proposer's web access been down for routine maintenance, and the average down-time per year for these activities?
    https://regions.sharepoint.com/sites/TreasuryManagement/Additional%20TM%20Services%20and%20Resources/Forms/AllItems.aspx?id=%2Fsites%2FTreasuryManagement%2FAdditional%20TM%20Services%20and%20Resources%2FRFP%20Information%20%26%20Tools%2FRegions%20Treasury%20Management%20%5FSOC%5F2%5FReport%2D6%2E23%2E2025%5FvF%5FSecured%2Epdf&parent=%2Fsites%2FTreasuryManagement%2FAdditional%20TM%20Services%20and%20Resources%2FRFP%20Information%20%26%20Tools
23. How many times in the past three years has the Proposer's web access been unavailable to users, not counting corporate take downs for routine maintenance, and the average amount of time the system was offline in each of the three years?
    https://regions.sharepoint.com/sites/TreasuryManagement/Additional%20TM%20Services%20and%20Resources/Forms/AllItems.aspx?id=%2Fsites%2FTreasuryManagement%2FAdditional%20TM%20Services%20and%20Resources%2FRFP%20Information%20%26%20Tools%2FRegions%20Treasury%20Management%20%5FSOC%5F2%5FReport%2D6%2E23%2E2025%5FvF%5FSecured%2Epdf&parent=%2Fsites%2FTreasuryManagement%2FAdditional%20TM%20Services%20and%20Resources%2FRFP%20Information%20%26%20Tools
24. Will the Proposer provide a bank credit card with this Banking Services agreement, free of charge, to approximately 35 designated employees (this number can vary) with a monthly limit of $150,000.00. Yes x No

    Refer to Attachment 7 – Proposal for Commercial Card
25. Will the Proposer provide the City with a dedicated team of client service officers as well as a technical support staff familiar with treasury services for government entities? Yes X No Please describe the technical support that the

City will receive.

TM Product Help Guides | regions.com/treasury-management/tm-resources
Commercial Client Services | 800.787.3905 | clientservicesgroup@regions.com
Regions Card Servicing Center | 888.934.1087 | commercialcardsupport@regions.com

26. In event of deposit corrections caused by either the City or the Proposer, no transaction fees shall be incurred for either the debit or credit memos required for said correction. Is this agreeable? Yes X No _
27. If the City needs additional bank accounts or expanded service during the term of the contract for banking services, will the Proposer provide such services at the rates already set forth in the contract? Yes X or No or at a negotiated rate? Yes X No
28. Describe, in detail, the investment options and how interest on bank balances or an overnight sweep investment will be calculated and credited on all accounts.

- "AAA"-rated Money Market Overnight Investment Sweep with two fund options:

Investment Option	Ticker Symbol/CUSIP
Morgan Stanley Government Sweep	MVVXX / 61747C806
Fidelity Treasury Sweep	FCEXX / 316175835

Current rates as of 2/26/2026:

Morgan Stanley Gov't sweep	3.51%
Fidelity Treasury sweep	3.39%

Regions offers a full array of sweep solutions designed to help City of Fernandina Beach automate investment and/or borrowing functions to maximize investment earnings, minimize idle balances and reduce interest expenses while allowing you to maintain complete control of your liquidity needs at all times.

Money Market Mutual Fund Sweep is an automated investment sweep solution that allows idle checking account balances above the $100,000 target balance to earn interest by having the excess funds swept into a money market mutual fund. Balances that are swept into the money market mutual fund remain invested until the funds are needed in the checking account.

For additional information on Regions' sweep investment options, please refer to Attachment 4 – Sweep Pricing Model.

29. Quote the interest rate the Proposer is offering the City on funds remaining in the interest-bearing accounts overnight in terms of the Effective Federal Funds Rate.

For Interest earning non sweep option:
Interest earnings at Fed Funds Upper Limit (Currently 3.75%) minus 1.54%: 2.21% (annual rate). Interest is computed and paid monthly via the bank's analysis system.

Pleas refer to Attachment 4 – Interest Checking Pricing Model

30. Describe the method used to calculate the Earnings Credit Rate, ECR and quote the interest rate the Proposer is offering the City on ECR funds in terms of the Effective Federal Funds Rate. Please include in the Proposer's explanation the impact of the bank formula for converting service charges to balance requirements and listing of the bank earnings credits for the last twelve months. Describe how interest on the excess balances is calculated and quote the interest rate the Proposer is offering the City on excess balances in terms of the Effective Federal Funds Rate.

For the Sweep option, Regions offeres the City an Earning Credit Rate (ECR) computed Fed Funds Target (3.75%) minus 1.75%. Currently equalling 2.00%.

Earnings Credit Allowance:
Positive (Average) Net Collected Balance x Earnings Rate / (# days in yr.) x (# days in month analyzed) = Earnings Credit Allowance

Example: 7, 037 x .0299 / 365 x 31 = 17.87

Regions ECR 12 month historical:

Public Funds													
PALT3	$1,000,000 +	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	
PALT2	$100,000 to $999,999	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	
PALT1	$25,000 to $99,999	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	
PBASE	< $25,000	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	

Balance Required:
Charge for Service x (# Days yr.) / (# Days Mth) / Earnings Credit Rate = Balance or Collected Balance Required

Example: 9.00 x 365 / 31 / .0299 = 3,544.07

Idle balances above the $100,000 target balance will earn interest in the Money Market Mutual Fund Sweep.

31. Describe the Proposer's overnight sweep investment options. Provide earnings history for the overnight sweep investment agreement(s) for the last twelve months. What (if any) fee is charged to sweep funds into the proposed investment vehicle(s)? How is the fee calculated? What time of day is the sweep deadline (end-of-day or new-day)?

- "AAA"-rated Money Market Overnight Investment Sweep with two fund options:

Investment Option	Ticker Symbol/CUSIP
Morgan Stanley Government Sweep	MVVXX / 61747C806
Fidelity Treasury Sweep	FCEXX / 316175835

For earnings history please see Attachment – Sweep Information

Monthly charge for overnight sweep option is $200/month per account.
Idle available balances are swept nightly.

32. What are the beginning and ending cut-off times in EST for initiating wire transfers to ensure same-day execution?

Cut-off Times:
ITREASURY WIRE CUT-OFF TIMES (EASTERN TIME)
Outgoing Wires

- 8:30 AM – 5:00 PM (Domestic)

33. What are the beginning and ending cut-off times in EST for receiving domestic wire transfers to ensure same-day credit?

Cut-off Times:
WIRE CUT-OFF TIMES (EASTERN TIME)
Incoming Wires

- 8:30 AM – 6:30 PM (Domestic)
- 8:30 AM – 6:30 PM (International)

34. Describe when and how a wire can be cancelled after the City releases it into the system. What is the latest time in the day to cancel? Is there a charge? If so, how much? How does this differ for wire transfers initiated by phone?

Wire transfers are settled in real time after the proper authorizations have been received; therefore, it is highly unusual to have the opportunity to cancel a wire before it has been processed. In the event a cancellation is needed, the client will need to contact our Money Transfer Department. As circumstances dictate, Regions will make a best effort attempt to work with the beneficiary bank and recover funds sent erroneously or fraudulently. There is no charge for this process.

35. How and when is the City notified of a failed wire transfer?

    Regions notifies the client by phone upon identification of a failed outgoing wire.

36. Describe how the City can track wires through the system (input, approved and released).

    After a wire transfer is completed, Regions will issue a confirmation per your preferences via phone or e-mail. In addition, you can view the status of your wire through iTreasury.

37. Describe the incoming wire notification process.

    Bank and Federal reference numbers are provided via email or internet based upon the client's preference.

38. What is the total amount of dollars that can be wired out across all accounts in a single day?

    The total dollar amount that can be wired out across all accounts in a single day is limited by the available balance in the client's depository account, ensuring that outgoing transfers cannot exceed cleared funds on hand. In addition, clients have the flexibility to establish their own internal approval structures by setting customized dollar thresholds and authorization levels. This allows organizations to control risk, maintain oversight, and align wire activity with their operational and security requirements.

39. What is the total amount of dollars that can be wired out of a single account per day?

    The total dollar amount that can be wired out in a single day is limited by the available balance in the client's depository account, ensuring that outgoing transfers cannot exceed cleared funds on hand. In addition, clients have the flexibility to establish their own internal approval structures by setting customized dollar thresholds and authorization levels. This allows organizations to control risk, maintain oversight, and align wire activity with their operational and security requirements.

40. List any other wire fees not specifically covered under Banking Service Charges.

    Please see attached proformas

41. Can wire transfer payments be originated online through the Proposer's online banking system? If so, are these initiated in freeform or can templates be established?

    Users may process wires via our web-based platform, iTreasury. Using their unique organization, user ID, and out of band authentication, users can initiate non-repetitive and repetitive, domestic and international wires. User entitlements allow each client to establish their own procedures for approving and releasing the wires. Both freeform and wire templates can be used.

42. Are wire templates user defined or can they be shared by other users?

    Wire templates can be shared with users who have been granted the appropriate permissions; however, access is strictly limited to those whose permission levels authorize them to view or utilize these templates. This ensures that sensitive payment information is properly safeguarded and that only designated individuals can initiate, modify, or apply wire instructions in accordance with established security and control policies

43. What are the beginning and ending cut-off times in EST for initiating ACH transfers to ensure next-day execution?

	ACH Cut-Off Time		
Customer Input Method	Book Transfer (Same Day Settlement)	Next Day Settlement	2 or more Days Settlement
Direct Transmission	8:00 PM CST	8:00 PM CST	8:00 PM CST
Internet	8:00 PM CST	8:00 PM CST	8:00 PM CST

44. What are the beginning and ending cut-off times in EST for receiving ACH transfers to ensure next-day credit? See above table.

45. Describe when and how an ACH can be cancelled after the City releases it into the system. What is the latest time in the day to cancel? Is there a charge? If so, how much? How does this differ for ACH transfers initiated by phone?

    Our client may communicate the need to make modifications, reversals and deletions to us by providing a faxed request to Regions on your

company's letterhead signed by an authorized representative. Requests may also be initiated via telephone or email to our Client Services department.

46. How and when is the City notified of a failed ACH transfer?
To minimize administrative returns, Regions encourages clients to use the ACH Pre-note process at least one week prior to sending an actual ACH transfer to a new account.

Regions provides notifications of change and returned item advices via iTreasury reporting, e-mail notification, or transmission and include all details from the originated item and date of return.

In the event that the correction is not made before additional originations are processed, Regions will attempt to automatically correct the item for you. This ensures compliance with NACHA rules and improves the accuracy of posting at the Receiving Depository FI.

47. Describe how the City can track ACHs through the system (input, approved and released).

Regions iTreasury system allows clients to manage their ACH payment recipients and create ACH batches. iTreasury also provides reporting on all ACH batches created and processed.

48. Describe the incoming ACH notification process.
City is notified of incoming ACH activity through automated reporting channels (iTreasury, email, or file transmission), with full transaction details provided. If corrections are needed and not made in time, Regions will automatically apply corrections where possible to prevent delays or rejects.

49. List any other ACH fees not specifically covered under Banking Service Charges.
See proforma

50. Describe the file options for processing ACH payments. What ACH file transmission options are available?

Regions offers the following origination options:

Internet-based system input and transmission – iTreasuryDirect transmission of a NACHA, ANSI X12 or proprietary file Third Party Processor such as Ceridian or ADP Touch-tone phone input for cash concentration

51. Can ACH payments be originated online through the Proposer's online banking system? If so, are these initiated in freeform or can templates be established?

Regions iTreasury system allows clients to manage their ACH payment recipients and create ACH batches. ACH transactions can be initiated both freeform and templates. iTreasury also provides reporting on all ACH batches created and processed.

52. Are ACH templates user defined, or can they be shared by other users?

    ACH templates may be shared with users who have been granted the appropriate permissions; however, access is strictly limited to individuals whose permission settings authorize them to view, modify, or utilize those templates. This ensures that sensitive payment information is properly controlled and that only designated users can manage ACH activity in accordance with established security and approval protocols.

53. The City currently transmits input files for ACH payments (direct deposits). City Payroll direct deposits are bi-weekly (1 upload with approximately 325 employees) paid on Friday. When does the Proposer need the payroll file from the City for payments to be credited to the employee's account?

    ACH files should be transmitted to the Bank no later than 9:00 PM EST and at least one business day prior to the effective date. Regions Bank strongly recommends that all ACH files be delivered to the bank two business days prior to the effective date. Regions can also warehouse transactions for up to thirty days.

54. What is the total amount of dollars that can be sent ACH across all accounts in a single day?

    When considering your debit and credit exposure limit, several factors will be considered including the frequency in which you will provide ACH files, the highest payroll amount, the highest tax payment amount and any large payouts that may also be included in a file that you wish to originate. A cushion will be considered to minimize the chance for your file to suspend. You will be told of your exposure limits, both debit and credit. Exposure limits are tied to the total exposure for the company. Financial statements and other documents will be used to help evaluate credit worthiness. Once the limits are set they will be reviewed annually.

55. What is the total amount of dollars that can be sent via ACH out of a single account per day? See Answer 54

56. What is the total amount of dollars that can be sent out by wire and ACH across all accounts in a single day?

    See Wire and ACH information for limits.

57. What is the total amount of dollars that can be sent out by wire and ACH out of a single account per day?

    See Wire and ACH information for limits.

58. Does the Proposer provide ACH blocking? If yes, what level of filtering can be applied (originator, originator and dollar amount, etc.)?
    Yes, Regions ACH Positive Pay is a web-based service that facilitates the detection of Automated Clearing House (ACH) fraud. ACH Positive Pay will monitor the client's account and compare the activity to a list of ACH debits that have been pre-authorized by the client. If any unrecognized ACH debits arrive, ACH Alert will send the client an email, enabling the client to detect and return any unauthorized or fraudulent transactions.
    Filters for originator ID, dollar amount and/or frequency can be applied to the account(s).

59. What are the security measures that are in place for wire and ACH transfers?
    Regions utilizes out of bank authentication as an enhancement to the online banking system security. To release wires and ACH transactions in iTreasury, clients use an out of band authentication process in which Regions sends a challenge message to our clients and the user validates and/or acknowledges the wire release by inputting a security code in their mobile or landline phone.
60. The City currently uses Positive Pay. Please provide information on the Proposer's Positive Pay services and explain when unmatched items (exceptions) are available to view and when decisions to pay or to not pay need to be sent to the Proposer.
    Regions offers a variety of Positive Pay service options to accommodate your specific fraud prevention goals and risk mitigation policies, including:
    - Next Day Positive Pay
    - Same Day Positive Pay
    - Reverse Positive Pay
    - Payee Name Verification
    - Teller Line Positive Pay

    Next Day Positive Pay Service, this feature of the Account Reconcilement service enables your company to maintain a cumulative checks-issued database (account number, check number, issue date, and dollar amount) on file with Regions Bank to verify paid checks daily. With this service you provide Regions with a check issue file as soon as checks are written/issued and each check that attempts to clear the account is compared with this information. Regions will correct any encoding errors or MICR line misreads. If a check is not on your database or differs in the amount, we will notify you of the exception the next business day morning via Regions iTreasury online banking service. Positive Pay exception data is available at approximately 9:30 AM CT. Customer dispositions are due by 2:00 PM CT.
    Same Day Positive Pay Service, If your company checks are written on a Controlled Disbursement account, Regions will compare the items being

presented against the check issue file on hand beginning the same business day. You may begin viewing any unmatched items as early as 3:30 pm CT/4:30 pm ET prior to the items posting. If the decision to pay/no pay is not completed by 2:00 pm CT/3:00 pm ET the next business day (the business day following posting), Regions will default to your pay/no-pay decision you chose upon implementation.

Because of the time sensitivity of the information, we require that all check issue databases for Next Day Positive Pay and Same Day Positive Pay services be sent via direct transmission or through iTreasury.

Reverse Positive Pay Service enables your company to maintain a cumulative checks-issued database in your company's systems. Each business day, Regions will provide a file of the items that have been posted either via direct transmission or a download from iTreasury by 9:30 am CT/10:30 am ET. You will match items paid with items issued. If paid-no-issue or altered items are detected, notify Regions via iTreasury by 2:00 pm CT/3:00 pm ET to return the items.

Payee Name Verification provides an extra level of protection and is used to help prevent check fraud created when the payee name is altered on checks presented to the bank. There are specific guidelines and requirements for the use of Payee Name Verification (PNV) services.

Teller Line Positive Pay is an added benefit to Next Day and Same Day Positive Pay that provides an extra level of security to reduce your exposure to potential check fraud.

Teller Line Positive Pay allows Regions to compare checks presented at the teller line to your check issue file. If a check does not appear on your list or differs in amount, check number or payee name, the check will be denied if presented at the teller window.

With Positive Pay, the checks paid data is matched against the checks issued data daily to ensure checks have not been altered or counterfeited. Any "suspect" item (check) is reported via iTreasury, our online banking system. Here's how it works:

- Clients send the bank a file of checks before they are distributed to payees.
- As checks come to the bank, verification occurs that the check number and check amount match the checks included in the file provided by the client.

- Sometimes checks do not match because they are encoded improperly or because the MICR line is misread.
- Errors are automatically corrected, and the remaining exceptions are sent to the client to address.
- The client then informs the bank which checks they would like returned and which they would like for us to pay.

61. There may be several days in a year when the City's office is closed, but the Proposer's office is open. Please describe the recommended solution for handling these situations as it pertains to an unmatched item (exception).
    Business as usual for the bank, processing times remain the same.

62. Can individual items, such as voided checks, be cancelled from the outstanding issue records? Describe the process.
    Check issues and Check voids can both be included on the input file.

63. What is the Proposer's policy on stale dated checks? How does the Proposer's Positive Pay system treat stale dated items? The date should not be stale- or post-dated. A *stale-dated* check is dated six months or more prior to presentation. A *post-dated* check is dated later than the date of presentation.
    Note: If an item presented is postdated or stale dated as outlined above, it should be rejected for deposit and/or cashing and returned to the customer. The customer may reach out to the maker for a new item with the corrected date.

64. How will the City be notified of exceptions? If the City is notified by email, will an image of the exception item be available for viewing in the email?
    If a check is not on your database or differs in the amount, we will notify you of the exception the next business day morning via Regions iTreasury online banking service. Alerts for the exceptions can be set to be delivered to email. Positive Pay exception data is available at approximately 10:30 AM ET. Customer dispositions are due by 3:00 PM ET.
65. Does the Proposer require Positive Pay services on all demand deposit accounts, even on accounts with no check writing function? Can accounts be designated as "post no check" to prevent potential fraud? What is the cost to make this account designation?
    Positive Pay services are not required but highly recommended. Accounts with no check writing function should be set up for No Check Positive Pay. With No Check

Positive Pay, any check presented to the account will automatically be returned.

See cost on proforma.

66. Describe the Stop Payment process.
Clients may place stop payments, online, by phone via Commercial Client Services or by visiting a branch office.

Clients have the ability to inquire on a check and enter a stop payment using our Online Banking and Information Reporting product, iTreasury, or may call Client Services to place stop payments.

The system is available for placing stop payments 24 hours/day, 7 days a week via iTreasury. Client Services is available 8:00 AM- 7:00 PM EST, Monday through Friday. Branch services for stop payments are generally available 10:00 am – 5:00 pm, Monday through Friday.

67. Describe the security features to include user identification and password maintenance.
Include any other features that may be useful to the City.

Regions OnePass is the application that provides a logon portal for accessing Regions' online commercial applications from a single, secure gateway. OnePass conveniently consolidates separate logon credentials into a single set of credentials, eliminating the need for SecurID tokens, multiple site bookmarks and the need to remember multiple IDs and passwords. OnePass employs enhanced Multifactor Authentication techniques including behavioral pattern analytics, digital fingerprinting, IP assessments, Regions Real Pass biometrics and Regions Out-of-Band Authentication (ROOBA) which replaces other security devices such as SecurID tokens. ROOBA is employed during iTreasury monetary release, various iTreasury challenge points, and OnePass step up challenges such as self-service password resets, and while an administrator attempts to access the OnePass Admin Console from the OnePass landing page to administer users. Regions Real Pass push notifications or OTP can be used for OnePass challenge points as described above. Regions Real Pass push notifications can be used for iTreasury challenge points. A user must be registered for Regions Real Pass in order to utilize this authentication method. Regions OnePass provides a central location for both OnePass user changes and iTreasury user maintenance for entitlements and approvals based on the Company's needs.

Regions employs other back office security solutions to detect anomalous and potentially malicious login attempts.

Regions is also committed to client education and recommends using security best practices for accessing all online banking systems. Regions maintains a Fraud Prevention Resource Center on regions.com and periodically communicates information concerning the latest fraud trends via banner messages on OnePass, emails, and newsletters.

68. Describe the Proposer's data retention features.

iTreasury Search History and Retention Period by Function:

Function	Search History	Retention Period
Check Inquiry	**500 items (multi-day search) all items (single day)**	**400 days**
Image Search	**92 days (at a time)**	**7 years**
Information Reporting	**180 days (at a time)**	**480 days**
Payments	**180 days (at a time)**	**480 days**
Scheduled Transfers	**180 days (at a time)**	**480 days**
Wire Transaction Report	**180 days (at a time)**	**480 days**
File Import History	**N/A**	**7 days**
BAI Exports	**N/A**	**5 days**
Positive Pay Decision History	**N/A**	**365 days**
Special Reports	**N/A**	**365 days**
Statements	**90 days (at a time)**	**7 years**

69. Describe the Proposer's Safekeeping.

Safekeeping Process

- Account Setup
    - Bank opens a designated safekeeping or custody account.
    - Required documentation (KYC, corporate resolutions, authorized signers) is completed.
    - Client authorization levels and contact protocols are established.
- Receipt of Securities
    - Securities are received electronically (Fedwire, DTC, book-entry systems) or, if applicable, as physical certificates.
    - Bank verifies all details: registration, CUSIP, par value, coupon, and maturity.
    - Settlements are confirmed, and holdings recorded in the client's safekeeping account.
- Custodial Holding
    - Securities are held in secure custodial systems with segregation from bank assets.
    - Dual-control and restricted access procedures are used.
    - Daily reconciliation ensures accuracy of positions and balances.
- Income Collection & Processing
    - Bank monitors securities for interest payments, coupon dates, and maturity events.
    - Proceeds are automatically credited to the client's designated account or reinvested as instructed.
    - Matured securities are processed and redeemed on schedule.
- Corporate Actions Management
    - Bank monitors for calls, tenders, redemptions, or any issuer-driven events.
    - Client is notified and instructions are executed as authorized.
- Reporting
    - Monthly or periodic safekeeping statements provided.
    - Online access to real-time holdings, valuations, and transaction history.
    - Audit trails and year-end reporting maintained.
- Release or Transfer of Securities
    - Bank processes outgoing transfers per client authorization.
    - Delivery executed electronically or by physical release (if applicable).
    - Account updated immediately after transfer completion.
- Security & Compliance Controls
    - Segregation of duties and multi-factor authorization for all transactions.
    - Regular internal audits and external compliance reviews.
    - Business continuity and disaster recovery procedures maintained.
    - Compliance with state and federal banking regulations (FDIC, Federal Reserve, QPD guidelines).

70. Include a sample of any service agreements your bank requires

    See Attachment 6

71. Include samples of a monthly bank statement and analysis statement.

    See Attachment 3

72. In addition to the services described, proposals for optional services may be submitted for other services that the Proposer feels may be of interest to the City.

RFP Section	Affirm	Exception
Other Services:		
Commercial Credit Cards	X	
Workplace Banking	X	
Imaging Services	X	
Team Profile	X	
Courier Service		X

C. Proforma Account Analysis Response Form "Attachment C"

Attachment C is included in Proposal Attachments of this electronic file.

D. Proposer's Warranty "Attachment D"

Attachment D is included in Proposal Attachments of this electronic file.

E. Evidence of the Status as a Qualified Public Depository

- ***Qualified Public Depository:***

Copies of Regions Bank's registrations with the Florida Department of State Division of Corporations and Qualified Public Depository can be found as Attachment 2.

Attachment 2 is included in Proposal Attachments of this electronic file.

- ***Provide addresses of banking locations within proximity of The City of Fernandina Beach, Florida.***

2.6 miles - Proximity of Regions Bank Location to The City of Fernandina Beach, Florida:

Regions Bank
1409 Sadler Rd.
Fernandina Beach, FL 32034

Regions Bank
Commercial Banking – Jacksonville
51 W Bay Street
Jacksonville, FL 32202

Jennifer Kirouac
Commercial Banking Group
Phone: (904) 281-7640
jennifer.kirouac@regions.com

F. Evidence of the Status of Rank with the Federal Reserve

- ***Bank Financial Strength:*** ***https://ir.regions.com/financial-information/quarterly-investor-info/default.aspx***
- ***Bankrate.com*** ***https://www.bankrate.com/banking/reviews/regions-bank/***
- ***Federal Reserve Bank Rating – Regions #26*** ***https://www.federalreserve.gov/releases/lbr/current/***

G. Implementation Schedule

Implementation Plan

Regions will work with the City of Fernandina Beach, Florida to develop a detailed implementation plan to ensure timely and accurate set up of all banking services. Generally, our implementation process includes a projected timeline and description of various implementation tasks for both the City of Fernandina Beach, Florida and the Bank.

If Regions is selected as the City of Fernandina Beach, Florida banking services provider, we will first set up a comprehensive meeting with you to lay out your goals and objectives. A team approach will be taken for this task.

Regions will include the following Implementations Team:

- Vice President, Commercial Banking
- Vice President, Treasury Management Sales
- Treasury Management Support Specialist
- Commercial Banking Support Specialist
- Treasury Management Implementations Team
- Treasury Management Onboarding Project Manager, if required
- Client Services Group
- Senior Vice President, Government & Institutional Banking

This initial meeting will help determine project milestones and establish an anticipated timeline. Also, defined will be the following:

- The City of Fernandina Beach, Florida desired account structure
- Designated service administrators
- Roles and responsibilities
- Discuss system interfacing requirements and other system requirements like security
- Implementation details
- Written agreements and legal review

After this initial meeting a fully detailed implementation plan will be produced and presented to the City of Fernandina Beach, Florida and related entities for adjustments and coordination of dates. As part of the process, periodic (likely weekly) review meetings will be held to keep the project on its timetable. Below is a description of the preliminary implementation sample timeline:

Week 1:

- Initial Meeting
- Meeting with the City of Fernandina Beach, Florida IT representatives and other staff to discuss On-Line Services Administration
- Obtain contact information, administrator information, and required signature card data to prepare service agreements, open accounts, etc.
- Follow up with proposed timelines/milestones

Week 2:

- Discuss services and completed agreements with the City of Fernandina Beach, Florida
- Obtain items needed for testing (i.e. Positive pay test file and test checks, ACH Nacha file, etc.)
- City of Fernandina Beach, Florida signs agreement and any other related documents
- Bank begins service set up and implementation process
- Weekly meeting

Week 3:

- Remittance of sign on information, passwords, and other account access data
- Arrange training
- Weekly meeting

Week 4:

- Verify system set up and interface accomplishment
- Address additional training needs
- Weekly meeting

Some of the obstacles to implementation are:

- Slow legal approval of agreements; legal perspectives unaligned with scope of services
- Slow approval of designated administrators, signers, etc.

- Prioritization of service implementation
- Coordination between any involved 3rd party providers
- Clear objectives of program communicated to Bank and organizations implementation team

The timeline which follows is for illustrative purposes only and does not include all items of detail. **A Sample Banking Services Implementation Plan is included as Attachment 1, starting on page 122/187 of this electronic file.**

H. Deposit Deadline Schedules

We have a network of approximately 1200 branches and 2000 ATMs within our 15-state footprint for branch service options. Vault services are offered for all service locations either at a Regions vault facility or an outsource facility. Night drop is available at most branch locations. Remote services are available for deposits and cash capture.

Regions Bank's deposit cut-off time and same day ledger credit is 4:00 PM local time for all of our branch locations. The 4:00 PM local time cut-off is the same for night drop, vault and branch services. There are no different cut-off times for cash versus paper items.

Remote Deposit Capture or our quick deposit service is an option to increase the cut-off time for ledger credit. Remote Deposit Capture has an extended ledger deposit deadline from 4:00 PM CST to 8:00 PM CST.

I. Funds Availability Schedule and Methodology for Computing Deposit Float

Requested Float Schedule	Improved Availability Schedules	Customer's Sensitivity to Float	Criteria for Exception	Required Level of Approval
☐	Premium	High	Average Collected Balance >$1,600,000 or Monthly Activity Charges >$5,000	District Director/Group Head
☐	Preferred	Moderate	Average Collected Balance >$400,000, but <$1,600,000 or Monthly Activity Charges >$2,000, but <$4,000	Banking Leader
☐	Accelerated	Low	Average Collected Balance >$100,000, but <$400,000 or Monthly Activity Charges >$500, but <$2,000	Sales Manager

J. Disaster Recovery Plan

Regions conducts various disaster recovery test activities during the year. At least one end-to-end, timed, multi-application recovery test is conducted each year. As new individual infrastructure components and /or applications are brought on board, they are tested prior to implementation.

The disaster recovery tests are designed to clearly demonstrate Regions' ability to recover business functions. All tests have pre-defined success criteria, and tests are designed to ensure that the bank can successfully recover from a disaster. Test plans and results are documented, and issues are recorded and tracked to resolution. In some instances, issue resolution may require updates to the recovery plans or changes to the technology infrastructure. Technology Executive Management and the Risk Management department are updated on the DR testing activities, test results, and any issues identified during the tests.

K. Proforma Copies of the Wire Transfer Agreement, Positive Pay Services Agreement, Stop Payment Agreement, any other Proforma Agreements Required, Prospectus for Money Market Mutual Funds Proposed as the Overnight Investment

Attachment 3 is included in Proposal Attachments starting on page 181/187 of this electronic file.

L. Overnight Sweep Facility and Basis Point Reduction

Regions offers a full array of sweep solutions designed to help your company automate investment and/or borrowing functions to maximize investment earnings, minimize idle balances and reduce interest expenses while allowing you to maintain complete control of your liquidity needs at all times.

Money Market Mutual Fund Sweep is an automated investment sweep solution that allows idle checking account balances to earn interest by having the excess funds swept into a money market mutual fund. Balances that are swept into the money market mutual fund remain invested until the funds are needed in the checking account. Regions offers the following types of money market mutual funds:

Investment Option	Ticker Symbol/CUSIP
Morgan Stanley Government Sweep	MVVXX / 61747C806
Fidelity Treasury Sweep	FCEXX / 316175835

- **Pricing for Option 1 – Sweep**
- **Pricing for Option 2 – Net Interest Checking**

Attachment 4 – Pricing Options for Sweep or Net Interest Checking is included in Proposal Attachments of this electronic file.

M. Names and Vitea of the Relationship and Treasury Management Officers Assigned to the City of Fernandina Beach, Florida's accounts

PRIMARY CONTACT – RELATIONSHIP MANAGER



Jennifer Kirouac, Vice President, Commercial Banking Group
(904) 281-7640; jennifer.kirouac@reigons.com

Jennifer Kirouac serves as a Vice President at Regions Bank, managing commercial relationships across a range of industries including Government/Non Profit organizations, manufacturing, transportation, retail and professional practices across North Florida. With almost 30 years of retail and commercial banking experience, Jennifer brings deep expertise relationship management, delivering treasury solutions, and driving strategic growth across multiple industry sectors.

Jennifer holds a Bachelors of Arts degree from the College of Charleston and is active in her local community. She is on the University of North Florida College of Education Advisory Board and is also engaged with organizations such as the North Florida School of Special Education and Junior Achievement.

She resides in Fernandina Beach with her husband and four children.



Tony Stiffler, Executive Vice President, Florida Commercial Executive
(904) 407-246-8946, Tony.stiffler@regions.com

Tony Stiffler oversees all commercial operations for Regions in Florida, headquartered in Orlando, FL. Regions is a regional bank that operates throughout the South, Midwest and Texas and is headquartered in Birmingham, Ala.

Prior to assuming his current role in 2018, Stiffler was the Central Florida Area President from 2004. He joined Regions in 1996 and has 28 years of experience in financial services.

Stiffler earned a bachelor's degree in Finance from the University of Florida in Gainesville and a master's in Business Administration from Florida International University in Miami.

He currently serves on the board of directors for the Florida Bankers Association and the Regions Foundation. He previously served on the board for the National Entrepreneur Center, the Orlando Economic Partnership, the Central Florida Partnership as a Founding Trustee Member, the Central Florida Board for Junior Achievement, Children's Home Society and the Boy Scouts of America, Central Florida Council.

PRIMARY TREASURY MANAGEMENT CONTACT



Georgette Smith, Vice President, Treasury Management
(904) 998-4978, georgette.smith@regions.com
Georgette Smith serves as Vice President on the Treasury Management Services team for the Commercial Banking Division in Northeast Florida. She has 24 years of experience in treasury management and commercial banking.

Georgette joined Regions Bank in 2007 holding positions in Commercial Banking, Commercial Banking Solutions Group and Treasury Management. The breadth of Georgette's experience enables her to be a valuable resource to both clients and fellow associates. She delivers expertise to commercial and corporate clients to optimize their cash flow cycle and implement technology services to serve as a conduit for growth.

She is a Certified Treasury Professional, a financial designation awarded to individuals experienced in cash management and has a Bachelor of Psychology from the University of North Florida.

Georgette is a native of Florida and in her spare time enjoys fishing, hunting, and spending time with friends and family. She and her husband live in Hilliard with their teenage son.

GOVERNMENT & INSTITUTIONAL BANKING SPECIALIST



Rebecca Reynolds-Russell, Senior Vice President, Government & Institutional Banking - Florida (407) 310-6074, rebecca.reynolds@regions.com

Rebecca Reynolds-Russell currently serves Regions Bank as the Senior Vice President for Government & Institutional Banking for the State of Florida. Rebecca brings 25+ years of experience in banking and financing for local government, public, private and charter K-12 education, public and private higher education, and nonprofit organizations. At Regions Bank, Rebecca partners with your local commercial relationship management team to deliver customized banking and financing solutions for the unique needs of your organization. We understand the key challenges and differences across the diverse

operating and capital models that comprise the government & institutional industry segments, and we deliver specialized solutions enhanced with a local relationship management team.
Rebecca's previous experience includes serving as a municipal financial advisor with PFM, and serving in similar roles with Fifth Third Bank, TD Bank and JPMorgan Chase. She also has experience as an entrepreneur/business owner and took an 18-month hiatus from banking in 2016 to run Sales & Marketing for Victory Tailgate, an Orlando-based manufacturer of tailgate games and sports fan merchandise.
Rebecca has served on many nonprofit boards including the Orlando Philharmonic Orchestra, was the Board Chair at Summer of Dreams, a 10-week summer camp program for disadvantaged kids in Orange and Osceola Counties, Big Brothers Big Sisters, and the Florida Development Finance Corporation. She currently serves on the Programs Committee for Florida Government Finance Officers Association, as a Board Member for Women in Public Finance, Florida Chapter, and is on the Steering Committee for Trends in Philanthropy. In 2016, Rebecca was awarded the Orlando Business Journal's "40 Under 40" Award for her professional accomplishments and community service.
Rebecca holds an MBA from the Crummer Graduate School of Business at Rollins College, as well as a BS in Finance from the University of Florida. Rebecca resides in the Tampa Bay area with her husband, their five children, and menagerie of pets. When she is not working, you will find her running mom shuttle or relaxing on her boat in the beautiful waters off the Gulf coast.

N. Bank Privacy Policy –

Attachment 5 is included in Proposal Attachments of this electronic file.

O. Descriptions, Comparisons, User Requirements, Bank Capabilities, and Costs for Each of the Prospective Services

iTreasury is accessible from anywhere using a computer with Internet access. The iTreasury system requirements are as follows:

Minimum Operating Requirements:
• iTreasury is compatible with the latest versions of browsers for Edge, Firefox, Safari and Chrome minus two browser versions.
• Screen resolution of 1024 x 786 or larger.
• The browser should have the latest version of Sun Microsystems, Java enabled (www.sun.com)
• High-speed Internet connection.
• A minimal PC configuration with Pentium III 500 MHz processor and 256 MB memory.
• Encryption – Your browser must be equipped with 256-bit Secure Socket Layer (SSL) strong encryption along with TLS version 1.2 for the highest level of data encryption, message integrity and server authentication.

The iTreasury suite of services can be accessed through Regions OnePass, which provides customers single sign on access to commercial applications. Access to Regions OnePass is available through any

computer with Internet access. iTreasury gives you the tools you need to manage your accounts from one point of control. Users can access a streamlined menu of easy-to-use cash management products to aid in making your daily financial decisions easier, faster and more convenient.
You can use iTreasury to:
· Access an executive view of real time account balances and activity with the ability to customize dashboards based on user preferences and needs
· Review all previous and current day transactions with extended detail
· Review intraday cash position
· Initiate ACH transactions with a variety of ACH modules, including Same Day ACH and ACH Reversals
· Initiate domestic and international (FX real time rates and USD) wires
· Real Time Payments
· Customize and generate an assortment of cash management reports
· Initiate internal account transfers real time
· Initiate stop payments real-time (manual or via import)
· Import positive pay files of issues/voids and review/decision exception items
· Enter manual issues/voids for positive pay if needed
· View paid check images, stopped checks and outstanding checks
· View deposit ticket and deposited item images
· Export data (comma delimited, fixed format or BAI2)
· Schedule exports for information reporting, Special Reports or saved reports
· Export data utilizing Quicken or QuickBooks
· Utilize data exchange information
· Paperless Statement Opt in/out
· View and download a variety of statements and special reports such as bank statements, analysis statements, returned ACH and deposited item reports

Information on the following customary bank services

1. Stop Payment

The City of Fernandina Beach, Florida may use our online Information Reporting product, iTreasury, or may call Client Services for placement of stop payment orders. Stop payments for Positive Pay items can be made via file transmission or via iTreasury. Stop payments are effective for a period of six months and would have to be renewed to extend for another six months.

iTreasury Stop Payments will allow the City of Fernandina Beach, Florida to initiate stop payment requests conveniently and efficiently through the Internet. Stop payment requests can be initiated from any PC with Internet access. The City of Fernandina Beach, Florida will be able to use the on-line iTreasury Stop Payment module to initiate the following functions:

- Single Stop Payment
- Range Stop Payment
- Paid Check Inquiry
- Duplicate Stop Payment Inquiry
- Transaction Inquiry – Stop Payments

The system is available for placing stop payments 24 hours/day, 7 days a week via iTreasury. Client Services is available 8:00 AM to 7:00 PM, Monday – Friday. Branch services for stop payments are generally available 8:00 am to 5:00 pm, Monday through Friday.

Stop Payments processed via iTreasury are real-time and are posted immediately. Stop payments processed through Client Services are posted immediately and are effective in 24 hours.

2. Positive Pay and related controls

Regions offers a variety of Positive Pay service options to accommodate your specific fraud prevention goals and risk mitigation policies, including:

- Next Day Positive Pay
- Same Day Positive Pay
- Reverse Positive Pay
- Payee Name Verification
- Teller Line Positive Pay

· **Next Day Positive Pay Service,** this feature of the Account Reconcilement service enables your company to maintain a cumulative checks-issued database (account number, check number, issue date, and dollar amount) on file with Regions Bank to verify paid checks daily. With this service you provide Regions with a check issue file via file or as soon as checks are written/issued and each check that attempts to clear the account is compared with this information. Regions will correct any encoding errors or MICR line misreads. If a check is not on your database or differs in the amount, we will notify you of the exception the next business day morning via Regions iTreasury online banking service.
NDPP Cutoff Time Reminder:

10:30 AM EST	Exceptions Available to Client
3:00 PM EST (the same day)	Decisions Due from Client

· **Same Day Positive Pay Service,** if your company checks are written on a Controlled Disbursement account, Regions will compare the items being presented against the check issue file on hand beginning the same business day. Because of the time sensitivity of the information, we require that all check issue

databases for Next Day Positive Pay and Same Day Positive Pay services be sent via direct transmission or through iTreasury.

SDPP Cutoff Time Reminder:

4:30 AM EST	Exceptions Delivered from Fed available for Client to review
3:00 PM EST (the next day)	Decisions Due from Client

· **Reverse Positive Pay Service** enables your company to maintain a cumulative checks-issued database in your company's systems. Each business day, Regions will provide a file of the items that have been posted either via direct transmission or a download from iTreasury by. You will match items paid with items issued. If paid-no-issue or altered items are detected, you will notify Regions via iTreasury to return the items.

· **Payee Name Verification** provides an extra level of protection and is used to help prevent check fraud created when the payee name is altered on checks presented to the bank. There are specific guidelines and requirements for the use of Payee Name Verification (PNV) services.

· **Teller Line Positive Pay** is an added benefit to Next Day and Same Day Positive Pay that provides an extra level of security to reduce your exposure to potential check fraud. Teller Line Positive Pay allows Regions to compare checks presented at the teller line to your check issue file. If a check does not appear on your list or differs in amount, check number or payee name, the check will be denied if presented at the teller window.

Regions' Teller Line is updated four times throughout the day for Same Day and Next Day Positive Pay.

To prevent file loss, duplicate transmissions and acceptance duplicate returns, any duplicate files received by the Bank are automatically rejected. The Bank will notify clients if any unacceptable file formats are received.

If the Bank creates an invalid file to send to a client, notification is provided and the file is corrected.

3. Wire Transfers and Controls

Regions' Wire Transfer services provide you with the most immediate, reliable and secure funds transfer available. Regions offers a wide range of voice and internet wire disbursement capabilities, as well as a full line of wire collection and reporting methods. Since wire transfers are often high-dollar, time-sensitive transactions, Regions provides an experienced support staff with the most up-to-date technology and system capabilities. These resources are dedicated to ensuring timely and accurate delivery of all your wire transfer collection and disbursement needs.

Regions utilizes out of band authentication as an enhancement to the online banking system security. To release wires in iTreasury, clients use an out of band authentication process (ROOBA) in which Regions sends a challenge message to our clients, and the user validates and/or acknowledges the wire release by inputting a security code in their mobile or landline phone**.**

Methods of initiation for wire transfer:

- Internet - Regions offers the ability to initiate wire transfers via iTreasury or our Commercial online banking system.
- Voice - Voice initiators are provided with a basic set of security codes and procedures. Clients can select other security measures designed for their specific needs.
- File Transmission- Regions offers the ability to receive batch wires for further processing.
- Integrated Payables – Regions offers the ability to send a wire via a payment file.
- Branch – With proper approval and authentication, Regions will allow wires to be originated through our branch locations.

iTreasury wire cut-off times (EST):
Incoming wires: 8:30 AM – 6:30PM (Domestic); 8:30 AM – 6:30PM (International)
Outgoing wires: 8:30 AM – 5:00 PM (Domestic); 8:30 AM – 5:30 PM (International)

Attachment 6 is included in Proposal Attachments of this electronic file.

Other Banking Services

Any other additional services not otherwise specified in the RFP that the institution may wish to offer to the Authority, please provide separately along with associated description, fees and costs.

Regions Bank is offering additional services including:

- Commercial Card
- NextStep Financial Wellness for Employees

Attachment 7 is included in Proposal Attachments of this electronic file.

P. Audited Financial Statements for Each of the two (2) Most Recent Years

https://ir.regions.com/home/default.aspx

Q. Bank References

- City of Wildwood
  Lynzey McClellan – Asst. CFO
  100 N. Main Street
  Wildwood, FL 34785
  Office: (352) 661-6907
  Email: lmccellan@wildwood-fl.gov

- City of Safety Harbor
  Victoria Gilley - Asst. Finance Director
  City of Safety Harbor
  750 Main Street
  Safety Harbor, FL 34695
  Office: (727) 724-1555 Ext. 1222
  Cell: (727)383-2478

- City of Largo
  Rebecca Spuhler - Finance Director
  Finance Department | City of Largo
  (727) 586-7443 | rspuhler@largo.com | Largo.com

R. Bank Exceptions

- Courier Service – Regions does not offer courier service. The City of Fernandina Beach, Florida can negotiate a courier service, Loomis or Brinks on it's own behalf.

S. Sample Copy of the Bank's Agreement Document

Attachment 8 is included in the Proposal Attachments staof this electronic file.

T. Contact Sheet/RFP Proposal Form, Exhibit "A"

Exhibit A is included in Proposal Attachments

U. Public Entity Crimes, Exhibit "B"

Exhibit B is included in Proposal Attachments

V. Drug-Free Workplace Certification, Exhibit "C"

Exhibit C is included in Proposal Attachments

W. E-Verify Statement, Exhibit "D"

Exhibit D is included in Proposal Attachments

X. Proposer Acknowledgements and Agreements, Exhibit "E"

Exhibit E is included in Proposal Attachments

Y. Conflict of Interest, Exhibit "F"

Exhibit F is included in Proposal Attachments

Z. Non-Collusion Affidavit, Exhibit "G"

Exhibit G is included in Proposal Attachments

Z. Disputes Disclosure Form, Exhibit "H"

Exhibit H is included in Proposal Attachments

Disclaimer:

Except as to the pricing and fees herein, this proposal does not constitute a contractual offer or acceptance of an offer. No binding contract for the use or provision of the products and services described in this proposal will exist until the parties have entered into final definitive agreements as to such products and services by and through their respective duly authorized representatives. All products and services described in this proposal are subject to the terms and conditions of Regions Bank's standard service and product agreements, except as may be otherwise expressly provided in any final definitive agreement resulting from this proposal.

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REGIONS

Proposal Attachments and Sample Agreements

- Attachment C
  - Proforma Account Analysis
- Attachment D
  - Proposer's Warranty
- Attachment 1
  - Implementation Plan
- Attachment 2
  - Qualified Public Depository
- Attachment 3
  - Proforma Copies of the Wire Transfer Agreement, Positive Pay Services Agreement, Stop Payment Agreement, any other Proforma Agreements Required, Prospectus for Money Market Mutual Funds Proposed as the Overnight Investments
- Attachment 4
  - Sweep and NIC Pricing
- Attachment 5
  - Privacy Policy
- Attachment 6
  - Descriptions, Comparisons, User Requirements, Bank Capabilities, and Costs for Each of the Prospective Services
- Attachment 7
  - Other Banking Services
- Attachment 8
  - Sample Copy of the Bank's Agreement Document
- All Requested Exhibits

Internal Use

EXHIBIT "A"
CONTACT SHEET

Name: Jennifer Kirouac

Federal Taxpayer ID 63-0371391

Mailing Address: 51 W. Bay Street

City, State, & Zip Code: Jacksonville, FL 32202

Telephone: 904-281-7640 **Fax:**

Email: Jennifer.kirouac@regions.com

Submitted By: Jennifer Kirouac

Title: Vice President Commercial Banking Relationship Manager

Accounting Contact:

Name: Georgette Smith **Title: TMO**

Email Address: georgette.smith@regions.com **Phone: 904-998-4977**

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

Internal Use

EXHIBIT "B"
SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES

THIS FORM SHALL BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for City of Fernandina Beach.

2. This sworn statement is submitted by (entity) Regions Bank whose business address is 51 W. Bay St., Jacksonville, FL 32202 and (if applicable) Federal Employer Identification Number (FEIN) is 63-0371391 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is Jennifer Kirouac and my relationship to the entity named above is Vice President Commercial Banking Relationship Manager.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or

    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for

Internal Use

fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)

x Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)

____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)

_ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

Jennifer Kinnac 2.19.26

Signature Date:

STATE OF FLORIDA
COUNTY OF Duval

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 19 day of Feb
20 26 by Jennifer Hiroiac,

Schanne R Thomas Schanne R Thomas

Notary Public Printed Name

My Commission Expires 9/7/2026

Personally Known ____ OR Produced Identification ✓ ID Produced ____

SCHANNE R. THOMAS NOTARY PUBLIC STATE OF FLORIDA
My Comm. Expires Sept. 7, 2026
Comm. # HH 309915

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"
DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.

2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.

3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.

4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.

5. Impose a sanction on, or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.

6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: Regions Bank_____

CITY: Jacksonville_____STATE: FL_____ZIP CODE: 32202_____

SIGNATURE: Jennifer Kirouac_____PHONE: 904-281-7640___

NAME (TYPED OR PRINTED): Jennifer Kirouac_____TITLE: VP Commercial RM__

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

Internal Use

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: Request for Proposal 26-04

Project Description: Management Banking Services

I/FIRM acknowledges and agrees to the following:

I/FIRM will utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: Jennifer Kirouac/Regions Bank

Authorized Signature: Jennifer Kirouac

Title: Vice President Commercial Relationship Manager

Date: 2.19.26

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

Internal Use

EXHIBIT "E"
PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Jennifer Kirouac_____Title: Vice President Commercial RM____

Signature: Jennifer Kirouac_____Date: 2.19.26_____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

Internal Use

EXHIBIT "F"
CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for City of Fernandina Beach, Florida ___.

This sworn statement is submitted by (entity) Regions Bank_____ whose business address is 51 W Bay St., Jacksonville, FL32202 ___ and (if applicable) Federal Employer Identification Number (FEIN) is 63-0371391___(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is_____Jennifer Kirouac___and my relationship to the entity named above is Vice President Commercial Banking Relationship Manager___.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.

2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.

3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.

4. Neither the Affiant nor the above- n a m e d entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.

5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.

6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.

7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.

Internal Use

8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.

9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above named entity, will immediately notify the City of Fernandina Beach.

Jennifer Kinnac 2.19.26
Signature Date:

STATE OF FLORIDA
COUNTY OF Duval

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 19 day of Feb
20 26 by Jennifer Kinnac,

Schanne R Thomas Schanne R Thomas
Notary Public Printed Name

My Commission Expires 9/7/2026

Personally Known ____ OR Produced Identification ✓ ID Produced ____

SCHANNE R. THOMAS NOTARY PUBLIC STATE OF FLORIDA
My Comm. Expires Sept. 7, 2026
Comm. # HH 309915

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"
NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for City of Fernandina Beach, Florida.

This sworn statement is submitted by (entity) Regions Bank whose business address is 51 W. Bay St., Jacksonville, FL 32202 and (if applicable) Federal Employer Identification Number (FEIN) is 63-0371391 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Jennifer Kirouac and my relationship to the entity named above is Vice President Commercial Relationship Manager.

1. The above named is fully informed respecting the preparation and contents of the attached proposal and of all pertinent circumstances respecting such proposal;

2. Such Proposal is genuine and is not a collusive or sham proposal;

3. Neither the said Proposer nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Proposal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached proposal or any other Bidder, or to fix any overhead, profit or cost element of the proposal price or the proposal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and

4. The price or prices quoted in the attached proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Jennifer Kirouac 2.19.26
Signature Date:

Internal Use

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

STATE OF FLORIDA
COUNTY OF Duval

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 19 Feb day of 2026 by Jennifer Kirouac

Schanne R Thomas — Schanne R Thomas
Notary Public — Printed Name

My Commission Expires 9/7/2026

Personally Known ____ OR Produced Identification ✓ ID Produced ____

SCHANNE R. THOMAS NOTARY PUBLIC STATE OF FLORIDA
My Comm. Expires Sept. 7, 2026
Comm. # HH 309915

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___NO X___

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO X____

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO X___

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

Regions Bank	2.19.26
Firm	Date
Jennifer Kirouac	Jennifer Kirouac VP Commercial RM
Authorized Signature	Printed or Typed Name and Title

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

Internal Use

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "A"
BANK INFORMATION
RESPONSE FORM

Bank Name: Regions Bank_____

Federal Taxpayer ID: 63-0371391_____

Authorized Representative Signature: Jennifer Kirouac_____

Printed Name: Jennifer Kirouac_____**Title: VP Commercial RM**_____

Email Address: Jennifer.kirouac@regions.com_____

Mailing Address: 51 W. Bay St., Jacksonville, FL 32202_____

City, State, & Zip Code: Jacksonville, FL 32202_____

Telephone: 904-281-7640_____**Fax:** _____

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CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "C"
PROFORMA ACCOUNT ANALYSIS
RESPONSE FORM

Proposing Bank: Regions Bank – Sweep

Service Rendered	Estimated Monthly Volume	Unit Cost	Annual Cost
Account Maintenance	10	$ 10.00	$1,200.00
Zero Balance Accounts			
Master Account	1	$60.00	$720.00
Subsidiary Accounts	4	$30.00	$1,440.00
Regular Deposits	250	$.32	$960.00
Deposited Item Rejects	1	$6.00	$72.00
Positive Pay AP File	17	N/A	N/A
Items Paid	625	$.11	$824.64
Wire Transfer Services			
Outgoing Domestic Wire Transfer	1	$14.00	$168.00
Incoming Domestic Wire Transfer	1	$20.00	$240.00
ACH Services			
ACH Monthly maintenance	1	$25.00	$300.00
ACH Return item	1	$6.50	$6.50
ACH Debits originated	50	$.15	$90.00
ACH Credits originated	300	$.15	
Payroll			
ACH file	2	$1.00	$24
ACH transactions per item	325	$.15	$540.00
Transfer between accounts not including sweep	10	$.40	$48.00
Transfer between accounts sweep	80	N/A	N/A
Returned deposits	1	$6.00	$72.00
Returned items - represented	1	$4.00	$48.00

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

Service Rendered	Estimated Monthly Volume	Unit Cost	Annual Cost
Stop payments - Manual	1	$36.00	$432.00
Stop payments - Electronic	1	$20.00	$240.00
FDIC Expense Sweep option only ($100,000 balance remaining balances in sweep)	1	0.176%	$176.04
Web access for minimum of 6 users (iTreasury)	1	$55.00	$660.00
Sweep Services			
Automated sweep account	1	$200.00	$2,400.00
Change requests	25		
Courier (7 locations 6 daily/1 weekly)	124	N/A	N/A
Info report BAI	1	$45.00	$540.00
Please list additional fees required below:	**Please see attached proformas**		

Supplies and Equipment	Estimated Monthly Volume	Unit Cost	Annual Cost
Tamper Proof Deposit Bags	350		
Endorsement Stamps	0.2		
Deposit Slips	300		
Check Scanners	6		
Earnings Calculation			
Balance Required to Offset Fees:	**See Proforma**		
Earnings Credit Rate: Sweep option	2.20%		
Projected Net Earnings/ (Fees)	**Monthly**		**Annually**
Monthly Earnings Credit	**See Proforma**		
Less: Monthly Fees			
Net projected earnings/(fees)			

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 26-04
MANAGEMENT BANKING SERVICES

ATTACHMENT "D"

PROPOSER'S WARRANTY

The proposer warranties that the responsible officer has fully read and understands the RFP. The proposer warranties that the responsible officer has full knowledge of the scope, nature, quantity and quality of work to be performed; full knowledge of the detailed requirements of the services to be provided; and full knowledge of the conditions under which services are to be performed. The proposer warranties the unit costs, extended costs, and total estimated annual costs are complete and accurate and will be honored for the term of the initial contract.

Each proposer guarantees in writing that the Comptroller and the City Commission will receive the services specified and at the unit costs or prices quoted for the entire term of the agreement, including the option of two one-year renewals.

Bank Name: Regions Bank

Federal Taxpayer ID: 63-0371391

Authorized Representative Signature: Jennifer Kirouac

Printed Name: Jennifer Kirouac Title: Vice President Commercial RM

Email Address: Jennifer.kirouac@regions.com

Mailing Address: 51 W. Bay St.

City, State, & Zip Code: Jacksonville, FL 32202

Telephone: 904.281.7640 Fax:

STATE OF FLORIDA
COUNTY OF Duval

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 19 day of FEB
20 26 by Jennifer Kirouac,

Schanne R Thomas
Notary Public

Schanne R Thomas
Printed Name

My Commission Expires 9/7/2026

Personally Known ____ OR Produced Identification ✓ ID Produced

SCHANNE R. THOMAS NOTARY PUBLIC STATE OF FLORIDA My Comm. Expires Sept. 7, 2026 Comm. # HH 309915

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SAMPLE IMPLEMENTATION PLAN CHECKLIST - 5/15/2026 "Go Live" Date						
Services	**Task**	**Date Completed**	**Target Complete Date**	**Comments**	**Responsibility**	
					Regions	**COFB**
New Accounts	Accounts Assigned		06-Apr		X	
	Accounts Opened		06-Apr		X	
	Signature Card Created		06-Apr		X	
	Signature Card Circulated		06-Apr			X
	Signature Card Returned to Bank		06-Apr			X
TM Documents	Complete Agreements		06-Apr		X	X
	(Gather all details for implementation)		06-Apr		X	X
	Return Executed Agreements / Customer Profile		06-Apr			X
Order Supplies	Confirm Need for Supplies		06-Apr		X	X
	Deposit Tickets		06-Apr			
	Checks / MICR Sheet		06-Apr			
	Endorsement Stamps		06-Apr			
	Vault Supplies		06-Apr			
	Confirm Orders Received		06-Apr		X	X
Account Details	Create Analysis Group of all Accts		06-Apr		X	
	Confirm group is set to print		06-Apr		X	
	Return Item Special Instructions		06-Apr		X	
	Process Relocation Credit to Account Analysis		06-Apr		X	
	Submit RFP quoted Exception Pricing to AA Dept.		06-Apr		X	
	Submit Request for Waived Check Cashing		06-Apr		X	
Test Checks	Print and Send Test Checks to Bank		30-Apr	Need 20 Checks		X
	Test Checks processed		30-Apr	1-2 days for Results	X	

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SAMPLE IMPLEMENTATION PLAN CHECKLIST - 1/1/2026 "Go Live" Date						
Services	**Task**	**Date Completed**	**Target Complete Date**	**Comments**	**Responsibility**	
					Regions	**COFB**
	Test Checks passed		30-Apr		X	
New Acct Comm.	Provide Sample Letter to send Partners/Vendors		30-Apr		X	
	Notify Partners of New accts for ACH / Wire		30-Apr			X
ZBA Structure	Docs complete and Submitted		30-Apr	*Standard 2 day set up*	X	X
	Settlement Worksheet Submitted		30-Apr		X	
	Confirm Completed		30-Apr		X	
Quick Deposit	Agreements		30-Apr	*Standard 3 day set up*	X	X
	Scanner Mailed		30-Apr		X	
	Welcome Letter Sent with Admin Info		30-Apr		X	
	Admin Completed Training and Added users		30-Apr		X	X

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SAMPLE IMPLEMENTATION PLAN CHECKLIST - 1/1/2026 "Go Live" Date						
Services	**Task**	**Date Completed**	**Target Complete Date**	**Comments**	**Responsibility**	
					Regions	**COFB**
Positive Pay	Complete Agreements		15-Apr	*Standard 35 day set up*	X	X
	Determine File Format		15-Apr		X	X
	Set up Connectivity		15-Apr		X	X
	Send / Receive Test Files		15-Apr		X	X
	Determine "live" date		15-Apr		X	X
iTreasury Set up	Confirm Users and Contacts		1-May	*Standard 6 day set up*	X	X
	Set up Complete		1-May		X	
	Log-on Info Received *(reset Password)*		1-May			X
	Training for Admin Complete		1-May	*Recommended*	X	X
	Admin create additional users		1-May			X
	Admin has entitled users		1-May			X
	Users have logged into system		1-May	*Training Schedule distributed to Users*		X
	Users have signed up for Training		1-May			
	Training for users / Admin & ACH complete		1-May		X	X
Wire	Received current wire information		1-May	*Standard 5 day set up*		X
	Send Wire documents for Signature		1-May		X	
	Received Executed Wire Documents		1-May			X
	Submit Documents to Wire Room		1-May		X	
	Add iTreasury Wire Module with Phone back-up		1-May		X	
	Mail User PINS		1-May		X	
	Users confirm receipt of PINS		1-May			X

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SAMPLE IMPLEMENTATION PLAN CHECKLIST - 1/1/2026 "Go Live" Date						
Services	**Task**	**Date Completed**	**Target Complete Date**	**Comments**	**Responsibility**	
					Regions	**COFB**
ACH	Have Settlement Risk Approval		1-May	*Standard 6 day set up*	X	
	Determine Validator or Direct Transmission		1-May		X	
	Set up Company IDs as needed		1-May		X	
	Connectivity Complete		1-May		X	X
	Send / Receive Test File or Prenotes		1-May		X	X
ACH Alerts	Processing Set up		10 - May	*Standard 3 day set up*	X	
	Receive Confirmation completed		10 - May		X	
	Admin has logged into system		10 - May			X
Go Live - All Accounts	Start issuing payments from Regions accounts		11-May		X	X
Shut down old accounts			1-July			X
Please note: Standard Lead Times listed are business days and begin once all necessary documentation has been						
gathered and submitted to our implementation team. Times do not reflect mail float for PINS.						
**A TM Implementation Project Coordinator is assigned to coordinate implementation of all products simultaneously.*						

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Detail by Entity Name

Foreign Profit Corporation
REGIONS BANK

Filing Information

Document Number	F95000001450
FEI/EIN Number	63-0371391
Date Filed	03/27/1995
State	AL
Status	ACTIVE
Last Event	NAME CHANGE AMENDMENT
Event Date Filed	12/02/1996
Event Effective Date	NONE

Principal Address

1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Changed: 04/24/2015

Mailing Address

1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Changed: 05/01/2007

Registered Agent Name & Address

CORPORATION SERVICE COMPANY
1201 HAYS STREET
TALLAHASSEE, FL 32301

Name Changed: 01/25/2005

Address Changed: 01/25/2005

Officer/Director Detail

Name & Address

Title Asst. Secretary

Townsley, Kimberly B.
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title President

Turner, John M, Jr.
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title CFO

TURNER, DAVID J, Jr.
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Secretary

Plimpton, Tara A.
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Director

STYSLINGER, LEE J, III
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Director

MARSHALL, RUTH ANN
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Director

Rhodes, William C., III
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

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Title Director

Prokopanko, James T
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Director

Suquet, Jose S
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Director

Vines, Timothy
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Director

Golodryga, Zhanna
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Director

Rand, Alison S.
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Director

Johnson, Joia M.
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Director

Crosswhite, Mark A.
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Director

Davis, Noopur
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Title Director

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Hill, J. Thomas
1900 FIFTH AVENUE NORTH
BIRMINGHAM, AL 35203

Annual Reports

Report Year	Filed Date
2023	04/14/2023
2024	04/30/2024
2025	04/29/2025

Document Images

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Previous On List Next On List Return to List

Regions Bank
Search

Events Name History

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Public Deposit Program Dates

Ranking and Pledge Data:	**Q2 2025**
Public Deposits Data:	**September 2025**

Program At A Glance

Public Deposits on Account	**$31,878,588,025.06**
Net Public Deposits	**$30,733,423,075.88**
QPD Count	**128**

Follow the Link to Frequently Asked Questions

Public Deposits Program Data

QPD Name	Account FEIN	Headquarters City	State Code	Account Pledge %	Average Rank	Total Public Deposits	% of Pool (Total)	Net Public Deposit	% of Pool (Net)	Withdrawing Date	Has APA
Addition Financial Credit Union	590678236	Lake Mary	FL	50%	56	0	0%	0.00	0%		N
All In Credit Union	630513743	Daleville	AL	50%	59	250,128	0%	128.00	0%		N
Amerant Bank, N.A.	591846933	Coral Gables	FL	50%	58	53,653,740	0.15%	52,153,740.00	0.15%		N
Ameris Bank	581111076	Atlanta	GA	25%	88	499,607,503	1.40%	473,685,726.00	1.33%		N
Anchor Bank	202502516	Palm Beach Gardens	FL	50%	57	77,253,685	0.22%	76,901,881.00	0.22%		N
Anthem Bank & Trust	720218544	Plaquemine	LA	50%	69	848,224	0%	152,296.00	0%		N
Axiom Bank, N.A.	591008568	Maitland	FL	50%	53	22,228,409	0.06%	21,978,409.00	0.06%		N
Banesco USA	202768792	Coral Gables	FL	25%	82	98,714,664	0.28%	98,464,664.00	0.28%		N
BankFlorida	208982689	Dade City	FL	50%	54	30,115,395	0.08%	29,312,849.00	0.08%		N
Bank of America, N.A.	941687665	Charlotte	NC	25%	63	1,936,842,593	5.42%	1,900,544,483.00	5.32%		N
Bank of Belle Glade	591024375	Belle Glade	FL	50%	54	24,003,619	0.07%	22,724,151.00	0.06%		N
Bank of Central Florida	208376899	Lakeland	FL	25%	81	6,318,539	0.02%	5,318,539.00	0.01%		N
Bank of Tampa, The	591447189	Tampa	FL	25%	78	2,989,435	0.01%	2,489,435.00	0.01%		N
BankUnited, N.A.	270217289	Miami Lakes	FL	50%	62	2,341,421,418	6.55%	2,276,542,185.00	6.37%		N
Barwick Banking Company	580975628	Barwick	GA	50%	60	6,207,520	0.02%	5,649,206.00	0.02%		N
BayFirst National Bank	593526917	St. Petersburg	FL	50%	45	28,763,401	0.08%	0.00	0%		N
BMO Bank, N.A.	362085229	Chicago	IL	25%	74	1,310,468	0%	951,923.00	0%		N
Bradesco BAC Florida Bank	591485307	Coral Gables	FL	25%	80	0	0%	0.00	0%		N
Brannen Bank	590153930	Inverness	FL	25%	78	58,494,579	0.16%	55,444,593.00	0.16%		N
Brightstar Credit Union	590653174	Cooper City	FL	50%	56	2,488,242	0%	1,988,242.00	0%		N
Busey Bank	370613731	Champaign	IL	25%	62	11,298,394	0.03%	11,048,394.00	0.03%		N
Cadence Bank	640117230	Tupelo	MS	25%	75	67,611,975	0.19%	65,498,859.00	0.18%		N
Calhoun Liberty Credit Union	590991497	Blountstown	FL	25%	72	0	0%	0.00	0%		N
Campus USA Credit Union	590637646	Newberry	FL	25%	72	1,059,977	0%	809,977.00	0%		N
Capital City Bank	593277398	Tallahassee	FL	25%	82	434,074,570	1.21%	406,790,735.00	1.14%		N
CCB Community Bank	630258819	Andalusia	AL	25%	92	5,785,215	0.02%	4,498,503.00	0.01%		N
Centennial Bank	710009885	Conway	AR	25%	89	776,412,737	2.17%	713,311,311.00	2%		N
Central Bank	205909064	Tampa	FL	50%	52	15,619,903	0.04%	14,627,731.00	0.04%		N
Citizens Bank and Trust	590193780	Frostproof	FL	50%	50	226,215,601	0.63%	133,754,001.00	0.37%		N
City National Bank of Florida	591297458	Miami	FL	50%	73	1,670,332,525	4.67%	1,659,309,112.00	4.64%		N
Climate First Bank	863026358	St. Petersburg	FL	50%	65	2,291,891	0.01%	1,541,891.00	0%		N
Cogent Bank	593586102	Orlando	FL	25%	88	0	0%	0.00	0%		N
Commerce Bank & Trust	161635422	Winter Park	FL	50%	48	2,541,878	0.01%	2,291,878.00	0.01%		N
Community Bank of Mississippi	640154830	Forest	MS	50%	56	0	0%	0.00	0%		N
Community Bank of the South	593611444	Merritt Island	FL	50%	68	54,025,427	0.15%	53,525,427.00	0.15%		N
ConnectOne Bank	201172127	Englewood Cliffs	NJ	50%	67	182,287,726	0.51%	182,037,726.00	0.51%		N
Crews Bank & Trust	590500870	Wauchula	FL	25%	87	129,813,750	0.36%	121,890,062.00	0.34%		N
Dade County Federal Credit Union	590684192	Miami	FL	25%	86	10,029,250	0%	9,779,249.86	0%		N
DLP Bank	590795359	Starke	FL	50%	71	23,779,975	0.07%	19,736,070.00	0.06%		N
Dort Financial Credit Union	381440283	Grand Blanc	MI	50%	50	904,929	0%	404,929.00	0%		N
Edison National Bank	650765849	Fort Myers	FL	50%	57	18,638,986	0.05%	17,534,168.00	0.05%		N
EverBank, National Association	593531592	Jacksonville	FL	50%	56	323,048,914	0.90%	319,304,166.00	0.89%		N
Fifth Third Bank, N.A.	310676865	Cincinnati	OH	25%	80	458,263,112	1.28%	452,522,164.00	1.27%		N
FineMark National Bank & Trust	208075599	Fort Myers	FL	50%	61	66,049,423	0.18%	63,019,796.00	0.18%		N
First American Bank	361078850	Elk Grove Village	IL	25%	78	0	0%	0.00	0%		N
First Bank	590242465	Clewiston	FL	25%	86	116,928,836	0.33%	107,812,390.00	0.30%		N
FirstBank Puerto Rico	660183103	San Juan	PR	25%	81	18,434,853	0.05%	17,684,853.00	0.05%		N
First-Citizens Bank & Trust Company	560223230	Raleigh	NC	25%	66	0	0%	0.00	0%		N
First Colony Bank of Florida	261462549	Maitland	FL	25%	85	1,155,955	0%	905,955.00	0%		N
First Federal Bank	590969721	Lake City	FL	50%	66	616,354,497	1.72%	477,827,151.00	1.34%		N
First Foundation Bank	320211527	Irvine	CA	50%	44	586,248,740	1.64%	579,917,552.00	1.62%		N
First Horizon Bank	620201385	Memphis	TN	25%	70	382,410,865	1.07%	372,055,902.00	1.04%		N
First National Bank of Coffee County	581952884	Douglas	GA	25%	82	0	0%	0.00	0%		N
First National Bank of Mount Dora, The	590242830	Mount Dora	FL	50%	61	5,312,284	0.01%	4,143,354.00	0.01%		N
First National Bank of Pasco	592648115	Dade City	FL	50%	43	50,236,376	0.14%	48,906,120.00	0.14%		N
First National Bank of Wauchula	590877517	Wauchula	FL	50%	69	7,786,216	0.02%	6,683,164.00	0.02%		N
First Port City Bank	581178459	Bainbridge	GA	50%	76	1,850,871	0.01%	1,600,871.00	0%		N
First Southern Bank	580379465	Waycross	GA	50%	62	9,469,034	0.03%	7,747,776.00	0.02%		N
First State Bank of the Florida Keys	650790413	Key West	FL	50%	59	74,525,848	0.21%	70,609,524.00	0.20%		N
Flagship Bank	202472079	Clearwater	FL	50%	65	2,452,438	0.01%	2,202,438.00	0.01%		N
FNBT BANK	590788761	Fort Walton Beach	FL	25%	93	50,945,492	0.14%	49,410,633.00	0.14%		N
Grove Bank & Trust	590199400	Miami	FL	50%	50	29,389,158	0.08%	28,690,134.00	0.08%		N
Gulf Atlantic Bank	844877433	Key West	FL	50%	60	0	0%	0.00	0%		N
Gulf Coast Business Bank	874743729	Ft Myers	FL	110%	50	1,667,954	0%	1,167,954.00	0%		N
Hancock Whitney Bank	640169065	Gulfport	MS	25%	81	279,834,258	0.78%	263,757,910.00	0.74%		N
INB, N.A.	370274319	Springfield	IL	50%	58	0	0%	0.00	0%		N
International Finance Bank	853345810	Miami	FL	25%	81	0	0%	0.00	0%		N
Intracoastal Bank	261783674	Palm Coast	FL	50%	53	3,041,533	0.01%	1,728,313.00	0%		N
Israel Discount Bank of New York	135596781	New York	NY	50%	53	0	0%	0.00	0%		N
iThink Financial Credit Union	591286880	Delray Beach	FL	50%	63	4,267,153	0%	4,017,153.00	0%		N
JPMorgan Chase Bank, N.A.	134994650	Columbus	OH	25%	79	1,854,798,773	5.19%	1,823,102,639.00	5.10%		N
Lafayette State Bank	590549169	Mayo	FL	50%	68	8,591,897	0.02%	6,693,026.00	0.02%		N
Locality Bank	873792885	Fort Lauderdale	FL	110%	57	0	0%	0.00	0%		N
Madison County Community Bank	592552141	Madison	FL	50%	60	25,556,116	0.07%	23,960,000.00	0.06%		N

Madison County Community Bank	593559141	Madison	FL	50%	60	25,556,116	0.07%	22,962,099.00	0.06%	N
Mainstreet Community Bank of Florida	200235207	Deland	FL	50%	46	7,793,416	0.02%	7,293,416.42	0.02%	N
Marine Bank & Trust Company	650644585	Vero Beach	FL	50%	64	22,271,674	0.06%	20,439,140.00	0.06%	N
MIDFLORIDA Credit Union	596194363	Lakeland	FL	25%	84	0	0%	0.00	0%	N
MidSouth Bank	630011444	Dothan	AL	50%	57	0	0%	0.00	0%	N
Millennium Bank	621775888	Ooltewah	TN	25%	37	20,988,780	0.06%	19,988,780.00	0.06%	N
Northern Trust Company, The	361561860	Chicago	IL	25%	68	12,748,425	0.04%	10,426,425.00	0.03%	N
Ocean Bank	592237280	Miami	FL	50%	70	19,930,594	0.06%	19,680,594.00	0.06%	N
One Florida Bank	010914314	Orlando	FL	25%	76	15,872,609	0.04%	13,148,975.00	0.04%	N
OneUnited Bank	042764211	Boston	MA	50%	46	0	0%	0.00	0%	N
Origin Bank	720124870	Choudrant	LA	50%	67	2,221,014	0.01%	1,894,999.33	0.01%	N
Pacific National Bank	592437764	Miami	FL	25%	75	3,833,811	0.01%	3,583,811.00	0.01%	N
Paradise Bank	203037095	Boca Raton	FL	25%	82	6,767,327	0.02%	6,237,458.00	0.02%	N
Peoples Bank of Graceville	591510993	Graceville	FL	50%	60	2,410,477	0.01%	1,264,662.00	0%	N
PeoplesSouth Bank	581171935	Colquitt	GA	25%	73	43,884,694	0.12%	36,734,423.00	0.10%	N
Pineland Bank	580137310	Alma	GA	25%	80	0	0%	0.00	0%	N
Pinnacle Bank	621829917	Nashville	TN	25%	82	0	0%	0.00	0%	N
PNB Community Bank	592648364	Niceville	FL	50%	57	13,706,682	0.04%	12,229,798.00	0.03%	N
PNC Bank, N.A.	221146430	Wilmington	DE	25%	75	419,060,553	1.17%	403,770,232.00	1.13%	N
Popular Bank	522126008	New York	NY	50%	55	53,014,320	0.15%	52,264,320.00	0.15%	N
Prime Meridian Bank	260474086	Tallahassee	FL	25%	67	44,428,749	0.12%	37,735,147.00	0.11%	N
PrimeSouth Bank	580163257	Blackshear	GA	25%	92	0	0%	0.00	0%	N
Raymond James Bank	593244348	St. Petersburg	FL	25%	80	0	0%	0.00	0%	N
Regions Bank	630371391	Birmingham	AL	25%	81	407,956,514	1.14%	387,206,496.00	1.08%	N
Renasant Bank	640220550	Tupelo	MS	25%	69	127,049,303	0.36%	121,347,003.00	0.34%	N
Republic Bank & Trust Company	610197400	Louisville	KY	25%	95	1,468,746	0%	0.00	0%	N
Santander Bank, N.A.	231237295	Wilmington	DE	50%	61	0	0%	0.00	0%	N
Seacoast National Bank	590193820	Stuart	FL	50%	68		0%		0%	N
ServisFirst Bank	202451671	Homewood	AL	25%	82	558,273,214	1.56%	554,832,315.00	1.55%	N
SmartBank	204091629	Pigeon Forge	TN	50%	67	42,575,991	0.12%	41,575,991.00	0.12%	N
Southeastern Bank	580214350	Darien	GA	25%	89	955,631	0%	220,047.00	0%	N
South State Bank, N.A.	592979916	Winter Haven	FL	25%	87	882,275,047	2.47%	840,295,503.00	2.35%	N
Suncoast Credit Union	590291451	Tampa	FL	50%	67	0	0%	0.00	0%	N
Sunstate Bank	650878433	Miami	FL	50%	64	2,123,490	0.01%	1,752,621.00	0%	N
Surety Bank	590580845	Deland	FL	25%	89	2,999,910	0.01%	2,499,910.00	0.01%	N
Synovus Bank	580201800	Columbus	GA	25%	84	2,960,078,276	8.28%	2,936,076,336.00	8.21%	N
TC Federal Bank	580459665	Thomasville	GA	50%	48	4,632,216	0.01%	3,749,430.00	0.01%	N
TD Bank, N.A.	010137770	Wilmington	DE	50%	61	2,486,467,694	6.96%	2,460,553,092.00	6.88%	N
Terrabank, N.A.	592532510	Miami	FL	50%	66	28,879,961	0.08%	28,629,961.00	0.08%	N
The Claxton Bank	580196521	Claxton	GA	50%	60	0	0%	0.00	0%	N
The Warrington Bank	590686240	Pensacola	FL	50%	60	728,049	0%	0.00	0%	N
Truist Bank	561074313	Charlotte	NC	50%	66	4,336,369,544	12.13%	4,207,057,733.00	11.77%	N
Trustco Bank	140578631	Glenville	NY	25%	73	70,570	0%	70,570.00	0%	N
Trustmark Bank	640180810	Jackson	MS	50%	75	60,488,352	0.17%	57,885,849.00	0.16%	N
U.S. Bank N.A.	310841368	Cincinnati	OH	50%	66	6,392,731	0.02%	0.00	0%	N
U.S. Century Bank	522371258	Doral	FL	25%	83	164,893,199	0.46%	161,511,229.00	0.45%	N
United Bank	630838750	Atmore	AL	25%	84	7,203,530	0.02%	5,633,165.00	0.02%	N
United Community Bank	580554454	Greenville	SC	50%	67	65,940,316	0.18%	63,609,197.27	0.18%	N
United Fidelity Bank, FSB	350298350	Evansville	IN	50%	40	555,549	0%	305,549.00	0%	N
United Southern Bank	590489540	Umatilla	FL	50%	76	29,337,410	0.08%	26,469,911.00	0.07%	N
Valley National Bank	221186387	Passaic	NJ	50%	61	895,503,904	2.51%	845,561,125.00	2.37%	N
Vista Bank	750548850	Dallas	TX	25%	89	0	0%	0.00	0%	N
VyStar Credit Union	590690965	Jacksonville	FL	50%	37	0	0%	0.00	0%	N
Waterfall Bank	852602971	Clearwater	FL	50%	54	0	0%	0.00	0%	N
Wells Fargo Bank, N.A.	941347393	Sioux Falls	SD	25%	72	4,313,578,885	12.07%	4,162,722,351.00	11.65%	N

MASTER AGREEMENT FOR TREASURY MANAGEMENT SERVICES
(rev. March 2024)

This Master Agreement for Treasury Management Services ("Master Agreement") applies to and governs the use of Services provided by and/or through the Treasury Management Services department of Regions Bank. This Master Agreement supersedes and replaces all prior versions and editions of the Master Agreement for Treasury Management Services as of the effective date set forth above. By enrolling for the use of any Service, or by using or allowing any others to use any Service in relation to any of Customer's Accounts, Customer accepts and agrees to the terms and conditions of Part 1 of this Master Agreement, which is applicable to all Services, as may be in effect from time to time. Customer also accepts and agrees to the terms and conditions of those Articles in Part 2 of this Master Agreement governing the specific Service(s) Customer has selected in the Customer Profile.

PART 1: GENERAL TERMS AND CONDITIONS

1. Definitions. The following definitions apply when the following terms are used in this Master Agreement:

"Account" means any deposit, loan, or other account maintained by Customer with Bank which is eligible for any Service and which is used or affected in connection with the use of any Service. Bank reserves the right to determine the eligibility and/or ineligibility of any account for any Service at any time and from time to time, in Bank's sole and absolute discretion.

"Authorized User" means any person or entity authorized by Customer to use any Service or to access any Customer Account, or reasonably believed by Bank to have been authorized by Customer to use any Service or to access any Customer Account, including (without limitation) any person or entity to which Customer has provided or disclosed a Security Device or made available or disclosed any Security Procedures, or any person or entity knowing or in possession of a Security Device or Security Procedure without regard to whether such person or entity gained access to or possession of the Security Device or Security Procedure from Customer, and/or any person or entity expressly authorized to use any Service or access any Customer Account in any Customer Profile or Service Schedule. Any Authorized User shall continue to be an Authorized User unless and until Customer has notified Bank, according to notification procedures prescribed by Bank, that such person or entity is no longer an Authorized User and until Bank has had a reasonable opportunity to act upon such notice.

"Bank" means and refers to, as the context may require, Regions Bank or any affiliate of Regions Financial Corporation with which Customer has established one or more Accounts, and/or any agent, independent contractor, designee, or assignees that Bank may, in its sole discretion, involve in the provision of the Services. With regard to any arbitration and/or waiver of jury trial provisions set forth in this Master Agreement, such term additionally includes any parent, subsidiary, or affiliate of Regions Bank, and any employees, officers, directors, agents and/or representatives of Regions Bank or of Regions Bank's parents, subsidiaries, or affiliates.

"Confidential Information" means any and all documents, materials, data and/or information, in whatever form or format (including, without limitation, electronic media), which relates to any Service (including, without limitation, the Service Materials and Bank's product and service pricing structure, system design, and programming techniques), and any other information which Bank designates, orally or in writing, as confidential or proprietary information or which Customer has reason to know is confidential or proprietary information; provided, however, that notwithstanding the foregoing, Confidential Information shall not include information which is proprietary information of Customer, or which becomes generally available to the public other than as a result of a disclosure by or through Customer, or its agents, employees, representatives, contractors, subcontractors, successors or assigns, or which becomes available to Customer on a non-confidential basis from a source other than Bank, provided that such source is not bound by a confidentiality agreement with Bank or is not otherwise prohibited from transmitting the information by a contractual, legal or fiduciary obligation.

"Customer" means and refers to, as the context may require, each and every person or entity which now or hereafter is an Account holder with respect to, or has any interest in, any Account, and each and every person or entity which now or hereafter subscribes to or uses any of the Services.

"Customer Profile" means any enrollment or informational document or form required or approved by Bank that is completed, submitted, or executed by or on behalf of Customer and that requests Bank to provide any Services, provides specifications relating to the provision of Services, or provides other information or confirmation relating to Customer's use of any Services, as amended from time to time.

"General Terms" means the provisions contained in "Part 1: General Terms and Conditions" of the Master Agreement.

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"Security Device" means, without limitation, any code, password, personal identification number, user identification technology, biometric identification, token, certificate, access device, security questions, procedures, processes, or credentials or other element, means, or method of authentication or identification used in connection with a Security Procedure.

"Security Procedure" means any process or procedure established between Customer and Bank for the purpose of verifying that communications, orders, instructions, or inquiries regarding a Service transaction or other Service activity are those of Customer, and/or for the purpose of authenticating Customer or its Authorized Users in connection with Customer's use of the Services, and/or for the purpose of authorizing transactions and other activity through the use of the Services, which process or procedure may or may not involve the use of a Security Device, as set forth in this Master Agreement, any applicable Customer Profile, Service Schedule, or User Guide.

"Service" means any feature, functionality, product, and/or service provided, managed, or administered by or through Bank's Treasury Management Services department, as evidenced by and/or described in this Master Agreement, any Service Schedule, User Guide, or Customer Profile, including, as the context may require, any Mobile Service (as hereinafter defined and described). As used in any Article of Part 2 of this Master Agreement, unless the context indicates otherwise, "Service" means the particular service at issue in that Article.

"Service Materials" means, without limitation, any and all equipment, hardware, software, computer programs (together with the object and source codes therefore, and any updates, upgrades, fixes, and enhancements thereto), mobile applications, operational manuals, documentation, User Guides, instructions, records, files, systems, marks, visual expressions, screen formats, report formats, designs, inventions, processes, improvements and enhancements to inventions and processes, ideas, methods, algorithms, concepts, formulae, Security Devices, technological and procedural information, data, any of the foregoing specially customized, created or developed for Customer's use of the Services, and/or any other thing of a proprietary nature which is developed, created, or provided by Bank or its contractors, as applicable, for use in connection with any Service, together with all adaptations or derivative works (as such term is used in the U.S. copyright laws) based upon any of the foregoing and all copies of the foregoing.

"Service Schedule" means and refers to any document, form or agreement required or approved by Bank which provides specifications relating to the provision of a Service, or provides other information or confirmation relating to Customer's use of any Services, as may be amended, revised or updated from time to time. A Service Schedule may also describe any particular Service and set forth particular terms and conditions prescribed by Bank regarding the provision and use of such Service, as amended from time to time.

"Third Party Service Provider" means any third party engaged or contracted by Bank to provide or assist in the provision of certain Services or any features, functions, or elements thereof or products relating thereto.

"User Guide" means any instructional materials or information relating to the use of any Service and provided by Bank or its Third Party Service Provider(s) in connection with such Service, as amended from time to time.

"*Wireless Device*" means a compatible and supported mobile phone and/or other compatible and supported wireless device that may be used in connection with any Services described in this Agreement that are offered by Bank as Mobile Services (as hereinafter defined).

Other terms may be defined elsewhere in this Master Agreement.

2. Service Enrollment. In order to enroll for and use a Service, Customer must complete, execute and/or accept the applicable Customer Profile(s) and Service Schedule(s) required by Bank therefore. Bank, in its discretion, may not permit Customer to use the Service until Bank has determined that Customer has accepted or executed the applicable documentation and otherwise provided appropriate information and specifications for the use of the Service, and until Bank has had a reasonable opportunity to activate the Service. In any event, Customer agrees that the use by Customer or any Authorized User of any Service shall, without any further action or execution or acceptance of any documentation on the part of Customer, constitute Customer's acceptance of and agreement to Bank's terms and conditions for the use of such Service as may be in effect as of the time of such usage, whether set forth in this Master Agreement, any applicable Service Schedule or Customer Profile, or otherwise prescribed by Bank. The terms of any Customer Profile and/or Service Schedule, as well as the terms of any User Guide applicable to a Service, supplement the terms of this Master Agreement and constitute part of the agreement between Customer and Bank for the use and provision of the applicable Service(s), and Customer agrees to observe and comply with all of such terms in the use of any applicable Service. In the event of a conflict between the terms of this Master Agreement and those of any Customer Profile, Service Schedule, or User Guide, the terms of the Customer Profile, Service Schedule, or User Guide, as applicable, shall govern and control with respect to the Service at issue.

3. Equipment Requirements. Except as otherwise expressly provided in any applicable Article of Part 2 of this Master Agreement or any Service Schedule, Customer, at Customer's expense, is responsible for obtaining and for properly installing, maintaining, and securing all telephone equipment and services, internet connection services, computer hardware and software (and any and all necessary upgrades thereto), Wireless Devices, wireless or mobile telecommunications services, and any other equipment necessary for Customer to access and use the Services. Customer agrees that Customer's equipment and third-party services shall at all times meet or exceed the minimum specifications prescribed by Bank from time to time for use of the Services. Bank makes no warranty, either express or implied, to Customer regarding Customer's computer systems or related equipment or software, or that of any of Customer's third-party providers or contractors, including but not limited to, any warranty of MERCHANTABILITY or FITNESS FOR A PARTICULAR PURPOSE. Unless otherwise expressly provided in separate written terms furnished by Bank or its contractor with respect to any particular Service Materials, to the extent that Bank provides any Service Materials to Customer, Customer agrees that:

(a) Customer is granted a limited, non-transferable, non-exclusive, non-sublicensable, and non-assignable license to use Service Materials in connection with the Services, according to the terms of the Services, which license may be revoked by Bank or its contractor, as applicable, at any time and which license shall be deemed revoked upon the termination for any reason of the Service for which the Service Materials were provided;

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(b) the Service Materials shall be installed, tested, placed into production, and used in accordance with the instructions provided by Bank, as modified or amended from time to time;

(c) all right, title and interest in and to any and all Service Materials shall be and remain the property of Bank or the third party provider of such Service Materials, as applicable, and no present or future intellectual property rights or licenses are offered, granted, or implied in the provision of any Service Materials to Customer, except as expressly provided in this Agreement;

(d) unless otherwise expressly authorized in writing by Bank, Customer may not copy, reproduce, retransmit, disseminate, display, publish, sell, broadcast, circulate, distribute, transfer, assign, commercially exploit, or create derivative works of any Service Materials;

(e) Customer shall not create or recreate the source code for any Service Materials, or re-engineer, reverse engineer, reverse compile, decompile or disassemble any Service Materials;

(f) Customer shall not refer to or use any Service Materials (i) to modify, adapt, translate or create derivative works based upon any Service or User Guide, or combine or merge any part of any Service or User Guide with or into any other software or documentation; or (ii) as part of any effort to develop a program having any functional attributes, visual expressions or other features similar to those of any Service or to compete with Bank or its Third Party Service Providers;

(g) upon the revocation of Customer's license to use Service Materials, Customer shall return to Bank in good condition such Service Materials or destroy or delete such Service Materials, as directed by Bank; and

(h) Customer shall pay Bank's costs, fees, and expenses for the replacement or reissuance of any lost or damaged Service Materials.

To the extent that Customer engages any third party contractor or service provider to facilitate Customer's use of any Services, Customer agrees that such party acts as Customer's agent in connection with this Master Agreement and agrees to ensure that such party observes, complies with, and does not breach any duty, term, condition, obligation, or responsibility on the part of Customer to be performed, observed or complied with pursuant to this Master Agreement. Customer further agrees that Bank shall not be responsible for, and shall have no duty to remedy or correct, any acts, omissions, breaches, defaults, or nonperformance on the part of any such third party with respect any services, products, equipment, or goods provided by such third party to Customer.

4. Security Procedures for Service Activity.

(a) As to any Security Procedures agreed to by and between Customer and Bank with respect to any Service, Customer represents that Customer has carefully considered the circumstances of Customer's use of the Service and the transactions and activity that Customer will effect through the Service, and Customer acknowledges and agrees that the Security Procedures, including (without limitation) any Security Devices used in connection therewith, constitute commercially reasonable security procedures under applicable law for the transactions and activity Customer intends to effect through the Service. Customer authorizes Bank to follow any and all instructions entered and transactions initiated using applicable Security Procedures unless and until Customer has notified Bank, according to notification procedures prescribed by Bank, that the Security Procedures or any Security Device has been stolen, compromised, or otherwise become known to persons other than Authorized Users and until Bank has had a reasonable opportunity to act upon such notice. Customer agrees that the initiation of a transaction using applicable Security Procedures constitutes sufficient authorization for Bank to execute such transaction notwithstanding any particular signature requirements identified on any signature card or other documents relating to Customer's Account, and Customer agrees and intends that the submission of transaction orders and instructions using the Security Procedures shall be considered the same as Customer's written signature in authorizing Bank to execute such transaction. Customer acknowledges and agrees that Customer shall be bound by any and all transactions and activity effected through the Service through the use of such Security Procedures, whether authorized or unauthorized, and by any and all transactions and activity otherwise initiated by Authorized Users, to the fullest extent allowed by law. Customer further acknowledges and agrees that the Security Procedures are not designed to detect error in the transmission or content of communications or instructions made through the Service and that Customer bears responsibility for detecting and preventing such error.

(b) Customer agrees to keep all Security Procedures and Security Devices protected, secure, and strictly confidential and to provide or make available the same only to Authorized Users. Customer agrees to instruct each Authorized User not to disclose or provide any Security Procedures or Security Devices to any unauthorized person. Upon the request of Bank, or as provided in any applicable Article of Part 2 of this Master Agreement or any applicable Customer Profile or Service Schedule, Customer shall designate a security administrator to whom Bank may distribute Security Devices and with whom Bank may otherwise communicate regarding Security Procedures. Customer's system administrator shall have responsibility to distribute Security Devices to Customer's Authorized Users and to ensure the proper implementation and use of the Security Procedures by Customer's Authorized Users. Where Customer has the ability to change or modify a Security Device from time to time (e.g., a password or PIN), Customer agrees to change Security Devices frequently in order to ensure the security of the Security Device. Customer agrees to notify Bank immediately, according to notification procedures prescribed by Bank, if Customer believes that any Security Procedures or Security Device has been stolen, compromised, or otherwise become known to persons other than Authorized Users or if Customer believes that any Service transaction or activity is unauthorized or in error. In the event of any actual or threatened breach of security, Bank may issue Customer a new Security Device or establish new Security Procedures as soon as reasonably practicable, but Bank shall not be liable to Customer or any third party for any delay in taking such actions.

(c) Customer agrees that Bank may rely upon any written signature if in good faith believed by Bank to be the genuine signature of an Authorized User. Each Authorized User is authorized to conduct any transaction within the scope of this Master Agreement and, unless otherwise expressly provided in any applicable Article of Part 2 of this Master Agreement or any applicable Customer Profile or Service Schedule,

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any Authorized User may act alone. Customer agrees to notify Bank immediately, according to notification procedures prescribed by Bank, if the authority of any Authorized User shall change or be revoked. Customer shall recover and return to Bank any Security Devices in the possession of any Authorized User whose authority to have the Security Device has been revoked.

(d) Bank reserves the right to modify, amend, supplement, or cancel any or all Security Procedures, and/or to cancel or replace any Security Device, at any time and from time to time in Bank's discretion. Bank will endeavor to give Customer reasonable notice of any change in Security Procedures; provided that Bank may make any change in Security Procedures without advance notice to Customer if Bank, in its judgment and discretion, believes such change to be necessary or desirable to protect the security of Bank's systems and assets. Customer's implementation and use of any changed Security Procedures and/or continued use of the Service after any change in Security Procedures shall constitute Customer's agreement to the change and Customer's agreement that the applicable Security Procedures, as changed, are commercially reasonable and adequate for the purposes intended.

(e) In the event of the breach of any applicable Security Procedure, Customer agrees to assist Bank in determining the manner and source of the breach. Such assistance shall include, but shall not be limited to, providing Bank or Bank's agent access to Customer's systems, computer hardware and software, storage media and devices, and any other equipment or device that was used or may have been used in breach of the Security Procedure. Customer further agrees to provide to Bank with any analysis of such systems, computer hardware and software, storage media and devices, and other equipment or devices, or any report of such analysis, performed by Customer, Customer's agents, law enforcement agencies, or any other third party. Failure of Customer to assist Bank shall be deemed an admission by Customer that the breach of the Security Procedure was caused by a person who obtained access to transmitting facilities of Customer or who obtained information facilitating the breach of the Security Procedure from Customer and not from a source controlled by Bank.

(f) Bank reserves the right to establish from time to time, in its discretion, limitations and restrictions with respect to Service transaction amounts, frequency of Service transactions, the types of Accounts that are eligible for Services, and other matters relating to the Services based on factors deemed significant by Bank in its sole discretion. Customer agrees to abide by and be bound by all limitations and restrictions imposed from time to time by Bank, and Customer acknowledges and agrees that such limitations and restrictions are for the sole protection of the Bank. Bank will endeavor to provide Customer with reasonable notice of limitations and restrictions (except to the extent that the confidentiality thereof is necessary to maintain the security of Bank's systems); provided, that Bank may impose immediate limitations and restrictions, or make changes thereto, without advance notice to Customer if Bank, in its judgment and discretion, believes the same to be necessary or desirable to protect the security of Bank's systems and assets.

5. Physical and Electronic Security.

(a) Customer is solely responsible for providing for and maintaining the physical, electronic, procedural, administrative, and technical security of data, systems, and equipment (including Wireless Devices) in Customer's possession or under Customer's control. Bank is not responsible for any computer viruses (including, without limitation, programs commonly referred to as "malware," "keystroke loggers," and/or "spyware), problems or malfunctions resulting from any computer viruses, or any related problems that may be associated with the use of an online or mobile telecommunications system. Any material downloaded or otherwise obtained through the use of any electronic Service is obtained at Customer's own discretion and risk, and Bank is not responsible for any damage to Customer's computer or operating systems or for loss of data that results from the download of any such material, whether due to any computer virus or otherwise. Customer is solely responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to Customer's operating systems (including Wireless Devices), and for protecting, securing, and backing up any data and information stored in or on Customer's operating systems. Bank is not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on Customer's operating systems (including Wireless Devices).

(b) Customer acknowledges and agrees that it is Customer's responsibility to protect itself and to be vigilant against e-mail fraud and other internet frauds and schemes (including, without limitation, fraud commonly referred to as "phishing"). Customer agrees to educate Customers Authorized Users, agents, and employees as to the risks of such fraud and to train such persons to avoid such risks. Customer acknowledges that Bank will never contact Customer by e-mail in order to ask for or to verify Account numbers, Security Devices, or any sensitive or confidential information. In the event Customer receives an e-mail or other electronic communication that Customer believes, or has reason to believe, is fraudulent, Customer agrees that neither Customer nor its Authorized Users, agents, and employees shall respond to the e-mail, provide any information to the e-mail sender, click on any links in the e-mail, or otherwise comply with any instructions in the e-mail. Customer should forward any suspected fraudulent or suspicious e-mail to phishing@regions.com or as Bank otherwise may direct. Customer agrees that Bank is not responsible for any losses, injuries, or harm incurred by Customer as a result of any electronic, e-mail, or internet fraud.

6. Data Recording. Customer agrees that Bank may (without any obligation) record, retain, and/or monitor any information, data, or communications (including, without limitation, telephone conversations) furnished, exchanged, or made in connection with this Master Agreement or any Services provided hereunder without further notice to any person. All such information, data, and communications recorded, retained, or monitored by Bank shall be and remain the property of Bank. Bank may, in its sole discretion, make such information, data or communications available to Customer upon Customer's written request therefor, and Customer agrees to pay Bank for any expenses Bank incurs in making such information, data or communications available to Customer or to any third party at Customer's request. Customer acknowledges that Customer is responsible for the maintenance and storage of Customer's own data and other information created through Customer's use of the Services.

7. Prohibited Transactions. Customer agrees to comply with all applicable laws and regulations in connection with Customer's use of the Services. Customer further agrees to be bound by operating rules and regulations imposed by any processing networks, funds transfer systems, or clearinghouses in which Bank participates and/or which process Service transactions. Customer agrees not to use or attempt to use any Service (a) to overdraw any Customer Account (unless and only to the extent that Customer has overdraft rights or privileges pursuant to an express written agreement with Bank), (b) to exceed any credit limit on any credit Account, (c) to engage in any illegal purpose or activity or to violate any applicable law, rule or regulation, (d) to breach any contract or agreement by which Customer is bound, or (e) to engage in any internet or online gambling transaction, whether or not gambling is legal in any applicable jurisdiction, or (f) to engage in any transaction or activity that is not specifically authorized and permitted by this Master Agreement or the applicable Service Schedule or Customer Profile. Customer acknowledges

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and agrees that Bank has no obligation to monitor Customer's use of the Services for transactions and activity that is impermissible or prohibited under the terms of this Master Agreement; provided, however, that Bank reserves the right to decline to execute any transaction or activity that Bank believes violates the terms of this Master Agreement.

8. Information Obtained Through Services. Any Account, transaction, or activity information that is provided to Customer through a Service will include a date and/or time as of when such information is current. Customer acknowledges that such information may not reflect transactions and activity in process and may, therefore, differ from Customer's own records. The number of records available through any Service, and the period of time during which such records may be available, will be determined by Bank from time to time in its discretion. Bank makes no representation or warranty as to the completeness, accuracy, reliability, or currency of any third-party information or data that Customer obtains through the use of any Services. Customer agrees to promptly and regularly review Account, transaction, and activity information that is made available through applicable Services and to notify Bank immediately of any errors or suspected unauthorized transactions or activity, according to notification procedures prescribed by Bank. Customer agrees not to rely or act upon any data or information obtained through the Services that Customer knows, or has reason to know, is erroneous, incomplete, or not current.

9. Electronic Records and Signatures. Customer agrees and consents to enter into agreements and to accept Service terms, conditions, and information electronically, and otherwise to transact Service business with Bank electronically, as Bank directs or requires. Customer agrees that Customer's use of electronic sounds, symbols, or processes required by Bank to establish Customer's acceptance of or agreement to Service terms, conditions, and/or disclosures constitutes Customer's electronic signature and signifies Customer's intent to be bound. To the extent that any Service provides for the use and delivery of electronic records, Customer consents to the receipt of electronic records of Service information, documentation, and data in lieu of a hard or paper copy or version thereof. Customer agrees that Customer shall not alter any electronic information, data, or records furnished by Bank, and Customer agrees that Bank's record of any such information, data, or records is the best evidence of the information set forth therein. Bank reserves the right to furnish to Customer, and the right to require Customer to furnish to Bank, writings or paper copies of information, communications, data, or records relating to any Service, in lieu of and/or in addition to electronic records thereof, at any time in Bank's discretion.

10. Customer Information. Customer shall from time to time provide Bank with such financial and other information or documentation as Bank may request for the purpose of determining Customer's eligibility and/or qualifications for any Service, for the purpose of enabling Bank to provide or deliver the Services, or for the purpose of enabling Bank to comply with applicable laws and regulations (including, without limitation, such information as Bank may require relating to Authorized Users and such information or documentation as Bank may require with respect to Customer's corporate or organizational authorizations and resolutions). Customer agrees to provide any information promptly upon Bank's request therefor, in the form required by Bank. Customer authorizes Bank to investigate or reinvestigate at any time any information provided by Customer and to request reports on Customer's financial condition and business affairs from third party reporting agencies from time to time as Bank deems desirable in its discretion. Customer further agrees to execute and deliver such additional documentation as Bank may from time to time require to confirm Customer's continuing eligibility for and agreement to the terms and conditions for the use of the Services. Customer agrees that Bank may disclose Customer information to third parties as Bank deems necessary or convenient in order to discharge Bank's duties and responsibilities in the delivery of the Services and in the execution of Service transactions and activity, and/or as necessary for Bank to comply with applicable law or regulation. Customer further agrees to permit Bank physical access to Customer's facilities from time to time upon Bank's request for the purpose of verifying any information provided by Customer in connection with the Services and/or for the purpose of verifying Customer's compliance with the terms and provisions of this Master Agreement or any applicable Service Schedule.

11. Fees and Charges. Customer agrees to pay all fees, charges, and assessments imposed by Bank for use of the Services, as set forth in the applicable Service Schedules or in Bank's fee schedules. Bank, in its discretion, may collect any fees, charges, assessments, taxes, and commissions due from Customer by debiting any Customer Account, by billing Customer, or by considering amounts due in any Account analysis performed by Bank with respect to Customer's Account(s). Customer acknowledges and agrees that any fees, charges, or assessments imposed in connection with the Services are in addition to any costs, fees, or expenses Customer may incur with respect to maintaining or using any Account with Bank, using or purchasing any services or products other than the Services, and/or establishing any capabilities necessary for the use of the Services (including, without limitation, telephone or internet access service and/or any required software, hardware, or equipment).

12. Checks and Other MICR Documents. Customer shall purchase all checks and other magnetic ink character recognition ("MICR") documents from vendors selected or approved by Bank. In the event that Customer selects its own vendor for checks or other MICR documents, subject to Bank's approval, Customer must submit sample documents to Bank for testing before any applicable Service involving such documents is rendered. Checks and other MICR documents must meet the standards and specifications required by Bank from time to time in its discretion. If Customer encodes any information on checks, deposits, or other items in magnetic ink, Customer warrants that the information encoded is accurate and correct. Customer agrees to defend, indemnify, and hold Bank harmless from and against any loss, claim, action, or expenses (including reasonable attorneys' fees) arising out of or relating to any and all Customer encoding errors. Without regard to whether Customer purchases MICR documents from a vendor selected by Customer or by Bank, whether the MICR items meet the Bank's specifications, or whether the Customer encodes its own items, the reject rate of the MICR documents shall not exceed the rate established from time to time by Bank in its discretion. If the reject rate of Customer's MICR documents exceeds Bank's established reject rate, Customer agrees that Bank may, at its option, terminate any applicable or affected Service or assess additional fees for rendering the Service.

13. No Obligation to Lend; Overdrafts. Customer acknowledges and agrees that nothing in this Master Agreement shall be deemed to constitute a credit facility of any kind or nature whatsoever in favor of Customer, or to create any right on the part of Customer to borrow funds from Bank, or to create any obligation on the part of Bank to lend funds to Customer. Bank, in Bank's sole and absolute discretion, and without any obligation to Customer whatsoever, may execute any Service transaction notwithstanding that the collected balance in Customer's Account is insufficient to fund the transaction. Without limiting any other rights, remedies, or recourse available to Bank, in the event that any Service transaction creates an overdraft in Customer's Account or causes Customer's collected balance to become negative, Customer shall promptly reimburse Bank in full, and shall pay to Bank any applicable fees and/or interest, upon Bank's demand. Notwithstanding any prior action or course of conduct on the part of Bank, Customer agrees that Bank's failure to execute any Service transaction that is presented against insufficient funds or that would cause Customer's Account to be overdrawn if executed shall not be construed as a wrongful dishonor of the transaction or a breach on the part of Bank. The provisions of this section are not intended to affect, annul, modify, or amend the express terms and conditions of any

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applicable Article of Part 2 of this Master Agreement or any applicable Service Schedule or any separate written overdraft or credit agreement between Customer and Bank in respect of Customer's Account.

14. Representations and Warranties. Customer represents and warrants to Bank as follows:

(a) The acceptance and performance of this Master Agreement, and any Customer Profile or Service Schedule, are within Customer's organizational power and have been duly authorized by all necessary organizational action.

(b) The person who accepts this Master Agreement on behalf of Customer, and any person who accepts, completes, and/or executes any Customer Profile or any Service Schedule, has been duly authorized to do so, and this Master Agreement, together with any applicable Customer Profile or Service Schedule, constitutes the legal, valid, and binding obligation of Customer and is enforceable against Customer in accordance with its terms.

(c) All information at any time provided by Customer to Bank in respect of Customer's business affairs and financial condition is accurate and complete and truthfully reflects the business and financial condition of Customer as of the period(s) covered by such information.

(d) Any and all information and data at any time provided by Customer, or by Customer's Authorized Users, employees, agents, and/or representatives, to Bank in respect of Service transactions, activity, or inquiries initiated by or on behalf of Customer is accurate, complete, and without error, and Bank may rely thereon without verification in the performance of Bank's duties and responsibilities under this Master Agreement and in the execution of such transaction, activity, and inquiries.

15. Confidential Information. Customer acknowledges and agrees that Bank, or its Third Party Service Providers, as the case may be, has a proprietary and protectable interest in the Confidential Information and that the Confidential Information, including, without limitation, any related patent, copyright, trademark, service mark, trade secret, intellectual property or other ownership rights, is and shall remain the exclusive property of Bank, or its Third Party Service Providers, as applicable, even with respect to Confidential Information created by Bank or its Third Party Service Providers specifically for or on behalf of Customer. All Confidential Information provided to Customer in connection with any Service is provided on a strictly confidential or limited use basis. All copies of Confidential Information in Customer's possession shall remain the exclusive property of Bank or its Third-Party Service Providers, as applicable, and shall be deemed to be on loan to Customer during the term of Customer's enrollment in the Service for which the Confidential Information was provided. Customer agrees (a) to keep all Confidential Information confidential and not to use or disclose any Confidential Information for any purpose other than the purpose for which such information was provided in connection with the Services; (b) to restrict access to Confidential Information to those persons who are actively and directly participating in the use of the Services and who need to know such information in order to use the Services on behalf of Customer; (c) to cause any and all persons or entities who have access to Confidential Information by or through Customer, including (without limitation) Customer's contractors and service providers, to observe and comply with the terms of Customer's confidentiality obligations; (d) not to copy or duplicate any Confidential Information except as expressly authorized in writing by Bank; (e) to treat any and all copies of, and notes, memoranda, analyses, compilations, abstracts, synopses, studies of other material produced from, the Confidential Information as Confidential Information; (f) remove, erase or tamper with any copyright or other proprietary notice printed or stamped on, affixed to, or encoded or recorded in any Confidential Information, or fail to preserve all copyright and other proprietary notices in any authorized copy of any Confidential Information made by Customer; (g) not to use Confidential Information in any way that is detrimental to Bank; and (h) upon the termination or cancellation of any Service for any reason, to promptly return to Bank all related Confidential Information. In the event Customer shall inadvertently receive from Bank any data or information pertaining to a customer of Bank other than Customer, Customer agrees to treat such data or information as Confidential Information, to promptly notify Bank of Customer's receipt thereof, and to promptly return such data or information to Bank in accordance with Bank's instructions. In the event of a breach by Customer of any of its obligations regarding the use and treatment of Confidential Information, Bank shall have, in addition to any other rights and remedies available at law or in equity, the right to obtain interim, interlocutory and permanent injunctive relief without the necessity of proving either actual damage or that any irreparable harm would or might result from a failure to obtain such injunctive relief, it being acknowledged and agreed by Customer that any such breach will cause irreparable harm to Bank and that monetary damages, alone, will not provide an adequate remedy (provided, that nothing shall preclude Bank from seeking and collecting monetary damages).

16. Standard of Care.

(a) Bank's responsibility to Customer under this Master Agreement, and in performing its duties and obligations with respect to any Service, is limited to the exercise of ordinary care and good faith. If Bank substantially complies with the terms, conditions, and provisions set forth in this Master Agreement and in the applicable Customer Profile(s) and Service Schedule(s), Bank shall be deemed to have exercised ordinary care and good faith. Customer agrees that clerical errors and mistakes do not constitute a failure to exercise ordinary care or to act in good faith. Bank makes no, and hereby disclaims any, representation or warranty that any Service will meet Customer's requirements or expectations or that any Service will be uninterrupted, timely, secure, or error-free. Bank further disclaims any representation or warranty that any errors in technology will be corrected. To the fullest extent permitted by law, and except as otherwise expressly provided by the terms of this Master Agreement or any applicable Customer Profile or Service Schedule (and only to the extent so provided), Customer agrees that Customer assumes and bears all risk as to unauthorized transactions, activity, and inquiries effected through the Service(s), and Customer agrees that Bank shall have no liability to Customer whatsoever for any unauthorized transaction, activity, or inquiry effected through any Service.

(b) Customer agrees that Customer's use of the Services is at Customer's sole risk, and that the Services are provided on an "AS IS" and "AS AVAILABLE" basis. Customer further agrees and acknowledges that Bank may from time to time temporarily suspend or interrupt the operation of any Service, without notice or liability to Customer, for maintenance or for any other operational or business needs as determined by Bank. Bank expressly disclaims all warranties of any kind relating to the Services and/or to the Service Equipment, and/or to any equipment or third party services obtained by Customer, whether express or implied, including (without limitation) the implied warranties of MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, and noninfringement, and any implied warranties arising from course of dealing or course of performance. Customer acknowledges and agrees that no advice, statement, or information, whether oral or written, obtained

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by Customer from Bank or its representatives, or through or from Customer's use of any Service shall create any warranty, representation, promise, or agreement on the part of Bank not expressly stated in this Master Agreement or in any applicable Customer Profile or Service Schedule.

(c) Bank shall not be responsible for any nonperformance or delay in performance of any of Bank's obligations, responsibilities, and/or covenants hereunder, whether expressed or implied, nor shall Bank be liable to Customer for any losses, costs, expenses, liabilities, claims or damages whatsoever, if at any time, or from time to time, performance thereof shall be prevented or hindered by, or be in conflict with, or such losses, costs, expenses, liabilities, claims or damages result in whole or in part from, (i) any federal or state law, regulation or rule, or the order of any court of competent jurisdiction; (ii) any processing network, funds transfer system, or clearinghouse operating rule or regulation; (iii) any Act of God, war, epidemic, strike, lockout, riot, weather conditions, equipment or computer failure or malfunction, material shortage, electrical power disruption or shortage, or communication, telephone or internet failure or malfunction; (iv) stoppages of the U.S. Postal Service and/or commercial carriers, or acts, omissions, or errors of any carrier and/or agent operating between Customer and Bank and/or any other party participating in transactions or activity contemplated by this Master Agreement; (v) any incorrect, unauthorized, or fraudulent use or other fraud by any person other than Bank's employees; or (vi) without limiting the generality of the foregoing, any other cause or circumstance beyond Bank's reasonable control or other conditions or circumstances not wholly controlled by Bank.

(d) To the fullest extent permitted by law, and except as otherwise expressly provided by the terms of this Master Agreement or any applicable Customer Profile or Service Schedule (and only to the extent so provided), Customer agrees that in no event shall Bank be liable to Customer in connection with any matter contemplated by or within the scope of this Master Agreement, or in performing or failing to perform, or in erroneously performing, any transactions or activity contemplated by or within the scope of this Master Agreement, for any incidental, special, indirect, punitive, exemplary, or consequential damages of any kind, including (without limitation) lost profits or attorneys' fees, regardless of whether Bank was advised, had reason to know, or in fact knew of the possibility thereof, or for any other damages whatsoever, regardless of the form of action, whether in contract, warranty, tort (including, without limitation, negligence), strict liability, or otherwise. Bank's liability to Customer under this Master Agreement shall be limited to correcting errors resulting from Bank's failure to exercise ordinary care or to act in good faith.

17. Service Availability. Customer acknowledges and agrees that the performance and completion of Service transactions are subject to Bank's business days and hours of operation, Bank's published policies and procedures, the hours of operation of departments within Bank performing Service transactions, applicable law, the provisions of this Master Agreement and any Customer Profile or Service Schedule, and the provisions of other Bank customer agreements governing specific transactions to be performed pursuant to the Services, and Customer agrees that Bank shall not be liable for any delay in the processing or settlement of Service transactions resulting from the foregoing. Customer further acknowledges and agrees that Bank and/or its Third Party Service Provider, each in its sole and absolute discretion, reserve the right to refuse to process any Service transaction without liability to Customer. Customer acknowledges and agrees that Bank or its Third Party Service Provider may from time to time communicate directly with any party to Customer's Service transactions (including, without limitation, payees of payment transactions executed through a Service) in order to perform and deliver the Services and to process and execute Service transactions.

18. Termination.

(a) (i) Subject to the terms of Section 18(a)(ii) below, Customer may terminate Customer's enrollment in and use of any Service at any time upon written notice to Bank, as provided in this Master Agreement or in the applicable Service Schedule. Customer agrees that Bank shall have a reasonable opportunity to act upon any termination notice submitted by Customer. Upon Customer's termination of any Service, Bank reserves the right to complete or cancel, in Bank's sole and absolute discretion, any pending Service transactions, activity, or inquiries.

(ii) In the event any Service constitutes an operational service that is provided in connection with any deposit account Customer maintains with Bank, and to the extent necessary to qualify the related deposit account as an operational deposit for purposes of liquidity coverage laws or regulations to which Bank is subject, Customer may not terminate Customer's enrollment in and use of such Service without first giving Bank written notice of termination (x) at least 30 calendar days in advance of the effective date of such termination or (y) according to the applicable notice interval provided in Service Schedule governing such Service (if any), whichever of (x) or (y) shall result in greater advance notice to Bank. For purposes of this Section 18(a)(ii), the terms "operational deposit" and "operational service" shall have the meanings respectively ascribed to them by 12 CFR Part 249, as amended or as replaced by any successor law, regulation, or rule binding on Bank.

(b) Bank may terminate Customer's enrollment in and use of any Service at any time upon at least thirty (30) days' prior written notice to Customer; provided, that Bank may terminate or suspend Customer's use of any Service (including, without limitation, any pending transactions, activity, or inquiries) immediately and without prior notice to Customer in the event that:

(i) Customer shall breach or default in the due observance or performance of any obligation, covenant, condition or agreement on the part of Customer to be observed or performed pursuant to the terms of this Master Agreement or with respect to any Service;

(ii) Customer shall breach or default in the due observance or performance of any obligation, covenant, condition or agreement on the part of Customer to be observed or performed pursuant to the terms of any other agreement or contract by and between Customer and Bank;

(iii) any representation or warranty made by Customer shall prove to be false or misleading in any material respect as of the time made, or any report, data, information, certificate, financial statement or other instrument furnished by Customer in connection with this Master Agreement or any Service shall prove to be false or misleading in any material respect as of the time furnished;

(iv) Customer or any person or entity which has guaranteed the payment and performance of Customer's obligations under this Master Agreement or with respect to any Service (together with Customer, the "Obligors") shall (A) apply for or consent to the appointment of a receiver, trustee, liquidator or other custodian for Obligor or any of Obligors properties or assets,

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(B) fail or admit in writing Obligor's inability to pay its debts generally as they become due, (C) make a general assignment for the benefit of creditors, (D) suffer or permit an order for relief to be entered against Obligor in any proceeding under the federal Bankruptcy Code, or (E) file a voluntary petition in bankruptcy, or a petition or an answer seeking an arrangement with creditors or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against Obligor in any proceeding under any such law or statute, or if partnership action shall be taken by any Obligor for the purpose of effecting any of the foregoing;

(v) a petition shall be filed, without the application, approval or consent of Obligor in any court of competent jurisdiction, seeking bankruptcy, reorganization, rearrangement, dissolution or liquidation of Obligor or of all or a substantial part of the properties or assets of Obligor, or seeking any other relief under any law or statute against Obligor, or the appointment of a receiver, trustee, liquidator or other custodian of such Obligor or of all or a substantial part of the properties or assets of such Obligor, and such petition shall not have been stayed or dismissed within sixty (60) days after the filing thereof;

(vi) any Obligor shall die, if an individual, be dissolved or liquidated, if an entity, or cease to be solvent or suspend or discontinue business in the ordinary course;

(vii) any writ of execution, attachment or garnishment shall be issued against a substantial portion of the assets of any Obligor and such writ of execution, attachment or garnishment shall not be dismissed, discharged or quashed within thirty (30) days of issuance;

(viii) any final judgment for the payment of money in excess of $50,000 shall be rendered against any Obligor and the same shall remain undischarged for a period of thirty (30) days during which execution shall not be effectively stayed;

(ix) any guarantor of Customer's obligations shall default in the due observance or performance of any covenant, condition or agreement on such guarantor's part to be observed or performed under such guarantor's guaranty agreement or shall terminate or attempt to terminate such guarantor's guaranty agreement; or

(x) in Bank's discretion and judgment (A) there has been an adverse change in Customer's financial condition or business or (B) Customer may not have sufficient available funds in its Account on any settlement date in connection with a Service which requires funds to be available, or (C) Bank deems itself or its assets insecure or at unreasonable exposure or risk with respect to any Service transaction, activity, or inquiry.

(c) No termination of any Service for any reason shall relieve Customer of any liability for Customer's obligations which have accrued prior to the effective time of termination or for Customer's obligations and duties hereunder which by their nature or by express provision are intended to survive termination. Following any termination of a Service, Customer shall pay or perform any and all related outstanding obligations, and return to Bank any and all related Service Materials and Confidential Information, promptly upon Bank's demand. No termination or suspension of any Service by Bank, and no failure on the part of Bank to demand payment or performance of any outstanding obligations, shall limit Bank's right to pursue any recourse and remedies available to Bank in the event of breach by Customer of any terms, provisions, or conditions of this Master Agreement.

19. Indemnification. Except for those losses caused directly by Bank's gross negligence or intentional acts, Customer agrees to indemnify, defend, and hold Bank, its officers, directors, shareholders, agents, employees, and affiliates, and their respective officers, directors, agents and employees, harmless from and against any and all losses, costs, suits, damages, claims, liabilities, and expenses (including, without limitation, reasonable attorneys' fees) arising from or related in any way to (a) any Service transaction or activity performed in compliance with Customer's instructions or directions, (b) Bank's action or inaction in reliance upon any instructions or information received from any Authorized User or any other person reasonably believed by Bank to be an authorized representative of Customer, (c) any Service transaction, inquiry, or activity initiated using Security Procedures, whether or not the person initiating such transaction, inquiry, or activity is an Authorized User or other authorized representative of Customer, (d) breach by Customer or any of Customer's agents, representatives, employees, service providers, or contractors of any of Customer's covenants, agreements, responsibilities, representations or warranties under this Master Agreement, and/or (e) breach or violation by Customer or any of Customer's agents, representatives, employees, service providers, or contractors of applicable laws, rules or regulations. Without limiting or diminishing any other obligations of Customer to Bank described in this section, Customer also agrees to fully cooperate with and assist Bank in any efforts on the part of Bank to recover from any third party or parties any losses incurred by Bank as a result of the execution of any Service transaction or activity.

20. Notices and Communications.

(a) Subject to the following provisions of this section, all notices, demands, requests, or other communications which may be or are required to be given, served, or sent pursuant to this Master Agreement or with respect to any Service shall be in writing and shall be delivered by personal or hand delivery, facsimile transmission, nationally recognized express overnight delivery service (with charges therefor prepaid), or certified or registered mail, return receipt requested (with postage therefor prepaid). Notices shall be deemed received upon receipt, if hand or personally delivered, the next business day after the notice has been transmitted by facsimile or deposited with a nationally recognized express overnight delivery service, or the third business day after the notice has been deposited with the United States Postal Service. Bank may transmit notices to such physical address, mailing address, or facsimile number which Bank reasonably believes to be correct contact information for Customer based upon any Customer records on file with Bank. Customer shall transmit notices to the Bank as follows:

Regions Bank
Commercial Client Services
250 Riverchase Parkway East
Birmingham, Alabama 35244

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Fax (205) 560-5193 or (205) 560-5194

(b) Customer agrees that Bank may send notifications to Customer hereunder and/or with respect to any Service (including, without limitation, change of terms notices and any information, disclosures, and/or notices relating to the Services) in electronic form, either by posting such information, disclosures, and notices at Bank's website at Regions.com or by transmitting them, or notice of the availability thereof at Bank's website, to any e-mail address that Customer has provided in connection with Customer's use of the Services. Customer shall be deemed to have received electronic notices or disclosures three (3) days after Bank posts them at Bank's website or transmits them, or notice of the availably thereof at the applicable website, to Customer's e-mail address, as applicable, whether or not Customer has retrieved them by that time. Customer agrees to frequently and regularly retrieve Customer's e-mail and review posted messages and information at Bank's website to ensure that Customer is aware of current terms, conditions, and information relating to the Services. Bank reserves the right at any time, in Bank's discretion, to mail to Customer's address that appears in Bank's records, or otherwise transmit to Customer pursuant to any other method to which Customer has agreed in connection with its Account, paper copies of any information, disclosures and/or notices relating to the Services in lieu of or in addition to electronic versions thereof.

(c) Except as otherwise expressly provided in any applicable Article of Part 2 of this Master Agreement or any applicable Customer Profile or Service Schedule, Customer agrees that Bank may transmit confidential information, including (without limitation) Security Devices, to the current mailing address shown in Bank's records for any of Customer's Accounts, or to the e-mail address Customer has provided in connection with Customer's use of the applicable Service, whether or not that address includes a designation for delivery to the attention of any particular individual. Customer further agrees that Bank shall not be responsible or liable to Customer in any way in the event that such properly addressed information is intercepted by an unauthorized person, either in transit or at Customer's place of business.

(d) Customer agrees to keep its mailing address(es) and any applicable e-mail address(es) current and updated with Bank at all times. In the event of notices sent to Customer via e-mail, Customer agrees that Bank is under no obligation to re-send, re-transmit, or otherwise deliver to Customer any Service notifications or information that Bank has transmitted to Customer's e-mail address and that has been returned "undeliverable" or otherwise rejected for delivery.

(e) In the event that Customer believes that any Security Procedures or Security Device has been stolen, compromised, or otherwise become known to persons other than Authorized Users, or if Customer has revoked or limited the authority of any Authorized User, or if Customer believes that any Service transaction or activity is unauthorized or in error, Customer shall notify Bank immediately by calling 1-800-787-3905.

(f) With respect to Service communications exchanged between Bank and Customer via e-mail or other electronic messaging, Customer (i) agrees that Bank has no obligation to monitor or investigate the use of Customer's computer system or the source of any communication received from Customer bearing Customer's e-mail address or other information that identifies the sender as Customer, (ii) releases Bank from any claim or liability arising from or in connection with any communications sent or received using e-mail or other electronic messaging, and (iii) agrees to indemnify and hold harmless Bank from all claims, losses, expenses or liability arising in any way out of or connected in any way with the use of e-mail or other electronic messaging for the communication of Service information between Bank and Customer. Customer acknowledges and agrees that no provision of this Master Agreement relating generally to communications between Bank and Customer via e-mail or other electronic messaging shall displace or modify any specific requirement set forth in this Master Agreement, in any Customer Profile or Service Schedule, or in any other agreement or term between Customer and Bank that Customer communicate in writing (and not electronically) or in any particular mode or fashion to Bank, and Customer agrees to observe and comply in any event with any such requirement in all applicable instances.

(g) The general provisions of this section are subject and subordinate to any specific provisions for the giving of notice under particular circumstances or conditions as set forth elsewhere in this Master Agreement or in any applicable Customer Profile or Service Schedule.

21. Entire Agreement; Services Provided by Third Parties.

(a) Bank and Customer agree that the terms, conditions, and provisions of all applicable Customer Profiles, Service Schedules, and User Guides, all as may be amended from time to time, are incorporated into this Master Agreement and made a part hereof by reference. This Master Agreement, together with applicable Customer Profiles, Service Schedules, and User Guides, as amended, constitutes the current, sole and entire agreement between Customer and Bank with respect to the Services. This Master Agreement supplements, but does not replace, other agreements, terms and conditions governing Customer's Accounts and/or any other services used by Customer in relation to Customer's Accounts (including, without limitation, the deposit agreement governing Customer's Accounts). Such other agreements, terms and conditions remain in full force and effect, and Bank may apply the provisions thereof to Customer's use of the Services, as the context may require; provided, however, that in the event of a conflict between the terms of this Master Agreement and those of any other agreement, the express terms of this Master Agreement, or the terms of any Customer Profile, Service Schedule or User Guide, as applicable, shall control with respect to the Services.

(b) Customer acknowledges and agrees that Bank, in its sole and absolute discretion, may arrange for Third Party Service Providers to provide certain Services, or elements, functions, or features thereof or products relating thereto, to Customer and that Customer may be required to enter into contracts directly with Third Party Service Providers in order to obtain such Services ("Third Party Service Agreements"). Customer acknowledges that Bank is not a party to any Third Party Service Agreement, except to the extent that Bank otherwise expressly agrees in writing, and Customer agrees that Bank assumes no responsibility for, and shall have no liability to Customer for, the performance, nonperformance, or negligent performance of any obligations under any Third Party Service Agreement. Customer agrees to look solely to the Third Party Service Provider, and not to Bank, for the performance of any applicable Third Party Service Agreement, for the enforcement of any rights or remedies thereunder, and for the delivery of the Service contemplated thereby. No breach or default by any Third Party Service Provider under any Third Party Service Agreement shall in any way relieve Customer of Customer's obligations to Bank under this Master Agreement or allow Customer to withhold the performance thereof. Customer further agrees to indemnify, defend, and hold harmless Bank from and against any and all liability, losses, or claims arising out of or in any way related to any breach or default on the part of Customer with respect to any Third Party Service Agreement. In the event of a conflict between the terms of this Master Agreement and those of any Third Party Service Agreement,

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the terms of the Third Party Service Agreement shall control with regard to the relationship between Customer and the Third Party Service Provider and the Third Party Service Provider's provision of the Service contemplated thereby. The provisions of this subsection are not intended to limit or affect any other terms, provisions, or conditions of this Master Agreement relating to Customer's dealings or relationships with third parties in the course of using the Services contemplated by this Master Agreement.

(c) Any third-party servicer or vendor used by Customer in connection with the Services ("Vendor") is agent of Customer and not of Bank, and Customer will be liable and solely responsible for: (a) any Vendor's failure to comply with this Master Agreement or any Security Procedures or operating requirements relating to the Services; (b) all fees, costs and expenses owed to each Vendor for its services; and (c) any losses, costs and expenses incurred as a result of any Vendor's failure to perform, or delay or error in performing, its services. If Customer uses a Vendor, Customer shall be deemed to have authorized Bank to follow the instructions of such Vendor to the same extent and under the same conditions as would apply if the instructions came direct from Customer.

22. Amendments.

(a) Bank shall have the right to modify, amend, change, or supplement the terms of this Master Agreement, any Customer Profile, and/or any Service Schedule (including any separate sections thereof), and/or the fees, charges, and other terms and conditions applicable to the Services, at any time and from time to time in Bank's discretion upon written or electronic notice to Customer, including (without limitation) by posting notice in Bank's manned offices where deposits are received, by including notice with or on Customer's account statement, or by posting notice on Bank's official web site at http://www.regions.com or any subsequent official Bank web site. Customer agrees that a summary of any change in terms is sufficient notice. Any changes made by Bank shall be effective as of the time Bank determines, as provided in Bank's notice. Customer agrees that Bank may from time to time in its discretion add to, modify, and/or delete administrative and operational features and elements applicable to the use of the Services (including, without limitation, User Guides) and/or make any changes that are in Customer's favor without notice to Customer. If Customer does not agree to any change or amendment, Customer must discontinue its use of the Services. By using any Service after any such change or amendment, Customer agrees to that change or amendment.

(b) Customer may in no way alter, modify, amend, or supplement this Master Agreement, or any Customer Profile, Service Schedule, or other document or agreement constituting a part of this Master Agreement, without Bank's express written agreement and consent in each instance. Customer acknowledges and agrees that no practice or course of dealing between Customer and Bank, nor any oral representations or communications by Customer and/or any of Bank's agents, employees or representatives, which vary the terms and conditions of this Master Agreement, or any applicable Customer Profile or Service Schedule, shall constitute a modification or amendment of the terms and conditions thereof. Notwithstanding the foregoing, Customer may from time to time request Bank to change, add, or delete certain specifications, terms, set-up instructions, or features of Services used by Customer by telephoning Bank, by electronic communication, or by other means of communication. Bank may make such changes, additions, or deletions in Bank's sole and absolute discretion without further action on the part of Customer and without execution of any additional documentation by and/or between Customer and Bank, and Customer agrees that Customer shall be bound by any such changes, additions, or deletions made by Bank in reliance upon the instructions given by any Authorized User or any other person reasonably believed by Bank to be an authorized representative of Customer.

23. Remedies; Waiver. The rights, remedies, and recourse afforded to Bank with respect to the enforcement of this Master Agreement, whether arising in law or in equity, are cumulative and concurrent and may be exercised by Bank in such order and in such manner as Bank may determine in Bank's sole and absolute discretion. No delay or omission by Bank in exercising any right or remedy under this Master Agreement or applicable law shall impair such right or remedy or be construed as a waiver of any such right or remedy. Any single or partial exercise of a right or remedy shall not preclude further exercise of that right or remedy or the exercise of any other right or remedy. No waiver shall be valid unless in writing and signed by Bank. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions. Where this Master Agreement or applicable law permits Bank to take action, or not to take action, in Bank's discretion on any matter, any action or inaction on Bank's part with respect to such matter shall not obligate Bank to repeat such action or inaction with respect to similar matters that may subsequently arise. Except as otherwise required by the express terms and provisions of this Master Agreement, or any applicable Customer Profile or Service Schedule, no notice to or demand on Customer in any case shall entitle Customer to any other or further notice or demand in similar or other circumstances.

24. Assignment; Successors and Assigns. Customer may not assign or transfer this Master Agreement, or any of Customer's rights hereunder, in whole or in part, whether voluntarily, involuntarily or by operation of law or otherwise, including (without limitation) by merger, consolidation, dissolution, sale of a controlling interest or otherwise, without Bank's prior written acknowledgement and consent, which may be granted or withheld in Bank's absolute discretion. Any such assignment without Bank's prior written acknowledgement and consent shall be void and of no force or effect; provided, that Bank shall have the right, at its option and discretion, to enforce any of Customer's liabilities, duties, and obligations hereunder against any purported assignee of Customer. Bank may assign this Master Agreement and/or any or all of Bank's rights hereunder, or delegate any or all of Bank's responsibilities or duties hereunder, to any third party or parties in Bank's discretion and without notice to Customer. Subject to the foregoing, this Master Agreement shall be binding on the parties hereto and their respective successors and assigns.

25. **ARBITRATION AND WAIVER OF JURY TRIAL**. Except as otherwise expressly provided in this section, and subject to the dispute resolution requirements of any applicable funds transfer system or network or clearinghouse, Customer and Bank agree that either party may elect to resolve by binding arbitration any controversy, claim, counterclaim, dispute, or disagreement between Customer and Bank (a "Claim") that arises from or relates to (a) the interpretation, execution, performance, administration, amendment, or modification of this Master Agreement; (b) any Account or any Service transaction, activity, or inquiry; (c) any charge or cost incurred pursuant to this Master Agreement; (d) the collection of any amounts due with respect to this Master Agreement or any Account; (e) any alleged contract or tort arising out of or relating in any way to this Master Agreement, any Account, any Service transaction, activity or inquiry, any advertisement or solicitation, or Customer's business, interaction or relationship with Bank; (f) any breach of any term, provision, representation, or warranty set forth of this Master Agreement; (g) any statements or representations made with respect to this Master Agreement, any Account, any Service transaction, activity or inquiry, any advertisement or solicitation, or Customer's business, interaction or relationship with Bank; or (h) any of the foregoing arising out of or in connection with, or relating to, any agreement, instrument, or document which relates to this Master Agreement, any Account, any Service transaction, activity or inquiry, or Customer's business, interaction or relationship with Bank (including, without limitation, any Customer Profile,

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Service Schedule, or User Guide). If either party elects to arbitrate, the Claim shall be settled by binding arbitration under the Federal Arbitration Act ("FAA"). This agreement to arbitrate shall include any Claim involving Bank's officers, directors, employees, agents, representatives, contractors, subcontractors, parent, subsidiaries, affiliates, successors, assigns, any third party that assigned any agreements to Bank, and any of the respective employees, officers, agents or directors of such affiliates or third parties, and any such Claim against any of those parties may be joined or consolidated with any related Claim against Bank in a single arbitration proceeding. In addition, if Bank becomes a party in any lawsuit involving Customer and any third party(ies), whether through intervention by Bank or by motion made by Customer or any third party(ies), Bank may elect to have all claims in that lawsuit between Customer and such third party(ies) resolved by binding arbitration under this agreement.

The arbitration shall be administered by the American Arbitration Association (the "AAA") under its Commercial Arbitration Rules (the "Arbitration Rules") in effect at the time the demand for arbitration is filed. In the event of a conflict between the Arbitration Rules and this Master Agreement, this Master Agreement shall control. Each party shall be responsible for its own costs, fees, and expenses incurred in connection with an arbitration proceeding; provided, that any prevailing party may seek the recovery of, and the arbitrator(s) may award or apportion, costs, fees, and/or expenses, as provided under the terms of this Master Agreement or the Arbitration Rules, or as required by applicable law.

The arbitration of any Claim of $100,000 or greater shall be conducted by a panel of three arbitrators. The arbitration of any Claim of a lesser amount shall be conducted by one arbitrator. The arbitrator(s) shall be selected from the AAA's panel of arbitrators by mutual agreement between Customer and Bank. If the parties cannot agree on the arbitrator(s), the AAA shall appoint the arbitrator(s). Except as expressly provided in this agreement to arbitrate, no Claim may be joined with another dispute or lawsuit, or consolidated with the arbitration of another Claim, or resolved on behalf of a class of similarly situated persons, or brought as private attorney general or on another similar representative basis. All statutes of limitation, defenses, and attorney-client and other privileges that would apply in a court proceeding shall apply in the arbitration. Any in-person arbitration hearing shall be held in the federal judicial district embracing Birmingham, Alabama. Any dispute regarding whether a particular controversy is subject to arbitration, including any claim of unconscionability and any dispute over the scope or validity of this agreement to arbitrate disputes or of this entire Master Agreement, shall be decided by the arbitrator(s). The arbitrator(s) shall establish such reasonable procedures as may be necessary for the reasonable exchange of information between the parties prior to such arbitration. In rendering an award, the arbitrator(s) shall apply applicable contract terms, statutes and legal precedent and shall follow the Federal Rules of Evidence, enforce applicable privileges, and employ applicable burdens of proof. The arbitrator(s) shall award only such relief as a court of competent jurisdiction could properly award under applicable law. The findings, reasoning, decision, and award of the arbitrator(s) shall be set forth in writing and shall be based upon and be consistent with the law of the jurisdiction that applies to this Master Agreement. Judgment on the arbitration award may be entered in any court having jurisdiction.

In the event that the arbitration results in an award which imposes an injunction on you or on us, or contains a monetary award in excess of two hundred fifty thousand dollars ($250,000.00), the award shall be reviewable on appeal initiated within 30 days of the award by a panel of three new arbitrators selected to hear the appeal under the procedure for appointment from the national roster as provided by Commercial Arbitration Rule 11. Such review shall apply the substantive and procedural standards normally applying to an appeal of a judgment from a trial court of competent jurisdiction. However, if the award does not impose an injunction on you or on us or contain a money award in excess of two hundred fifty thousand dollars ($250,000.00), then the award shall not be appealable and shall only be subject to such challenges as would otherwise be permissible under the FAA.

This agreement to arbitrate does not limit the right of Customer or Bank, whether before, during or after the pendency of any arbitration proceeding, to exercise self-help remedies such as set-off, repossession, trustee's sales and the like. This agreement to arbitrate does not limit the right of Customer or Bank, whether before or during the pendency of any arbitration proceeding to bring an action (individually, and not on behalf of a class) to obtain provisional or ancillary remedies or injunctive relief (other than a stay of arbitration) to protect the rights or property of the party seeking such relief. However, the arbitrator(s) shall have the power to vacate and/or stay any such proceedings or orders granting provisional or ancillary remedies or injunctive relief, upon application by Customer or Bank. The taking by either Customer or Bank of any of self-help remedies or by filing any action in court, including, but not limited to, the actions described in the preceding sentence, shall not be deemed to be a waiver of the right to elect binding arbitration of any Claim upon the filing of a counterclaim or the like by either Customer or Bank in response to any such action. Customer and Bank specifically acknowledge and agree that this Master Agreement evidences a "transaction involving commerce" under the FAA, and hereby waive and relinquish any right to claim otherwise.

If any term or provision of this agreement to arbitrate disputes and waiver of jury trial is held to be invalid or unenforceable, the remaining provisions shall be enforced without regard to the invalid or unenforceable term or provision; provided, that if Customer or Bank seeks to bring a joined, consolidated, or class action for arbitration, and if the foregoing prohibition against the arbitration of joined, consolidated or class actions is held by an authority of competent jurisdiction to be invalid or unenforceable, the arbitration agreement between Customer and Bank shall be deemed inapplicable to such joined, consolidated or class action, to the effect that any permitted and lawful joined, consolidated or class action shall be adjudicated in accordance with the provisions of applicable law and shall not be resolved through arbitration (provided further, that the jury trial waiver shall, in any event, remain in full force and effect to the fullest extent permitted by law). This agreement to arbitrate disputes and waiver of jury trial shall survive the termination of this Master Agreement or any Service for any reason.

WHETHER ANY CONTROVERSY IS ARBITRATED OR SETTLED BY A COURT, CUSTOMER AND BANK VOLUNTARILY, KNOWINGLY, AND INTENTIONALLY WAIVE ANY RIGHT TO A JURY TRIAL WITH RESPECT TO SUCH CONTROVERSY TO THE FULLEST EXTENT ALLOWED BY LAW. EACH PARTY ACKNOWLEDGES THAT IT HAS RECEIVED THE ADVICE OF COMPETENT COUNSEL WITH REGARD TO THE WAIVER OF THE RIGHT TO JURY TRIAL.

26. Governing Law; Venue. This Master Agreement, and the rights, remedies, obligations, and liabilities arising hereunder, shall be governed by and construed in accordance with the laws of the State of Alabama, without regard to its conflict of laws principles, and, where applicable, the laws of the United States. Any action at law, suit in equity, or other proceeding (including, without limitation, arbitration proceedings) for the enforcement of this Master Agreement or any provision hereof, or for the adjudication of any dispute of controversy relating to or arising out of any relationship or transaction between the parties, shall take place, at the option of Bank (whether or not such proceeding is initiated by Bank), in the State of Alabama, in Jefferson County, in the City of Birmingham. Customer hereby consents to the personal jurisdiction of the state and federal courts in Jefferson County, Alabama, in any dispute or contest arising from or relating to this Master Agreement or any relationship or transaction between Customer and Bank, and Customer waives any right to dismiss or transfer any action or adversarial proceeding or hearing commenced in or transferred to Birmingham, Jefferson County, Alabama, because of the inconvenience of the forum or venue. In the event of any judicial or other adversarial proceeding between the parties relating to or concerning this Agreement, Bank shall be entitled to recover its reasonable attorneys' fees and other costs in addition to any other relief to which it may be entitled in the event that it is the prevailing party.

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27. Survival. Customer's obligations and liabilities under or relating to this Master Agreement shall survive the termination of this Master Agreement and/or the termination of any applicable Service for any reason.

28. Severability. If a court of competent jurisdiction, or arbitrator as applicable, finds any provision of this Master Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Master Agreement in all other respects shall remain valid and enforceable, subject to the express terms and provisions of this Master Agreement.

29. No Third Party Beneficiaries. Except as otherwise expressly provided by the terms of this Master Agreement, this Master Agreement shall not be construed to confer any rights or remedies upon any person not a party to this Agreement, whether as a third party beneficiary or otherwise, against Customer or Bank, their respective successors, assigns, and/or affiliates.

30. Construction. This Master Agreement is an agreement between parties who are experienced in sophisticated and complex matters similar to the transactions and activity contemplated by this Master Agreement, is entered into by both parties in reliance upon the economic and legal bargains contemplated hereby, and shall be interpreted and construed in a fair and impartial manner without regard to such factors as the party which prepared the instrument or drafted any provision thereof, the relative bargaining powers of the parties, or the domicile of any party. The captions and headings used in this Master Agreement are for convenience of reference only and shall not be used to limit the applicability or meaning of any provisions of this Master Agreement. All personal pronouns used in this Master Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders where the context so requires. The use of the singular form shall include the plural, and the use of the plural shall include the singular, where the context so requires.

31. Mobile Services.

(a) Bank may enable certain Services to be used or accessed with a Wireless Device ("Mobile Services"). Customer agrees to observe and comply with the terms of any and all Service Materials furnished or made available by Bank in connection with Mobile Services and otherwise to use Mobile Services in accordance with the Bank's terms, conditions, and instructions. Customer represents and warrants to Bank that all information Customer provides to Bank in connection with using any Mobile Service is accurate, current, and complete and that Customer has the right to provide such information to Bank for the purpose of using the Mobile Service. Bank may change, upgrade, or modify the scope of Mobile Services from time to time, and Bank reserves the right to cancel or discontinue any Mobile Service at any time. Bank will not be liable to Customer for any losses caused by Customer's failure properly to use any Mobile Service or Wireless Device. Bank reserves the right to refuse to execute any transaction requested through any Mobile Service. Bank will not be liable to Customer in the event that Mobile Services are not be accessible or have limited utility over certain mobile networks.

(b) Customer acknowledges and agrees that Customer remains subject to the terms and conditions of any Service that Customer uses or accesses as a Mobile Service, unless otherwise expressly provided in this Agreement or in the terms of the Mobile Service. Customer also acknowledges that any agreement Customer may have with any third party service provider, including Customer's mobile service carrier or provider, also may remain in effect and provide for fees, limitations, or restrictions that might impact Customer's use of Mobile Services. Customer agrees that Bank is not liable to Customer for such fees, limitations, and restrictions. Customer's mobile service carrier or provider is solely responsible for its products and services, and Customer agrees to resolve any problems with Customer's carrier or provider directly with such carrier or provider without involving Bank.

(c) Customer agrees not to use any Mobile Service or the content or information delivered through such Mobile Service in any way that would (i) infringe any copyright, patent, trademark, trade secret, or other proprietary rights or rights of publicity or privacy, including any rights in Service Materials used in connection with the Mobile Service, (ii) be fraudulent or involve the sale of counterfeit or stolen items, including, but not limited to, use of the Mobile Service to impersonate another person or entity, (iii) violate any law, statute, ordinance or regulation (including, but not limited to, those governing export control, consumer protection, unfair competition, anti-discrimination or false advertising), (iv) be false, misleading or inaccurate, (v) create liability for Bank or Bank's affiliates or service providers, or cause Bank to lose (in whole or in part) the services of any of Bank's service providers, (vi) be defamatory, trade libelous, unlawfully threatening or unlawfully harassing, (vii) potentially be perceived as illegal, offensive or objectionable, (viii) interfere with or disrupt computer networks connected to the Mobile Service, (ix) interfere with or disrupt the use of the Mobile Service by any other user, or (x) result in unauthorized entry or access to the computer systems of others.

(d) Neither Bank nor its service providers shall be liable to Customer for any loss of data, personalization settings, or other Mobile Service interruptions that result from technical malfunctions or difficulties. Neither Bank nor its service providers assume responsibility for the timeliness, deletion, mis-delivery or failure to store any user data, communications or personalization settings in connection with Customer's use of any Mobile Service or for the operation, security, functionality or availability of any Wireless Device or mobile network which Customer utilizes to access Mobile Services.

(e) Information obtained through Mobile Services reflects the most recent information available through Mobile Services and may not be accurate or current. Customer agrees that neither Bank nor its service providers will be liable for any errors or delays in the content, or for any actions taken in reliance thereon. Certain Service features, functions, and services may not be available when accessing or using the Service as a Mobile Service.

(f) Mobile Services may not be available through all mobile service providers and carriers, and some mobile phones and other wireless devices may not be supported as Wireless Devices in connection with Mobile Services. Customer is responsible for utilizing currently supported mobile service providers, carriers, and Wireless Devices, for ensuring that Customer satisfies all technical requirements for using Mobile Services, and for ensuring that Wireless Devices operate and are configured as directed by Bank for the use of Mobile Services. Customer acknowledges and agrees that Bank may, in its discretion, use the GPS or geolocation functions on Customer's Wireless Device to obtain

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geolocation information for fraud prevention and security purposes and to ensure compliance with the terms of this Agreement.

(g) Without limiting any of Customer's other obligations to Bank under this Agreement, Customer agrees to indemnify and hold harmless Bank and its affiliates and service providers from and against any and all third party claims, liability, damages, expenses and costs (including, but not limited to, reasonable attorneys' fees) caused by or arising from Customer's use of Mobile Services, Customer's violation of any of the terms of any Mobile Service, or Customer's infringement of any intellectual property or other right of any party.

PART 2: ADDITIONAL TERMS AND CONDITIONS FOR CERTAIN SERVICES

Article I. Regions Quick Deposit℠ Service

1. Description of Service. The Regions Quick Deposit℠ Service allows Customer to make deposits to Customer's deposit account(s) at Bank by scanning checks on a Bank-approved desktop scanner or other approved capture device and transmitting the deposit data to Bank via the Internet. To ensure accuracy, Customer agrees to balance each deposit total to the sum of the captured checks prior to transmitting the data. Customer agrees to follow all User Guides provided by Bank in the initial setup and ongoing use of the Service.

2. Administrator. Customer shall designate one or more administrators who shall act as Customer's primary point(s) of contact with Bank with respect to the Service. Customer's administrator(s) shall be responsible for establishing, managing, and controlling Customer's Authorized Users of the Service.

3. Equipment.

(a) Scanner, image capture, and other hardware and software used by Customer in connection with the Service must meet technical standards and specifications required from time to time by Bank. Except as otherwise expressly provided in this Article, the General Terms, the Service Schedule, or in a separate written agreement between Customer and Bank, Customer shall be solely responsible for procuring and maintaining in good working order (including installation of upgrades and patches), at Customer's sole cost and expense, any and all scanner, image capture, and other hardware and software that is to be used by Customer in connection with the Service.

(b) In the event that Customer purchases any scanners, image capture equipment, hardware or software, and/or other Service equipment (collectively "Scanner Equipment") from, through, or at the suggestion of Bank or its vendors or contractors, Customer acknowledges and agrees that Bank is neither the manufacturer of such Scanner Equipment nor a merchant (as such term is defined in Article 2 of the Uniform Commercial Code) with respect to the sale of such Scanner Equipment and that the sale of any Scanner Equipment to Customer is incidental to the provision of the Service by Bank to Customer. All Scanner Equipment is sold and transferred to Customer "AS IS" and without any representation or warranty whatsoever, express or implied, on the part of Bank, including (without limitation) any warranty of MERCHNATABILITY or FITNESS FOR A PARTICULAR PURPOSE. To the extent assignable, Bank hereby transfers and assigns to Customer, without any representation or warranty, express or implied, on the part of Bank, including (without limitation) any representation that any manufacturer's warranty exists or is enforceable, all of Bank's right, title, and interest in and to any manufacturer's warranty with respect to Scanner Equipment purchased by Customer from Bank. Bank shall arrange for the delivery of Scanner Equipment purchased from Bank to Customer's place of business as soon as practicable. All risk of Scanner Equipment loss, theft, damage, or destruction shall pass to Customer upon the tender of delivery of the Scanner Equipment at Customer's place of business. Customer agrees to pay Bank any and all charges due to Bank for purchased Scanner Equipment, and Customer authorizes Bank to debit Customer's deposit account(s) with Bank in the amount of any such charges due to Bank. In the event that any uncollected sales or use taxes shall be due in connection with the sale of any Scanner Equipment to Customer by Bank, Customer agrees to be responsible for such taxes and to remit the amount thereof to Bank or the appropriate taxing authority within three (3) business days after Bank's demand. If Customer shall fail to timely remit the amount of such taxes, Bank may debit Customer's deposit account(s) with Bank in the amount thereof.

4. Scanner Replacement Program. In the event of scanner malfunction or other scanner operational problems, Customer may contact Bank's Treasury Management Services department during normal business hours for assistance and technical support. Bank, in Bank's sole and absolute discretion, may from time to time maintain a program, or arrange for a Third Party Service Provider to maintain a program in which Customer may participate by entering into a Third Party Service Agreement with such Third Party Service Provider, for the repair or replacement of defective or inoperable scanners and image capture devices used in connection with the Service ("Scanner Replacement Program"). In the event Customer elects to participate in any such Scanner Replacement Program, Customer agrees to pay any applicable fees and charges imposed in connection with the Scanner Replacement Program and otherwise to comply with the terms and conditions of the Scanner Replacement Program. Any applicable Scanner Replacement Program fees or charges due from Customer that are not timely paid, whether due to Bank or to any Third Party Service Provider, may be charged against Customer's Account. Customer acknowledges and agrees that any Scanner Replacement Program is within the sole discretion of Bank, and Bank may implement, cancel, or amend the terms and conditions of any Scanner Replacement Program at any time and without notice to Customer. Customer may request information about any current Scanner Replacement Program from Bank's Treasury Management Services department.

5. Items Deposited. Customer agrees that Customer will use the Service only for the deposit of checks, as that term is defined in Federal Reserve Board Regulation CC ("Reg CC"). Customer agrees that the image of any check that is transmitted to Bank shall be deemed an "item" within the meaning of Article 4 of the Uniform Commercial Code (1990 Official Text). Customer further agrees that Customer will not use the Service to deposit any check or other item that: (a) is payable to any person or entity other than Customer, (b) is drawn, or otherwise issued, by Customer or any affiliate of Customer on any account of Customer or of such affiliate, (c) is prohibited by Bank's then current procedures pertaining to the Service or is in violation of any law, rule or regulation, (d) Customer knows or suspects, or should know or suspect, is fraudulent or otherwise not authorized by the owner of the account on which the check is drawn, (e) has not been previously endorsed by a bank and is either a "substitute

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check" (as defined in Reg CC or other applicable federal law or regulation) or an "image replacement document" that purports to be a substitute check, without Bank's prior written consent, (f) is drawn on a financial institution that is located outside of the United States or Territories of the United States, (g) is a "remotely created check" as that term is defined in Reg CC, or (h) is not acceptable to Bank for deposit into a deposit account as provided in Bank's deposit agreement, which is incorporated herein by reference and made a part hereof (any such check or item being hereinafter referred to as a "Prohibited Check"). If Customer uses the Service to deposit a Prohibited Check, Customer agrees to indemnify and reimburse Bank for, and hold Bank harmless from and against, any and all losses, costs and expenses (including reasonable attorneys' fees) Bank may incur associated with any warranty, indemnity or other claim related thereto. Furthermore, if, after first having obtained Bank's written consent to do so, Customer provides Bank with an electronic representation of a substitute check for deposit into an Account instead of an original check, Customer agrees to indemnify and reimburse Bank for, and hold Bank harmless from and against, any and all losses, costs and expenses (including reasonable attorneys' fees) Bank incurs because any such substitute check resulting from such electronic representation does not meet applicable substitute check standards and/or causes duplicate payments.

6. No ACH Conversion of Checks. Customer and Bank acknowledge and agree that items processed in connection with the Service shall be deposited and collected as though they were original checks, either in the form of image replacement documents or electronic image exchange entries, as defined by the Check Clearing for the 21st Century Act. Should Customer implement a procedure for converting items to ACH transactions and originating such transactions through Bank, Customer must select the ACH Services box on the Customer Profile thereby agreeing to the terms and conditions of the ACH Services Article of Part 2 of this Master Agreement, and complete the applicable Service Schedule and other documentation governing Bank's provision of ACH services, even if Customer uses the Service in any way in connection with ACH conversion.

7. Scanning of Items and Transmission of Files. After successful implementation and installation of any software or hardware related to the use of the Service, Customer shall endorse each check to be deposited, scan and capture the front and back of each check to be deposited, and transmit the image file to Bank in accordance with Bank's required procedures. To ensure accuracy, Customer shall balance the deposit dollar amount to the sum of the checks prior to transmitting the file. The file must be received by Bank no later than the cut-off time specified by Bank ("Cut-Off Time"). A file which is received after the Cut-Off Time shall be deemed to have been received on the business day following the business day on which the file is actually received by Bank. Customer may send multiple files to Bank throughout the day. Bank reserves the right to change the Cut-Off Time at any time in Bank's discretion.

8. Maintenance and Destruction of Original Item. Customer shall securely store all original checks deposited through the Service for a period of not less than thirty (30) days and not more than ninety (90) days ("Retention Period") after Customer has received notice from Bank that the file has been accepted. During the Retention Period, Customer shall take appropriate security measures to ensure that only authorized personnel shall have access to the original checks, that the information contained on the checks shall not be disclosed, and that the original checks will not be duplicated, will not be scanned more than one time, and will not be deposited or negotiated in any form. In addition, during the Retention Period Customer will furnish to Bank upon request a copy of or the original of any check transmitted through the Service to Bank for processing. Customer promptly shall destroy original checks upon the expiration of the Retention Period. Upon Bank's request at any time, and from time to time, Customer shall confirm in writing (i) the duration of the Retention Period that has been established by Customer and (ii) that all original checks with respect to which the Retention Period has expired have been destroyed by Customer.

9. Image Quality. Each image of a check scanned by Customer and transmitted to Bank (an "Image") through the Service shall be of such quality that the following shall be clearly be readable by sight review: the front of the check, the back of the check, the amount of the check, the payee, the drawer's signature, the date, the check number, the information identifying the drawer and the paying bank that is preprinted on the check, including the MICR line, and other information placed on the check prior to the time an image of the check is captured, such as any required identification written on the front of the check and any endorsements applied to the back of the check. Images shall also meet any standards for image quality established by American National Standards Institute (ANSI), the Board of Governors of the Federal Reserve, or any other regulatory agency, clearing house or association.

10. Receipt of File. Customer agrees that Customer shall remain liable for, and that Bank shall not be accountable to Customer for, any files and/or Images that are not received by Bank, or for any files and/or Images that are intercepted or altered by an unauthorized third party. Customer agrees that Bank has no obligation to accept any file and therefore may reject any file or Images submitted by Customer. Bank has no obligation to notify Customer of the rejection of any file or Image. Bank shall have no liability to Customer for rejection of any file or Image or for failure to notify Customer of a rejection. Upon receipt of a file submitted by Customer, Bank shall examine the file and the Images for accuracy and completeness and to verify that Customer has followed Bank's required procedures. If Customer has not followed Bank's procedures or if errors exist in the data or the Images contained in the file, Bank, in its sole discretion, may either reject the file or correct the errors and accept and process the file. As a means of correction, Bank may credit Customer's account for the full amount of the deposit and make any necessary adjustments to correct errors. Bank also may, at its option, perform a risk management analysis of any file submitted by Customer to detect potentially fraudulent items, and, in Bank's sole discretion, may reject the file. If after examination of a file and Images Bank determines that Customer has processed and transmitted the file in accordance with Bank's required procedures, the file is balanced and contains no errors, and the Images meet the requirements of the Service, then Bank shall accept the file for deposit to Customer's account. Upon acceptance of a file, Bank shall electronically notify Customer of receipt and acceptance of the file.

11. Funds Availability. Upon acceptance of a file for deposit, Bank shall provisionally credit Customer's account. Notwithstanding the acceptance by Bank of Customer's file for deposit, Customer shall remain liable to Bank for any errors, inaccuracies, breach of warranties and any other loss sustained by or claim made against Bank on the part of any party. Customer agrees that check images transmitted using the Service and the funds represented by the checks are not subject to the funds availability requirements of Reg CC. Subject to the requirements of applicable law or regulation, and subject to the terms of the deposit agreement governing Customer's account, funds from any check transmitted through the Service will be available after final payment with respect to the check is made by the drawee of the check, and any credit of funds to Customer's account before that time is provisional; provided, however, that Bank reserves the right, in any event, to withhold or delay the availability of any funds for such time periods as Bank may determine in order to mitigate risk of error, fraud, or other loss to Bank. If Bank determines to withhold or delay the availability of funds, Bank may provide Customer notification of such determination, but Bank is not obligated to do so. Customer

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agrees that Bank may provide such notification by any means or method to which Customer has agreed in connection with Customer's account or the Service, including (without limitation) by electronic communication. Bank also reserves a right of chargeback to Customer's account in the event of any dishonor or nonpayment by the drawee institution, and Bank reserves the right to charge all applicable fees in the event of such dishonor or nonpayment and/or any resulting chargeback (including, but not limited to, returned deposit item fees and overdraft fees). In Bank's discretion, Bank may charge back any returned item to Customer's account in the form of an electronic or paper reproduction of the original item or a substitute check, or by any other lawful means.

12. Collection of Items. Bank, in Bank's sole discretion, shall determine the manner in which Images shall be presented for payment to the drawee bank. Likewise, Bank, in Bank's sole discretion, shall select the clearing agents used to collect and present the Images, and Bank's selection of the clearing agents shall be binding on Customer as though Customer had directly appointed such agents. Bank shall not be liable for the negligence or other misconduct of any clearing agent. Customer agrees to be bound by any agreements entered into by and between Bank and any clearing agents, and Customer agrees to be bound by all applicable clearing house rules and regulations. Collection of checks deposited through the Service is also subject to the terms of the deposit agreement governing Customer's account.

13. Return Items. If any item deposited by Customer through the Service is dishonored and returned unpaid by the drawee bank, Customer understands and agrees that Bank may charge back the amount of the item to Customer's account in the form of an electronic or paper reproduction of the original item or a substitute check, or by any other lawful means. Unless otherwise instructed by Bank, Customer agrees not to deposit the original check that corresponds to any rejected or unpaid item that has previously been deposited through the Service.

14. Contingency Plan. Customer agrees that in the event that Customer is not able to capture, balance, process, or otherwise transmit a file to Bank for any reason, including but not limited to communications, equipment or software outages, interruptions or failures, Customer will transport the physical checks and deposits to the closest office of Bank and deposit the original checks with Bank until such time that the outage or other interruption can be identified and resolved. The deposit of original checks at an office of Bank without any use of the Service shall be subject to the terms and conditions of the deposit agreement governing Customer's account, and not by the terms and conditions of this Article, the General Terms, or the Service.

15. Warranties. With respect to each check or item deposited by Customer through the Service or collected or presented for payment as a result of Customer's use of the Service (any such check or item, or any electronic derivative thereof, being hereinafter referred to as an "Item"), Customer represents and warrants to Bank and agrees as follows:

(a) The Item is authorized by this Article and the deposit agreement governing Customer's account.
(b) Customer is a person entitled to enforce the Item.
(c) All signatures on the Item are authentic and authorized.
(d) The Item is not a counterfeit item.
(e) The Item has not been altered.
(f) The Item is not subject to a defense or claim in recoupment of any party that can be asserted against Customer.
(g) Customer has no knowledge of any insolvency proceeding commenced with respect to Customer, or in case of an unaccepted Item, the drawer; and any returned Item is enforceable against the Customer and the drawer of the Item.
(h) Customer is not a consumer, and the Service shall be used for business purposes only.
(i) The Image of the Item transmitted by Customer to Bank accurately represents all of the information on the front and back of the original Item as of the time that the Image was created, the electronic information accompanying the Item includes an accurate record of all magnetic ink character recognition (MICR) line information required for substitute checks under Reg. CC and the amount of the Item, and otherwise the Image complies with the requirements of the Service, this Article, and the General Terms (including, but not limited to, any endorsement requirements).
(j) No subsequent transferee will be asked to make payment on an Item that has already been paid. No bank, as defined in Reg CC, that accepts the original Item for deposit will incur an indemnifiable loss under Reg CC due to an Item having already been paid.
(k) Customer will not create duplicate Images of the Item. Customer will not transmit any duplicate Images or files to Bank. Customer will not deposit or otherwise negotiate the original Item from which the Image was created. No subsequent transferee, including but not limited to Bank, a collecting or returning bank, drawer, drawee, payee or endorser, will be asked to pay the original Item from which the Image was created or a duplication (whether paper or electronic, including ACH entries) of the Item.
(l) No subsequent transferees of the Item, including but not limited to Bank, a collecting or returning bank, drawer, drawee, payee or endorser, shall sustain a loss as the result of the fact that an Image of the Item was accepted by Bank for deposit, presented for payment or returned instead of the original Item.
(m) Neither the Image of the Item nor the file in which it was transmitted to Bank contains computer viruses or other harmful, intrusive, or invasive codes.
(n) Customer shall defend, indemnify and hold Bank harmless from and against any and all claims, losses, liability, costs, and expenses (including, without limitation, reasonable attorneys' fees) arising from the breach of Customer's warranties, representations, and/or agreements and obligations under this Article, which agreement shall survive the termination of this Article.

Article II. ACH Service

1. Statement of Service. This Article states the terms and conditions on which Bank will receive, process and distribute ACH files originated by Customer. Additional terms and procedures for the use of ACH Services may be set forth in other documentation provided by Bank, including any applicable Customer Profile and Service Schedule (such other documentation is referred to herein as the "Documentation"). All such

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Documentation is hereby incorporated by reference and made a part hereof. Customer's use of any ACH Service constitutes Customer's acceptance of and agreement to the terms and provisions of all Documentation for such Service, and Customer acknowledges and agrees that such Documentation constitutes part of the agreement between Customer and Bank for the provision of the Services. In the event of a conflict between the terms of this Article, the General Terms and those of any Documentation, the Documentation shall govern and control with respect to the Service issue in question. This Article, the Documentation, and the General Terms are sometimes collectively referred to herein as the "Agreement."

2. Customer Compliance. Customer acknowledges it has a copy or has access to a copy of the Operating Rules ("Rules") of the National Automated Clearing House Association ("NACHA"). The Rules may be purchased online at www.nacha.org under the publications tab. Customer agrees to comply with and be subject to the Rules of NACHA in existence at the date of this Agreement, and any amendments to these Rules made from time to time. Customer agrees to comply with all applicable federal and state laws and regulations governing transactions to be performed hereunder, as the same may from time to time be amended, including (without limitation) the Electronic Fund Transfer Act, 15 U.S.C. 1693 et seq., Federal Reserve Board Regulation E, 12 C.F.R. 205 et seq., and Federal Reserve Board Regulation J, 12 C.F.R. 210 et seq. Customer agrees that it shall originate only Entries that would comply with the laws of the United States, including, without limitation, the anti-terrorism and anti-money laundering programs administered by the U.S. Treasury Department's Office of Foreign Asset Control. Customer acknowledges that the additional compliance review necessary for any international ACH transactions could result in possible delays in processing and settling such transactions.

3. Originator Identification Number. The Originator Identification Number uniquely identifies Customer on Bank's operating systems and within the ACH network. In all cases where the Rules call for the use of an Originator Identification Number in an ACH transaction, Customer agrees to use the Originator Identification Number assigned by Bank and no other.

4. Originating Entries. Customer may originate ACH Credit or Debit Entries which conform to the format requirements contained in the Rules and in the Documentation for the specific service. Customer shall initiate the debit or credit Entries designated in Section I of the Service Schedule. Customer agrees to send Bank ACH Credit Entries not later than two business days prior to the Effective Entry Date. This is Bank's deadline for receipt of ACH Credit Entries. If Customer fails to meet this deadline, funds may not be available for the Receiver on the Effective Entry Date. Customer also agrees to comply with all of the obligations of an Originator under the Rules.

Subject to the terms of this Agreement, Bank will process the transaction file containing Customer's Entries and transmit the Entries to the ACH within applicable deadlines to meet the Effective Entry Date specified in the file, provided that Bank receives the file from Customer by the applicable deadlines and the Customer complies with any Prefunding requirements. A file contained on tape is received by Bank when the tape is actually received at the location Bank specifies from time to time. A file transmitted to Bank via electronic transmission is received by Bank when the transmission is completed and Bank is satisfied that applicable security procedures have been followed. If Bank receives a file from Customer after the applicable deadline, Bank will use reasonable efforts to process that file so that settlement can be completed as scheduled. However, Bank will not be liable to Customer or to any third party if settlement is not met. Upon request, Bank will provide Customer with a list of days on which Bank does not process files and changes to the list as they occur.

Customer agrees that Bank has no obligation to accept Entries and therefore may reject any Entry submitted by Customer. Bank may reject any Entry which does not comply with the requirements of the Agreement, including applicable security procedures and Prefunding requirements or Limits (as defined below), or for which Bank has reason to believe Customer has breached one or more of the warranties Customer made to Bank with respect to such Entry, or for any other reason permitted under the Rules. Bank may also reject an Entry (with subsequent notice of rejection being forwarded to Customer) without liability to Customer if, in Bank's reasonable judgment, processing the Entry would cause Bank to violate any applicable law or regulation. If Bank rejects any Entry under this paragraph, Bank will use reasonable efforts to notify Customer the same day. In any case, Bank will notify Customer no later than the Effective Entry Date. Bank shall have no liability to Customer for rejection of an Entry or for failure to notify Customer of a rejection and shall not be liable to pay any interest to Customer even if the amount of Customer's payment order is fully covered by a withdrawable credit balance in Customer's Account or Bank has otherwise received full payment from Customer.

If Customer asks Bank to amend or cancel an Entry and Customer's request complies with applicable security procedures, Bank will use reasonable efforts to comply with Customer's request prior to transmitting it to the ACH or debiting or crediting the account of the Receiver for an On-Us Entry. However, Bank will not be liable to Customer if Bank is unable to cancel or amend the Entry. Customer agrees to indemnify and hold Bank harmless from and against any and all claims, demands, losses, liabilities and expenses, including reasonable attorneys' fees and costs, resulting from compliance with Customer's cancellation or amendment request.

If an Entry is returned to Bank through the ACH, Bank will notify Customer no later than the next business day after Bank receives the returned Entry. Bank will have no obligation to retransmit a returned Entry unless Bank is required to do so by the Rules. Unless Bank is required by the Rules to retransmit a returned Entry, Customer must retransmit the Entry to Bank. As an accommodation service to Customer, Bank may reinitiate Entries returned for insufficient or uncollected funds if reinitiation is permitted by the Rules and Customer requests Bank in writing to provide this service.

5. INTERNATIONAL ACH TRANSACTIONS ("IAT"). Customer shall not initiate any IAT Entries without Bank's prior approval. If approved by Bank, the following provisions apply to IAT Entries originated by Customer:

"(a) IAT Entries are transmitted by Bank in U.S. dollars and converted to the local currency for receipt in the foreign country at the exchange rate determined by Bank's processor on the date determined by Bank's processor. All risk of fluctuation in the applicable exchange rate is borne by Customer.
(b) In the event of a returned IAT Entry, consumer payments will be credited to Customer at the originated U.S. dollar amount; corporate payments will be credited to Customer at the exchange rate determined by Bank's processor at the time of return.
(c) In the event of an error in an Entry or duplicate entries, Customer acknowledges and agrees that Customer shall be liable for any and all losses caused by and a direct or indirect result from the error or duplicate Entry.
(d) Customer shall originate all International ACH Transactions, as that term in defined in the Rules, with an IAT SEC code and Customer hereby agrees to abide by all of the Rules related to IAT Entries.

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(e) Customer agrees that in the case of a non-Consumer Account, Customer shall enter into an agreement with the Receiver whereby the Receiver agrees to abide by the Rules in effect from time to time.
(f) Customer acknowledges that it has reviewed and understands Rules related to exceptions to the Rules for outbound IAT Entries and Customer understands and agrees that laws, regulations, and rules of the country in which the Receiver is located shall govern the matters listed within that subsection. Customer further acknowledges that Customer understands how such laws, regulations and rules differ from the Rules.
(g) IAT Entries must be authorized as provided in the Rules. The form and content of the authorization, including whether such authorization may be oral, electronic, or written, shall be governed by the laws and payment system rules of the receiving country.
(h) Customer hereby indemnifies Bank from and against any and all resulting claims, demands, losses, liabilities, or expenses, including attorneys' fees and costs, resulting directly or indirectly from Customer's origination of an IAT Entry."

6. Settlement for Entries. Customer agrees to maintain with Bank one or more designated Deposit Accounts during the term of the Agreement (the "Account" or "Accounts") for settlement purposes, as designated in Section I of the Service Schedule. All Entries must be settled in the Accounts. Customer acknowledges that the Rules provide that payment of an Entry by the RDFI to the Receiver is provisional until receipt by the RDFI of final settlement for such Entry. Customer understands that, if such settlement is not received, the RDFI will be entitled to a refund from the Receiver of the amount credited and Customer will not be deemed to have paid the Receiver the amount of the Entry. Customer also agrees to send all Entries to Bank in an "unbalanced file format". This means Customer will not include any offset or balancing transactions in any of the Entries Customer initiates. If Customer does not send Customer's Entries in an unbalanced file format, Bank may suspend transmission of Customer's ACH Entries. Unless Prefunding is required and the "Prefunding" check box is selected in the set up form at the beginning of the Service Schedule, in which case the terms of Section 8 shall control, Settlement for Customer's Entries will occur as follows, provided, however, that Bank in its sole discretion may require Prefunding at any time and debit Customer's Account in accordance with the terms of Section 8:

a) *Credit Entries.* Bank will charge the Account on the Settlement Date for the total amount of Customer's Credit Entries. Customer agrees to have on deposit in the Account on the Settlement Date sufficient available funds to cover the total amount of Customer's Credit Entries. If Customer does not make such funds available on settlement date, Customer agrees that Bank may setoff against any of Customer's other accounts with Bank or against any of Customer's other property in Bank's possession.

b) *Debit Entries.* Bank will credit Customer's Account on the Settlement Date for funds Bank receives in settlement for Customer's Debit Entries. These funds will be available to Customer on the Settlement Date; however, if any Debit Entries are returned to Bank in accordance with the Rules, or if any Debit Entries originated by Customer were unauthorized, Bank reserves the right to charge the amount of such Debit Entries to the Account or to setoff against Customer's other account(s) or property in Bank's possession. Notwithstanding the forgoing or any provision in any other agreement between Bank and Customer or any disclosure to the contrary, Bank may, in its sole discretion, delay the availability of these funds for a period of time beyond the Settlement Date.

7. Entry Limits: Before Customer sends an Entry to Bank for processing, Bank will establish Entry Limits ("Limits") for Customer's Credit and Debit Entries. These Limits are the maximum dollar amount of accumulated ACH Credits and Debits for which settlement has not yet occurred and which, subject to the terms and conditions of the Agreement, may be outstanding at any one time. There are separate Limits for Credit Entries and Debit Entries and the Limits are designated in Section I of the Service Schedule.

Bank may modify Customer's Limits at Bank's sole discretion at any time. These modifications are effective immediately and may be implemented prior to Customer's receipt of notice of the newly established Limits. Customer may contact Bank at any time to verify Customer's current Limits. Customer agrees not to exceed the Limits. Customer acknowledges that the Limits are solely for the protection of Bank and its assets and that files containing Entries in excess of the Limits may or may not be processed at Bank's sole discretion.

8. Prefunding Requirements. If Prefunding is required by Bank, and the "Prefunding" box is selected in the set-up form at the beginning of the Service Schedule, or if Bank in its sole discretion elects to require Prefunding, the following terms will apply. As used in this section, the term "Prefunding" shall refer to the practice of debiting Customer's Account for all Credit Entries on the date such batches are received for processing by Bank, which shall be settlement for such Entries. Where Prefunding is sufficient to cover the entire Credit Entry or Entries, the Settlement Date shall occur upon the debiting of the Account.

a) *Procedures for Prefunding*

i. Customer shall send ACH Credit Origination file(s) ("Credit File(s)") to Bank according to procedures established under the Agreement.

ii. Customer shall ensure that on the date of submission of any Entries for Bank processing, Customer's Account has a sufficient opening available balance to pay in full all such Entries. In determining the sufficiency of the available balance in the Account, Bank shall be entitled to, but not be required to, consider intraday transactions, such as deposits or ACH credits.

iii. Bank shall process the Credit File(s) on the date of receipt and determine on that day whether the Account contains sufficient funds to pay the amount of the Credit Entry or Entries in the Credit File(s).

iv. If sufficient funds exist, then Bank shall cause the Account to be debited for the total amount of the Credit File(s) and shall thereafter process in accordance with Bank's standard procedures for Credit Entries.

v. If sufficient funds do not exist at the time of Bank's review of the Account to cover the total amount of the Credit File(s), then Bank shall delete the Credit File(s) from its operating system and no further attempt shall be made

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to process the Credit File(s).

b) *Definition of Date of Receipt.* Date of Receipt is the date Customer submits ACH Entries to Bank for processing, provided Bank is open for business on that date and the applicable deadline for the receipt of ACH entries has not passed. If any Entries are received on a date Bank is not open for business, or if the daily processing deadline for ACH has passed. Then such Entries shall be considered to have been received on the next date Bank is open for business.

c) *Limit of Liability.*

i. Bank shall not be liable to Customer or any other party for claims of delayed receipt or non-receipt of payments where such delay or non-receipt arises from Bank's proper enforcement of Prefunding procedures. Relative to such claims Customer agrees to hold Bank harmless from any and all legal actions, damages, and costs, including but not limited to late fees, fees charged by other banks, interest, legal fees, or penalties, including penalties imposed by the U.S. Government or any other governmental entity with respect to ACH tax payments.

ii. Bank shall not be liable to Customer or any party if Bank suspends transactions according to the Prefunding procedures outlined herein if Customer's Account receives, on the day of deletion of the Credit File(s), sufficient funds which Bank is not aware of because Bank has not had a reasonable opportunity to post such intra-day deposits or credits. Bank's Prefunding procedure is based on Customer's opening available balance in Customer's designated Account.

iii. Customer acknowledges that the Rules provide guidelines for the timeliness of submission of ACH Entries relative to the Effective Entry Date , and that Customer's failure to follow such guidelines may result in Bank's having insufficient time to perform the Prefunding procedures described herein. In such case, Customer will be solely liable for any claims, losses, actions, or penalties arising from Bank's rejection of Customer's Entries.

d) *Notices.*

i. Bank shall notify Customer in the event a Credit File(s) has been deleted due to Customer's failure to satisfy Prefunding requirements.

ii. In an effort to minimize the consequences to Customer of deletion of a Credit File(s), Bank, while not obligated to do so, shall use reasonable efforts to contact Customer by telephone or other means to advise Customer of such balance deficiency. Bank encourages Customer to monitor Account activity proactively and to contact Bank immediately if it appears transactions have not been processed according to Customer's expectation.

9. Customer Warranties. Customer warrants to Bank that for each Entry Customer submits to Bank for processing, (1) Customer has obtained all authorizations from the Receiver which are required by the Rules, by Regulation E or other applicable law and the Agreement and such authorizations are still valid and have not been revoked by operation of law or otherwise; (2) if required to be in writing, Customer will retain all such authorizations for a period of six years after their termination or revocation, or for such longer period as may be required by the Rules or applicable law, and provide a copy to Bank, upon request, within five days; (3) each Entry has been submitted with Customer's authorization and in accordance with all terms of the Agreement, including applicable security procedures and Prefunding requirements; (4) each Entry is for an amount which, as of the Settlement Date, will be due and owing, has been specified to be paid or is a correction of a previously transmitted erroneous Entry; and (5) each Entry also conforms in all other respects to the Rules and applicable law. Customer hereby indemnifies and agrees to defend Bank against and hold Bank harmless from any liability arising out of Customer's breach of the warranties in this section, the Rules or of any other provision of the Agreement or any act or omission of Customer or any other person acting on Customer's behalf.

10. Additional Customer Warranties and Agreements for Selected Standard Entry Classes. NACHA, in its role of ensuring the safety, security, and viability of the ACH network has determined that certain single-use or limited-use consumer authorizations have the potential to increase risk in the ACH system and compromise system effectiveness by increasing the incidence of returned entries. Therefore, to qualify as an Originator of such Entries Customer hereby warrants to Bank that for each such ACH Entry submitted for processing, Customer has obtained all authorizations from the Receiver as required by the Rules, by Regulation E or other applicable law, and the Agreement. Customer also makes the additional warranties to Bank that Bank makes to each RDFI and ACH Operator under the Rules for the respective SEC codes for Entries originated by Customer. Customer hereby indemnifies and holds Bank harmless from any liability arising out of Customer's breach of these warranties.

11. Security Procedures. In addition to, and without limiting the generality of, the security procedure provisions in the General Terms, Customer agrees to implement and comply with any and all security procedures for Service transactions that are agreed to between Customer and Bank, and Customer acknowledges and agrees that such security procedures are commercially reasonable security procedures under applicable law for the transactions and activity Customer intends to effect through the Service.

Customer further agrees as follows with respect to the following ACH initiation channels:

a) *Direct On-line Transmission:* Customer shall provide Bank one or more email addresses, as Bank may require (each such email address, a "Confirmation Email Address"), with respect to which such representatives of Customer who are authorized by Customer both to authenticate Service transactions and to cancel the execution of Service shall have access. Customer shall be solely responsible for determining which of Customer's representatives shall have access to any Confirmation Email Address and for establishing Customer's own internal procedures

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and policies for access to and use of any Confirmation Email Address and for acting upon Confirmation Notices (as hereinafter defined). Customer represents, warrants, and agrees that no person who is not authorized by Customer both to authenticate Service transactions and to cancel the execution of Service transactions on behalf of Customer shall have access to any Confirmation Email Address. As soon as practicable after receiving each Entries file from Customer pursuant to Service processes and procedures, Bank shall transmit to each Confirmation Email Address a confirmation of receipt of the file, which confirmation shall include Entry totals for the file and other identifying information ("Confirmation Notice"). Each Entries file transmitted to Bank and each Entry within the file shall for all purposes be deemed correct, authentic, and authorized by Customer for execution, and Customer shall be legally bound by and liable for Bank's processing and execution thereof, unless (i) Customer shall contact Bank's Service operations center at the telephone number provided in the Confirmation Notice during its normal business hours and instruct Bank to cancel the execution of the file, providing such information as Bank may require to identify the file specifically, within thirty (30) minutes after the transmission of the Confirmation Notice or before Bank's next processing update after the expiration of such thirty (30) minute period, and (ii) Bank shall have a reasonable opportunity to act upon Customer's instruction. Customer may obtain current information about Bank's processing update times by calling Bank's Service operations center. Customer authorizes Bank to act upon the cancellation instructions of any person who is reasonably believed by Bank to be a representative of Customer and who provides such information as Bank may require to identify specifically the Entries file that is to be cancelled. Customer agrees to keep each Confirmation Email Address current and updated with Bank at all times. Each Confirmation Email Address shall be deemed correct and authorized for the receipt of Confirmation Notices unless and until Customer shall have provided corrective information to Bank in writing and Bank shall have had a reasonable opportunity to act thereon. Bank shall have no obligation to re-send, re-transmit, or otherwise deliver any Confirmation Notice that Bank has transmitted to any Confirmation Email Address and that has been returned "undeliverable" or otherwise rejected for delivery, and no such return or rejection of a Confirmation Notice shall be deemed an instruction from Customer to cancel the execution of any file or any Entry.

b) *iTreasury ACH:* Customer will initiate a request via iTreasury ACH to Bank via the Internet. All iTreasury ACH customers are required to check the file status of all initiated ACH batches to ensure they have received the "Submitted" status for processing. Bank is not responsible for batch initiation timeliness. Customer will be responsible for same day verification of ACH batch status. Transactions initiated through iTreasury are further subject to the terms and conditions of the iTreasury Service Schedule.

c) *Metavante Touchtone Cash-Concentration:* Customer will initiate entire transaction via Touchtone Cash Concentration system using the location ID and passwords assigned to Customer during setup. Customer will be responsible for same-day verification of ACH batch status. Transactions initiated through Touchtone Cash Concentration are further subject to the terms and conditions of applicable agreements governing such service.

12. Authorized and Unauthorized Entries. Any Entry (including a request for cancellation, amendment, or reversal of an Entry) or other communication delivered to Bank that purports to have been submitted or authorized by Customer in accordance with the Rules shall be effective and binding upon Customer even if the Entry was not in fact authorized by Customer and notwithstanding any resolution, any dual or multiple signature requirement identified on any signature cards, or other documents relating to the affected Customer Account(s) that purport to limit authority over the Customer Account(s), whether currently on file or submitted or modified in the future, provided Bank has accepted the Entry in compliance with the Rules, reasonably believes it to have been submitted or authorized by Customer, and has acted in good faith. If any Entry received by Bank is, in fact, submitted or authorized by Customer (or any authorized representative of Customer), it shall be effective as Customer's Entry whether or not (i) Bank complies with the Rules and/or the Agreement with respect to the Entry, (ii) the Entry is erroneous in any respect, (iii) the error, if any, could be detected by Bank, or (iv) Bank processes, transmits or settles the Entry even though one or more of the conditions therefore, as set forth herein, is not satisfied. If Customer discovers an erroneous or unauthorized Entry, Customer shall immediately notify Bank, as well as notify the affected Receiver(s), and shall confirm such notification in writing. Upon receiving such notice, Bank will use reasonable efforts on behalf of Customer to correct the erroneous Entry in a manner consistent with the Rules, but Bank shall in no event be liable to Customer in the event that Bank is unable to correct the erroneous Entry. If Customer fails to notify Bank or the affected Receiver(s) of any erroneous Entry, Customer will be liable for any losses Bank may incur. Customer agrees that Bank has no obligation or duty to detect errors with respect to Entries submitted by Customer. However, if Bank detects an error with respect to an Entry delivered to Bank, Bank will exercise reasonable efforts to give Customer notice of such error, and Customer agrees to furnish to Bank corrections in a format and on a medium prescribed by Bank. Bank reserves the right to suspend or cancel Customer's ability to perform transactions hereunder if Bank suspects any unauthorized or fraudulent transactions. Customer agrees to take any reasonable actions requested by Bank to prevent unauthorized transactions or to correct errors.

13. Amendment of the Rules. Amendments to the Rules or applicable laws and regulations which govern transactions hereunder shall become effective as to the Agreement upon the effective date stipulated for such amendments by the authority promulgating such amendments.

14. Data Retention. Customer agrees to retain data and records relating to any and all Entries originated by Customer for a period of six years after the date each Entry is transmitted and shall, upon request by Bank, furnish a copy of such data and records to Bank.

15. Additional Terms and Conditions.

a) *Recording Conversations*. Bank may, but is not required to, record any conversations Bank has with Customer or with any of Customer's representatives.

b) *Information Disclosure*. Some of the Services covered by this Article may be provided to Customer with the participation or assistance of one or more of Bank's affiliates. Customer agrees that Bank may disclose to such affiliates any information Customer provides to Bank to the extent required for the delivery of these Services.

c) *Confirmation; Account Reconciliation*. Bank will provide notice of all ACH Entries to Customer's Account on Customer's periodic Account statement. If Customer uses Bank's information/balance reporting services, Customer can also receive notice through various mailed reports or terminal printouts. Customer is responsible for detecting and reporting to Bank any discrepancy between Customer's records and the records Bank provides to Customer. If Customer does not detect and notify Bank of such a discrepancy within 30 days of Customer's receipt of any terminal printout, mailed report or periodic statement ("Report"), whichever is received first, then Customer will not be entitled to interest

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from Bank on any amount refundable to Customer.

d) *Alternative Transfer of Funds*. Solely at Bank's option, Bank may elect to accomplish the movement of funds requested by Customer's Entries via wire transfer. In the event that Bank elects this option, Customer agrees to execute and be bound by Bank's standard wire transfer agreement and to comply with Bank's normal wire transfer procedures. Should Bank elect this option, Bank will attempt to send the wire or wires on the Effective Entry Date specified in Customer's file(s). If Customer's Account does not contain sufficient collected balances to fund the wire, or if the receiving institution returns any drawdown wire, Bank may reject the Entry or Entries without liability to Customer. If Bank rejects an Entry, Bank will make reasonable efforts to notify Customer the same day. Bank will not be liable to Customer for Bank's rejection of an Entry, or for interest on the amount of a rejected Entry, regardless of the amount of Customer's Account balance. Except for the method of delivery, which will be governed by the provisions of Bank's wire transfer agreement, and the foregoing terms for the execution of transactions against collected balances, Bank's election of this option will not affect any other provision of this Article, the General Terms, or the Documentation, including but not limited to provisions related to the Limits.

e) *Use of Third Party Service Providers.* If Customer uses a third party service provider to deliver Customer's files to Bank or to perform any other actions in connection with the Services provided hereunder , that third party will be considered Customer's agent. All terms of the Agreement will apply to the actions or failure to act of such third party service provider and Customer will be legally bound by all acts and omissions of such third party service provider. Customer agrees to cause any such third party service provider to execute any agreements or other forms Bank may specify prior to conducting any transactions on Customer's behalf.

16. Responsibilities as a Third Party Payment Processor. Customer agrees that, if Customer uses the ACH Service provided by Bank to initiate any ACH Entries for Customer's clients or any person or entity other than Customer (a "Client"), the following provisions shall apply:

a) *Payment Processing.* By providing payment processing services to third parties, Customer is considered a "Third Party Payment Processor." Customer acknowledges that, as a regulated financial institution, Bank is expected to monitor the payment processing services it provides, either directly to Bank's customers or indirectly through a Third Party Payment Processor. Customer agrees to provide Bank and any regulatory agency having jurisdiction over Bank (a "Regulatory Agency") with such information and reasonable assistance as may be necessary for the Bank or a Regulatory Agency to evaluate Customer's payment processing activities. Customer acknowledges and agrees that, by initiating any ACH Entry for a Client, Customer may be subjecting itself to the jurisdiction of such Regulatory Agencies. Customer also agrees that it shall not use the ACH Service to provide payment processing services to any other Third Party Payment Processor unless Bank, in its sole discretion, agrees in writing that the Service may be so used.

b) *Customer's Clients.* At Bank's request, Customer shall provide Bank with a written list identifying each Client for which Customer then initiates ACH Entries using the ACH Service (the "Client List"), and also shall provide an updated Client List upon request. Customer agrees to provide Bank with any information about a Client that Bank may request in order to identify the Client or to understand the type and extent of the Client's business. In the event that Bank, in its sole discretion and at any time, determines that any Client is unacceptable to Bank, Bank shall notify Customer. Bank's notice may (i) prohibit Customer from using any Account or Service to perform payment processing for that Client, or (ii) place conditions on Customer's use of any Account or Service to perform payment processing for that Client.

c) *Additional Information.* Customer acknowledges that, as a condition to allowing Customer to initiate or to continue initiating ACH Entries for Clients, Bank may require Customer (i) to provide Bank with additional information about Customer and its Clients upon request; and/or (ii) to enter into a Payment Processing Addendum under which Customer shall periodically provide Bank with specified information about Customer and its Clients.

d) *Applicable Laws.* Customer shall comply with any and all applicable federal, state, and local laws, statutes, ordinances, orders, codes, rules, regulatory guidance, regulations that govern or relate the payment processing services provided by Customer to Clients (including without limitation all consumer protection laws and all laws restricting business with any individual, entity or country identified on any list of Specially Designated Nationals or sanctioned countries that is issued from time to time by the Office of Foreign Asset Control of the United States Department of the Treasury (collectively, the "OFAC List")), as they may be amended from time to time ("Applicable Laws"). Customer shall comply with and bear the costs required by any change in Applicable Laws. Customer agrees not to take any action that shall render Bank liable for any violations of Applicable Laws.

e) *Prohibited Clients.* Bank, in its sole discretion, may determine not to provide payment processing services, directly or indirectly, to particular types of business. Bank may provide Customer with its list of any types of businesses for which Bank will not provide payment processing services (the "Prohibited Business List"), and Customer agrees not to use any Account or Service to perform payment processing for any Client that is engaged in a type of business included on Bank's current Prohibited Business List.

f) *Covenants, Representations and Warranties of Customer.* Customer covenants, represents and warrants that:

i. Customer (A) is not identified on the OFAC List, (B) is not foreign-based, and (C) has no foreign-based affiliates that provide any payment processing services using a Regions Account.

ii. Customer shall not provide payment processing services to, transmit payments to, employ or subcontract with, or otherwise conduct business with any individual, entity or country identified on the OFAC List. Customer shall implement and comply with internal policies and procedures reasonably designed to assure that Customer meets this obligation, including without limitation procedures to screen against the OFAC List. In the event Customer determines that, notwithstanding its policies and procedures, Customer has conducted business with any individual, entity or country identified on the OFAC List, Customer shall notify Bank as soon as practicable, but in any event no less than five (5) days of making this determination.

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iii. Customer does not and shall not contract with any third party to procure new Client relationships (i.e. an Independent Sales Organization (also referred to as an ISO) or gateway arrangement).

iv. Customer has secured and will maintain any licenses, permits, registrations or other authorizations (a "License") from the applicable governmental authorities that Customer must have in order to provide its payment processing services in compliance with Applicable Law. Upon request, Customer will provide Bank with a copy of the License for each jurisdiction in which Customer does business or an opinion of counsel acceptable to Bank that no License is required in that jurisdiction.

g) *Audit, Monitoring and Compliance.*

i. Customer acknowledges that Bank is subject to examination and audit by Regulatory Agencies. Customer further acknowledges that such federal and state Regulatory Agencies having supervision over Bank may require access to Customer's facilities in order to examine, audit, or investigate the compliance of this Addendum with all Applicable Laws. Customer agrees to cooperate fully with respect to all such examinations, audits, and investigations. Customer agrees to notify Bank as soon as practicable of any formal or informal request by any Regulatory Agencies having supervision over Bank to examine records pertaining to Bank, Clients, or this Addendum, if Customer is not prohibited by law from notifying Bank.

ii. To the fullest extent permitted by Applicable Law, Customer shall notify Bank promptly if: (A) Customer learns that any governmental agency believes or suspects that this Addendum or any act or omission of Bank or Customer in connection with or pursuant to this Addendum may violate any Applicable Laws; (B) Customer learns that any person, entity, or governmental agency is contemplating private action or enforcement action of any kind against Customer or Bank in connection with this Addendum or the payment processing services that Customer provides to Clients; (C) Customer learns of a data breach involving Customer's or any of its agents' systems used for payment processing, in which case Customer shall notify Bank within twenty-four (24) hours of learning of the breach; (D) Customer experiences a material adverse change in its financial condition; or (E) Bank (either through its own representatives or by employing third parties), at any time and upon reasonable prior written notice, shall have the right to audit and examine (i) Customer's compliance with this Addendum any and all Applicable Laws, which may include access to Customer's premises or facilities, and (ii) Any Client's compliance with the NACHA Rules, as provided more fully in Subsection h below.

h) *Third-Party Sender*, *Initiation of ACH Entries On Clients' Behalf.* Customer agrees that, if it initiates ACH Entries for Clients, Customer is considered a Third Party Sender and agrees to be bound by the terms of this Section. Terms capitalized in this Section shall have the meaning provided in the Agreement or the NACHA Rules.

i. By initiating an Entry on behalf of a Client, Customer authorizes Bank to initiate the Entry on that Client's behalf to the Receiver's account.

ii. Customer confirms its agreement to be bound by the NACHA Rules, and agrees to comply with all of its provisions regarding Third Party Senders, including, but not limited to, the requirements for Customer: (A) to provide Bank, within two (2) days of Bank's request, with any information that Bank reasonably considers necessary to identify each Originator for which Bank transmits entries, (B) to make payment to Bank for all Credit Entries initiated and for all Debit Entries that are returned by the RDFI, (C) to retain and to deliver to Bank upon request any records, documentation and other data regarding any Entries that Customer initiated as a Third Party Sender; and (D) not to initiate Entries that the laws of the United States or any Applicable Laws.

iii. Customer agrees to comply with any restrictions that Bank has placed on the types of Entries that Customer may initiate on behalf of Clients.

iv. Customer agrees that, before initiating any Entry on a Client's behalf, Customer will have entered into an agreement with that Client which satisfies the requirements of the NACHA Rules (an "Originator Agreement"). Among other requirements, the Originator Agreement must provide that the Client (A) agrees to be bound by the NACHA Rules and to assume the responsibilities of an Originator under the NACHA Rules; (B) agrees not to initiate Entries that violate the laws of the United States or any Applicable Laws; (C) acknowledges Bank's right to suspend or terminate its ACH Service for breach of the NACHA Rules and as otherwise provided in the Agreement and this Addendum; and (D) acknowledges Bank's right to audit the Client's compliance with the Origination Agreement and the NACHA Rules. Customer agrees to indemnify Bank from and against any and all claims, demands, losses, liabilities, and expenses (including attorneys' fees and costs), that result directly or indirectly from the failure of that Client to perform its obligations as an Originator under the NACHA Rules.

v. Customer agrees that, by December 31 each year and at its own expense, Customer will conduct or have conducted an annual audit of its compliance with the NACHA Rules in accordance with Appendix Eight of the Rules.

vi. Customer shall have the responsibility to (I) handle all returned Entries, Notifications of Change (NOCs), and rejected Entries; (II) notify the Receiver of any reversing Entry; and (III) detect and correct any errors.

vii. Customer represents and warrants that it will initiate ACH Entries only from accounts located in the United States.

ix. Prior to originating any ACH transaction on behalf of another party, Customer shall provide Bank with all requested information for purposes of Bank registering Client as a Third-Party Sender with NACHA. Customer shall promptly notify Bank of any changes to the information provided in connection with the Third-Party Sender registration.

ix. If Customer acts as a Third-Party Sender with respect to the initiation of entries for another Third-Party Sender which has authority to act on behalf of an Originator ("Nested Third-Party Sender"), Customer shall

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require that such Nested Third-Party Sender agrees in a written agreement to be bound by the NACHA Rules, agrees to comply with all of its provisions regarding Third Party Senders and contains all the applicable provisions as set forth in Section 16(h), inclusive of but not limited to the requirements of Origination Agreement. Further, Customer will provide these written agreements for Nested Third-Party Senders upon Bank's request.

i) *Fees and Other Charges.* In addition to the fees and charges for use of the ACH Service, Customer also agrees to pay any fines and penalties arising from or related to Customer's use of the ACH Service to provide payment processing for Clients or failure to comply with this Section, including without limitation any fines or penalties imposed on Bank in connection with Customer's acts or omissions.

Article III. Positive Pay Service

1. Statement of Service. This Article describes Bank's Positive Pay Services whereby Bank and Customer follow the processes and procedures described herein in order to authorize and/or confirm the payment or return of checks presented for payment against Customer's account(s). The Service systems are not designed to detect or prevent fraud due to paperless entries (to include ACH, Wire, and EFT) to the account. If a Positive Pay account is funded by an ACH, Wire, EFT, or any other paperless entry and there are no funds available to be deposited to the Positive Pay Account, the Bank will not be required to pay any checks presented against the account.

2. Same Day Positive Pay and Next Day Positive Pay.

a) In the Same Day Positive Pay Service and the Next Day Positive Pay Service, Bank will match checks that are presented for payment to a file of issued checks Customer provides to Bank and generate an exception report indicating discrepancies between the issued checks and the checks being presented for payment. As used in this Article, the following terms shall have the following meanings with respect to Same Day Positive Pay and Next Day Positive Pay:

(i) Conforming Check means, as applicable:

(A) with respect to Same Day Positive Pay and Next Day Positive Pay, any check presented to Bank for payment which bears an encoded check serial number and an encoded amount which match the description of an outstanding item in the Issue File;

(B) with respect to the Payee Name Verification Service, any check presented to Bank for payment which bears an encoded check serial number, an encoded amount, and a payee name which match the description of an outstanding item in the Issue File, and – only with respect to the Zoning feature of the Payee Name Verification Service, and only if Customer has elected to enable said feature – a matching payee name which is in the same zone on the presented check as the payee name zone that Customer has predefined in writing with Bank; and,

(C) whether or not Customer has elected the Payee Name Verification service, and only with respect to over-the-counter transactions through Bank's Teller Positive Pay System where Customer has elected to furnish payee names in the Issue File along with other required information, any check presented to Bank for payment which bears an encoded check serial number, an encoded amount, and a payee name which match the description of an outstanding item in the Issue File.

(ii) Issue File means a list, as updated from time to time in accordance with Bank's rules and guidelines, in an electronic readable format prescribed by Bank, of Customer's duly issued checks, describing each check by its serial number and amount. If Customer has elected the Payee Name Verification service, or if Customer has not elected the Payee Name Verification service and desires verification of payee name in connection with over-the-counter transactions through Bank's Teller Positive Pay System, the Issue File must also include the payee name for each check.

(iii) Non-Conforming Check means any check presented for payment to Bank which does not bear all information required for a Conforming Check.

b) In connection with Same Day Positive Pay and Next Day Positive Pay, Customer shall deliver to the Bank the Issue File, or update thereto, by data transmission to the Bank prior to disbursing checks to payees. In the event that the Customer cannot generate the Issue File, the Customer is responsible for notifying Bank. Issue Files received by 7:30 AM CST/CDT on the date of check(s) disbursement will be loaded and available for Teller Positive Pay System. In determining which of the Customer's checks drawn on the Bank have been duly issued, all items presented over-the counter on Same Day Positive Pay and Next Day Positive Pay accounts will be subject to verification from the Customer's Issue File through Bank's Teller Positive Pay system. If the item presented for payment over-the-counter is determined by Bank to be a Non-Conforming Check in any respect, the item presented will not be honored and the transaction will be terminated. Non-Conforming Checks presented over-the-counter are not subject to the notification and pay/return decision procedures otherwise described herein for Non-Conforming Checks.

c) Any Conforming Check presented to Bank shall be deemed properly payable with respect to the Customer's signature and the amount of the check, and in the case of over-the-counter transactions through Bank's Teller Positive Pay System where Customer has furnished payee names in the Issue File, or if Customer has elected the Payee Name Verification Service, also with respect to the payee, and if Customer has elected to enable the Zoning feature of the Payee Name Verification Service, also with respect to the payee name being printed in the zone Customer has

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predefined with Bank. The Bank shall be under no obligation to verify the Customer's signature or the absence of any alterations thereon. Likewise, the Bank shall be under no obligation to verify the payee name on the check in comparison with the Customer's Issue File except in the case of over-the-counter transactions through Bank's Teller Positive Pay System where Customer has furnished payee names in the Issue File, or where Customer has elected the Payee Name Verification service.

d) In the event a Non-Conforming Check is presented to the Bank (other than presentment over-the-counter), Bank shall notify the Customer by facsimile transmission or online of such Non-Conforming Check. For Same Day Positive Pay, the Bank's notice shall be given by 3:30pm CST/CDT on the day of presentment of the Non-Conforming Check. For NextDay Positive Pay, the Bank's notice shall be given by 10:00am CST/CDT on the next banking day following posting of the check. If Bank systems or communications failure occurs, the Bank may notify the Customer by telephone.

The Customer shall instruct the Bank to Pay or Return (No Pay) the Non-Conforming Check(s) at the following times:

1. *For SameDay Positive Pay Customers* - no later than 1:00 p.m. CST/CDT on the next banking day after the Bank's notification to Customer.

2. *For NextDay Positive Pay Customers* - no later than 2:00 p.m. CST/CDT on the same day of the Bank's notification to Customer.

Customer's instructions shall be delivered according to the elections in the Service Schedule. If Customer has elected to deliver instructions via iTreasury, and if iTreasury is inoperable, Customer may deliver instructions via fax (205-261-6449) or via telephone (800-787-3905). Absent any contrary timely instruction from the Customer, and subject to any default elections made in the Service Schedule, the Bank will pay the Non-Conforming Check(s), and, in so doing, the Bank shall incur no liability to Customer for improperly paying the item(s). Paid item(s) omitted from the Customer Issue File will be subject to a paid-no-issue fee per item(s) paid. Customer agrees that if Bank acts in accordance with the procedures set forth in this Article and the Service Setup in paying or returning item(s), Bank will be deemed to have exercised ordinary care.

e) Notwithstanding any term or provision herein to the contrary, if Customer has elected the Payee Name Verification service, Customer acknowledges and agrees that Bank will not verify a check payee name in the event a presented check is deemed a Non-Conforming Check due to a discrepancy in either the encoded check serial number or the encoded amount. In such cases, Customer shall bear any and all risk of payee name mistake or alteration in the event Customer's instructions call for Bank to pay the Non-Conforming Check.

f) In order to stop payment on a check included in the Issue File, the Customer shall deliver a stop payment order via telephone, iTreasury, or in writing prior to the presentment of the item. A cancel or void in the Issue File should only be used if a check has not been disbursed. Bank's system will not recognize cancels as stop payments. If a stop payment order is placed after an item has been memo posted to Bank's system, the stop payment will not be placed. Stop payment orders are subject to the terms and conditions of the deposit agreement governing Customer's account.

g) In connection with Same Day Positive Pay or Next Day Positive Pay, Customer may elect Stale Date Verification whereby Customer may request that the Bank return unpaid any checks which are presented for payment a specified number of days following the date listed on the Customer's check(s). Customer must specify the number of days Customer selects in the Service Schedule. All checks presented for payment after the selected number of days following the date shown on the check will be returned as "refer to maker" until this service is cancelled by the Customer. The Bank is not obliged to honor any stale date notice on the Customer's check unless the Customer has selected Stale Date Verification. Any claimed loss from the payment of checks not in accordance with the time limits listed by Customer in the Service Schedule will be governed by the same legal principles as those concerning improper payment over a binding stop payment.

3. Reverse Positive Pay. In the Reverse Positive Pay Service, the Customer does not submit issue information, and the Bank reports to the Customer all checks presented for payment to the Bank on the previous banking day by serial number and amount. Customer must notify the Bank via email or online via iTreasury to an address provided to Customer by Bank by 11:00 AM CST/CDT with instructions to return those checks which Customer does not desire to pay. Any check as to which Customer does not timely and properly provide non-payment instructions will be deemed approved for payment by Customer, and if Customer does not notify Bank by the specified time with any non-payment instructions, all checks will be considered as approved for payment by Customer. Reverse Positive Pay does not protect against fraudulent items that are cashed at a banking office, and for that reason the Bank recommends Same Day Positive Pay or Next Day Positive Pay. Reverse Positive Pay does not replace Bank's standard check processing procedures, which may cause a check to be dishonored even if Customer's instructions or the default procedures do not otherwise require Bank to return such check. If the Customer chooses to use Reverse Positive Pay, Customer accepts all risk of loss associated with Bank's payment of fraudulent items presented for payment over the counter at banking branch, except as may be attributable to the Bank's lack of good faith or gross negligence.

4. No Check Positive Pay Service. The No Check Positive Pay Service is designed for customers who do not intend to draw checks on their accounts. In the No Check Positive Pay Service, Bank and Customer do not exchange information about issued and presented checks according to the processes and procedures described herein with regard to other Positive Pay Services, and Bank automatically returns all checks presented and posted against Customer's account. If Customer has enrolled an account in the No Check Positive Pay Service , Customer releases Bank from any and all liability, including (without limitation) liability for wrongful dishonor, and agrees to indemnify Bank and hold Bank harmless from and against any and all damages, losses, fines, fees, taxes, legal expenses, and/or actions at law, related to or arising from the return or dishonor of any check that actually is authorized by Customer and/or that otherwise would be properly payable with respect to Customer's account.

5. Other Terms and Conditions.

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a) Customer is responsible for providing and maintaining an updated list of Customer personnel authorized to make pay/no pay decisions on items to the Bank ("Authorized Personnel"). Information provided on the Service Schedule will remain in effect until an appropriate Customer representative otherwise notifies the Bank in writing of a change in the list of Authorized Personnel.

b) Customer acknowledges that notwithstanding the return of checks by the Bank in accordance with Customer's instructions in connection with the Service, the Customer may be subject to claims for payment by the payee of any check or by a holder in due course of a check.

c) If Customer has enrolled for Bank's Commercial Check Imaging service and/or Bank's Reconcilement service, Customer hereby agrees that the terms and conditions of such services supplement the terms of this Article. This Article shall control over any inconsistencies between this Article and the Commercial Check Imaging Service Schedule and the Reconcilement Service Schedule as to the provision of the Service described in this Article.

d) Customer shall be responsible for ensuring that all checks and Issue Files issued by Customer in connection with this Service meet Bank's quality standards and specifications. Without liability to any party, and without limiting any other right or remedy available to Bank, Bank shall be entitled to cease or suspend the Service, in whole or in part, in Bank's sole and absolute discretion and with or without notice to Customer, if the quality of the checks, including (but not limited to) the quality of the magnetically encoded characters on the face of each check and the quality and legibility of the payee name, or the quality of the Issue File do not meet Bank's standards and specifications, or if the checks otherwise cannot be processed on Bank's equipment, or if Customer shall otherwise fail to properly perform its duties, obligations, and responsibilities in connection with the Service, or shall commit any act or omission which impairs Bank's ability to provide or prevents Bank from providing the Service. Customer further acknowledges and agrees that if Customer has enrolled in the Payee Name Verification service and fails to meet Bank's quality standards, requirements and specifications for the printing of payee names on checks, then Bank, at its option and notwithstanding any other term or provision of this Article, may treat and process as a Conforming Check any check which bears an encoded check serial number and encoded amount which matches the description of an outstanding item in Customer's Issue File without regard the payee name on the check, and Customer shall bear and assume all risk as to any discrepancy, error, or nonconformity with respect to the payee name. Bank may charge, and Customer agrees to pay, a fee for the manual examination of any checks that do not meet Bank's quality standards, requirements and specifications for the printing of payee names on checks in connection with the Payee Name Verification service.

e) The types of exceptions identified using the Service are strictly limited to the exception definitions herein, according to the service level Customer has elected. Nothing in this Article shall be construed as relieving Customer of its normal due diligence responsibilities regarding the examination of account statements and individual checks to detect exceptions outside the scope of the Service provided to Customer hereunder (including, but not limited to, alteration of payee information if such information is not otherwise verified in connection with the Service). Bank shall not be liable for any loss arising from Customer's failure to exercise due diligence.

f) Customer shall accept liability to any party and hold the Bank harmless for any damages, losses, fines, fees, taxes, legal expenses, or actions at law arising from the return (dishonor) of any check if such return resulted from the correct application of the Customer's pay/return instructions.

g) The Bank will not be liable to Customer or anyone else if Bank refuses to pay suspect items presented at Bank teller lines. If for any reason, voluntarily or involuntarily, Customer is suspended from Teller Positive Pay and items presented at Bank's teller lines are paid, Customer agrees that Bank will not be liable to Customer for paying any fraudulent item during the suspension of Teller Positive Pay service. Customer agrees that Bank will have exercised ordinary care in providing positive pay services in any case of fraudulent activity on Customer's account.

h) Any check that is paid in accordance with the Service shall be considered properly payable under the Uniform Commercial Code and Customer agrees that Bank shall have no liability to Customer for paying items in accordance with the Service. Bank's liability to Customer for any presented check erroneously paid by Bank in breach of this Article ("Bank's Wrongful Honor") shall be limited to the lesser of the amount of the wrongfully paid check or Customer's actual damages resulting from Bank's payment of the check. Bank retains the right to assert the defense that Customer has sustained no actual damages because Bank's Wrongful Honor discharged for value an indebtedness of Customer. Nothing herein shall constitute a waiver or limitation of the rights of Bank under the Uniform Commercial Code ("UCC"). Bank's liability for wrongful dishonor of a check presented to Bank for payment shall be limited to the damages for wrongful dishonor recoverable under UCC Articles 3 and 4; provided, however, that Bank shall have no liability to Customer for wrongful dishonor when Bank, acting in good faith, returns a presented check: (i) that it reasonably believed was not properly payable; or (ii) if required to do so by the service of legal process on Bank or the instructions of regulatory or government authorities or courts.

Article IV. Integrated Payables Service

1. Description of Service. This Article describes Bank's Integrated Payables Service, whereby Customer may execute certain payment transactions via the Internet and/or via other methods of electronic data exchange to electronically streamline the exchange of payments, remittance and other information between Customer and Bank and Customer and its business associates. The Service functions and transactions elected by Customer, and other details and technical specifications regarding Customer's use of the Service, are indicated in the Service Schedule, which constitutes a part of the Service Terms.

2. Definitions. The following definitions apply when the following terms are used in this Article:

"*Customer Material*" means the data, software, files, designs, plans, specifications, improvements, works or other materials provided by or on behalf of Customer for storage on or inclusion in the Service or User Guide.

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"*Service Terms*" means, collectively, all terms, provisions, conditions governing the Service that are imposed by Bank and/or its Third Party Service Provider, including (without limitation) this Article, the General Terms, and any applicable Service Schedule, Customer Profile, and/or User Guide.

"*Vendor Agreement*" means any terms, conditions, contract, license, or any other agreement entered into or agreed to by and between Bank and any Third Party Service Provider with respect to the Service or any feature, function, or element thereof.

Other terms may be defined elsewhere in this Article. Capitalized terms used in this Article and not defined in this Article shall have the meanings ascribed to them in the General Terms.

3. Other Agreements. When this Service is used to access other Bank services, products, or payment facilities (including, without limitation, Bank's ACH service, Bank's wire transfer service or Virtual Purchasing Card service), the terms, conditions, and agreements governing such other services, products, and payment facilities, including any applicable Article of Part 2 of this Master Agreement, ("Service Agreements") remain in full force and effect, except as expressly modified or amended by the Service Terms. Such other Service Agreements are hereby incorporated by reference and made a part hereof. Customer agrees to promptly execute and deliver to Bank any documentation required by Bank to evidence Customer's agreement to Bank's terms and conditions for services, products, and payment facilities accessed and used by Customer through the use of the Service; provided, that Customer's use of the Service to use, access, and/or perform other Bank services, products, or transactions automatically constitutes Customer's acceptance of and agreement to any and all terms, conditions, and provisions in effect and imposed by Bank at the time of Customer's use or performance of such services and transactions without the execution of any related documentation by Customer. Termination of a Service Agreement of a Service selected by Customer (Check Printing, ACH, Wire, Positive Pay, Virtual Purchasing Cards) shall terminate the use of such Service under this Article. Customer agrees to be bound by and to comply with any and all User Guides, instructional materials or technical information relating to the use of the Service that is made available to Customer by Bank or its Third Party Service Provider in connection with the Service, as amended from time to time. Customer acknowledges and agrees that Bank, in Bank's sole and absolute discretion, may engage Third Party Service Providers in connection with the Service. Bank's provision of the Service to Customer is subject to, and Customer shall be bound by, all applicable terms, provisions, or conditions of any Vendor Agreement between Bank and any Third Party Service Provider, and in the event of a conflict between the terms of this Article and the applicable terms of any Vendor Agreement, the terms of such the Vendor Agreement shall govern and control. Customer acknowledges and agrees that Customer is not a third party beneficiary of any Vendor Agreement and shall not have any direct claims or recourse against any Third Party Service Provider, except to the extent expressly permitted by the terms of the Vendor Agreement and subject to all limitations and disclaimers provided in such Vendor Agreement.

4. Additional Customer Obligations and Responsibilities. Customer agrees that Customer (i) shall use the Service and User Guide only in the ordinary course of Customer's internal business operations, (ii) shall not use the Service in violation of the Service Terms, (iii) shall not use the Service to conduct any type of service bureau or time-sharing operation or to provide remote processing, network processing, network telecommunications or similar services to any person, whether on a fee basis or otherwise, and (iv) shall ensure that the Service is used only by Customer's Authorized Users in accordance with the User Guide. In the event of any error in connection with the Service or any Service transaction, Customer shall provide to Bank or its Third Party Service Provider reasonably detailed documentation and explanation, together with underlying data, to substantiate any error and to assist Bank or its Third Party Service Provider in diagnosing, reproducing and correcting the error. Customer shall use any modifications, revisions, and updates in the Service and User Guide, including changes in programming languages, rules of operation and screen or report format, as and when they are implemented and/or made available by Bank or its Third Party Service Provider. Customer agrees to devote all equipment, facilities, personnel and other resources reasonably necessary to implement the Service and to be trained in the use of the Service, and neither Bank nor any Third Party Service Provider shall be responsible for any delays or additional fees and costs associated with Customer's failure to timely perform such obligations.

5. Customer Material. Customer hereby grants to Bank and its Third Party Service Provider a non-exclusive, worldwide, royalty free license to modify, copy, use or otherwise include the Customer Material in the Service and User Guide. Customer represents and warrants that (i) Customer and its Authorized Users have full legal right to grant to Bank or its Third Party Service Provider the right to use the Customer Material for inclusion in the Service or the User Guide, (ii) the Customer Material complies with all applicable law and does not infringe upon any United States patent, copyright, trade secret or other proprietary right of any person, and (iii) Customer has obtained all necessary assignments or licenses and waivers of moral rights from its employees and/or contractors, including the right to modify any applicable work contained in the Customer Material and to associate any applicable work contained in the Customer Material with any product or service. Customer agrees to indemnify and defend Bank and its Third Party Service Provider against any third party claim alleging a breach of the foregoing representations and warranties or an infringement of a United States patent, copyright, trademark, trade name, trade secret or other proprietary right of any person.

6. Inaccurate Information. Bank is not responsible for any inaccuracies in payment instruction caused by errors in data or information provided by Customer. Customer is responsible for ensuring that the data, information and instructions submitted by Customer for transactions executed through the Service are accurate and complete. Any dispute to payment transactions initiated through the Service in accordance with Customer's instruction will be resolved in accordance with the applicable dispute resolution process.

7. Customer Payees. Customer is solely responsible for scheduling and initiating any and all Service transactions sufficiently in advance of applicable due dates. Bank and its Third Party Service Provider disclaim any and all representations or warranties, express or implied, that any transaction executed through the Service will be timely and/or properly received, processed, and applied by any counterparty to such transaction. For any payments to a counterparty, Customer is responsible for confirming that the counterparty is the proper party that Customer intends to pay. Customer assumes all risk relating to the timely and proper scheduling, initiation, processing, transmission, receipt, and application of Service transactions, and Customer releases Bank and its Third Party Service Provider from any and all claims, liabilities, and/or damages related thereto or arising or resulting therefrom. Except for those losses caused directly by Bank's or its Third Party Service Provider's gross negligence or willful wrongful acts, Customer agrees to indemnify, defend, and hold Bank and its Third Party Service Provider harmless from and against any and all losses, costs, suits, damages, claims, liabilities, and expenses (including, without limitation, reasonable attorneys' fees) arising from or related in any way to any relationships, claims, or disputes between Customer and any and all counterparties to transactions executed by Customer through the Service (including, without limitation, payees of payment transactions executed through the Service).

Restricted

8. Adjustment to Account; Checks. Bank reserves the right to adjust, debit, or credit Customer's account in the amount of any requested Service transaction on the date that the transaction is initiated through the Service or any time thereafter. In the event Customer directs that any Service payment transaction be made by check or draft, Customer authorizes Bank and/or its Third Party Service Provider to execute a check or draft drawn on Customer's account for the purpose of executing such transaction, notwithstanding any resolution, signature card, or other document filed with Bank that purports to limit authority or signatory capacity over any of Customer's accounts, whether currently on file or submitted or modified in the future. Upon request by Bank or its Third Party Service Provider, Customer shall promptly submit one or more facsimile signatures, in such form or format as Bank or its Third Party Service Provider may require, for application to checks or drafts executed through the Service.

9. Modification of Service Transactions. Bank and its Third Party Service Provider shall have no obligation to permit Customer to amend, modify, cancel, or stop payment on Service transactions after Customer has initiated or submitted such transactions for execution through the Service. In the event Bank or its Third Party Service Provider shall permit Customer to amend, modify, cancel, or stop payment on Service transactions, Customer must act within applicable deadlines established by Bank or its Third Party Service Provider for such purposes and otherwise afford Bank and its Third Party Service Provider a reasonable opportunity to respond to instructions to amend, modify, cancel, or stop payment on Service transactions; provided, that in no event shall Bank or its Third Party Service Provider have any liability to Customer or any counterparty to Customer's Service transaction if Bank or its Third Party Service Provider shall fail to execute or timely execute any instruction to amend, modify, cancel, or stop payment on such Service transaction.

10. Security Procedures. In addition to, and without limiting the generality of, the security procedure provisions in the General Terms, each User on the Regions Integrated Payables website will be required to log into the system using a User Name and Password. At initial log in, the User will be required to register an SMS enabled mobile phone number. At each subsequent log in the User will be sent an SMS Text Message containing a one-time Password. The User must enter that one-time Password to complete the login process. The User Name, Password and one-time Password constitute the Security Devices necessary for login. Customer is responsible for keeping the mobile phone number(s) up to date.

Article V. iTreasury Service

1. Statement of Service. This Article describes Bank's iTreasury Service, whereby Customer may review account transactions and information and perform certain transactions and banking services via the Internet. The Service functions and transactions elected by Customer are indicated in Section I of the Service Schedule.

2. Other Agreements. When the Service is used to access other Bank services, the terms, conditions, and agreements governing such other services remain in full force and effect, except as expressly modified or amended by the terms of this Article or other written terms or procedures imposed by Bank with respect to the Service. Customer agrees to promptly execute and deliver to Bank any documentation required by Bank to evidence Customer's agreement to Bank's terms and conditions for services accessed and used by Customer through the use of the Service; provided, that Customer's use of the Service to use, access, and/or perform other Bank services or transactions automatically constitutes Customer's acceptance of and agreement to any and all terms, conditions, and provisions in effect and imposed by Bank at the time of Customer's use or performance of such services and transactions without the execution of any related documentation by Customer. Customer agrees to be bound by and to comply with any and all instructional materials or technical information relating to the use of the Service that is made available to Customer by Bank in connection with the Service, as amended from time to time.

3. Service Availability. Customer acknowledges that the Service may from time to time be unavailable during periods of maintenance and testing. Customer further acknowledges and agrees that the performance and completion of Service transactions are subject to Bank's business days and hours of operation, Bank's published policies and procedures, the hours of operation of departments within Bank performing Service transactions, applicable law, the provisions of this Article and the General Terms, and the provisions of other Bank customer agreements governing specific transactions to be performed under this Article—including, without limitation, any other applicable Articles in Part 2 of this Master Agreement—and Customer agrees that Bank shall not be liable for any delay in the processing or settlement of Service transactions resulting from the foregoing.

4. Definitions of Key Terms. Terms not otherwise defined herein shall have the meaning ascribed to those terms in the General Terms. Unless otherwise indicated, the following terms used in this Article and/or the Service Schedule shall have the following meanings:

> *"System Administrator"* means a Customer-specified individual or multiple individuals who serve as Bank's point of contact for issues related to the use of the Service, and who administers Customer's policies and procedures regarding the use of the Service. Through the assignment of User IDs and issuance of Security Devices, an Administrator designates the individuals who may access the Service and governs the features, functions, and accounts to which each individual User may have access.
>
> *"Dual Administration"* means an optional security enhancement by which Customer requires a second System Administrator to approve all changes to users, included but not limited to new user creation, entitlement or permissions additions or changes, additions or changes in account access, and/or changes or additions of dollar limits for transactional services.
>
> *"User ID"* means a unique code representing one authorized user of the service. Each User ID is associated with a System Administrator-defined profile which limits the user's access to only those features, functions, and accounts (collectively, the user's "entitlements") designated by System Administrators.
>
> *"Password"* means a user-selected or Bank designated code which is associated within the Service with the user's User ID. To access the Service, a user must provide his or her User ID and the exact Password associated with that specific User ID.

5. iTreasury Transfer Module. Customer acknowledges and agrees that the iTreasury Transfer Module will allow Customer to transfer funds to and from all of the accounts listed in the Information Reporting Account Information section of the Service Schedule, subject to the terms, conditions, and provision of this Article and the General Terms.

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6. Security Procedures. In addition to, and without limiting the generality of, the security procedure provisions in the General Terms, Bank and Customer agree that certain Security Procedures described herein and in the Comprehensive User Guide shall be used in conjunction with this Service. Bank may require additional security authentication for certain Services described in this Article and/or the Service Schedule. The System Administrator designated by the Customer or to those parties who are authorized by the Customer to set up a User's designated device to receive the authentication from time to time. The System Administrator shall have the sole responsibility to designate the device to appropriate users , and the System Administrator will assign the Services to which such parties shall have access. Users will setup their own personal authentication for use with the device. The Bank will consider itself authorized to perform all transactions described in this Article and/or the Service Schedule if a transaction request is accompanied by the Customer's designated Security Devices. The Customer agrees to safeguard the Security Devices and agrees to release the Bank from liability where unauthorized access to or use of the Services occurs through the use of the Security Devices.

7. iTreasury Alerts Module. The iTreasury Alerts Module gives Customer the ability to set up messages ("Alerts") to be sent by the Service to one or more Customer designated email addresses to notify Customer of specific transactions, situations, or events. For example, Customer can request an Alert to be sent when an Account has reached a certain balance or a check has been processed. Customer can configure Alerts by selecting and configuring each type of Alert. Customer acknowledges that Alerts are generated and sent through an automated process based on conditions set by Customer. Therefore, Customer is responsible for inputting accurate information when setting up Alerts, and Bank shall not be responsible for any losses, damages or expenses that may occur as a result of the improper setup of an Alert or is not processed as a result of factors beyond Bank's reasonable control.

Article VI. RTP Send Service

1. Statement of Service. This Article states the terms and conditions on which Customer may send immediate funds transfers via the RTP System which is facilitated by The Clearing House Payments Company ("TCH"). Customer understands and agrees that all RTP Payments are final and irrevocable. Additional terms and procedures for the use of the RTP Send Service may be set forth in other documentation provided by the Bank, such as Service Instructions, Service Schedules or User Guides ("Documentation"). Customer agrees the Documentation constitutes part of the agreement between Customer and Bank for the provision of the RTP Send Service and to follow this Article and all Documentation in the initial setup and ongoing use of the RTP Send Service.

2. Compliance with Rules and Laws. Customer understands and agrees that all funds transfers using the RTP Send Service are subject to the RTP System Operating Rules ("Rules"), as the same may from time to time be amended. Customer agrees to comply with all applicable federal and state laws and regulations governing transfers to be performed hereunder, as the same may from time to time be amended. Customer agrees that it shall send only RTP Payments that comply with the laws of the United States, including, without limitation, the anti-terrorism and anti-money laundering programs administered by the U.S. Treasury Department's Office of Foreign Asset Control.

3. Definitions. Capitalized terms used in this Article that are not defined in this Article shall have the meanings ascribed to them in the Rules. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the General Terms.

4. Payment Instruction. Customer may submit to Bank a Payment Instruction to order payment to a Receiver whose account is located in the United States of America. Customer shall submit such instructions to Bank in accordance with the Documentation. Bank may establish processing times on each business day (each a "Processing Window") within which it will accept Payment Instructions from Customer. Bank may require Customer to deliver Payment Instructions to Bank by a specified time ("Cut-off Time") on the date Customer wants to make an RTP Payment. Bank reserves the right to impose, change or eliminate any Processing Window or Cut-off Time at any time in its sole discretion and without advance notice to Customer. Any applicable Processing Window or Cut-off Times will be set forth in the Documentation.

Upon receipt of a Payment Instruction, Bank will send a Payment Message to instruct payment to the Receiver. A Payment Instruction is received by Bank when the electronic transmission is completed, Bank is satisfied that applicable security procedures have been followed and Bank has successfully completed all applicable fraud and risk screening. Any Payment Instruction provided after the Cut-off Time will be considered received at the start of the next Processing Window, if applicable, or the next business day. If Bank receives a Payment Instruction from Customer after any applicable Cut-off Time, Bank will send the Payment Message on the date the Payment Instruction is received.

Customer agrees that Bank has no obligation to accept Payment Instructions and therefore may reject any such instructions submitted by Customer. Bank may reject Payment Instructions which do not comply with the requirements of this Article, including applicable security procedures, fraud and risk screening, funds availability or Limits (as defined below), or for which Bank has reason to believe Customer has breached one or more of the warranties Customer made to Bank with respect to such instructions. Bank may also reject a Payment Instruction (with subsequent notice of rejection being forwarded to Customer) without liability to Customer if, in Bank's reasonable judgment, executing the Payment Instruction would cause Bank to violate any applicable law, any regulation or the Rules. If Bank rejects any Payment Instruction under this paragraph, Bank will use reasonable efforts to notify Customer the same day. In any case, Bank will notify Customer no later than the next business day after rejecting any Payment Instruction. Bank shall have no liability to Customer for rejection of a Payment Instruction or for failure to notify Customer of a rejection and shall not be liable to pay any interest to Customer even if the amount of Customer's payment order is fully covered by a withdrawable credit balance in Customer's Account or Bank has otherwise received full payment from Customer.

If Customer asks Bank to amend or cancel a Payment Instruction and Customer's request complies with applicable security procedures, Bank may elect to comply with Customer's request if Bank has not yet sent the Payment Message. However, Bank is not obligated to act on such request nor will Bank be liable to Customer if Bank does not cancel or amend the Payment Instruction. Customer agrees to indemnify and hold Bank harmless from and against any and all claims, demands, losses, liabilities and expenses, including reasonable attorneys' fees and costs, resulting from compliance with Customer's cancellation or amendment request.

If a Payment Message is cancelled by TCH or rejected by the Receiving Participant, Bank will immediately make available to Customer any information regarding the status of the RTP Payment. Bank will have no obligation to retransmit the Payment Message unless Bank is required to do so by the Rules. Unless Bank is required by the Rules to retransmit the Payment Message, Customer must provide a new Payment Instruction

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to Bank. In the event a Payment Message is cancelled by TCH or rejected by the Receiving Participant, Bank will credit the Account in the amount of the cancelled or rejected payment.

5. Message Information. To the extent required by the Rules, Bank shall immediately make available to Customer any information regarding the status of the RTP Payment and shall make available to Customer any information contained in a Payment Message, Payment Message Response or a Non-Payment Message.

6. Settlement for RTP Payments. Customer agrees to maintain with Bank one or more designated Deposit Accounts (the "Account" or "Accounts") for settlement purposes, as set forth in the Documentation. All RTP Payments must be settled from the Account to which the Payment Instruction relates. For each Payment Instruction, Bank will debit the Account on the date it receives the Payment Instruction in the amount of the RTP Payment. Customer agrees to have on deposit in the Account sufficient available funds to cover the amount of the RTP Payment. If Customer does not make such funds available, Customer agrees that Bank may setoff against any of Customer's other accounts with Bank or against any of Customer's other property in Bank's possession.

7. RTP Payment Limits. Bank may establish, or may require Customer to establish, limits on the maximum amounts for RTP Payments ("Limits"). Limits may include, but are not limited to, a maximum amount for each RTP Payment or all RTP Payments sent on each business day. Any applicable Limits established by Bank will be set forth in the Documentation. Bank may modify any such Limits in its sole discretion at any time. These modifications are effective immediately and may be implemented prior to Customer's receipt of notice of the newly established Limits. Customer may contact Bank at any time to verify Customer's current Limits. Any Limits established by Customer will be set forth in Documentation. Customer agrees not to exceed the Limits. Customer acknowledges that the Limits are solely for the protection of Bank and its assets and that Payment Instructions to send funds in excess of the Limits may or may not be executed in Bank's sole discretion.

8. Customer Warranties. Customer warrants to Bank that for each Payment Instruction Customer submits to Bank, (1) the Payment Instruction has been submitted with Customer's authorization and in accordance with all terms of this Article and the General Terms, including applicable security procedures; (2) the Receiver's account is located in the United States of America; and (3) the Payment Instruction complies with the Rules and applicable law. Customer hereby indemnifies and agrees to defend Bank against and hold Bank harmless from any liability arising out of Customer's breach of the warranties in this section or of any other provision of this Article or the General Terms or any act or omission of Customer or any other person acting on Customer's behalf.

9. Security Procedures. In addition to, and without limiting the generality of, the security procedure provisions in the General Terms, Customer agrees to implement and comply with any and all security procedures for Service transactions that are agreed to between Customer and Bank, and Customer acknowledges and agrees that such security procedures are commercially reasonable security procedures under applicable law for the transactions and activity Customer intends to effect through the Service. Bank and Customer agree that such security procedures shall include multi-factor authentication.

Customer further agrees as follows with respect to submitting Payment Instructions via iTreasury. Customer will initiate a request via iTreasury to Bank via the Internet. All iTreasury customers are required to check the status of each Payment Instruction to ensure they have received the "Submitted" status for processing. Bank is not responsible for Payment Instruction timeliness. Customer will be responsible for same day verification of Payment Instruction status. Transactions initiated through iTreasury are further subject to the terms and conditions of the Documentation.

Bank reserves the right to change the payment channels available for submitting Payment Instructions. Information and requirements related to each available payment channel is set forth in the Documentation.

10. Authorized, Unauthorized and Erroneous Payments. Any Payment Instruction (including a request for cancellation or amendment of a Payment Instruction) or other communication delivered to Bank that purports to have been submitted or authorized by Customer in accordance with the security procedures shall be effective and binding upon Customer even if the Payment Instruction was not in fact authorized by Customer and notwithstanding any resolution, any dual or multiple signature requirement identified on any signature cards, or other documents relating to the affected Customer Account(s) that purport to limit authority over the Customer Account(s), whether currently on file or submitted or modified in the future, provided Bank has accepted the Payment Instruction in compliance with the Rules, reasonably believes it to have been submitted or authorized by Customer, and has acted in good faith. If any Payment Instruction received by Bank is, in fact, submitted or authorized by Customer (or any authorized representative of Customer), it shall be effective as Customer's Payment Instruction whether or not (i) Bank complies with the Rules and/or this Article and the General Terms with respect to the Payment Instruction, (ii) the Payment Instruction is erroneous in any respect, (iii) the error, if any, could be detected by Bank, or (iv) Bank executes or settles the Payment Instruction even though one or more of the conditions therefore, as set forth herein, is not satisfied. If Customer discovers an erroneous or unauthorized Payment Instruction, Customer shall immediately notify Bank, as well as notify the affected Receiver(s), and shall confirm such notification in writing. Upon receiving such notice, Bank may attempt to correct the erroneous Payment Instruction in a manner consistent with the Rules. Bank is not obligated to correct such Payment Instruction and Bank shall in no event be liable to Customer in the event that Bank is unable to correct the erroneous or unauthorized Payment Instruction. If Customer fails to notify Bank or the affected Receiver(s) of any erroneous or unauthorized Payment Instruction, Customer will be liable for any losses Bank may incur. Customer agrees that Bank has no obligation or duty to detect errors with respect to a Payment Instruction submitted by Customer. However, if Bank detects an error with respect to a Payment Instruction delivered to Bank, Bank will exercise reasonable efforts to give Customer notice of such error, and Customer agrees to furnish to Bank corrections in a format and on a medium prescribed by Bank. Bank reserves the right to suspend or cancel Customer's ability to perform transactions hereunder if Bank suspects any unauthorized or fraudulent transactions. Customer agrees to take any reasonable actions requested by Bank to prevent unauthorized transactions or to correct errors.

a) Request for Return of Funds. In connection with an erroneous or unauthorized RTP Payment, Customer may request that Bank submit a Request for Return of Funds. Customer understands that a Receiving Participant is not required to return funds upon receipt of a Request for Return of Funds. If a Receiving Participant returns some or all of the funds, Bank will credit the Account in the amount of the returned funds. If Bank offers an indemnity to the Receiving Bank in connection with a Request for Return of Funds, Customer agrees to indemnify Bank against any and all claims, demands, losses, liabilities and expenses, including reasonable attorneys' fees and costs, in connection with Customer's

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Request for Return of Funds. If a Receiving Participant rejects a Request for Return of Funds, Bank will notify Customer. Customer agrees that all that all RTP Payments are final and irrevocable, and that Bank is not obligated to act on a Customer's request that Bank submit a Request for Return of Funds.

11. Additional Terms and Conditions.

a) Recording Conversations. Bank may, but is not required to, record any conversations Bank has with Customer or with any of Customer's representatives.

b) Information Disclosure. Some of the Services covered by this Article may be provided to Customer with the participation or assistance of one or more of Bank's affiliates or other third parties. Customer agrees that Bank may disclose to such affiliates and third parties any information Customer provides to Bank to the extent required for the delivery of these Services.

c) Confirmation; Account Reconciliation. Bank will provide notice of all RTP Payments to Customer's Account on Customer's periodic Account statement. If Customer uses Bank's information/balance reporting services, Customer can also receive notice through various mailed reports or terminal printouts. Customer is responsible for detecting and reporting to Bank any discrepancy between Customer's records and the records Bank provides to Customer. If Customer does not detect and notify Bank of such a discrepancy within 30 days of Customer's receipt of any terminal printout, mailed report or periodic statement ("Report"), whichever is received first, then Customer will not be entitled to interest from Bank on any amount refundable to Customer.

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Sweep – Money Market Mutual Funds

Morgan Stanley Government Sweep

Fund Page (works best in Chrome):
https://www.morganstanley.com/im/en-us/registered-investment-advisor/product-and-performance/liquidity-funds/liquidity/government.shareClass.IR.html

Fund Fact Sheet (works best in Chrome):
https://www.morganstanley.com/im/publication/usliquidity/factcard/govt_ir_cl_fs.pdf?1654272828871

Fund Prospectus (works best in Chrome):
https://morganstanley.prospectus-express.com/summary.asp?clientid=morganstll&fundid=61747C806%20&doctype=pros

Fidelity Treasury Sweep

Fund Page (works best in Chrome):
https://institutional.fidelity.com/app/fund/sasid/details/00542.html

Fund Fact Sheet (works best in Chrome):
https://institutional.fidelity.com/app/fund/popup/item/print/FIIS_FS_469.pdf?&showQfr=false&itemCode=FIIS_FS_469&pos=FS

Fund Prospectus (works best in Chrome):
https://www.actionsxchangerepository.fidelity.com/ShowDocument/ComplianceEnvelope.htm?_fax=-5%23-96%23-92%23-102%23-55%23121%23-88%23-81%23105%236%2313%23-58%23-58%2376%2369%23-124%23105%23111%23-35%2375%23-100%23-43%23-71%23-35%2378%23-86%23-90%2389%23-118%2371%23-50%2325%23-109%23-22%2337%23-126%2341%23112%23118%23100%2393%23113%23-112%23127%23-42%23-97%2330%23-58%2365%23-84%236%23116%23-32%2327%23106%239%2371%23107%23-82%23-3%23-86%23-27%23-57%23-125%23-30%2337%23-64%23-74%23-65%23-29%23-70%23104%2389%23-82%2389%23-32%2378%23-101%23111%23-112%23-70%23-34%23-82%23120%23-65%2384%23-123%2382%23

Morgan Stanley Institutional Liquidity Funds

Government Portfolio

Investment Objective

The Morgan Stanley Institutional Liquidity Funds (MSILF) Government Portfolio seeks preservation of capital, daily liquidity and maximum current income.

Investment Philosophy

We believe that a conservatively managed portfolio of liquid, high-quality debt securities issued by the U.S. government may maximize current income while preserving capital and liquidity.

Investment Process

The management team follows an investment process that seeks to select maturities based on the shape of the money market yield curve and on expectations as to future shifts in the level and shape of the curve, taking into consideration such factors as current short-term interest rates, Federal Reserve policy regarding interest rates and U.S. economic activity.

Fund Highlights

The MSILF Government Portfolio offers the following benefits:

Security: the fund is rated AAAmmf by Fitch, AAAm by S&P, and Aaa-mf by Moody's, reflecting the credit quality, diversification and security of the fund.

Liquidity: competitive trading deadlines and same-day access give you flexibility and control.

Yield: provides a competitive rate of return.

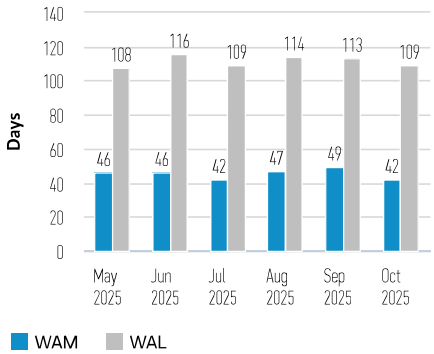
30-Day Current Yield (%)

	OCT 2025	SEP 2025	AUG 2025	JUL 2025	JUN 2025	MAY 2025	APR 2025	MAR 2025	FEB 2025	JAN 2025	DEC 2024	NOV 2024
Class IR	3.92	4.03	4.10	4.11	4.10	4.11	4.15	4.16	4.19	4.21	4.39	4.53

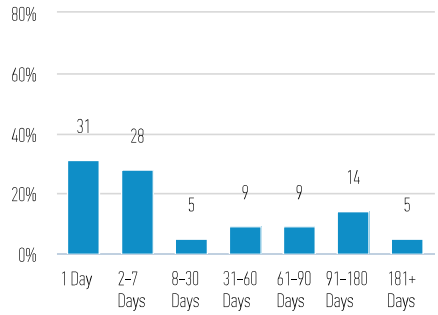
Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures, please visit www.morganstanley.com/liquidity. Investment returns will fluctuate and fund shares, when redeemed, may be worth more or less than their original cost. Yield quotation more closely reflects the current earnings of the Portfolio than the total return. Yields are subsidized.

Average Portfolio Maturity

(Month-end figures)



Maturity Distribution



The maturity distribution reflects the final maturity date except for floating rate securities for which the next reset date is reflected.

Expenses are based on the fund's current prospectus, in effect as of the date of this document. For information on the applicable fund's current fees and expenses, please see the fund's current prospectus.

This piece must be preceded or accompanied by the Fund's prospectus.

GLOBAL LIQUIDITY TEAM

Contact Details

For further information, please contact your Morgan Stanley Team:

Tel: 1.800.236.0992
Email: liquidityteam@morganstanley.com
Web: www.morganstanley.com/liquidity

Fund Facts

Fund number	8322
Total net assets	$ 173,025.57 million
Purchase deadline	5 PM ET
Redemption deadline	5 PM ET

Share Class	CLASS IR
Inception date	08/09/2004
Ticker	MVVXX
CUSIP	61747C806
Net asset value ($)	1.00
Dividends declared	Daily
Minimum initial investment ($)	10,000,000
Management Fee (%)	0.15
Net Expense Ratio (%)	0.25
Gross Expense Ratio (%)	0.30
1-day liquidity (%)	56.18
7-day liquidity (%)	83.99
7-day current yield subsidized (%)	3.90
30-day effective yield subsidized (%)	4.00

Yields are subsidized. As of October 31, 2025, the fund's 7 day and 30 day unsubsidized yields were 3.85% and 3.94%, respectively, and its simple (7-day) yield, gross of all fee waivers and expense reimbursements, was 4.15%.

Yield quotations more closely reflect current earnings of the money market fund than total return quotations. Yields are subject to change.

Recent and any future declines in interest rate levels could cause these funds' earnings to fall below the funds' expense ratios, resulting in a negative yield.

Characteristics	FUND
Weighted Average Maturity (Days)	42
Weighted Average Life (Days)	109

Breakdown by Instrument (%)	FUND
Repurchase Agreements	49.12
US Treasury Debt	36.69
US Government Agency Debt	14.19

Subject to change daily. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell securities in the sectors shown above.

DEFINITIONS

Unsubsidized yield The unsubsidized yield reflects what the yield would have been had a fee and/or expense waiver not been in place during the period shown. **Total return** A measure of a fund's performance that encompasses all elements of return: dividends, capital gain distributions, and changes in net asset value. Total return is the change in value of an investment over a given period, assuming reinvestment of any dividends and capital gain distributions, expressed as a percentage of the initial investment. **Weighted average life** measures the weighted average of the maturities of the portfolio's individual holdings. **Weighted average maturity** measures the weighted average of the maturities of the portfolio's individual holdings, taking into account reset dates for floating rate securities. **Yield definitions** The 7-day current yield is an annualized net yield which assumes dividends are not reinvested in the fund. The 30-day effective yields are annualized net yields that describe 1-year earnings assuming dividends are reinvested at the average rate of the last 30 days. The 7-day simple yield describes the annualized income earned over the last 7 days.

IMPORTANT RATINGS DISCLOSURES

Ratings represent the opinions of the rating agency as to the quality of the securities they rate. Standard & Poor's, Moody's, Fitch and NAIC ratings rate the investment quality of the fund's shares. Independent rating agency ratings include, but are not limited to, a regular analysis of a fund's liquidity, diversification, operational policies and internal controls, its management characteristics and the creditworthiness of its assets.

Ratings are not intended as a recommendation and are subject to change. Ratings are relative and subjective and are not absolute standards of quality. The portfolio's credit quality does not remove market risk.

Fitch Ratings' money market fund ratings are an opinion as to the capacity of a money market fund to preserve principal and provide shareholder liquidity. Money market fund ratings are distinguished from the long-term credit-rating scale by the 'mmf' rating subscript and range from 'AAAmmf' to 'Bmmf'. For more information, please visit: http://www.fitchratings.com/creditdesk/public/ratings_defintions/index.cfm.

Standard & Poor's money market fund ratings are forward-looking opinions about a fixed-income fund's capacity to maintain stable principal (net asset value). When assigning a principal stability rating to a fund, Standard & Poor's analysis focuses primarily on the creditworthiness of the fund's investments and counterparties, and also its investments maturity structure and management's ability and policies to maintain the fund's stable net asset value. For more information, please visit: https://www.spglobal.com/ratings/en/credit-ratings/about/understanding-credit-ratings.

Moody's Investors Services Inc.'s money market fund ratings are opinions of the investment quality of shares in mutual funds and similar investment vehicles which principally invest in short-term fixed income obligations. As such, these ratings incorporate Moody's assessment of a fund's published investment objectives and policies, the creditworthiness of the assets held by the fund, the liquidity profile of the fund's assets relative to the fund's investor base, the assets' susceptibility to market risk, as well as the management characteristics of the fund. For more information, please visit: http://v3.moodys.com/researchdocumentcontentpage.aspx?docid= PBC_79004.

RISK CONSIDERATIONS

You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not a bank account and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor is not required to reimburse the Fund for losses, and you should not expect that the sponsor will provide financial support to the Fund at any time, including during periods of market stress.

Market values can change daily due to economic and other events (e.g. natural disasters, health crises, terrorism, conflicts and social unrest) that affect markets, countries, companies or governments. It is difficult to predict the timing, duration, and potential adverse effects (e.g. portfolio liquidity) of events. The prices of fixed income securities respond to interest rate changes. Indeed, prices tend to be inversely affected by changes in interest rates. Accordingly, the portfolio is subject to interest rate risk, and in a rising interest rate environment, portfolio shares can decline in value.

OTHER CONSIDERATIONS

The information herein is a general communications which is not impartial and has been prepared solely for information and educational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. The material contained herein has not been based on a consideration of any individual client circumstances and is not investment advice, nor should it be construed in any way as tax, accounting, legal or regulatory advice. To that end, investors should seek independent legal and financial advice, including advice as to tax consequences, before making any investment decision.

Morgan Stanley Institutional Liquidity Funds (MSILFs) MSILFs are institutional mutual funds offering seven different cash management portfolios.

Fund adviser The Morgan Stanley Institutional Liquidity Funds (MSILFs) are managed by Morgan Stanley Investment Management, Inc.

MSILF returns are net of fees and assume the reinvestment of all dividends and income. Returns for less than one year are cumulative (unannualized). MSILF returns are reported for Investor class shares. Performance for the other classes will differ. The Portfolio's "Adviser" and "Administrator," Morgan Stanley Investment Management Inc., has agreed to reduce its advisory fee, its administration fee and/or reimburse the Portfolio's Investor Class so that Total Annual Portfolio Operating Expenses, excluding certain investment related expenses, taxes, interest and other extraordinary expenses (including litigation), will not exceed 0.25%. The fee waivers and/or expense reimbursements will continue for at least one year or until such time as the Board of Trustees of Morgan Stanley Institutional Liquidity Funds (the "Fund") acts to discontinue all or a portion of such waivers and/or reimbursements when it deems such action is appropriate.

Where the net expense ratio is lower than the gross expense ratio, certain fees have been waived and/or expenses reimbursed. These waivers and/or reimbursements will continue for at least one year from the date of the applicable fund's current prospectus (unless otherwise noted in the applicable prospectus) or until such time as the fund's Board of Trustees acts to discontinue all or a portion of such waivers and/or reimbursements. Absent such waivers and/or reimbursements, returns would have been lower. Expenses are based on the fund's current prospectus, in effect as of the date of this fact sheet. For information on the applicable fund's current fees and expenses, please see the fund's current prospectus.

This material must be preceded or accompanied by a prospectus for the Morgan Stanley Institutional Liquidity Funds. The prospectus contains information about the funds, including the investment objectives, risks, charges and expenses. For an additional copy of the prospectus, please visit www.morganstanley.com. Please read the prospectus carefully before investing.

Morgan Stanley Distribution, Inc. serves as the distributor for Morgan Stanley Institutional Liquidity Funds.

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FCEXX Fidelity Investments Money Market Treasury Portfolio - Class II

Category: U.S. Treasury & Government

Current performance may be higher or lower than that quoted. Performance data shown represents past performance and is no guarantee of future results. Investment return will fluctuate, so you may have a gain or loss when shares are sold. This document must be preceded or accompanied by a fund prospectus; see end for definitions.

Yields

	Yields		
As of Month-End	7-Day Yield	7-Day Without Reductions	30-Day Yield
Oct 2025	3.78%	3.76%	3.81%
Sep 2025	3.86%	3.82%	3.93%
Aug 2025	4.00%	3.98%	4.02%
Jul 2025	4.04%	4.02%	4.03%
Jun 2025	4.04%	4.02%	4.03%
May 2025	4.04%	4.01%	4.03%
Apr 2025	4.05%	4.02%	4.05%
Mar 2025	4.05%	4.02%	4.05%
Feb 2025	4.08%	4.02%	4.09%
Jan 2025	4.11%	4.08%	4.11%
Dec 2024	4.19%	4.14%	4.26%
Nov 2024	4.36%	4.33%	4.41%

The 7-Day yield is the average income return over the previous seven days, assuming the rate stays the same for one year and that dividends are reinvested. It is the Fund's total income net of expenses, divided by the total number of outstanding shares and includes any applicable waiver or reimbursement. Absent such waivers or reimbursements, the returns would have been lower. The 7-Day Yield Without Reductions is the yield without applicable waivers or reimbursements. Voluntary waivers and/or reimbursements may be discontinued any time.

Expenses, Fees & Loads

Exp Ratio (Gross) - Prospectus	0.36% as of 05/30/2025
Exp Ratio (Net) - Prospectus	0.33% as of 05/30/2025
Exp Ratio (Net) - Financial Statement	0.33% as of 03/31/2025
Exp Cap	0.33% as of 02/01/2015
Management Fee	0.14% as of 05/30/2025
Distribution and/or Service (12b-1) fees	0.15%

The Exp Ratio (Net) – Financial Statement reflects certain voluntary reimbursements and waivers which are not included in the Exp Ratio (Net) – Prospectus, and may be discontinued at any time. There is a contractual cap on the expenses borne by the fund, which indicates the maximum level of expenses (with certain exceptions) that the fund would pay; the respective contract expires on 07/31/2026.

Investment Objective

Seeks to obtain as high a level of current income as is consistent with the preservation of principal and liquidity within the limitations prescribed for the fund.

Strategy

The Adviser normally invests at least 99.5% of the fund's total assets in cash, U.S. Treasury securities and/or repurchase agreements for those securities. Investing in compliance with industry standard regulatory requirements for money market funds for the quality, maturity, liquidity and diversification of investments. The Adviser stresses maintaining a stable $1.00 share price, liquidity, and income. In addition the Adviser normally invests at least 80% of the fund's assets in U.S. Treasury securities and repurchase agreements for those securities.

Risk

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the fund is not a bank account and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Fidelity Investments and its affiliates, the fund's sponsor, is not required to reimburse the fund for losses, and you should not expect that the sponsor will provide financial support to the fund at any time, including during periods of market stress. The fund will not impose a fee upon the sale of your shares.

Details

Product Type	Government
NAV	$1.00 as of 11/19/2025
1-Day Yield	3.67% as of 11/19/2025
7-Day Yield	3.68% as of 11/19/2025
30-Day Yield	3.73% as of 11/19/2025
Daily Mil-rates	0.000100533 as of 11/19/2025
MTD Cum. Mil-rates	0.001927180 as of 11/19/2025
Liquid Assets (Daily)	94% as of 11/19/2025
Liquid Assets (Weekly)	100% as of 11/19/2025
Weighted Avg Maturity	41 Days as of 10/31/2025
Weighted Avg Life	111 Days as of 10/31/2025
12 Month Low-High	$1.00-$1.00 as of 10/31/2025
Net Assets ($M)	$722.84 as of 10/31/2025
Portfolio Assets ($M)	$72,945.19 as of 10/31/2025
Daily Market Value	$1.0007 as of 11/19/2025
Morningstar Category	Money Market-Taxable
Fund #	600
CUSIP	316175835
Fund Inception	02/02/1987
Share Class Inception	11/06/1995
Fiscal Year End	March

There is a contractual cap on the expenses borne by the fund, which indicates the maximum level of expenses (with certain exceptions) that the fund would pay; the respective contract expires on 07/31/2026. Net Assets reflect assets of the class shown; Portfolio assets reflect the assets of all classes of the same fund. **Trading Hours: 8:30 a.m. to 5:00 p.m. ET** For further detail regarding minimum investments, please see the fund prospectus. The Per-Share Market Value does not reflect the price at which an investor may transact in shares of the Fund, and should not be considered an offer to purchase or sell shares of any Fund at such price. The Per-Share Market Value should not be viewed as indicative of future market values or the future performance of any Fund, and may change from day to day. Past performance is no guarantee of future results.

Ratings

Moodys	AAA-mf
S&P	AAAm
National Association of Insurance Commissioners	U.S Direct Obligations/Full Faith & Credit Exempt

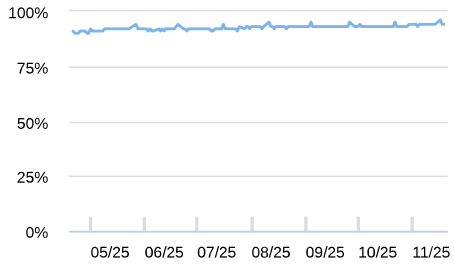
Fund Managers

Manager	Since
Eric Graham	06/01/2024
Joe McHale	10/01/2019
Stephanie Merritt	03/04/2025

Liquid Assets (Daily)

As Of **11/19/2025**

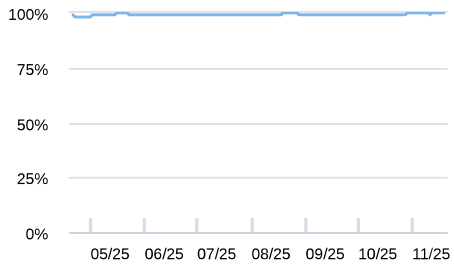
Regulations require that a money market mutual fund hold at least 25% of its total assets in daily liquid assets that can be readily converted to cash in one business day. The graph below shows the percentage of daily liquid assets over the last seven months for the fund.



Liquid Assets (Weekly)

As Of **11/19/2025**

Regulations require that a money market mutual fund hold at least 50% of its total assets in weekly liquid assets that can be readily converted to cash in five business days. The graph below shows the percentage of weekly liquid assets over the last seven months for the fund.



Composition by Instrument

As Of **10/31/2025**

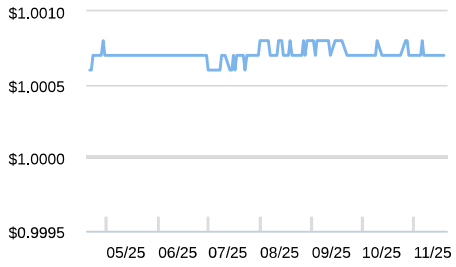
Instrument	Portfolio Weight
U.S. Treasury Bills	45.52%
U.S. Treasury Coupons	24.86%
U.S. Treasury Strips	0.00%
U.S. Treasury Inflation-Protected Securities	0.00%
Repurchase Agreements	30.99%
Other Money Market Investments	0.00%
Net Other Assets	-1.37%
Total	**100%**

Composition by instrument is presented to illustrate examples of the securities that each fund has bought and may not be representative of a fund's current or future investments. Each fund's investments may change at any time. Percentages may not add up to 100 due to rounding. For Money Market Funds, Net Other Assets may include cash and receivables and payables related to open security or capital stock trades.

Daily Market Value

As Of **11/19/2025**

Daily market value is the market value of the fund's assets after liabilities are subtracted, expressed on a per-share basis to 1/100 of a penny. The graph below shows the daily market value of one share over the last seven months for the fund.



Lipper Rankings

AS OF **10/31/2025** ; **Lipper Category: LA Instl U.S. Tsy MM**

Years	Rank	% Peers Beaten
1 Yr	# **133** out of 217 funds	39%
3 Yr	# **110** out of 191 funds	43%
5 Yr	# **95** out of 172 funds	45%
10 Yr	# **73** out of 141 funds	49%

Lipper Inc. rankings are based on fund total returns for the periods shown. Rankings do not take into account sales charges but include reinvestment of dividends and capital gains, if any. The number of funds in each category periodically changes. **Multiple share classes of a fund have a common portfolio but impose different expense structures.** Past performance is no guarantee of future results.

Maturity Distribution

Time Period	10/31/2025	09/30/2025	10/31/2024
1-7 days	49.42%	54.49%	52.58%
8-30 days	11.18%	12.34%	9.72%
31-60 days	10.08%	7.70%	13.59%
61-90 days	13.18%	6.27%	5.73%
91-180 days	12.89%	14.86%	15.03%
> 180 days	3.25%	4.34%	3.34%
% of Total Debt Instruments	**100%**	**100%**	**100%**

Ratings Information

Standard & Poor's and Moody's money market fund ratings rate the investment quality of the fund's shares and range from AAAm/Aaa-mf (highest) to Dm/C-mf (lowest). Independent rating agency fund ratings include, but are not limited to, a regular analysis of a fund's liquidity, sensitivity to market risk, diversification, operational policies, and internal controls; its management characteristics; and the creditworthiness of its assets. Ratings are not intended as a recommendation and are subject to change.

NAIC (National Association of Insurance Commissioners) is an organization of insurance regulators from the 50 states, the District of Columbia, and the five U.S. territories. It was created by state insurance regulators in 1871 to coordinate regulation of multistate insurers and, when appropriate, to provide a forum for the development of uniform policy. The **Securities Valuation Office (SVO)**, a division of NAIC, may rate a money market mutual fund either "Exempt" or "Class 1." These ratings determine how an insurer can classify its money market fund investments in its regulatory filings with state insurance departments. Mutual funds that have not been rated by the SVO are treated as equity investments for regulatory purposes, with asset valuation reserve requirements as high as 30%.

Definitions

Annualized Turnover Rate is the lesser of amounts of purchases or sales of long-term portfolio securities divided by the monthly average value of long-term securities owned by the fund. **Daily Market Value** The market value per share of a fund is computed by adding the total market value of the fund's investments, cash and other assets, subtracting the fund's total liabilities, and dividing the result by the total number of shares outstanding. **Exp Ratio (Net) – Financial Statement** is an annualized figure that reflects amounts reimbursed by Fidelity or reductions from brokerage service or other expense offset arrangements, if any, and is updated as the annual or semiannual information is available. This number may include certain voluntary waiver and caps which may not be included in the prospectus net expense ratio. **Exp Ratio (Net) – Prospectus** Expense ratio is a measure of what it costs to operate an investment, expressed as a percentage of its assets, as a dollar amount, or in basis points. These are costs the investor pays through a reduction in the investment's rate of return. For a mutual fund, the gross expense ratio is the total annual fund or class operating expenses directly paid by the fund from the fund's most recent prospectus after any fee waiver and/or expense reimbursements that will reduce any fund operating expenses. This ratio also includes Acquired Fund Fees and Expenses, which are expenses indirectly incurred by a fund through its ownership of shares in other investment companies, This number does not include any fee waiver arrangement or expense reimbursement that may be terminated without agreement of the fund's board of trustees. If the investment option is not a mutual fund, the expense ratio may be calculated using methodologies that differ from those used for mutual funds. **Exp Ratio (Gross) – Prospectus** Expense ratio is a measure of what it costs to operate an investment, expressed as a percentage of its assets, as a dollar amount, or in basis points. These are costs the investor pays through a reduction in the investment's rate of return. For a mutual fund, the gross expense ratio is the total annual fund or class operating expenses directly paid by the fund from the fund's most recent prospectus (before waivers or reimbursements). This ratio also includes Acquired Fund Fees and Expenses, which are expenses indirectly incurred by a fund through its ownership of shares in other investment companies. If the investment option is not a mutual fund, the expense ratio may be calculated using methodologies that differ from those used for mutual funds. **Liquid Assets Daily** A taxable money market fund is required to hold at least 25% of its portfolio in daily liquid assets that can be readily converted to cash in one business day. Daily liquid assets include: cash, direct obligations of the U.S. Government, securities that will mature or are subject to a demand feature exercisable and payable within one business day, and receivables from sales of portfolio securities due within one business day. **Liquid Asset Weekly** A money market fund is required to hold at least 50% of its portfolio in weekly liquid assets that can be readily converted to cash in five business days. Weekly liquid assets include: cash, direct obligations of the U.S. Government, certain U.S. Government securities issued at a discount with

a remaining maturity of 60 days or less, securities that will mature or are subject to a demand feature that is exercisable and payable within five business days, and receivables from sales of portfolio securities due within five business days. **Weighted average maturity** This is a weighted average of all the maturities of the securities held in a fund. WAM for money market funds can be used as a measure of sensitivity to interest rate changes. Generally, the longer the maturity, the greater the sensitivity. WAM for money market funds is based on the dollar-weighted average length of time until principal payments must be paid, taking into account any call options exercised by the issuer and any permissible maturity shortening devices such as demand features and interest rate resets. For bond funds, WAM can be used as a measure of sensitivity to the markets. Generally, the longer the maturity, the greater the sensitivity. The WAM calculation for bond funds excludes interest rate resets and only takes into account issuer call options if it is probable that the issuer of the instrument will take advantage of such options. **Weighted average life** For money market funds, this is the weighted average of the life of the securities held in a fund or portfolio and can be used as a measure of sensitivity to changes in liquidity and/or credit risk. Generally, the higher the value, the greater the sensitivity. WAL is based on the dollar-weighted average length of time until principal payments must be paid, taking into account any call options exercised by the issuer and any permissible maturity shortening features other than interest rate resets. For money market funds, the difference between WAM and WAL is that WAM takes into account interest rate resets and WAL does not. WAL for money market funds is not the same as WAL of a mortgage- or asset-backed security. **Yield** The percentage of return an investor receives, based on the amount invested or on the current market value of holdings.

Not NCUA or NCUSIF insured.
May lose value.
No credit union guarantee.

Fidelity Distributors Company LLC
500 Salem Street
Smithfield, RI 02917

Customer Analysis Statement



MEMPHIS, TN 38117
CONTACT

OPERATING ACCOUNT

MEMPHIS TN 38118-7811

FROM 10-01
TO 10-3

PAGE 1

BEGINNING IN FEBRUARY 2009, YOU WILL NO LONGER AUTOMATICALLY RECEIVE A
ANALYSIS STATEMENT. IF YOU WOULD LIKE TO CONTINUE RECEIVING A MONTHLY
STATEMENT, PLEASE CALL 1-866-463-5799 OR EMAIL YOUR REQUEST TO
ACCOUNTANALYSIS@REGIONS.COM.

ACCOUNT NO. 0053 01 COMMERCIAL ANALYZED CHECKING

	BALANCE	RATE	AMOUNT
AVERAGE LEDGER BALANCE	32,607		
LESS AVERAGE FLOAT	34,081-		
AVERAGE COLLECTED BALANCE	1,474-		
NEGATIVE COLLECTED BALANCE	1,474-		
POSITIVE COLLECTED BALANCE	0		
LESS RESERVES/ANALYSIS ASSESSMENT	0	10.000	
POSITIVE NET COLLECTED BALANCE	0	.250	.00

	UNITS	RATE	AMOUNT	BAL REQUIRED
NEG COLL BAL INTEREST CHARGE	1,474	8.000	10.15	47,934.19
ACCT MAINT	1	18.000	18.00	85,006.45
RETURN ITEM	1	8.000	8.00	37,780.64
ELECTRONIC DEBITS	9	.160	1.44	6,800.51
ELECTRONIC CREDITS	8	.200	1.60	7,556.12
CHECKS PAID-DEBITS	76	.180	13.68	64,604.90
DEPOSITS-CREDITS	34	.500	17.00	80,283.87
ITEMS DEPOSITED ON US	20	.100	2.00	9,445.16
ITEMS DEPOSITED LOCAL	41	.100	4.10	19,362.58
ITEMS DEPOSITED REGIONAL	33	.110	3.63	17,142.96
ITEMS DEPOSITED OTHER FED	126	.110	13.86	65,454.96
BRANCH DEP PER $100 CURR STAND	23	.170	3.91	18,465.29
BRANCH CASH ORDER STANDING	1	6.000	6.00	28,335.48
BRANCH ORDER COIN ROLL	1	.160	.16	755.61
ZBA MASTER MO MAINT	1	35.000	35.00	165,290.32
SWEEP CREDIT LINE MO MAINT	1	110.000	110.00	519,483.87
ITREASURY PREV DAY INFORMATION	3	11.666	35.00	165,290.32
ITREASURY CASH CON & DISB MOD	1	35.000	35.00	165,290.32
ITREASURY DIRECT DEP ACH MOD	1	35.000	35.00	165,290.32
ITREASURY STATE TX PMT ACH MOD	1	35.000	35.00	165,290.32
ITREAS SECUREID MO MAINT	3	5.000	15.00	70,838.70
ITREASURY COMMERCIAL LOAN RPT	1	35.000	35.00	165,290.32
QUICK DEP MO MAINT PER WKST	1	75.000	75.00	354,193.54
QUICK DEP PER ITEM	83	.070	5.81	27,438.19
TOTAL CHARGE FOR SERVICES			519.34	2,452,624.94
NET CHARGE FOR SERVICES			519.34-	

POSITIVE NET COLLECTED BALANCE	0
LESS COLLECTED BAL REQUIRED	2,452,624-
EXCESS (DEFICIT) NET COLLECTED BALANCE	2,452,624-
ADDITIONAL RESERVE REQUIRED	272,513-
TOTAL BALANCE DEFICIT	2,725,138-

Return Address

This shows the address of the of the Regions city office.

Contact

Officer responsible for the account.

- Accounts assigned to a department, other than the branch, reflect the responsible RM, and phone #.
- Accounts assigned to branch reflect the responsible Branch Manager

The contact may be located in a city different from the return address on the statement.

Statement Date

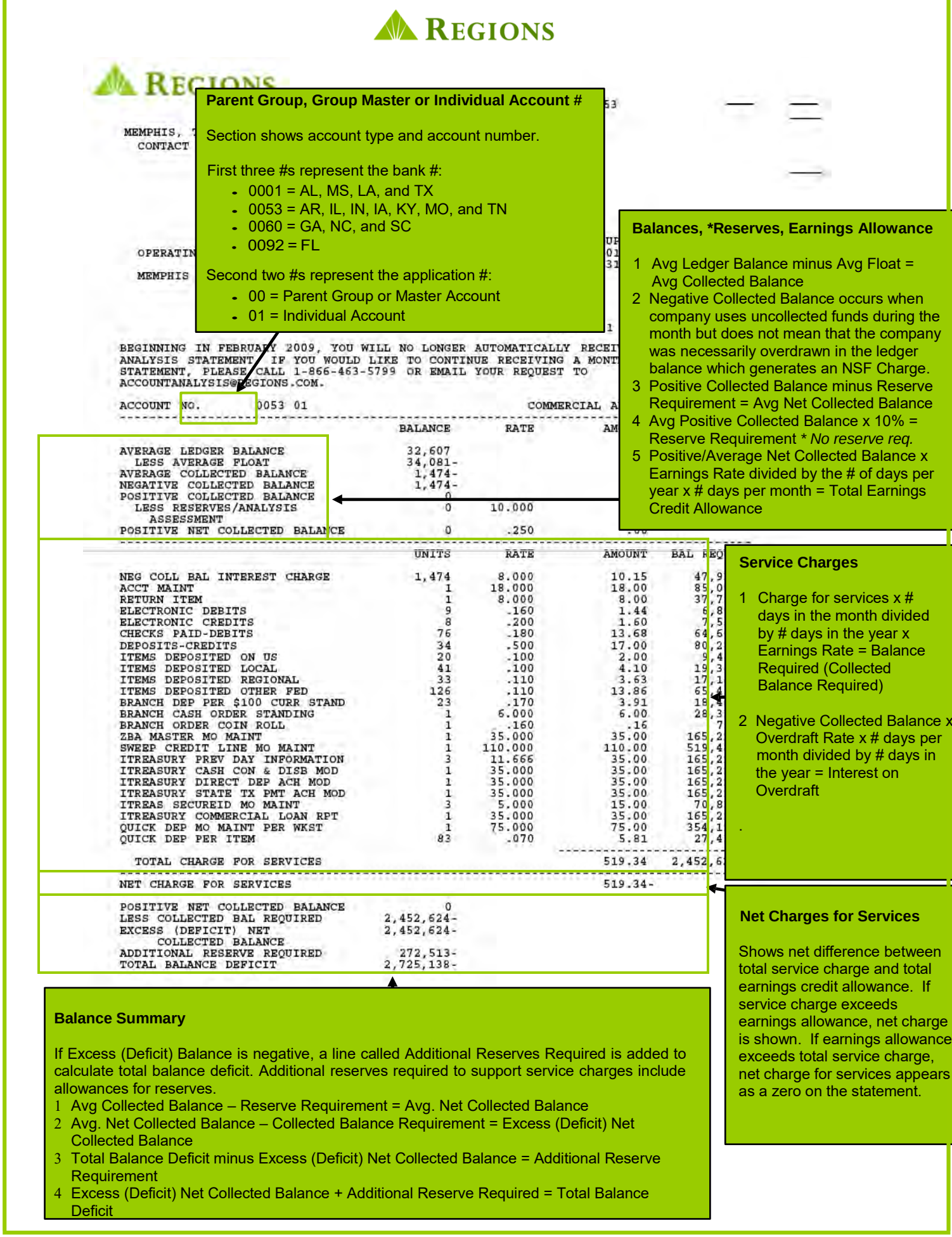
The month in which the services were used

Customer Name and Address

This section shows the name and address of the customer.

Balance Form

- Customer can use this page to balance their account monthly.
- If the customer feels that there is a discrepancy with the monthly statement, this form is then submitted to the bank
- It is the responsibility of the customer or RM to update this section and return it to the bank.



REGIONS

REGIONS

MEMPHIS,
CONTACT

OPERATIN

MEMPHIS

BEGINNING IN FEBRUARY 2009, YOU WILL NO LONGER AUTOMATICALLY RECEI
ANALYSIS STATEMENT. IF YOU WOULD LIKE TO CONTINUE RECEIVING A MONT
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ACCOUNT NO. 0053 01 COMMERCIAL A

	BALANCE	RATE	AM
AVERAGE LEDGER BALANCE	32,607		
LESS AVERAGE FLOAT	34,081-		
AVERAGE COLLECTED BALANCE	1,474-		
NEGATIVE COLLECTED BALANCE	1,474-		
POSITIVE COLLECTED BALANCE	0		
LESS RESERVES/ANALYSIS ASSESSMENT	0	10.000	
POSITIVE NET COLLECTED BALANCE	0	.250	

	UNITS	RATE	AMOUNT	BAL REQ
NEG COLL BAL INTEREST CHARGE	1,474	8.000	10.15	47,9
ACCT MAINT	1	18.000	18.00	85,0
RETURN ITEM	1	8.000	8.00	37,7
ELECTRONIC DEBITS	9	.160	1.44	6,8
ELECTRONIC CREDITS	8	.200	1.60	7,5
CHECKS PAID-DEBITS	76	.180	13.68	64,6
DEPOSITS-CREDITS	34	.500	17.00	80,2
ITEMS DEPOSITED ON US	20	.100	2.00	9,4
ITEMS DEPOSITED LOCAL	41	.100	4.10	19,3
ITEMS DEPOSITED REGIONAL	33	.110	3.63	17,1
ITEMS DEPOSITED OTHER FED	126	.110	13.86	65,4
BRANCH DEP PER $100 CURR STAND	23	.170	3.91	18,1
BRANCH CASH ORDER STANDING	1	6.000	6.00	28,3
BRANCH ORDER COIN ROLL	1	.160	.16	7
ZBA MASTER MO MAINT	1	35.000	35.00	165,2
SWEEP CREDIT LINE MO MAINT	1	110.000	110.00	519,4
ITREASURY PREV DAY INFORMATION	3	11.666	35.00	165,2
ITREASURY CASH CON & DISB MOD	1	35.000	35.00	165,2
ITREASURY DIRECT DEP ACH MOD	1	35.000	35.00	165,2
ITREASURY STATE TX PMT ACH MOD	1	35.000	35.00	165,2
ITREAS SECUREID MO MAINT	3	5.000	15.00	70,8
ITREASURY COMMERCIAL LOAN RPT	1	35.000	35.00	165,2
QUICK DEP MO MAINT PER WKST	1	75.000	75.00	354,1
QUICK DEP PER ITEM	83	.070	5.81	27,4
TOTAL CHARGE FOR SERVICES			519.34	2,452,6

NET CHARGE FOR SERVICES	519.34-

POSITIVE NET COLLECTED BALANCE	0
LESS COLLECTED BAL REQUIRED	2,452,624-
EXCESS (DEFICIT) NET COLLECTED BALANCE	2,452,624-
ADDITIONAL RESERVE REQUIRED	272,513-
TOTAL BALANCE DEFICIT	2,725,138-

Parent Group, Group Master or Individual Account #

Section shows account type and account number.

First three #s represent the bank #:

- 0001 = AL, MS, LA, and TX
- 0053 = AR, IL, IN, IA, KY, MO, and TN
- 0060 = GA, NC, and SC
- 0092 = FL

Second two #s represent the application #:

- 00 = Parent Group or Master Account
- 01 = Individual Account

Balances, *Reserves, Earnings Allowance

1 Avg Ledger Balance minus Avg Float = Avg Collected Balance
2 Negative Collected Balance occurs when company uses uncollected funds during the month but does not mean that the company was necessarily overdrawn in the ledger balance which generates an NSF Charge.
3 Positive Collected Balance minus Reserve Requirement = Avg Net Collected Balance
4 Avg Positive Collected Balance x 10% = Reserve Requirement * *No reserve req.*
5 Positive/Average Net Collected Balance x Earnings Rate divided by the # of days per year x # days per month = Total Earnings Credit Allowance

Service Charges

1 Charge for services x # days in the month divided by # days in the year x Earnings Rate = Balance Required (Collected Balance Required)

2 Negative Collected Balance x Overdraft Rate x # days per month divided by # days in the year = Interest on Overdraft

.

Net Charges for Services

Shows net difference between total service charge and total earnings credit allowance. If service charge exceeds earnings allowance, net charge is shown. If earnings allowance exceeds total service charge, net charge for services appears as a zero on the statement.

Balance Summary

If Excess (Deficit) Balance is negative, a line called Additional Reserves Required is added to calculate total balance deficit. Additional reserves required to support service charges include allowances for reserves.

1 Avg Collected Balance – Reserve Requirement = Avg. Net Collected Balance
2 Avg. Net Collected Balance – Collected Balance Requirement = Excess (Deficit) Net Collected Balance
3 Total Balance Deficit minus Excess (Deficit) Net Collected Balance = Additional Reserve Requirement
4 Excess (Deficit) Net Collected Balance + Additional Reserve Required = Total Balance Deficit



Wire Transfer Agreement Package

Revised July 2022

1. Introduction. Regions Bank offers funds transfer services to its clients under the terms and conditions set forth in this funds transfer agreement and the exhibits described below. Funds transferred via Regions Bank's iTreasury Service are subject to the terms and conditions set forth in this funds transfer agreement, the exhibits described below, and the Master Agreement for Treasury Management Services ("Master Agreement"). Throughout this funds transfer agreement, Regions Bank is referred to as "we" "us,", or "our", the funds transfer services that we offer are referred to as the "services," this funds transfer agreement and any exhibits attached hereto are together referred to as the "agreement" and the person or entity using the services is referred to as "you", or "your."

When you sign this funds transfer agreement, you are agreeing to be bound by the terms and conditions of the agreement. The agreement is a legally binding contract that can only be changed as provided below.

2. Definitions. The following words or terms have the designated meanings for purposes of the agreement:

· "**agreement**" means this funds transfer agreement and if funds are transferred via our iTreasury Service, also includes the Master Agreement

· "**authorized account**" means the account(s) that you have designated on the applicable exhibit to the agreement that is in effect at the relevant time to be used as a settlement source of debits for any payment orders that we execute on your behalf. If you have failed to designate at least one account, then any account that you maintain with us or any of our affiliates is an authorized account.

· "**authorized representative**" means a person authorized by any resolution or other document to execute and deliver the funds transfer agreement (and/or –any exhibits to the agreement) and/or to send payment orders and other funds transfer communications to us on your behalf (including each person identified as an authorized representative on applicable exhibits to the agreement that are in effect at the relevant time). "Authorized representative also includes an Authorized User as that term is defined in the Master Agreement. Any person who gives us the applicable PIN will be deemed to be one of your authorized representatives.

· **"available funds"** means funds that are on deposit in an authorized account and that are, subject to any amount limitations, available for withdrawal under our funds availability schedule for funds transfers.

· **"business day"** means a day other than a day (A) that is not a "business day" as defined in Federal Reserve Board Regulation CC, 12 CFR Part 229 or (B) on which commercial banks in Birmingham, Alabama are closed.

· "**floor limit**" means the amount designated by you as the call back verification limit on the applicable exhibit to the agreement that is in effect at the relevant time. We at our sole discretion may set an undisclosed floor limit that we determine and may change periodically without giving you notice. If you do not designate any such amount, an undisclosed dollar amount that we determine and may change periodically without giving you notice. Verification will be performed by contacting an Authorized Approver listed in Exhibit 4 other than the Authorized Representative who initiated the transfer.

· **"PIN"** means the personal identification number that we give to each of your authorized representatives (as identified in applicable exhibits to the agreement).

· "**automatic standing payment order**" means a payment order for which the authorized account, beneficiary information, frequency and method for calculating the payment order amount remain constant and are listed on the applicable exhibit to the agreement that is in effect at the relevant time. If you do not complete, sign and give us an exhibit that provides the required information for one or more automatic standing payment orders, we will not process payment orders for you as automatic standing payment orders.

· "**repetitive payment order**" means a payment order for which the authorized account and beneficiary information remain constant and are listed on the applicable exhibit to the agreement that is in effect at the relevant time, but for which the date and amount vary. If you do not complete, sign and give us an exhibit that provides the required information for one or more repetitive payment orders, we will not process payment orders for you as repetitive payment orders.

· "**security procedures**" means the procedures that are described in the agreement (including any applicable exhibits) and/or that are in effect at the relevant time that are to be used for verifying the authenticity of payment orders and other funds transfer communications that we receive in your name. Those security procedures vary with the type of payment order or funds transfer communication we receive.

· "**security device**" means, without limitation, any code, password, personal identification number, user identification technology, token, certificate, or other element, means, or method of authentication or identification used in connection with a security procedure.

In addition, words or phrases that are defined in Article 4A of the Uniform Commercial Code or "UCC" have the defined meanings when used in the agreement.

3. Deposit Account Agreement. You acknowledge and agree that any demand deposit account you maintain with us is an integral part of the services offered by us and that all transactions initiated or processed pursuant to this agreement are subject to our terms and conditions governing accounts in effect from time to time (the "deposit agreement"). The deposit agreement, including, without limitation, any and all terms thereof relating to ARBITRATION AND WAIVER OF JURY TRIAL, which terms shall govern any disputes between you an us arising out of this agreement, is expressly incorporated herein by reference; provided that the terms and conditions of this agreement shall control over any inconsistent terms and conditions of the deposit agreement with respect to the services contemplated by this agreement. You acknowledge that you have signed and executed all agreements, resolutions, signature cards and forms governing your demand deposit account required by us. If you have not signed the foregoing forms required by us, by signing any of this agreement, you acknowledge that you have read the contents of and agree to be bound by the terms of those forms, agreements and documents, and adopt and ratify, as an authorized signatory(s), the signature(s) of any person(s) who has signed a signature card or any check on your account.

4. Sending Us Payment Orders. You may send us payment orders only by one of the methods described in the agreement and/or in the applicable exhibits that are in effect at the relevant time. You must indicate the method(s) that you intend to use to send us payment orders each time you complete, sign and give us an agreement. You agree that we are not required to reject a payment order we receive by a method that you have not indicated on the version of the agreement that is in effect at the relevant time, but we reserve the right to do so at our discretion. Each payment order that you send us must comply with the requirements of the agreement, contain sufficient data and comply with any written instructions or restrictions that you have given us.

5. Execution or Acceptance of Payment Orders. You authorize us to execute or accept any payment order that we receive in your name, but agree that we are not obligated to execute or accept any particular payment order. If we decide to execute or accept a payment order that we receive in your name, we will verify that payment order in accordance with the security procedures. If we receive a payment order on a funds transfer business day before the cutoff time for funds transfers that we have established and that is in effect on that day, we will use reasonable efforts to process the payment order that day. If we receive a payment order after the cutoff time or on a day that is not a funds-transfer business day, we will generally not process it until the next funds-transfer business day, but we may, in our sole discretion and as an accommodation to you, process such a payment order on the day that we receive it. We may execute or accept payment orders that we receive from you and those that we receive from other customers in any order that we select. You agree that we may execute or accept a payment order on the funds-transfer business day on which we receive that payment order, regardless of any instructions you may have given us to the contrary.

6. Security Procedures and PINs.

(a) We will verify all payment orders and other funds transfer communications we receive in your name in accordance with the relevant security procedures agreed to between you and us. You represent that you have carefully considered the circumstances of your use of this service and the transactions and activity that you will effect through the service, and you acknowledge and agree that the security procedures, including (without limitation) any security devices used in connection therewith, constitute commercially reasonable security procedures under applicable law in light of your circumstances and the type, number, size and frequency of payment orders you contemplate sending us. You authorize us to accept or execute any payment order initiated using applicable security procedures unless and until you have notified us, according to notification procedures prescribed by us, that the security procedures or any security device has been stolen, compromised, or otherwise become known to persons other than an authorized representative and until we have had a reasonable opportunity to act upon such notice. You agree that the initiation of a payment order using applicable security procedures constitutes sufficient authorization for us to accept or execute such payment order notwithstanding any particular signature requirements identified on any signature card or other documents relating to your account, and you agree and intend that the submission of payment orders using the security procedures shall be considered the same as your written signature in authorizing us to execute such transaction. You acknowledge and agree that you shall be bound by any and all payment orders effected through the service through the use of such security procedures, whether authorized or unauthorized, and by any and all payment orders otherwise initiated by authorized representatives, to the fullest extent allowed by law. You acknowledge that the security procedures are designed to verify the authenticity of payment orders and other funds transfer communications that we receive. You further acknowledge and agree that the security procedures are not designed to detect errors in the payment order made through the service and that you bear responsibility for detecting and preventing such error. As a result, you agree that we have no liability for failing to detect any error or duplication in any payment order or other funds transfer communications that we receive.

(b) You agree to keep all security procedures and security devices protected, secure, and strictly confidential and to provide or make available the same only to authorized representatives. You agree to instruct each authorized representative not to disclose or provide any security procedures or security devices to any unauthorized person. We assume no responsibility to discover or audit for any possible breach of security by your employees, agents or representatives, or unauthorized disclosure. Upon our request, you shall designate a security administrator to whom we may distribute security devices and with whom we may otherwise communicate regarding security procedures. Your system administrator shall have responsibility to distribute security devices to your authorized representative and to ensure the proper implementation and use of the security procedures by your authorized representative. Notwithstanding the foregoing, we may, in our sole discretion, send the PIN directly to the authorized representative to whom the PIN is assigned. Where you have the ability to change or modify a security device from time to time (e.g., a password or PIN), you agree to change security devices frequently in order to ensure the security of the security device. You agree to notify us immediately, according to notification procedures prescribed by us, if you believe that any security procedures or security device has been stolen, compromised, or otherwise become known to persons other than authorized representatives or if you believe that any payment order is unauthorized or in error. In the event of any actual or threatened breach of security, we may issue you a new security device or establish new security procedures as soon as reasonably practicable, but we shall not be liable to you or any third party for any delay in taking such actions.

(c) You agree that we may rely upon any written signature if in good faith believed by us to be the genuine signature of your authorized representative. Each authorized representative is authorized to issue payment orders and any authorized representative may act alone. You agree to notify us immediately, according to notification procedures prescribed by us, if the authority of any authorized representative shall change or be revoked. You shall recover and return to us any security devices in the possession of any authorized representative whose authority to have the security device has been revoked.

(d) We reserve the right to modify, amend, supplement, or cancel any or all security procedures, and/or to cancel or replace any security device, at any time and from time to time in our discretion. We will endeavor to give you reasonable notice of any change in security procedures; provided that we may make any change in security procedures without advance notice to you if we, in our judgment and discretion, believe such change to be necessary or desirable to protect the security of our systems and assets. Your implementation and use of any changed security procedures and/or continued use of the service after any change in security procedures shall constitute your agreement to the change and your agreement that the applicable security procedures, as changed, are commercially reasonable and adequate for the purposes intended.

(e) In the event of the breach of any applicable security procedure, you agree to assist us in determining the manner and source of the breach. Such assistance shall include, but shall not be limited to, providing us or our agent access to your systems, computer hardware and software, storage media and devices, and any other equipment or device that was used or may have been used in breach of the security procedure. You further agree to provide to us any analysis of such systems, computer hardware and software, storage media and devices, and other equipment or devices, or any report of such analysis, performed by you, your agents, law enforcement agencies, or any other third party. Your failure to assist us shall be deemed an admission by you that the breach of the security procedure was caused by a person who obtained access to your transmitting facilities or who obtained information facilitating the breach of the security procedure from you and not from a source controlled by us.

7. Physical and Electronic Security.

(a) You are solely responsible for providing for and maintaining the physical, electronic, procedural, administrative, and technical security of data and systems in your possession or under your control. We are not responsible for any computer viruses (including, without limitation, programs commonly referred to as “malware,” “keystroke loggers,” and/or “spyware), problems or malfunctions resulting from any computer viruses, or any related problems that may be associated with the use of an online system. Any material downloaded or otherwise obtained through the use of any electronic service is obtained at your own discretion and risk, and we are not responsible for any damage to your computer or operating systems or for loss of data that results from the download of any such material, whether due to any computer virus or otherwise. You are solely responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to your operating systems, and for protecting, securing, and backing up any data and information stored in or on your operating systems. We are not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on your operating systems.

(b) b) You acknowledge and agree that it is your responsibility to protect yourself and to be vigilant against e-mail fraud and other internet frauds and schemes (including, without limitation, fraud commonly referred to as “phishing”). You agree to educate your authorized representatives, agents, and employees as to the risks of such fraud and to train such persons to avoid such risks. You acknowledge that we will never contact you by e-mail in order to ask for or to verify account numbers, security devices, or any sensitive or confidential information. In the event you receive an e-mail or other electronic communication that you believe, or have reason to believe, is fraudulent, you agree that neither you nor your authorized representatives, agents, and employees shall respond to the e-mail, provide any information to the e-mail sender, click on any links in the e-mail, or otherwise comply with any instructions in the e-mail. If you suspect fraud or attempted fraud, please see Exhibit 10 for appropriate contact information. fForward any suspected fraudulent or suspicious e-mail to phishing@regions.com or as we otherwise may direct. You agree that we are not responsible for any losses, injuries, or harm incurred by you as a result of any electronic, e-mail, or internet fraud.

8. Limitation Amount and Restrictions. You may establish limitations for authorized representatives with respect to payment order amounts by designating the amount in Exhibit 4 as applicable. Additionally, the System Administrator may establish amount limitations for Authorized User(s) initiated via Bank’s iTreasury Service. We will reject and not process any payment order that exceeds the limitation amount that you establish (“Customer Limitation”). Your designation of a limitation amount does not require us to accept or execute a payment order that is issued in an amount less than the Customer Limitation and does not impact or effect our right to reject any payment order. We reserve the right to establish from time to time, in our sole discretion, limitations and restrictions with respect to payment order amounts, frequency of payment orders, the types of accounts that are eligible as authorized accounts, and other matters relating to this service based on factors deemed significant by us in its sole discretion (“Bank Limitations”). In the event that the Customer Limitation exceeds the Bank Limitation, the Bank Limitation that we establish shall control. You agree to abide by and be bound by all limitations and restrictions imposed from time to time by us, and you acknowledge and agree that such limitations and restrictions are for our the sole protection.

9. Your Obligations for Accepted Payment Orders. You agree to be bound by, and authorize us to debit the authorized account for, any payment order, whether or not authorized by you, that was issued in your name and accepted by us in compliance with the security procedures. You also agree to be bound by, and authorize us to debit the authorized account for, any payment order issued in your name and executed or accepted by us without complying with the security procedures if (a) you or one of your authorized representatives actually authorized the payment order or (b) you are bound by the payment order under the law of agency. In that regard, we are authorized to rely on any information or documents provided by you that indicate the identity of those persons who are authorized to act on your behalf and you agree to promptly notify us in writing of any changes in your authorized representatives by signing a document in form and content satisfactory to us.

10. Cancellation or Amendment of Payment Orders. You may ask us to amend or cancel a payment order provided that (a) the payment order was not “pre-advised” (meaning that you instructed us to advise a third party of the payment order with a future value date) or was not otherwise irrevocable under applicable law, (b) we receive your request at a time and in a manner affording us a reasonable opportunity to act on the request before we execute the payment order (but in no event later than our cutoff time, as in effect on the banking day prior to the designated transfer date) and (c) you follow the applicable security procedures. You do not have any right to amend or cancel a payment order once we have executed or accepted it. Although we are under no obligation to do so, we may, solely as an accommodation to you, attempt to cancel or amend an executed payment order by sending a reversal request or amendment through the funds transfer system. In such case, you represent and warrant to us that either (x) the payment order was unauthorized or (y) because of a mistake by a sender in connection with the payment order, a payment order was issued that (i) is a duplicate of a payment order that you previously issued, (ii) orders payment to a beneficiary not entitled to receive the payment from you or (iii) orders payment in an amount greater than the amount the beneficiary is entitled to receive from you. If we attempt to cancel or amend a payment order as described above, the reversal request or amendment must be agreed to by each financial institution that has accepted a payment order related to the funds transfer order at issue before it will be acted upon and we will have no liability if a cancellation or amendment is not effected. You agree to indemnify and hold us harmless from and against any and all claims, demands, losses, costs, damages, fees, expenses and other liabilities (including, without limitation, attorneys’ fees and the costs of litigation, arbitration or other dispute resolution) resulting from, as a consequence of or in any manner in connection with your request to cancel or amend a payment order and, upon our request, you will provide us with a separate indemnity agreement and bond in the form and amount that we request.

11. International Payments. Fund transfers to beneficiaries outside of the United States may be paid to the beneficiary either in the foreign currency of the country to which the funds are transferred, in U.S. dollars, or in other currency, according to our policies and procedures, the policies and procedures of the beneficiary's bank, and/or the policies and procedures of any intermediary banks participating in the transaction, subject to applicable exchange rates. You specifically agree that if we receive a payment order in your name requesting that we effectuate payment in U.S. dollars, we may, in our discretion, prior to or upon execution of the transaction, convert the U.S. dollar amount to the currency of the destination country at our exchange rate in effect at the time of conversion. If we receive a payment order in your name requesting that we effectuate payment in a currency other than U.S. dollars, we will debit the authorized account for the U.S. dollar equivalent of the amount of foreign currency to be paid at our rate of exchange in effect on that day. It is your responsibility to advise your beneficiary of the possibility and effect of currency conversions in the course of the execution of a payment order. We will make any refunds of U.S. dollar denominated payment orders to you in the U.S. dollar amount. Refunds of payment orders denominated in a foreign currency will be in the amount of U.S. dollars that can be bought for the foreign currency amount at our rate of exchange in effect on the day of the refund. You bear all risk of loss due to fluctuations in the rate of exchange. No transfer fees will be refunded.

12. Prohibited Transactions. You agree not to use or attempt to use the services (a) to engage in any illegal purpose or activity or to violate any applicable law, rule or regulation, (b) to breach any contract or agreement by which you are bound, or (c) to engage in any internet or online gambling transaction, whether or not gambling is legal in any applicable jurisdiction, or (d) to engage in any transaction or activity that is not specifically authorized and permitted by this agreement. You acknowledge and agree that we have no obligation to monitor your use of the services for transactions and activity that is impermissible or prohibited under the terms of this agreement; provided, however, that we reserve the right to decline to execute any transaction or activity that we believe violates the terms of this agreement.

13. Rejection of Payment Orders. We have the right to reject any payment order that we receive for any reason. You agree that we have no duty to notify you that we have rejected a payment order or that a payment order is not accepted. However, if we reject or fail to execute a payment order, we may attempt to notify you in writing or by telephone. Any notice that we give you is effective when we send it. If we fail to give you notice of a rejection or failure to execute a payment order, we will not be liable to you for damages or interest for failing or refusing to honor a payment order even if you have paid us for, or there were sufficient available funds in the authorized account to pay for the payment order in question.

14. Identifying Numbers. You are solely responsible for correctly identifying the parties in a payment order, including the intermediary bank (if you designate one), the beneficiary and the beneficiary's bank. You must identify all of these parties by number, name and address. You acknowledge that, in executing a payment order, we may rely exclusively on the identifying number for any bank, or beneficiary's account contained in the payment order. If a payment order identifies any bank or the beneficiary by both a name and an identifying (or bank account) number and the name and number identify different persons, execution of the payment order, payment to the beneficiary and cancellation or amendment of the payment order may be made solely on the basis of the identifying number. You are responsible for any losses relating to any such inconsistency.

15. Funds Transfer Systems. You may designate in a payment order the particular funds transfer system and the intermediary banks that we are to use in executing a payment order. If you do not designate any of this information, we will choose the funds transfer system and intermediary banks to execute the payment order. Moreover, if we in good faith determine that it is not feasible to follow any designation that you have made or that following any such designation would unduly delay execution of the payment order, we may use any funds transfer system to execute a payment order that we select without giving you prior notification. Each funds transfer system may be governed by its own operating rules and regulations and payment orders or cancellations or amendments, including but not limited to, Federal Reserve Board Regulation J with regard to FEDWIRE, sent through a funds transfer system are subject its rules and regulations, including all interbank compensation rules governing the settlement of claims for compensation or adjustments of errors between member banks. You agree to be bound by any rules then in effect governing the use of any system through which the funds may be transmitted. Each funds transfer and/or communication system that we select in executing a payment order will be considered your agent.

16. Customer As Beneficiary. If you are the beneficiary of a payment order, except for FEDWIRE, any credit we give you is provisional until we receive final payment. If we do not receive final settlement for any payment made to you by us, you acknowledge and agree that you are obligated to us for the amount of the payment order and we are authorized to charge your account(s) for any amount paid to you. If we credit your account for a funds transfer naming you as beneficiary, such credit entry to your account is not acceptance of the funds transfer by us until one hour after the opening of business on the funds transfer business day after the credit entry is made to the account. Notwithstanding the foregoing, we may make the funds available to you at an earlier time at our option. Unless otherwise agreed in writing between you and us, we have no obligation to notify you of receipt of a funds transfer naming you as beneficiary even if payment for the funds transfer to you is made by credit to your account or the payment order directs payment to an account. Demand by you for payment of a payment order for which we are obligated to pay you must be made in writing and delivered to us.

17. Debits and Overdrafts. Nothing in the agreement and no course of dealing between you and us constitutes a commitment on our part to lend you money or obligates us to extend any credit to you or otherwise advance funds to you to pay for any payment order. As a result, you agree that we have no duty to execute a payment order that exceeds the amount of the available funds contained in an authorized account. If you send us more than one payment order for an authorized account at or about the same time and the authorized account does not contain enough available funds to cover all of those payment orders, we may execute those payment orders in any order we select, even if that order results in fewer payment orders being executed than another order. If we elect, in our sole discretion, to execute one or more payment orders that exceed the balance of available funds in an authorized account, we may debit the authorized account for the amount of all payment orders that we execute, even if the debit creates or increases an overdraft in the authorized account. In that event, you agree to deposit sufficient available funds to cover the overdraft into the authorized account by the close of that funds-transfer business day. Any overdraft existing at the close of a funds-transfer business day is immediately due and payable without notice or demand, together with interest at the rate set forth below. In addition, each payment order we receive in your name that exceeds the available balance in an authorized account is subject to a fee, whether we execute the payment order or not.

18. Setoff. You agree that we may, without making a prior demand or giving you notice, obtain payment of any amount you owe us under the agreement by debiting any authorized account or other account that you maintain with us or any of our affiliates and you also agree that we may setoff any obligations you owe us against any amount that we or our affiliates owe you. In addition, you grant us a security interest in any account that you maintain with us to cover any obligations that you owe us.

19. Fees. You agree to pay fees for all services in accordance with our fee schedule in effect from time to time and to reimburse us for any direct or indirect transfer expenses we incur in connection with providing the services to you.

20. Rate of Compensation to You. In the event that we are liable to you for interest compensation under the agreement or by applicable law, interest will be calculated on the basis of the average federal funds rate for the period involved.

21. Rate of Compensation to Us. Whenever you are obligated to pay us compensation in the form of interest under the agreement or applicable law, that interest will be payable at the lower of (a) the lowest rate you pay on established lines of credit with us or (b) 120% of the commercial base rate established by Regions Financial Corporation and in effect at the relevant time.

22. Damages. Our liability to you is limited to actual damages that you incur and are (a) recoverable under the provisions of Article 4A of the UCC and (b) not otherwise restricted or limited by the terms of the agreement. In that regard, you agree to the maximum extent permitted by law that we will never be liable to you for any indirect, consequential, special, punitive or exemplary losses or damages, without regard to the form of your claim or action or whether your claim is in contract, tort or otherwise, and even if we knew such losses or damages were possible or likely. If we reimburse you for any losses or damages, you agree to transfer all of your rights relating to the transactions in question to us and to assist us in any efforts or legal actions that we may take to recover those amounts from any third party.

23. Cooperation. In the event that we are entitled under the law governing mistake and restitution to recover from any beneficiary all or any part of a funds transfer made to such beneficiary hereunder, you shall upon our request but without expense to us testify in any legal proceedings and otherwise take any action necessary to assist or enable us to recover from such beneficiary.

24. Prompt Notification of Errors or Discrepancies. We will send or make available to you an advice and/or periodic statement(s) that will give you information reasonably identifying each payment order that we received in your name and executed. You must examine each advice and/or periodic statement promptly after it is sent or made available and notify us in writing within a reasonable time (not to exceed 30 calendar days) of any unauthorized, duplicate, erroneous or erroneously executed payment orders. If you fail to notify us in a timely fashion, we are not obligated to compensate you for any interest on the amount of the unauthorized, duplicate, erroneous or erroneously executed payment order. In addition, you are precluded from asserting any claim whatsoever against us with respect to a payment order unless you notify us in writing that the payment order was unauthorized, duplicate, erroneous or erroneously executed within 30 calendar days after we send or make available to you an advice or periodic statement reasonably identifying that payment order. You acknowledge that this provision shortens the period within which you are required to give us notice of an unauthorized, duplicate, erroneous or erroneously executed payment order under Article 4A of the UCC, and you expressly agree to be bound by that shortened period to the maximum extent permitted by law.

25. Force Majeure. Except as otherwise provided in Article 4A of the UCC, you agree that we will not be liable for any error, delay or failure to perform that is caused by fire, natural disaster, strike, civil unrest, terrorism, failure of computer or communication facilities, the acts or omissions of any third party (including any Federal Reserve Bank, clearinghouse or funds transfer system, or any circumstance beyond our reasonable control).

26. Indemnity. Except as may be limited by the Article 4A of the UCC or other applicable law, you agree to defend, indemnify, protect and hold us and our officers, directors, employees, attorneys, agents and representatives harmless from and against any and all liabilities, claims, damages, losses, demands, fines (including those imposed by any Federal Reserve Bank clearinghouse or funds transfer system), judgments, disputes, costs, charges and expenses (including attorneys' fees and the costs of litigation, arbitration or other dispute resolution) which relate in any way to (a) your failure to comply with all the terms and conditions of the agreement, (b) the failure of the representations and warranties that you make to us to be true and correct in all material respects at anytime, (c) any instructions you give us or (d) the services or the agreement and (e) our enforcement of our rights and remedies under the agreement against you.

27. Consent. You consent to our disclosure to government authorities of information concerning you and transactions under the agreement that we believe to be appropriate or necessary to fulfill legal recordkeeping and reporting

28. Notice of Credits. We will not give you telephonic or other notice of incoming credits unless you make a written request for that service in advance. If you make such a request, we will use reasonable efforts to provide you such notice, but will have no liability for failure to notify you or for incorrect or untimely notification.

29. Recordings. You agree that all telephone conversations or data transmissions between you and us or any of our respective agents made in connection with the agreement may be recorded and retained by us or our agents by the use of any reasonable means. You also acknowledge that we are not required to record any such conversation or data transmissions and agree that we will not have any liability for failing to do so.

30. Amendments and Service Notifications. We may change or add to the terms of the agreement by giving you ten days' written or electronic notice of the changed or new terms. Any other amendment to the agreement must be in writing and signed by both you and us.

(a) You agree that we may send notifications regarding changes in the terms of this agreement and other notifications regarding our funds transfer service to you in electronic form, either by posting such information, disclosures, and notices at our website at Regions.com or by transmitting them, or notice of the availability thereof at our website, to any e-mail address that you have provided in connection with your use of our financial products and services. You shall be deemed to have received electronic notices one (1) day after we post them at our website or transmit them, or notice of the availably thereof at the applicable website, to your e-mail address, as applicable, whether or not you have retrieved them by that time. You agree to frequently and regularly retrieve your e-mail and review posted messages and information at our website to ensure that you are aware of current terms, conditions, and information relating to our funds transfer services. We reserve the right at any time, in our discretion, to mail to your address that appears in our records, or otherwise transmit to you pursuant to any other method to which you have agreed in connection with you account(s) with us, paper copies of any information, disclosures and/or notices relating to our funds transfer services in lieu of or in addition to electronic versions thereof.

31. Assignment. You may not assign or transfer the agreement, or any of your rights hereunder, in whole or in part, whether voluntarily, involuntarily or by operation of law or otherwise, including (without limitation) by merger, consolidation, dissolution, sale of a controlling interest or otherwise, without our prior written acknowledgement and consent, which may be granted or withheld in our absolute discretion. Any such assignment without our prior written acknowledgement and consent shall be void and of no force or effect; provided, that we shall have the right, at our option and discretion, to enforce any of your liabilities, duties, and obligations hereunder against any purported assignee. We may assign this agreement and/or any or all of our rights hereunder, or delegate any or all of our responsibilities or duties hereunder, to any third party or parties in our discretion and without notice to you. Subject to the foregoing, this agreement shall be binding on the parties hereto and their respective successors and assigns

32. Notices. Except as otherwise provided with respect to particular notifications as described elsewhere in this Agreement or in any applicable exhibit to this Agreement, all notices, demands, requests, or other communications which may be or are required to be given, served, or sent pursuant to this Agreement shall be in writing and shall be delivered by personal or hand delivery, facsimile transmission, nationally recognized express overnight delivery service (with charges therefor prepaid), or certified or registered mail, return receipt requested (with postage therefor prepaid). Notices shall be deemed received upon receipt, if hand or personally delivered, the next business day after the notice has been transmitted by facsimile or deposited with a nationally recognized express overnight delivery service, or the third business day after the notice has been deposited with the United States Postal Service. We may transmit notices to such physical address, mailing address, or facsimile number which we reasonably believe to be correct contact information for you based upon any our records. You shall transmit notices to us as follows or as provided in other notification instructions that we may provide to you:

ALBH00112B

Money Transfer Department

Regions Bank P.O. Box 11007

Birmingham, AL 35288

33. No Violations. You warrant to us that neither the agreement nor any transaction contemplated by it will violate any currency exchange control regulations, economic or other sanctions regulations or any other legal restrictions applicable to you or to any of the funds transfer transactions which will be made through your accounts under the agreement. You agree to comply with all applicable laws, rules, procedures and regulations with respect to the use of your accounts with us and your use of the service described in this agreement. We will comply with regulations issued by the U.S. Treasury's Office of Foreign Assets Control ("OFAC"). If any payment order is to a person or entity listed on OFAC's list of Specially Designated Nationals and Blocked Persons, by law we shall not complete the transfer and shall "block" the funds until such time that OFAC issues a written release to us.

34. Authority and Enforceability. If you are an entity, you represent to us that (a) you are duly organized and in good standing under the laws of your jurisdiction of organization, (b) you have full power and authority to enter into the agreement and to perform all of your obligations under it, and (c) the agreement has been duly authorized and is your legal, valid and binding obligation. You agree to provide us satisfactory evidence of these representations and such other documents as we may reasonably require from time to time in order to carry out the purposes of the agreement. We are entitled to rely upon any such evidence that you give us. You also agree that any resolution, signature card or other document relating to the services or your accounts that purports to require the signature of more than one of your authorized officers or other representatives is solely for your internal control purposes and is not binding on us. Without limiting the generality of the prior sentence, you agree that the agreement is effective if signed by only one of your authorized officers or other representatives.

35. Termination. You or we may terminate the agreement by written notice to the other party. Any termination by you will not be effective until we have acknowledged it. Even though the agreement may be terminated, all provisions relating to your indemnification obligations, your obligations concerning confidential information and limitations on our liability will continue to apply and will survive termination. You also continue to be liable for any obligations that you incurred prior to the termination of the agreement, those that you incur in the process of terminating the agreement, and for any outstanding transactions.

36. Entire Agreement. The agreement constitutes the entire agreement and understanding between you and us with respect to the services. It completely replaces any prior written or oral agreements and understandings relating to the services. No representation or statement that is not expressly set forth in the agreement is binding upon us.

37. Other Agreements. The terms and conditions of the agreement are in addition to, and do not modify or otherwise affect, the terms and conditions of any deposit or other written agreement between us, except that the terms of the agreement shall govern with respect to the services contemplated hereby to the extent of any inconsistency.

38. Governing Law. The agreement is governed by and should be interpreted in accordance with the applicable federal laws and the internal laws of the State of Alabama. You consent to the exclusive jurisdiction and venue of any court located in that state.

39. Severability. Any provision of the agreement that is invalid or unenforceable in any jurisdiction will, as to such jurisdiction and to the extent of such invalidity or unenforceability, be deemed replaced with a valid and enforceable provision as similar as possible to the one replaced and all of the remaining provisions of the agreement will remain in full force and effect.

40. No Beneficiaries. The agreement binds and benefits you and us and our respective permitted legal representatives, successors and assigns. The agreement is not for the benefit of any third party, and no third party has any rights against either you or us under the agreement.

41. Headings. The headings used in the agreement are for reference purposes only and should not be considered when interpreting the agreement.

42. Remedies. The rights, powers, remedies and privileges provided for you in the agreement are your sole and exclusive rights, powers, remedies and privileges with respect to the services or any failure by us to perform the services in accordance with the terms of the agreement. The rights, powers, remedies and privileges provided for us in the agreement are in addition to any rights, powers, remedies and privileges with respect to the services or any failure by you to comply with the terms of the agreement that we have under applicable law or otherwise, and we may exercise any or all of those rights, powers, remedies and privileges in any order.

43. No Waiver. A failure or delay in exercising any right, power or privilege in respect of the agreement by us will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege by us will not be presumed to preclude any subsequent or further exercise by us of that right, power or privilege or the exercise by us of any other right, power or privilege.

44. No Strict Construction. In the event an ambiguity or a question of intent or interpretation of the agreement arises, the agreement should be construed as if you and we both drafted the agreement and no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of the agreement will apply.

45. Execution. This agreement may be executed electronically with or through the use of digital or facsimile signatures or the use of electronic sounds, symbols, or processes that constitute electronic signatures. Such electronic execution shall have the same legal effect, validity, and enforceability as execution by means of a manually applied or written signature. The executed agreement, or executed signature page thereof, may be exchanged or delivered electronically by facsimile or by email in PDF (portable document format) or other electronic format, and such electronic exchange or delivery shall be as effective as the delivery of an original, manually executed counterpart of the agreement. This agreement has been executed and delivered on your behalf by the person whose name is presented below. That person represents and warrants to us that he or she is your authorized representative and that you have taken all action required by your organizational documents to authorize him or her to execute and deliver this agreement (and any other documents we may require with respect to the services) on your behalf. This agreement supersedes and replaces any and all prior agreements between you and us with respect to the services described in this agreement.

46. Remittance Transfers. This section applies only if you are an individual and only to any remittance transfer you may send. A “remittance transfer” is a payment order you send us primarily for personal, family or household purposes that (a) is to be debited from an authorized account that is a consumer account, and (b) is to be received by the beneficiary outside of the United States. Notwithstanding any provisions of this Agreement to the contrary, any remittance transfer you send will be subject to the federal Electronic Funds Transfer Act and the regulations implementing that Act (the “EFT Act”). The EFT Act may limit some of our rights described above, and also provides you with certain rights not described above. When you request a remittance transfer, you will receive disclosures about the terms of that transfer. As described in the disclosures for each transfer, you may cancel a remittance transfer and receive a refund of any amount you paid. As also described in the disclosures, you have the right to report any error with a remittance transfer, in which case we will investigate and, if we determine an error occurred, will correct the error promptly. If you think there has been an error with your remittance transfer, you must contact us within 180 days of the date that funds were to be made available to the beneficiary. Please contact us at 800-REGIONS if you have any question about a remittance transfer you have sent.

Line of Business	Customer Name
X	**X**
Signature (Regions Bank Officer)	Signature and, if applicable, Title (Must be authorized per Resolution/Certificate)
Print Name	Print Name
Title	Title
9/29/2025 Date	9/29/2025 Date

REGIONS

Exhibit 1 to Wire Transfer Of Funds Agreement **Treasury Management Services Contact Information**

Customer Information

Customer Name	
Tax ID	
Contact Name	
Title	
Street Address	
City, State, ZIP	
Mailing Address - Type if Different	
City, State, ZIP	
Telephone Number	
Fax Number	
Email Address	
Treasury Management Officer	

Regions Bank Officer

Name	
Title	
Bank	

Authorized Representative (MUST BE AN AUTHORIZED SIGNER)

Authorized Representative Signature	
Name of Authorized Representative	
Title	
Date	9/29/2025

Restricted

REGIONS

Exhibit 2 to Wire Transfer Of Funds Agreement — **Designation of Authorized Accounts**

Listed below are those Regions accounts from which funds may be transferred by the undersigned ("Customer") or an "Authorized Representative" in accordance with the Wire Transfer of Funds Agreement.

	Account	Account Name	Wire Type Used
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☑ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____

Enable Beneficiary Notifications ☐ Yes
Contact Name
Email Address
Telephone Number

0
Customer Name

0
Address (Non PO Box)

0
Name of Authorized Representative (Printed)

0
City, State, Zip

0
Title

X
Authorized Representative Signature

9/29/2025
Date

*** Requires an Exhibit 4**

Although not required, it is suggested that all Wire customers also sign up for Telephone Authorized wires (Exhibit 4) in case of emergency.

Restricted

REGIONS

Exhibit 4 to the Wire Transfer of Funds Agreement **Designation of Telephone Authorized Representatives**

NOTE: THIS EXHIBIT IS FOR CLIENTS USING TELEPHONE TO INITIATE PAYMENT ORDERS

Listed below are the names of all the Authorized Representatives, their transfer limits, and the account numbers from which the representatives are authorized to transfer funds in accordance with the Wire Transfer of Funds Agreement between the Customer and Regions Bank.

Wire Transfer Account Number(s):

1	2	3	4	5
6	7	8 #REF!	9 #REF!	10 #REF!

Customer Setup Request

Action	Authorized User Printed Name and Signature of Representatives Being Added is Required	Telephone Number	Indicate Account # From Above	* Initiation Limit *Numeric Value Required*	**Approval Limit for Callback verification *Numeric Value Required*
☐ Add ☐ Change ☐ Delete	Signature Printed Name Not Applicable		1☐ 2☐ 3☐ 4☐ 5☐ 6☐ 7☐ 8☐ 9☐ 10☐ ☐ All	Repetitive Non-Rep ☐ Inquiry Only	
☐ Add ☐ Change ☐ Delete	Signature Printed Name Not Applicable		1☐ 2☐ 3☐ 4☐ 5☐ 6☐ 7☐ 8☐ 9☐ 10☐ ☐ All	Repetitive Non-Rep ☐ Inquiry Only	
☐ Add ☐ Change ☐ Delete	Signature Printed Name Not Applicable		1☐ 2☐ 3☐ 4☐ 5☐ 6☐ 7☐ 8☐ 9☐ 10☐ ☐ All	Repetitive Non-Rep ☐ Inquiry Only	
☐ Add ☐ Change ☐ Delete	Signature Printed Name Not Applicable		1☐ 2☐ 3☐ 4☐ 5☐ 6☐ 7☐ 8☐ 9☐ 10☐ ☐ All	Repetitive Non-Rep ☐ Inquiry Only	

*** Initiation / Approval / PIN limits are required - field cannot be left blank.**

*** Initiation and/or Approval limits, if applicable are required - If not applicable, Limit field can be left blank.**

**** If applicable fields are left blank, agreement will be returned for correction.**

Call Back Verification for Telephone Initiated Payment Orders. Customer **MUST** select a floor limit or reject the call back verification.

Bank's Security Procedure for Telephone Initiated Non-repetitive Payment Orders includes a call back on Payment Orders in excess of a floor limit established by Customer.

Customer Selected Floor Limit: _____Bank may also call back on any repetitive/semi-repetitive or non-repetitive wire based upon Bank's defined Security Procedures regardless of Customer's Floor Limit.

Payment Orders in excess of the Floor Limit require a minimum of 2 PIN holders to process the Payment Order.

By checking the box below, Customer may reject Bank's Security Procedures and thereby select Customer's Security Procedure which does not include the call back verification.

☐ **Customer hereby rejects Bank's call back verification procedure.**

Customer Name

Address (Non PO Box)

Name of Authorized Representative (Printed)

City, State, Zip

Title

Telephone Number

X

Authorized Representative Signature

09/29/2025

Date

Restricted

REGIONS

Exhibit 5 to Wire Transfer of Funds Agreement **Incoming/Outgoing Wire Notification Instructions**

Listed below are the names of the Incoming, Outgoing or Both Notification Contacts who may accept notification of domestic and international funds transfer credits received for the Customer. A new Exhibit 5 must be submitted by the Customer whenever Incoming, Outgoing or Both Notification Contacts are changed, added to, or deleted from the Incoming, Outgoing Notification Contact list. Letters are not acceptable.

Account #1 _____ **OR** This method applies to all accounts ☐

Method of notification ☐ Facsimile Fax Number _____
☐ Email Advice Incoming, Outgoing or Both _____

	Name & Fax Number or Email Address, in order listed	
☐ Add ☐ Delete ☐ Update 1		
☐ Add ☐ Delete ☐ Update 2		
☐ Add ☐ Delete ☐ Update 3		
☐ Add ☐ Delete ☐ Update 4		

Account #2 _____

Method of notification ☐ Facsimile Fax Number _____
☐ Email Advice Incoming, Outgoing or Both _____

	Name & Fax Number or Email Address, in order listed	
☐ Add ☐ Delete ☐ Update 1		
☐ Add ☐ Delete ☐ Update 2		
☐ Add ☐ Delete ☐ Update 3		
☐ Add ☐ Delete ☐ Update 4		

Account #3 _____

Method of notification ☐ Facsimile Fax Number _____
☐ Email Advice Incoming, Outgoing or Both _____

	Name & Fax Number or Email Address, in order listed	
☐ Add ☐ Delete ☐ Update 1		
☐ Add ☐ Delete ☐ Update 2		
☐ Add ☐ Delete ☐ Update 3		
☐ Add ☐ Delete ☐ Update 4		

Customer Name _____ Address (Non PO Box) _____

Name of Authorized Representative (Printed) _____ City, State, Zip _____

Title _____

X _____ 9/29/2025

Authorized Representative Signature _____ Date _____

***Applies to business customer only**

Restricted

REGIONS

Exhibit 6 to Wire Transfer of Funds Agreement **Repetitive Payment Order Template**

Check one: ☐ Domestic ☐ International Template Name _____

☐ New ☐ Update ☐ Delete

TO: Regions Bank
In accordance with the Wire Transfer of Funds Agreement between the undersigned (Customer) and Regions Bank, you are authorized to assign the Customer a Repetitive Transfer Name to establish the repetitive payment order indicated below wherein the debit/credit parties remain the same, but date and money amount are variable. (NOTE: All debit accounts must be listed as authorized accounts on Exhibit 2.)

Customer Repetitive Transfer Name (assigned by Bank) _____

A. DEBIT the following account at Regions:
Originating Account Number _____ Originating Account Name _____

B. CREDIT the funds as indicated below:

Beneficiary Account Number		Beneficiary Account Name	
Beneficiary Bank Name		Beneficiary Account Street Address	
Beneficiary Bank City		Beneficiary Account City and State (or Country)	
Beneficiary Bank State (or Country)		Beneficiary Bank (ABA Number or SWIFT Code)	
International Currency Code		Intermediary Bank Code (ABA Number or SWIFT Code)	
Intermediary Bank Name			

C. Additional Instructions or Required OBI Information:

D. Maximum Dollar Amount Per Transfer (if applicable) _____

0
Customer Name

0
Address (Non PO Box)

0
Name of Authorized Representative (Printed)

0
City, State, Zip

0
Title

X
Authorized Representative Signature

9/29/2025
Date

Restricted

REGIONS

Exhibit 7 to Wire Transfer of Funds Agreement **Automatic Standing Payment Order**

Check One ☐ New ☐ Update ☐ Delete

TO: Regions Bank

In accordance with the Wire Transfer of Funds Agreement between the undersigned ("Customer") and Regions Bank, you are authorized to perform a perform a repetitive wire transfer on behalf of the Customer in accordance with the instructions indicated below, beginning on _____ and remaining in effect until Bank is notified in writing.

A. DEBIT the following account at Regions:

Account Number _____ Account Name _____

B. CREDIT the funds as indicated below:

Beneficiary Account Number _____ Beneficiary Account Name _____

Beneficiary Bank Name _____ Beneficiary Account Street Address _____

Beneficiary Bank City _____ Beneficiary Account City/State & Country _____

Beneficiary ABA Number _____ Beneficiary Bank Code (ABA, SWIFT) _____

Intermediary Bank Name _____ Intermediary Bank Code (ABA, SWIFT) _____

C. Transfer Information Choose:

☐ Available Balance _____
☐ Fixed Amount _____
☐ Variable Amount Options
In Excess of (Target): _____
If Greater Than: _____
In Increments Of: _____

International Currency Code: _____

SCHEDULING METHOD: Specify options below indicating the timing of transfer:

Day(s) of Week to Transfer: ☐ Monday ☐ Tuesday ☐ Wednesday ☐ Thursday ☐ Friday
-OR- Day(s) of Month Transfer: Specify the desired calendar or business day(s) or ALL _____

0
Customer Name

0
Address (Non PO Box)

0
Name of Authorized Representative

0
City, State, Zip

0
Title

X
Authorized Representative Signature

9/29/2025
Date

Restricted

REGIONS

Exhibit 8 to Wire Transfer of Funds Agreement - Exhibit 2 is also required **Drawdown**

Check One ☐ New ☐ Update ☐ Delete

Drawdown _____

TO: Regions Bank

Drawdown Authorization - In accordance with the Wire Transfer of Funds Agreement between the undersigned ("Customer") and Regions Bank, upon receipt of a Fed 1031 request, you are authorized to accept and charge the Customer account, designated below, and wire the proceeds through the Federal Reserve System for credit to the account designated below (a Fed 1032 response). Customer acknowledges and agrees that this Drawdown Authorization authorizes Regions Bank to execute the Payment Order and to charge Customer's Account based solely on receipt of the Fed 1031 request. This authorization is to remain in full force and effect until Regions Bank has received written notice of termination from Customer and the Bank has had reasonable time to act on the request.

Drawdown Request – Repetitive/Semi-Repetitive Template Setup: In accordance with the Wire Transfer of Funds Agreement between Customer and Regions Bank, you are authorized to assign the Customer a Repetitive Transfer Number and to establish the repetitive transfer of a request for funds (a Fed 1031 request) indicated below wherein the debit/credit parties remain the same, but date and money amount are variable.

A. Regions Bank Account Information

Account Number _____ Account Street Address _____

Account Name _____ Account City and State _____

B. Other Bank/Customer Information

Bank ABA Number _____ Name of Bank _____

Account Name _____ Account Number _____

Customer Name _____ Address (Non PO Box) _____

Name of Authorized Representative (Printed) _____ City, State, Zip _____

Title _____

X _____ 9/29/2025

Authorized Representative Signature Date

Applies to business customer only

Restricted

REGIONS

Exhibit 9 to Wire Transfer of Funds Agreement **Electronic Access-Batch Wire Processing**

(Does not apply to iTreasury Batch Wire)

Check One ☐ New ☐ Update ☐ Delete

Select Service: Select from dropdown options

Accounts to be used for Batch Wire Transfer:

☐ Add	☐ Delete		☐ Add	☐ Delete	
☐ Add	☐ Delete		☐ Add	☐ Delete	
☐ Add	☐ Delete		☐ Add	☐ Delete	
☐ Add	☐ Delete		☐ Add	☐ Delete	
☐ Add	☐ Delete		☐ Add	☐ Delete	

Batch PIN Limit: _____

This Exhibit governs the electronic initiation and transmission of batched payment orders by _____ (the "Customer") to Regions Bank (the "Bank") or to Bank's Auxiliary Provider, as that term is defined in the Integrated Payables Service Schedule by and between Bank and Customer, which is hereby incorporated by reference. This Exhibit supplements the Wire Transfer of Funds Agreement between the Customer and the Bank. Should there be a conflict between the terms of this Exhibit and the Wire Transfer of Funds Agreement, the terms of this Exhibit shall take priority.

1. The Customer agrees to furnish all equipment and data terminals on the Customer's premises, as may be specified by the Bank, which are necessary to gain access to the Bank's funds transfer services. The Customer shall be solely responsible for the selection and continued maintenance, use and operation of all such equipment and terminal during the term of this Exhibit. The Bank shall under no circumstances be responsible for any malfunctions or breakdowns in the Customer's equipment which may result in Customer's inability to access the funds transfer services.

2. The Customer agrees to strictly follow all procedures for this service, which may be issued from time to time by the Bank or Auxiliary Provider and any amendments to such procedures. The Customer specifically agrees to use all necessary Identification codes and necessary passwords to gain access to and use of the funds transfer services or to transmit batched payment orders to Bank. The Customer is solely responsible for preserving the confidentiality of the Customer identification code and the passwords. The Customer acknowledges and agrees that any funds transfer request which is transmitted along with an appropriate identification code and password and Security Credentials, as that term is defined in the Regions Integrated Payable Service Client Set Up Form, if sent to Auxiliary Provider, will be conclusively presumed to be a proper transfer authorization by the Customer. Neither the Bank nor the Auxiliary Providers shall have responsibility for the accuracy or completeness of the data received from the Customer's data terminal or any data terminal so long as the appropriate identification code and password received by the Bank and the Security Credentials, if received by Auxiliary Provider, match those of the Customer.

3. The Customer acknowledges that the Bank's liability under this Exhibit shall be limited, as provided in Section 8 of Wire Transfer of Funds Agreement.

4. All charges for services under this Exhibit shall be in accordance with the Bank's normal pricing policies as issued by the Bank from time to time. All such charges shall be assessed to the Customer as provided for in Section 7 of the Wire Transfer of Funds Agreement.

5. The Bank may terminate the services provided under this Exhibit any time upon written notice to the Customer. The Customer may terminate the services under this Exhibit upon ten (10) days written notice to the Bank. In the event of termination by the Bank or by the Customer, the Customer shall remain liable for all charges incurred through the date of termination.

Customer Name	Address (Non PO Box)
Name of Authorized Representative (Printed)	City, State, Zip
Title	
X	9/29/2025
Authorized Representative Signature	Date

Applies to business customers only

Restricted



Wire Transfer Agreement Package

Revised July 2022

1. Introduction. Regions Bank offers funds transfer services to its clients under the terms and conditions set forth in this funds transfer agreement and the exhibits described below. Funds transferred via Regions Bank's iTreasury Service are subject to the terms and conditions set forth in this funds transfer agreement, the exhibits described below, and the Master Agreement for Treasury Management Services ("Master Agreement"). Throughout this funds transfer agreement, Regions Bank is referred to as "we" "us,", or "our", the funds transfer services that we offer are referred to as the "services," this funds transfer agreement and any exhibits attached hereto are together referred to as the "agreement" and the person or entity using the services is referred to as "you", or "your."

When you sign this funds transfer agreement, you are agreeing to be bound by the terms and conditions of the agreement. The agreement is a legally binding contract that can only be changed as provided below.

2. Definitions. The following words or terms have the designated meanings for purposes of the agreement:

· "**agreement**" means this funds transfer agreement and if funds are transferred via our iTreasury Service, also includes the Master Agreement

· "**authorized account**" means the account(s) that you have designated on the applicable exhibit to the agreement that is in effect at the relevant time to be used as a settlement source of debits for any payment orders that we execute on your behalf. If you have failed to designate at least one account, then any account that you maintain with us or any of our affiliates is an authorized account.

· "**authorized representative**" means a person authorized by any resolution or other document to execute and deliver the funds transfer agreement (and/or –any exhibits to the agreement) and/or to send payment orders and other funds transfer communications to us on your behalf (including each person identified as an authorized representative on applicable exhibits to the agreement that are in effect at the relevant time). "Authorized representative also includes an Authorized User as that term is defined in the Master Agreement. Any person who gives us the applicable PIN will be deemed to be one of your authorized representatives.

· **"available funds"** means funds that are on deposit in an authorized account and that are, subject to any amount limitations, available for withdrawal under our funds availability schedule for funds transfers.

· **"business day"** means a day other than a day (A) that is not a "business day" as defined in Federal Reserve Board Regulation CC, 12 CFR Part 229 or (B) on which commercial banks in Birmingham, Alabama are closed.

· "**floor limit**" means the amount designated by you as the call back verification limit on the applicable exhibit to the agreement that is in effect at the relevant time. We at our sole discretion may set an undisclosed floor limit that we determine and may change periodically without giving you notice. If you do not designate any such amount, an undisclosed dollar amount that we determine and may change periodically without giving you notice. Verification will be performed by contacting an Authorized Approver listed in Exhibit 4 other than the Authorized Representative who initiated the transfer.

· **"PIN"** means the personal identification number that we give to each of your authorized representatives (as identified in applicable exhibits to the agreement).

· "**automatic standing payment order**" means a payment order for which the authorized account, beneficiary information, frequency and method for calculating the payment order amount remain constant and are listed on the applicable exhibit to the agreement that is in effect at the relevant time. If you do not complete, sign and give us an exhibit that provides the required information for one or more automatic standing payment orders, we will not process payment orders for you as automatic standing payment orders.

· "**repetitive payment order**" means a payment order for which the authorized account and beneficiary information remain constant and are listed on the applicable exhibit to the agreement that is in effect at the relevant time, but for which the date and amount vary. If you do not complete, sign and give us an exhibit that provides the required information for one or more repetitive payment orders, we will not process payment orders for you as repetitive payment orders.

· "**security procedures**" means the procedures that are described in the agreement (including any applicable exhibits) and/or that are in effect at the relevant time that are to be used for verifying the authenticity of payment orders and other funds transfer communications that we receive in your name. Those security procedures vary with the type of payment order or funds transfer communication we receive.

· "**security device**" means, without limitation, any code, password, personal identification number, user identification technology, token, certificate, or other element, means, or method of authentication or identification used in connection with a security procedure.

In addition, words or phrases that are defined in Article 4A of the Uniform Commercial Code or "UCC" have the defined meanings when used in the agreement.

3. Deposit Account Agreement. You acknowledge and agree that any demand deposit account you maintain with us is an integral part of the services offered by us and that all transactions initiated or processed pursuant to this agreement are subject to our terms and conditions governing accounts in effect from time to time (the "deposit agreement"). The deposit agreement, including, without limitation, any and all terms thereof relating to ARBITRATION AND WAIVER OF JURY TRIAL, which terms shall govern any disputes between you an us arising out of this agreement, is expressly incorporated herein by reference; provided that the terms and conditions of this agreement shall control over any inconsistent terms and conditions of the deposit agreement with respect to the services contemplated by this agreement. You acknowledge that you have signed and executed all agreements, resolutions, signature cards and forms governing your demand deposit account required by us. If you have not signed the foregoing forms required by us, by signing any of this agreement, you acknowledge that you have read the contents of and agree to be bound by the terms of those forms, agreements and documents, and adopt and ratify, as an authorized signatory(s), the signature(s) of any person(s) who has signed a signature card or any check on your account.

4. Sending Us Payment Orders. You may send us payment orders only by one of the methods described in the agreement and/or in the applicable exhibits that are in effect at the relevant time. You must indicate the method(s) that you intend to use to send us payment orders each time you complete, sign and give us an agreement. You agree that we are not required to reject a payment order we receive by a method that you have not indicated on the version of the agreement that is in effect at the relevant time, but we reserve the right to do so at our discretion. Each payment order that you send us must comply with the requirements of the agreement, contain sufficient data and comply with any written instructions or restrictions that you have given us.

5. Execution or Acceptance of Payment Orders. You authorize us to execute or accept any payment order that we receive in your name, but agree that we are not obligated to execute or accept any particular payment order. If we decide to execute or accept a payment order that we receive in your name, we will verify that payment order in accordance with the security procedures. If we receive a payment order on a funds transfer business day before the cutoff time for funds transfers that we have established and that is in effect on that day, we will use reasonable efforts to process the payment order that day. If we receive a payment order after the cutoff time or on a day that is not a funds-transfer business day, we will generally not process it until the next funds-transfer business day, but we may, in our sole discretion and as an accommodation to you, process such a payment order on the day that we receive it. We may execute or accept payment orders that we receive from you and those that we receive from other customers in any order that we select. You agree that we may execute or accept a payment order on the funds-transfer business day on which we receive that payment order, regardless of any instructions you may have given us to the contrary.

6. Security Procedures and PINs.

(a) We will verify all payment orders and other funds transfer communications we receive in your name in accordance with the relevant security procedures agreed to between you and us. You represent that you have carefully considered the circumstances of your use of this service and the transactions and activity that you will effect through the service, and you acknowledge and agree that the security procedures, including (without limitation) any security devices used in connection therewith, constitute commercially reasonable security procedures under applicable law in light of your circumstances and the type, number, size and frequency of payment orders you contemplate sending us. You authorize us to accept or execute any payment order initiated using applicable security procedures unless and until you have notified us, according to notification procedures prescribed by us, that the security procedures or any security device has been stolen, compromised, or otherwise become known to persons other than an authorized representative and until we have had a reasonable opportunity to act upon such notice. You agree that the initiation of a payment order using applicable security procedures constitutes sufficient authorization for us to accept or execute such payment order notwithstanding any particular signature requirements identified on any signature card or other documents relating to your account, and you agree and intend that the submission of payment orders using the security procedures shall be considered the same as your written signature in authorizing us to execute such transaction. You acknowledge and agree that you shall be bound by any and all payment orders effected through the service through the use of such security procedures, whether authorized or unauthorized, and by any and all payment orders otherwise initiated by authorized representatives, to the fullest extent allowed by law. You acknowledge that the security procedures are designed to verify the authenticity of payment orders and other funds transfer communications that we receive. You further acknowledge and agree that the security procedures are not designed to detect errors in the payment order made through the service and that you bear responsibility for detecting and preventing such error. As a result, you agree that we have no liability for failing to detect any error or duplication in any payment order or other funds transfer communications that we receive.

(b) You agree to keep all security procedures and security devices protected, secure, and strictly confidential and to provide or make available the same only to authorized representatives. You agree to instruct each authorized representative not to disclose or provide any security procedures or security devices to any unauthorized person. We assume no responsibility to discover or audit for any possible breach of security by your employees, agents or representatives, or unauthorized disclosure. Upon our request, you shall designate a security administrator to whom we may distribute security devices and with whom we may otherwise communicate regarding security procedures. Your system administrator shall have responsibility to distribute security devices to your authorized representative and to ensure the proper implementation and use of the security procedures by your authorized representative. Notwithstanding the foregoing, we may, in our sole discretion, send the PIN directly to the authorized representative to whom the PIN is assigned. Where you have the ability to change or modify a security device from time to time (e.g., a password or PIN), you agree to change security devices frequently in order to ensure the security of the security device. You agree to notify us immediately, according to notification procedures prescribed by us, if you believe that any security procedures or security device has been stolen, compromised, or otherwise become known to persons other than authorized representatives or if you believe that any payment order is unauthorized or in error. In the event of any actual or threatened breach of security, we may issue you a new security device or establish new security procedures as soon as reasonably practicable, but we shall not be liable to you or any third party for any delay in taking such actions.

(c) You agree that we may rely upon any written signature if in good faith believed by us to be the genuine signature of your authorized representative. Each authorized representative is authorized to issue payment orders and any authorized representative may act alone. You agree to notify us immediately, according to notification procedures prescribed by us, if the authority of any authorized representative shall change or be revoked. You shall recover and return to us any security devices in the possession of any authorized representative whose authority to have the security device has been revoked.

(d) We reserve the right to modify, amend, supplement, or cancel any or all security procedures, and/or to cancel or replace any security device, at any time and from time to time in our discretion. We will endeavor to give you reasonable notice of any change in security procedures; provided that we may make any change in security procedures without advance notice to you if we, in our judgment and discretion, believe such change to be necessary or desirable to protect the security of our systems and assets. Your implementation and use of any changed security procedures and/or continued use of the service after any change in security procedures shall constitute your agreement to the change and your agreement that the applicable security procedures, as changed, are commercially reasonable and adequate for the purposes intended.

(e) In the event of the breach of any applicable security procedure, you agree to assist us in determining the manner and source of the breach. Such assistance shall include, but shall not be limited to, providing us or our agent access to your systems, computer hardware and software, storage media and devices, and any other equipment or device that was used or may have been used in breach of the security procedure. You further agree to provide to us any analysis of such systems, computer hardware and software, storage media and devices, and other equipment or devices, or any report of such analysis, performed by you, your agents, law enforcement agencies, or any other third party. Your failure to assist us shall be deemed an admission by you that the breach of the security procedure was caused by a person who obtained access to your transmitting facilities or who obtained information facilitating the breach of the security procedure from you and not from a source controlled by us.

7. Physical and Electronic Security.

(a) You are solely responsible for providing for and maintaining the physical, electronic, procedural, administrative, and technical security of data and systems in your possession or under your control. We are not responsible for any computer viruses (including, without limitation, programs commonly referred to as “malware,” “keystroke loggers,” and/or “spyware), problems or malfunctions resulting from any computer viruses, or any related problems that may be associated with the use of an online system. Any material downloaded or otherwise obtained through the use of any electronic service is obtained at your own discretion and risk, and we are not responsible for any damage to your computer or operating systems or for loss of data that results from the download of any such material, whether due to any computer virus or otherwise. You are solely responsible for maintaining and applying anti-virus software, security patches, firewalls, and other security measures with respect to your operating systems, and for protecting, securing, and backing up any data and information stored in or on your operating systems. We are not responsible for any errors or failures resulting from defects in or malfunctions of any software installed on your operating systems.

(b) b) You acknowledge and agree that it is your responsibility to protect yourself and to be vigilant against e-mail fraud and other internet frauds and schemes (including, without limitation, fraud commonly referred to as “phishing”). You agree to educate your authorized representatives, agents, and employees as to the risks of such fraud and to train such persons to avoid such risks. You acknowledge that we will never contact you by e-mail in order to ask for or to verify account numbers, security devices, or any sensitive or confidential information. In the event you receive an e-mail or other electronic communication that you believe, or have reason to believe, is fraudulent, you agree that neither you nor your authorized representatives, agents, and employees shall respond to the e-mail, provide any information to the e-mail sender, click on any links in the e-mail, or otherwise comply with any instructions in the e-mail. If you suspect fraud or attempted fraud, please see Exhibit 10 for appropriate contact information. fForward any suspected fraudulent or suspicious e-mail to phishing@regions.com or as we otherwise may direct. You agree that we are not responsible for any losses, injuries, or harm incurred by you as a result of any electronic, e-mail, or internet fraud.

8. Limitation Amount and Restrictions. You may establish limitations for authorized representatives with respect to payment order amounts by designating the amount in Exhibit 4 as applicable. Additionally, the System Administrator may establish amount limitations for Authorized User(s) initiated via Bank’s iTreasury Service. We will reject and not process any payment order that exceeds the limitation amount that you establish (“Customer Limitation”). Your designation of a limitation amount does not require us to accept or execute a payment order that is issued in an amount less than the Customer Limitation and does not impact or effect our right to reject any payment order. We reserve the right to establish from time to time, in our sole discretion, limitations and restrictions with respect to payment order amounts, frequency of payment orders, the types of accounts that are eligible as authorized accounts, and other matters relating to this service based on factors deemed significant by us in its sole discretion (“Bank Limitations”). In the event that the Customer Limitation exceeds the Bank Limitation, the Bank Limitation that we establish shall control. You agree to abide by and be bound by all limitations and restrictions imposed from time to time by us, and you acknowledge and agree that such limitations and restrictions are for our the sole protection.

9. Your Obligations for Accepted Payment Orders. You agree to be bound by, and authorize us to debit the authorized account for, any payment order, whether or not authorized by you, that was issued in your name and accepted by us in compliance with the security procedures. You also agree to be bound by, and authorize us to debit the authorized account for, any payment order issued in your name and executed or accepted by us without complying with the security procedures if (a) you or one of your authorized representatives actually authorized the payment order or (b) you are bound by the payment order under the law of agency. In that regard, we are authorized to rely on any information or documents provided by you that indicate the identity of those persons who are authorized to act on your behalf and you agree to promptly notify us in writing of any changes in your authorized representatives by signing a document in form and content satisfactory to us.

10. Cancellation or Amendment of Payment Orders. You may ask us to amend or cancel a payment order provided that (a) the payment order was not “pre-advised” (meaning that you instructed us to advise a third party of the payment order with a future value date) or was not otherwise irrevocable under applicable law, (b) we receive your request at a time and in a manner affording us a reasonable opportunity to act on the request before we execute the payment order (but in no event later than our cutoff time, as in effect on the banking day prior to the designated transfer date) and (c) you follow the applicable security procedures. You do not have any right to amend or cancel a payment order once we have executed or accepted it. Although we are under no obligation to do so, we may, solely as an accommodation to you, attempt to cancel or amend an executed payment order by sending a reversal request or amendment through the funds transfer system. In such case, you represent and warrant to us that either (x) the payment order was unauthorized or (y) because of a mistake by a sender in connection with the payment order, a payment order was issued that (i) is a duplicate of a payment order that you previously issued, (ii) orders payment to a beneficiary not entitled to receive the payment from you or (iii) orders payment in an amount greater than the amount the beneficiary is entitled to receive from you. If we attempt to cancel or amend a payment order as described above, the reversal request or amendment must be agreed to by each financial institution that has accepted a payment order related to the funds transfer order at issue before it will be acted upon and we will have no liability if a cancellation or amendment is not effected. You agree to indemnify and hold us harmless from and against any and all claims, demands, losses, costs, damages, fees, expenses and other liabilities (including, without limitation, attorneys’ fees and the costs of litigation, arbitration or other dispute resolution) resulting from, as a consequence of or in any manner in connection with your request to cancel or amend a payment order and, upon our request, you will provide us with a separate indemnity agreement and bond in the form and amount that we request.

11. International Payments. Fund transfers to beneficiaries outside of the United States may be paid to the beneficiary either in the foreign currency of the country to which the funds are transferred, in U.S. dollars, or in other currency, according to our policies and procedures, the policies and procedures of the beneficiary's bank, and/or the policies and procedures of any intermediary banks participating in the transaction, subject to applicable exchange rates. You specifically agree that if we receive a payment order in your name requesting that we effectuate payment in U.S. dollars, we may, in our discretion, prior to or upon execution of the transaction, convert the U.S. dollar amount to the currency of the destination country at our exchange rate in effect at the time of conversion. If we receive a payment order in your name requesting that we effectuate payment in a currency other than U.S. dollars, we will debit the authorized account for the U.S. dollar equivalent of the amount of foreign currency to be paid at our rate of exchange in effect on that day. It is your responsibility to advise your beneficiary of the possibility and effect of currency conversions in the course of the execution of a payment order. We will make any refunds of U.S. dollar denominated payment orders to you in the U.S. dollar amount. Refunds of payment orders denominated in a foreign currency will be in the amount of U.S. dollars that can be bought for the foreign currency amount at our rate of exchange in effect on the day of the refund. You bear all risk of loss due to fluctuations in the rate of exchange. No transfer fees will be refunded.

12. Prohibited Transactions. You agree not to use or attempt to use the services (a) to engage in any illegal purpose or activity or to violate any applicable law, rule or regulation, (b) to breach any contract or agreement by which you are bound, or (c) to engage in any internet or online gambling transaction, whether or not gambling is legal in any applicable jurisdiction, or (d) to engage in any transaction or activity that is not specifically authorized and permitted by this agreement. You acknowledge and agree that we have no obligation to monitor your use of the services for transactions and activity that is impermissible or prohibited under the terms of this agreement; provided, however, that we reserve the right to decline to execute any transaction or activity that we believe violates the terms of this agreement.

13. Rejection of Payment Orders. We have the right to reject any payment order that we receive for any reason. You agree that we have no duty to notify you that we have rejected a payment order or that a payment order is not accepted. However, if we reject or fail to execute a payment order, we may attempt to notify you in writing or by telephone. Any notice that we give you is effective when we send it. If we fail to give you notice of a rejection or failure to execute a payment order, we will not be liable to you for damages or interest for failing or refusing to honor a payment order even if you have paid us for, or there were sufficient available funds in the authorized account to pay for the payment order in question.

14. Identifying Numbers. You are solely responsible for correctly identifying the parties in a payment order, including the intermediary bank (if you designate one), the beneficiary and the beneficiary's bank. You must identify all of these parties by number, name and address. You acknowledge that, in executing a payment order, we may rely exclusively on the identifying number for any bank, or beneficiary's account contained in the payment order. If a payment order identifies any bank or the beneficiary by both a name and an identifying (or bank account) number and the name and number identify different persons, execution of the payment order, payment to the beneficiary and cancellation or amendment of the payment order may be made solely on the basis of the identifying number. You are responsible for any losses relating to any such inconsistency.

15. Funds Transfer Systems. You may designate in a payment order the particular funds transfer system and the intermediary banks that we are to use in executing a payment order. If you do not designate any of this information, we will choose the funds transfer system and intermediary banks to execute the payment order. Moreover, if we in good faith determine that it is not feasible to follow any designation that you have made or that following any such designation would unduly delay execution of the payment order, we may use any funds transfer system to execute a payment order that we select without giving you prior notification. Each funds transfer system may be governed by its own operating rules and regulations and payment orders or cancellations or amendments, including but not limited to, Federal Reserve Board Regulation J with regard to FEDWIRE, sent through a funds transfer system are subject its rules and regulations, including all interbank compensation rules governing the settlement of claims for compensation or adjustments of errors between member banks. You agree to be bound by any rules then in effect governing the use of any system through which the funds may be transmitted. Each funds transfer and/or communication system that we select in executing a payment order will be considered your agent.

16. Customer As Beneficiary. If you are the beneficiary of a payment order, except for FEDWIRE, any credit we give you is provisional until we receive final payment. If we do not receive final settlement for any payment made to you by us, you acknowledge and agree that you are obligated to us for the amount of the payment order and we are authorized to charge your account(s) for any amount paid to you. If we credit your account for a funds transfer naming you as beneficiary, such credit entry to your account is not acceptance of the funds transfer by us until one hour after the opening of business on the funds transfer business day after the credit entry is made to the account. Notwithstanding the foregoing, we may make the funds available to you at an earlier time at our option. Unless otherwise agreed in writing between you and us, we have no obligation to notify you of receipt of a funds transfer naming you as beneficiary even if payment for the funds transfer to you is made by credit to your account or the payment order directs payment to an account. Demand by you for payment of a payment order for which we are obligated to pay you must be made in writing and delivered to us.

17. Debits and Overdrafts. Nothing in the agreement and no course of dealing between you and us constitutes a commitment on our part to lend you money or obligates us to extend any credit to you or otherwise advance funds to you to pay for any payment order. As a result, you agree that we have no duty to execute a payment order that exceeds the amount of the available funds contained in an authorized account. If you send us more than one payment order for an authorized account at or about the same time and the authorized account does not contain enough available funds to cover all of those payment orders, we may execute those payment orders in any order we select, even if that order results in fewer payment orders being executed than another order. If we elect, in our sole discretion, to execute one or more payment orders that exceed the balance of available funds in an authorized account, we may debit the authorized account for the amount of all payment orders that we execute, even if the debit creates or increases an overdraft in the authorized account. In that event, you agree to deposit sufficient available funds to cover the overdraft into the authorized account by the close of that funds-transfer business day. Any overdraft existing at the close of a funds-transfer business day is immediately due and payable without notice or demand, together with interest at the rate set forth below. In addition, each payment order we receive in your name that exceeds the available balance in an authorized account is subject to a fee, whether we execute the payment order or not.

18. Setoff. You agree that we may, without making a prior demand or giving you notice, obtain payment of any amount you owe us under the agreement by debiting any authorized account or other account that you maintain with us or any of our affiliates and you also agree that we may setoff any obligations you owe us against any amount that we or our affiliates owe you. In addition, you grant us a security interest in any account that you maintain with us to cover any obligations that you owe us.

19. Fees. You agree to pay fees for all services in accordance with our fee schedule in effect from time to time and to reimburse us for any direct or indirect transfer expenses we incur in connection with providing the services to you.

20. Rate of Compensation to You. In the event that we are liable to you for interest compensation under the agreement or by applicable law, interest will be calculated on the basis of the average federal funds rate for the period involved.

21. Rate of Compensation to Us. Whenever you are obligated to pay us compensation in the form of interest under the agreement or applicable law, that interest will be payable at the lower of (a) the lowest rate you pay on established lines of credit with us or (b) 120% of the commercial base rate established by Regions Financial Corporation and in effect at the relevant time.

22. Damages. Our liability to you is limited to actual damages that you incur and are (a) recoverable under the provisions of Article 4A of the UCC and (b) not otherwise restricted or limited by the terms of the agreement. In that regard, you agree to the maximum extent permitted by law that we will never be liable to you for any indirect, consequential, special, punitive or exemplary losses or damages, without regard to the form of your claim or action or whether your claim is in contract, tort or otherwise, and even if we knew such losses or damages were possible or likely. If we reimburse you for any losses or damages, you agree to transfer all of your rights relating to the transactions in question to us and to assist us in any efforts or legal actions that we may take to recover those amounts from any third party.

23. Cooperation. In the event that we are entitled under the law governing mistake and restitution to recover from any beneficiary all or any part of a funds transfer made to such beneficiary hereunder, you shall upon our request but without expense to us testify in any legal proceedings and otherwise take any action necessary to assist or enable us to recover from such beneficiary.

24. Prompt Notification of Errors or Discrepancies. We will send or make available to you an advice and/or periodic statement(s) that will give you information reasonably identifying each payment order that we received in your name and executed. You must examine each advice and/or periodic statement promptly after it is sent or made available and notify us in writing within a reasonable time (not to exceed 30 calendar days) of any unauthorized, duplicate, erroneous or erroneously executed payment orders. If you fail to notify us in a timely fashion, we are not obligated to compensate you for any interest on the amount of the unauthorized, duplicate, erroneous or erroneously executed payment order. In addition, you are precluded from asserting any claim whatsoever against us with respect to a payment order unless you notify us in writing that the payment order was unauthorized, duplicate, erroneous or erroneously executed within 30 calendar days after we send or make available to you an advice or periodic statement reasonably identifying that payment order. You acknowledge that this provision shortens the period within which you are required to give us notice of an unauthorized, duplicate, erroneous or erroneously executed payment order under Article 4A of the UCC, and you expressly agree to be bound by that shortened period to the maximum extent permitted by law.

25. Force Majeure. Except as otherwise provided in Article 4A of the UCC, you agree that we will not be liable for any error, delay or failure to perform that is caused by fire, natural disaster, strike, civil unrest, terrorism, failure of computer or communication facilities, the acts or omissions of any third party (including any Federal Reserve Bank, clearinghouse or funds transfer system, or any circumstance beyond our reasonable control).

26. Indemnity. Except as may be limited by the Article 4A of the UCC or other applicable law, you agree to defend, indemnify, protect and hold us and our officers, directors, employees, attorneys, agents and representatives harmless from and against any and all liabilities, claims, damages, losses, demands, fines (including those imposed by any Federal Reserve Bank clearinghouse or funds transfer system), judgments, disputes, costs, charges and expenses (including attorneys' fees and the costs of litigation, arbitration or other dispute resolution) which relate in any way to (a) your failure to comply with all the terms and conditions of the agreement, (b) the failure of the representations and warranties that you make to us to be true and correct in all material respects at anytime, (c) any instructions you give us or (d) the services or the agreement and (e) our enforcement of our rights and remedies under the agreement against you.

27. Consent. You consent to our disclosure to government authorities of information concerning you and transactions under the agreement that we believe to be appropriate or necessary to fulfill legal recordkeeping and reporting

28. Notice of Credits. We will not give you telephonic or other notice of incoming credits unless you make a written request for that service in advance. If you make such a request, we will use reasonable efforts to provide you such notice, but will have no liability for failure to notify you or for incorrect or untimely notification.

29. Recordings. You agree that all telephone conversations or data transmissions between you and us or any of our respective agents made in connection with the agreement may be recorded and retained by us or our agents by the use of any reasonable means. You also acknowledge that we are not required to record any such conversation or data transmissions and agree that we will not have any liability for failing to do so.

30. Amendments and Service Notifications. We may change or add to the terms of the agreement by giving you ten days' written or electronic notice of the changed or new terms. Any other amendment to the agreement must be in writing and signed by both you and us.

(a) You agree that we may send notifications regarding changes in the terms of this agreement and other notifications regarding our funds transfer service to you in electronic form, either by posting such information, disclosures, and notices at our website at Regions.com or by transmitting them, or notice of the availability thereof at our website, to any e-mail address that you have provided in connection with your use of our financial products and services. You shall be deemed to have received electronic notices one (1) day after we post them at our website or transmit them, or notice of the availably thereof at the applicable website, to your e-mail address, as applicable, whether or not you have retrieved them by that time. You agree to frequently and regularly retrieve your e-mail and review posted messages and information at our website to ensure that you are aware of current terms, conditions, and information relating to our funds transfer services. We reserve the right at any time, in our discretion, to mail to your address that appears in our records, or otherwise transmit to you pursuant to any other method to which you have agreed in connection with you account(s) with us, paper copies of any information, disclosures and/or notices relating to our funds transfer services in lieu of or in addition to electronic versions thereof.

31. Assignment. You may not assign or transfer the agreement, or any of your rights hereunder, in whole or in part, whether voluntarily, involuntarily or by operation of law or otherwise, including (without limitation) by merger, consolidation, dissolution, sale of a controlling interest or otherwise, without our prior written acknowledgement and consent, which may be granted or withheld in our absolute discretion. Any such assignment without our prior written acknowledgement and consent shall be void and of no force or effect; provided, that we shall have the right, at our option and discretion, to enforce any of your liabilities, duties, and obligations hereunder against any purported assignee. We may assign this agreement and/or any or all of our rights hereunder, or delegate any or all of our responsibilities or duties hereunder, to any third party or parties in our discretion and without notice to you. Subject to the foregoing, this agreement shall be binding on the parties hereto and their respective successors and assigns

32. Notices. Except as otherwise provided with respect to particular notifications as described elsewhere in this Agreement or in any applicable exhibit to this Agreement, all notices, demands, requests, or other communications which may be or are required to be given, served, or sent pursuant to this Agreement shall be in writing and shall be delivered by personal or hand delivery, facsimile transmission, nationally recognized express overnight delivery service (with charges therefor prepaid), or certified or registered mail, return receipt requested (with postage therefor prepaid). Notices shall be deemed received upon receipt, if hand or personally delivered, the next business day after the notice has been transmitted by facsimile or deposited with a nationally recognized express overnight delivery service, or the third business day after the notice has been deposited with the United States Postal Service. We may transmit notices to such physical address, mailing address, or facsimile number which we reasonably believe to be correct contact information for you based upon any our records. You shall transmit notices to us as follows or as provided in other notification instructions that we may provide to you:

ALBH00112B

Money Transfer Department

Regions Bank P.O. Box 11007

Birmingham, AL 35288

33. No Violations. You warrant to us that neither the agreement nor any transaction contemplated by it will violate any currency exchange control regulations, economic or other sanctions regulations or any other legal restrictions applicable to you or to any of the funds transfer transactions which will be made through your accounts under the agreement. You agree to comply with all applicable laws, rules, procedures and regulations with respect to the use of your accounts with us and your use of the service described in this agreement. We will comply with regulations issued by the U.S. Treasury's Office of Foreign Assets Control ("OFAC"). If any payment order is to a person or entity listed on OFAC's list of Specially Designated Nationals and Blocked Persons, by law we shall not complete the transfer and shall "block" the funds until such time that OFAC issues a written release to us.

34. Authority and Enforceability. If you are an entity, you represent to us that (a) you are duly organized and in good standing under the laws of your jurisdiction of organization, (b) you have full power and authority to enter into the agreement and to perform all of your obligations under it, and (c) the agreement has been duly authorized and is your legal, valid and binding obligation. You agree to provide us satisfactory evidence of these representations and such other documents as we may reasonably require from time to time in order to carry out the purposes of the agreement. We are entitled to rely upon any such evidence that you give us. You also agree that any resolution, signature card or other document relating to the services or your accounts that purports to require the signature of more than one of your authorized officers or other representatives is solely for your internal control purposes and is not binding on us. Without limiting the generality of the prior sentence, you agree that the agreement is effective if signed by only one of your authorized officers or other representatives.

35. Termination. You or we may terminate the agreement by written notice to the other party. Any termination by you will not be effective until we have acknowledged it. Even though the agreement may be terminated, all provisions relating to your indemnification obligations, your obligations concerning confidential information and limitations on our liability will continue to apply and will survive termination. You also continue to be liable for any obligations that you incurred prior to the termination of the agreement, those that you incur in the process of terminating the agreement, and for any outstanding transactions.

36. Entire Agreement. The agreement constitutes the entire agreement and understanding between you and us with respect to the services. It completely replaces any prior written or oral agreements and understandings relating to the services. No representation or statement that is not expressly set forth in the agreement is binding upon us.

37. Other Agreements. The terms and conditions of the agreement are in addition to, and do not modify or otherwise affect, the terms and conditions of any deposit or other written agreement between us, except that the terms of the agreement shall govern with respect to the services contemplated hereby to the extent of any inconsistency.

38. Governing Law. The agreement is governed by and should be interpreted in accordance with the applicable federal laws and the internal laws of the State of Alabama. You consent to the exclusive jurisdiction and venue of any court located in that state.

39. Severability. Any provision of the agreement that is invalid or unenforceable in any jurisdiction will, as to such jurisdiction and to the extent of such invalidity or unenforceability, be deemed replaced with a valid and enforceable provision as similar as possible to the one replaced and all of the remaining provisions of the agreement will remain in full force and effect.

40. No Beneficiaries. The agreement binds and benefits you and us and our respective permitted legal representatives, successors and assigns. The agreement is not for the benefit of any third party, and no third party has any rights against either you or us under the agreement.

41. Headings. The headings used in the agreement are for reference purposes only and should not be considered when interpreting the agreement.

42. Remedies. The rights, powers, remedies and privileges provided for you in the agreement are your sole and exclusive rights, powers, remedies and privileges with respect to the services or any failure by us to perform the services in accordance with the terms of the agreement. The rights, powers, remedies and privileges provided for us in the agreement are in addition to any rights, powers, remedies and privileges with respect to the services or any failure by you to comply with the terms of the agreement that we have under applicable law or otherwise, and we may exercise any or all of those rights, powers, remedies and privileges in any order.

43. No Waiver. A failure or delay in exercising any right, power or privilege in respect of the agreement by us will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege by us will not be presumed to preclude any subsequent or further exercise by us of that right, power or privilege or the exercise by us of any other right, power or privilege.

44. No Strict Construction. In the event an ambiguity or a question of intent or interpretation of the agreement arises, the agreement should be construed as if you and we both drafted the agreement and no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of the agreement will apply.

45. Execution. This agreement may be executed electronically with or through the use of digital or facsimile signatures or the use of electronic sounds, symbols, or processes that constitute electronic signatures. Such electronic execution shall have the same legal effect, validity, and enforceability as execution by means of a manually applied or written signature. The executed agreement, or executed signature page thereof, may be exchanged or delivered electronically by facsimile or by email in PDF (portable document format) or other electronic format, and such electronic exchange or delivery shall be as effective as the delivery of an original, manually executed counterpart of the agreement. This agreement has been executed and delivered on your behalf by the person whose name is presented below. That person represents and warrants to us that he or she is your authorized representative and that you have taken all action required by your organizational documents to authorize him or her to execute and deliver this agreement (and any other documents we may require with respect to the services) on your behalf. This agreement supersedes and replaces any and all prior agreements between you and us with respect to the services described in this agreement.

46. Remittance Transfers. This section applies only if you are an individual and only to any remittance transfer you may send. A “remittance transfer” is a payment order you send us primarily for personal, family or household purposes that (a) is to be debited from an authorized account that is a consumer account, and (b) is to be received by the beneficiary outside of the United States. Notwithstanding any provisions of this Agreement to the contrary, any remittance transfer you send will be subject to the federal Electronic Funds Transfer Act and the regulations implementing that Act (the “EFT Act”). The EFT Act may limit some of our rights described above, and also provides you with certain rights not described above. When you request a remittance transfer, you will receive disclosures about the terms of that transfer. As described in the disclosures for each transfer, you may cancel a remittance transfer and receive a refund of any amount you paid. As also described in the disclosures, you have the right to report any error with a remittance transfer, in which case we will investigate and, if we determine an error occurred, will correct the error promptly. If you think there has been an error with your remittance transfer, you must contact us within 180 days of the date that funds were to be made available to the beneficiary. Please contact us at 800-REGIONS if you have any question about a remittance transfer you have sent.

Line of Business	Customer Name
X	**X**
Signature (Regions Bank Officer)	Signature and, if applicable, Title (Must be authorized per Resolution/Certificate)
Print Name	Print Name
Title	Title
9/29/2025 Date	9/29/2025 Date

REGIONS

Exhibit 1 to Wire Transfer Of Funds Agreement **Treasury Management Services Contact Information**

Customer Information

Customer Name	
Tax ID	
Contact Name	
Title	
Street Address	
City, State, ZIP	
Mailing Address - Type if Different	
City, State, ZIP	
Telephone Number	
Fax Number	
Email Address	
Treasury Management Officer	

Regions Bank Officer

Name	
Title	
Bank	

Authorized Representative (MUST BE AN AUTHORIZED SIGNER)

Authorized Representative Signature	
Name of Authorized Representative	
Title	
Date	9/29/2025

Restricted

REGIONS

Exhibit 2 to Wire Transfer Of Funds Agreement — **Designation of Authorized Accounts**

Listed below are those Regions accounts from which funds may be transferred by the undersigned ("Customer") or an "Authorized Representative" in accordance with the Wire Transfer of Funds Agreement.

	Account	Account Name	Wire Type Used
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☑ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____
☐ Add ☐ Delete ☐ Update			☐ iTreasury ☐ Phone ☐ Domestic ☐ International ☐ Drawdown (Template) Other: _____

Enable Beneficiary Notifications ☐ Yes
Contact Name
Email Address
Telephone Number

0
Customer Name

0
Address (Non PO Box)

0
Name of Authorized Representative (Printed)

0
City, State, Zip

0
Title

X
Authorized Representative Signature

9/29/2025
Date

*** Requires an Exhibit 4**

Although not required, it is suggested that all Wire customers also sign up for Telephone Authorized wires (Exhibit 4) in case of emergency.

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REGIONS

Exhibit 4 to the Wire Transfer of Funds Agreement **Designation of Telephone Authorized Representatives**

NOTE: THIS EXHIBIT IS FOR CLIENTS USING TELEPHONE TO INITIATE PAYMENT ORDERS

Listed below are the names of all the Authorized Representatives, their transfer limits, and the account numbers from which the representatives are authorized to transfer funds in accordance with the Wire Transfer of Funds Agreement between the Customer and Regions Bank.

Wire Transfer Account Number(s):

1	2	3	4	5
6	7	8 #REF!	9 #REF!	10 #REF!

Customer Setup Request

Action	Authorized User Printed Name and Signature of Representatives Being Added is Required	Telephone Number	Indicate Account # From Above	* Initiation Limit *Numeric Value Required*	**Approval Limit for Callback verification *Numeric Value Required*
☐ Add ☐ Change ☐ Delete	Signature Printed Name Not Applicable		1☐ 2☐ 3☐ 4☐ 5☐ 6☐ 7☐ 8☐ 9☐ 10☐ ☐ All	Repetitive Non-Rep ☐ Inquiry Only	
☐ Add ☐ Change ☐ Delete	Signature Printed Name Not Applicable		1☐ 2☐ 3☐ 4☐ 5☐ 6☐ 7☐ 8☐ 9☐ 10☐ ☐ All	Repetitive Non-Rep ☐ Inquiry Only	
☐ Add ☐ Change ☐ Delete	Signature Printed Name Not Applicable		1☐ 2☐ 3☐ 4☐ 5☐ 6☐ 7☐ 8☐ 9☐ 10☐ ☐ All	Repetitive Non-Rep ☐ Inquiry Only	
☐ Add ☐ Change ☐ Delete	Signature Printed Name Not Applicable		1☐ 2☐ 3☐ 4☐ 5☐ 6☐ 7☐ 8☐ 9☐ 10☐ ☐ All	Repetitive Non-Rep ☐ Inquiry Only	

*** Initiation / Approval / PIN limits are required - field cannot be left blank.**

*** Initiation and/or Approval limits, if applicable are required - If not applicable, Limit field can be left blank.**

**** If applicable fields are left blank, agreement will be returned for correction.**

Call Back Verification for Telephone Initiated Payment Orders. Customer **MUST** select a floor limit or reject the call back verification.

Bank's Security Procedure for Telephone Initiated Non-repetitive Payment Orders includes a call back on Payment Orders in excess of a floor limit established by Customer.

Customer Selected Floor Limit: _____Bank may also call back on any repetitive/semi-repetitive or non-repetitive wire based upon Bank's defined Security Procedures regardless of Customer's Floor Limit.

Payment Orders in excess of the Floor Limit require a minimum of 2 PIN holders to process the Payment Order.

By checking the box below, Customer may reject Bank's Security Procedures and thereby select Customer's Security Procedure which does not include the call back verification.

☐ **Customer hereby rejects Bank's call back verification procedure.**

Customer Name

Address (Non PO Box)

Name of Authorized Representative (Printed)

City, State, Zip

Title

Telephone Number

X

Authorized Representative Signature

09/29/2025

Date

Restricted

REGIONS

Exhibit 5 to Wire Transfer of Funds Agreement **Incoming/Outgoing Wire Notification Instructions**

Listed below are the names of the Incoming, Outgoing or Both Notification Contacts who may accept notification of domestic and international funds transfer credits received for the Customer. A new Exhibit 5 must be submitted by the Customer whenever Incoming, Outgoing or Both Notification Contacts are changed, added to, or deleted from the Incoming, Outgoing Notification Contact list. Letters are not acceptable.

Account #1 _____ **OR** This method applies to all accounts ☐

Method of notification ☐ Facsimile Fax Number _____
☐ Email Advice Incoming, Outgoing or Both _____

	Name & Fax Number or Email Address, in order listed	
☐ Add ☐ Delete ☐ Update 1		
☐ Add ☐ Delete ☐ Update 2		
☐ Add ☐ Delete ☐ Update 3		
☐ Add ☐ Delete ☐ Update 4		

Account #2 _____

Method of notification ☐ Facsimile Fax Number _____
☐ Email Advice Incoming, Outgoing or Both _____

	Name & Fax Number or Email Address, in order listed	
☐ Add ☐ Delete ☐ Update 1		
☐ Add ☐ Delete ☐ Update 2		
☐ Add ☐ Delete ☐ Update 3		
☐ Add ☐ Delete ☐ Update 4		

Account #3 _____

Method of notification ☐ Facsimile Fax Number _____
☐ Email Advice Incoming, Outgoing or Both _____

	Name & Fax Number or Email Address, in order listed	
☐ Add ☐ Delete ☐ Update 1		
☐ Add ☐ Delete ☐ Update 2		
☐ Add ☐ Delete ☐ Update 3		
☐ Add ☐ Delete ☐ Update 4		

Customer Name _____ Address (Non PO Box) _____

Name of Authorized Representative (Printed) _____ City, State, Zip _____

Title _____

X _____ 9/29/2025

Authorized Representative Signature _____ Date _____

***Applies to business customer only**

Restricted

REGIONS

Exhibit 6 to Wire Transfer of Funds Agreement **Repetitive Payment Order Template**

Check one: ☐ Domestic ☐ International Template Name _____

☐ New ☐ Update ☐ Delete

TO: Regions Bank
In accordance with the Wire Transfer of Funds Agreement between the undersigned (Customer) and Regions Bank, you are authorized to assign the Customer a Repetitive Transfer Name to establish the repetitive payment order indicated below wherein the debit/credit parties remain the same, but date and money amount are variable. (NOTE: All debit accounts must be listed as authorized accounts on Exhibit 2.)

Customer Repetitive Transfer Name (assigned by Bank) _____

A. DEBIT the following account at Regions:
Originating Account Number _____ Originating Account Name _____

B. CREDIT the funds as indicated below:

Beneficiary Account Number		Beneficiary Account Name	
Beneficiary Bank Name		Beneficiary Account Street Address	
Beneficiary Bank City		Beneficiary Account City and State (or Country)	
Beneficiary Bank State (or Country)		Beneficiary Bank (ABA Number or SWIFT Code)	
International Currency Code		Intermediary Bank Code (ABA Number or SWIFT Code)	
Intermediary Bank Name			

C. Additional Instructions or Required OBI Information:

D. Maximum Dollar Amount Per Transfer (if applicable) _____

0
Customer Name

0
Address (Non PO Box)

0
Name of Authorized Representative (Printed)

0
City, State, Zip

0
Title

X
Authorized Representative Signature

9/29/2025
Date

Restricted

REGIONS

Exhibit 7 to Wire Transfer of Funds Agreement **Automatic Standing Payment Order**

Check One ☐ New ☐ Update ☐ Delete

TO: Regions Bank

In accordance with the Wire Transfer of Funds Agreement between the undersigned ("Customer") and Regions Bank, you are authorized to perform a perform a repetitive wire transfer on behalf of the Customer in accordance with the instructions indicated below, beginning on _____ and remaining in effect until Bank is notified in writing.

A. DEBIT the following account at Regions:

Account Number _____ Account Name _____

B. CREDIT the funds as indicated below:

Beneficiary Account Number _____ Beneficiary Account Name _____

Beneficiary Bank Name _____ Beneficiary Account Street Address _____

Beneficiary Bank City _____ Beneficiary Account City/State & Country _____

Beneficiary ABA Number _____ Beneficiary Bank Code (ABA, SWIFT) _____

Intermediary Bank Name _____ Intermediary Bank Code (ABA, SWIFT) _____

C. Transfer Information Choose:

☐ Available Balance _____
☐ Fixed Amount _____
☐ Variable Amount Options
In Excess of (Target): _____
If Greater Than: _____
In Increments Of: _____

International Currency Code: _____

SCHEDULING METHOD: Specify options below indicating the timing of transfer:

Day(s) of Week to Transfer: ☐ Monday ☐ Tuesday ☐ Wednesday ☐ Thursday ☐ Friday
-OR- Day(s) of Month Transfer: Specify the desired calendar or business day(s) or ALL _____

0
Customer Name

0
Address (Non PO Box)

0
Name of Authorized Representative

0
City, State, Zip

0
Title

X
Authorized Representative Signature

9/29/2025
Date

Restricted

REGIONS

Exhibit 8 to Wire Transfer of Funds Agreement - Exhibit 2 is also required **Drawdown**

Check One ☐ New ☐ Update ☐ Delete

Drawdown _____

TO: Regions Bank

Drawdown Authorization - In accordance with the Wire Transfer of Funds Agreement between the undersigned ("Customer") and Regions Bank, upon receipt of a Fed 1031 request, you are authorized to accept and charge the Customer account, designated below, and wire the proceeds through the Federal Reserve System for credit to the account designated below (a Fed 1032 response). Customer acknowledges and agrees that this Drawdown Authorization authorizes Regions Bank to execute the Payment Order and to charge Customer's Account based solely on receipt of the Fed 1031 request. This authorization is to remain in full force and effect until Regions Bank has received written notice of termination from Customer and the Bank has had reasonable time to act on the request.

Drawdown Request – Repetitive/Semi-Repetitive Template Setup: In accordance with the Wire Transfer of Funds Agreement between Customer and Regions Bank, you are authorized to assign the Customer a Repetitive Transfer Number and to establish the repetitive transfer of a request for funds (a Fed 1031 request) indicated below wherein the debit/credit parties remain the same, but date and money amount are variable.

A. Regions Bank Account Information

Account Number _____ Account Street Address _____

Account Name _____ Account City and State _____

B. Other Bank/Customer Information

Bank ABA Number _____ Name of Bank _____

Account Name _____ Account Number _____

Customer Name _____ Address (Non PO Box) _____

Name of Authorized Representative (Printed) _____ City, State, Zip _____

Title _____

X _____ 9/29/2025

Authorized Representative Signature Date

Applies to business customer only

Restricted

REGIONS

Exhibit 9 to Wire Transfer of Funds Agreement **Electronic Access-Batch Wire Processing**

(Does not apply to iTreasury Batch Wire)

Check One ☐ New ☐ Update ☐ Delete

Select Service: Select from dropdown options

Accounts to be used for Batch Wire Transfer:

☐ Add	☐ Delete		☐ Add	☐ Delete	
☐ Add	☐ Delete		☐ Add	☐ Delete	
☐ Add	☐ Delete		☐ Add	☐ Delete	
☐ Add	☐ Delete		☐ Add	☐ Delete	
☐ Add	☐ Delete		☐ Add	☐ Delete	

Batch PIN Limit: _____

This Exhibit governs the electronic initiation and transmission of batched payment orders by _____ (the "Customer") to Regions Bank (the "Bank") or to Bank's Auxiliary Provider, as that term is defined in the Integrated Payables Service Schedule by and between Bank and Customer, which is hereby incorporated by reference. This Exhibit supplements the Wire Transfer of Funds Agreement between the Customer and the Bank. Should there be a conflict between the terms of this Exhibit and the Wire Transfer of Funds Agreement, the terms of this Exhibit shall take priority.

1. The Customer agrees to furnish all equipment and data terminals on the Customer's premises, as may be specified by the Bank, which are necessary to gain access to the Bank's funds transfer services. The Customer shall be solely responsible for the selection and continued maintenance, use and operation of all such equipment and terminal during the term of this Exhibit. The Bank shall under no circumstances be responsible for any malfunctions or breakdowns in the Customer's equipment which may result in Customer's inability to access the funds transfer services.

2. The Customer agrees to strictly follow all procedures for this service, which may be issued from time to time by the Bank or Auxiliary Provider and any amendments to such procedures. The Customer specifically agrees to use all necessary Identification codes and necessary passwords to gain access to and use of the funds transfer services or to transmit batched payment orders to Bank. The Customer is solely responsible for preserving the confidentiality of the Customer identification code and the passwords. The Customer acknowledges and agrees that any funds transfer request which is transmitted along with an appropriate identification code and password and Security Credentials, as that term is defined in the Regions Integrated Payable Service Client Set Up Form, if sent to Auxiliary Provider, will be conclusively presumed to be a proper transfer authorization by the Customer. Neither the Bank nor the Auxiliary Providers shall have responsibility for the accuracy or completeness of the data received from the Customer's data terminal or any data terminal so long as the appropriate identification code and password received by the Bank and the Security Credentials, if received by Auxiliary Provider, match those of the Customer.

3. The Customer acknowledges that the Bank's liability under this Exhibit shall be limited, as provided in Section 8 of Wire Transfer of Funds Agreement.

4. All charges for services under this Exhibit shall be in accordance with the Bank's normal pricing policies as issued by the Bank from time to time. All such charges shall be assessed to the Customer as provided for in Section 7 of the Wire Transfer of Funds Agreement.

5. The Bank may terminate the services provided under this Exhibit any time upon written notice to the Customer. The Customer may terminate the services under this Exhibit upon ten (10) days written notice to the Bank. In the event of termination by the Bank or by the Customer, the Customer shall remain liable for all charges incurred through the date of termination.

Customer Name	Address (Non PO Box)
Name of Authorized Representative (Printed)	City, State, Zip
Title	
X	9/29/2025
Authorized Representative Signature	Date

Applies to business customers only

Restricted

REGIONS

CITY OF FERNANDINA BEACH - INTEREST OPTION

Average Ledger Balance:	$0.00	Total Fee Equivalent (P*V):	$2,176.95
Less Average Float:	$0.00	Balances Required for Services:	$0.00
Average Collected Balance:	$0.00	Balances Used for Services:	$0.00
Positive Collected Balance:	$0.00	Excess/(Deficit) Balances:	$0.00
Less Average Reserve Requirement:	$0.00	**Estimated Monthly Fees Paid:**	**$2,176.95**
Average Net Collected Balance	$0.00	**Estimated One Time Fees:**	**$1,305.00**
		Earnings Credit Allowance:	$0.00
Competitor Fees:	$0.00	Earnings Credit Rate:	Non EC Earning

Interest
$4,000,000 @ 2.21%
$7,507.95

Product Family	Product Group	Service Code	Service Description	Monthly Volume	Proposed Price	Monthly Charge Proposed Pricing
Deposit Account Services						
	Standard Monthly Charges:					
		21	Monthly Account Maint Fee	10	$10.00	$100.00
	ACH / Electronic Items:					
		100	Electronic Debits	1	$0.14	$0.14
		101	Electronic Credits	1	$0.14	$0.14
	Deposits / Credits:					
		103	Deposits - Credits	250	$0.32	$80.00
	Check Clearing:					
		145	Quick Deposit Items On Us	62	$0.14	$8.68
		146	Quick Deposit Items Local	63	$0.14	$8.82
		147	Quick Deposit Items Regional	63	$0.14	$8.82
		148	Quick Deposit Items Other Fed	63	$0.14	$8.82
	Returned Items:					
		31	Return Item	1	$6.00	$6.00
		127	Redeposits	1	$4.00	$4.00
	Stop Payment:					
		104	Stop Payment Online	1	$20.00	$20.00
General Account Services						
	Checks Paid:					
		102	Checks Paid - Debits	625	$0.15	$0.15
	Zero Balance Account:					
		106	ZBA Transfer Credits	10	$0.30	$3.00
		107	ZBA Transfer Debits	10	$0.30	$3.00
		1510	ZBA Set Up Fee	1	$100.00	$100.00
		1511	ZBA Master Mo Maint per Account	1	$60.00	$60.00
		1512	ZBA Sub Mo Maint per Account	4	$30.00	$120.00
Cash Services						
	Branch Cash Deposits:					
		556	Branch Deposit per $100 Well Prepared	1	$0.30	$0.30
	Branch Cash Order:					
		584	Branch Cash Order Coin Roll	1	$0.28	$0.28
		589	Branch Cash Order Standard Strap	1	$0.85	$0.00
Disbursement Services						
	Positive Pay - Standard Services					
		3400	Positive Pay Set Up Fee	1	$125.00	$125.00
		3427	Positive Pay Payee Verification per Item	625	$0.05	$31.25
		3439	Positive Pay Exceptions Reported	1	$8.00	$8.00
	Next Day Positive Pay:					
		3420	Next Day Positive Pay Mo Maint	1	$65.00	$65.00
		3421	Next Day Positive Pay per Item	625	$0.06	$37.50
		3447	Next Day No Check Positive Pay Mo Maint per Acct	1	$60.00	$60.00
	Deposit Reconcilement:					
		3410	Deposit Recon Mo Maint	1	$60.00	$60.00
		3411	Deposit Recon per Item	250	$0.10	$25.00
Electronic Payments						
	Wire Transfer:					
		251	Wire Transfer Incoming Standard	1	$20.00	$20.00
	ACH Standard Services:					
		1133	ACH per Debit Transaction	50	$0.15	$7.50
		1134	ACH per Credit Transaction	625	$0.15	$93.75
	ACH Positive Pay:					
		1163	ACH Pos Pay Monthly Maint	1	$40.00	$40.00
		1166	ACH Pos Pay Debit Per Acct	10	$5.00	$50.00
		1167	ACH Pos Pay One Time Setup	1	$100.00	$100.00
Information Reporting						

This proforma is an estimate of the cost of Regions Depository and Treasury Management Services based on historical information provided by the customer.

Confidential

This is not a guaranteed quote.

REGIONS

CITY OF FERNANDINA BEACH - INTEREST OPTION

Average Ledger Balance:	$0.00	Total Fee Equivalent (P*V):	$2,176.95
Less Average Float:	$0.00	Balances Required for Services:	$0.00
Average Collected Balance:	$0.00	Balances Used for Services:	$0.00
Positive Collected Balance:	$0.00	Excess/(Deficit) Balances:	$0.00
Less Average Reserve Requirement:	$0.00	**Estimated Monthly Fees Paid:**	**$2,176.95**
Average Net Collected Balance	$0.00	**Estimated One Time Fees:**	**$1,305.00**
		Earnings Credit Allowance:	$0.00
Competitor Fees:	$0.00	Earnings Credit Rate:	Non EC Earning

Product Family	Product Group	Service Code	Service Description	Monthly Volume	Proposed Price	Monthly Charge Proposed Pricing
	iTreasury Standard Services:					
		1914	iTreasury Transfer per Account	10	$0.40	$4.00
		1959	iTreasury Mo per User Fee	6	$6.00	$30.00
		1959	1959 Maximum Charge	6	$30.00	
		2207	iTreasury Information Reporting per Item	850	$0.10	$85.00
	iTreasury Previous Day Reporting:					
		1905	iTreasury Previous Day Set Up Fee	1	$50.00	$50.00
		1911	iTreasury Previous Day Mo Maint	10	$5.00	$80.00
		1911	1911 Charge First 5	10	$55.00	
	iTreasury Current Day Reporting:					
		1909	iTreasury Current Day Set Up Fee	1	$50.00	$50.00
		1910	iTreasury Current Day Mo Maint	10	$5.00	$80.00
		1910	1910 Charge First 5	10	$55.00	
	iTreasury ACH Modules:					
		1925	iTreasury ACH Set Up Fee	1	$50.00	$50.00
		1935	iTreasury ACH Module Fee	1	$25.00	$25.00
		2251	iTreasury ACH per Batch	2	$1.00	$2.00
	iTreasury Alerts:					
		1908	iTreasury Alerts per Item	1	$0.40	$0.40
	iTreasury Positive Pay:					
		1960	iTreasury Positive Pay Mo Maint	1	$20.00	$20.00
	iTreasury Stop Payment:					
		1920	iTreasury Stop Payment Set Up Fee	1	$50.00	$50.00
		1921	iTreasury Stop Payment Mo Maint per Account	1	$10.00	$20.00
		1921	1921 Charge First 5	1	$20.00	
	iTreasury Wire Transfer:					
		1950	iTreasury Wire Transfer Set Up Fee	1	$50.00	$50.00
		1951	iTreasury Wire Transfer Mo Maint	1	$25.00	$25.00
		1952	iTreasury Wire per Outgoing Domestic	1	$14.00	$14.00
	iTreasury Special Reports:					
		1975	iTreasury Special Reports Set Up Fee	1	$50.00	$50.00
		1942	iTreasury Special Reports Sweep Account Statements	1	$8.00	$8.00
		1976	iTreasury Special Reports EDI Report (both Valid and Invalid)	1	$25.00	$25.00
		1984	iTreasury Special Reports Recon Report	1	$25.00	$0.00
	iTreasury Data Export:					
		1916	iTreasury BAI2 Export Set Up Fee	1	$50.00	$50.00
		1917	iTreasury BAI2 Export Mo Maint	1	$45.00	$45.00
	iTreasury Imaging:					
		1966	iTreasury Deposit Ticket per Image Retrieved	1	$0.40	$0.40
		1968	iTreasury Imaging Deposit Item Mo Maint	1	$45.00	$0.00
Quick Deposit						
	Quick De	4120	Quick Deposit Set Up Fee	1	$100.00	$100.00
		4121	Quick Deposit Mo Maint Fee per Workstation (Analyzed)	6	$25.00	$150.00
Lockbox Services						
	Wholesale Lockbox Standard Services:					
		1300	Wholesale Lockbox Set Up Fee per Lockbox	1	$300.00	$300.00
	Wholesale Lockbox Low Volume Standard Services:					
		1339	Wholesale Lockbox Low Volume Mo Maint per Box	1	$150.00	$150.00
		1341	Wholesale Lockbox Low Volume per Item	80	$2.00	$0.00
		1341	1341 Charge First 250	80	$0.55	
	Wholesale Lockbox Imaging:					
		1327	Wholesale Lockbox Imaging Set Up Fee per Box	1	$150.00	$150.00
		1329	Wholesale Lockbox Imaging Mo Maint	1	$150.00	$150.00
		1330	Wholesale Lockbox Imaging per Check	80	$0.10	$8.00
		1334	Wholesale Lockbox Imaging Archive Mo Fee per Box	1	$125.00	$125.00
Sweep Services						

This proforma is an estimate of the cost of Regions Depository and Treasury Management Services based on historical information provided by the customer.

Confidential

This is not a guaranteed quote.

REGIONS

CITY OF FERNANDINA BEACH - INTEREST OPTION

Average Ledger Balance:	$0.00	Total Fee Equivalent (P*V):	$2,176.95
Less Average Float:	$0.00	Balances Required for Services:	$0.00
Average Collected Balance:	$0.00	Balances Used for Services:	$0.00
Positive Collected Balance:	$0.00	Excess/(Deficit) Balances:	$0.00
Less Average Reserve Requirement:	$0.00	**Estimated Monthly Fees Paid:**	**$2,176.95**
Average Net Collected Balance	$0.00	**Estimated One Time Fees:**	**$1,305.00**
		Earnings Credit Allowance:	$0.00
Competitor Fees:	$0.00	Earnings Credit Rate:	Non EC Earning

Product Family	Product Group	Service Code	Service Description	Monthly Volume	Proposed Price	Monthly Charge Proposed Pricing
	Mutual Fund Sweep:					
		1524	Mutual Fund Sweep Set Up Fee	1	$80.00	$80.00
		1525	Mutual Fund Sweep Mo Maint	1	$200.00	$200.00

REGIONS

CITY OF FERNANDINA BEACH - SWEEP OPTION

Average Ledger Balance:	$100,000.00	Total Fee Equivalent (P*V):	$2,253.62
Less Average Float:	$0.00	Balances Required for Services:	$1,326,727.90
Average Collected Balance:	$100,000.00	Balances Used for Services:	$100,000.00
Positive Collected Balance:	$100,000.00	Excess/(Deficit) Balances:	-$1,226,727.90
Less Average Reserve Requirement:	$0.00	**Estimated Monthly Fees Paid:**	**$2,083.76**
Average Net Collected Balance	$100,000.00	**Estimated One Time Fees:**	**$1,305.00**
		Earnings Credit Allowance:	$169.86
Competitor Fees:	$0.00	Earnings Credit Rate:	2.000%

Sweep Net Interest
$3,9000,000 @ 3.51%
$11,426.27

Product Family	Product Group	Service Code	Service Description	Monthly Volume	Proposed Price	Monthly Charge Proposed Pricing
Deposit Account Services						
	Standard Monthly Charges:					
		21	Monthly Account Maint Fee	10	$10.00	$100.00
	Deposit Administrative Fee:					
		35	Deposit Administrative Fee	1	0.176%	$14.67
	ACH / Electronic Items:					
		100	Electronic Debits	1	$0.14	$0.14
		101	Electronic Credits	1	$0.14	$0.14
	Deposits / Credits:					
		103	Deposits - Credits	250	$0.32	$80.00
	Check Clearing:					
		145	Quick Deposit Items On Us	62	$0.14	$8.68
		146	Quick Deposit Items Local	63	$0.14	$8.82
		147	Quick Deposit Items Regional	63	$0.14	$8.82
		148	Quick Deposit Items Other Fed	63	$0.14	$8.82
	Returned Items:					
		31	Return Item	1	$6.00	$6.00
		127	Redeposits	1	$4.00	$4.00
	Stop Payment:					
		104	Stop Payment Online	1	$20.00	$20.00
General Account Services						
	Checks Paid:					
		102	Checks Paid - Debits	625	$0.15	$0.15
	Zero Balance Account:					
		106	ZBA Transfer Credits	80	$0.30	$24.00
		107	ZBA Transfer Debits	80	$0.30	$24.00
		1510	ZBA Set Up Fee	1	$100.00	$100.00
		1511	ZBA Master Mo Maint per Account	1	$60.00	$60.00
		1512	ZBA Sub Mo Maint per Account	4	$30.00	$120.00
Cash Services						
	Branch Cash Deposits:					
		556	Branch Deposit per $100 Well Prepared	1	$0.30	$0.30
	Branch Cash Order:					
		584	Branch Cash Order Coin Roll	1	$0.28	$0.28
		589	Branch Cash Order Standard Strap	1	$0.85	$0.00
Disbursement Services						
	Positive Pay - Standard Services					
		3400	Positive Pay Set Up Fee	1	$125.00	$125.00
		3427	Positive Pay Payee Verification per Item	625	$0.05	$31.25
		3439	Positive Pay Exceptions Reported	1	$8.00	$8.00
	Next Day Positive Pay:					
		3420	Next Day Positive Pay Mo Maint	1	$65.00	$65.00
		3421	Next Day Positive Pay per Item	625	$0.06	$37.50
		3447	Next Day No Check Positive Pay Mo Maint per Acct	1	$60.00	$60.00
	Deposit Reconcilement:					
		3410	Deposit Recon Mo Maint	1	$60.00	$60.00
		3411	Deposit Recon per Item	250	$0.10	$25.00
Electronic Payments						
	Wire Transfer:					
		251	Wire Transfer Incoming Standard	1	$20.00	$20.00
	ACH Standard Services:					
		1133	ACH per Debit Transaction	50	$0.15	$7.50
		1134	ACH per Credit Transaction	625	$0.15	$93.75
	ACH Positive Pay:					
		1163	ACH Pos Pay Monthly Maint	1	$40.00	$40.00
		1166	ACH Pos Pay Debit Per Acct	10	$5.00	$50.00

This proforma is an estimate of the cost of Regions Depository and Treasury Management Services based on historical information provided by the customer.

Confidential

This is not a guaranteed quote.

REGIONS

CITY OF FERNANDINA BEACH - SWEEP OPTION

Average Ledger Balance:	$100,000.00	Total Fee Equivalent (P*V):	$2,253.62
Less Average Float:	$0.00	Balances Required for Services:	$1,326,727.90
Average Collected Balance:	$100,000.00	Balances Used for Services:	$100,000.00
Positive Collected Balance:	$100,000.00	Excess/(Deficit) Balances:	-$1,226,727.90
Less Average Reserve Requirement:	$0.00	**Estimated Monthly Fees Paid:**	**$2,083.76**
Average Net Collected Balance	$100,000.00	**Estimated One Time Fees:**	**$1,305.00**
		Earnings Credit Allowance:	$169.86
Competitor Fees:	$0.00	Earnings Credit Rate:	2.000%

Product Family	Product Group	Service Code	Service Description	Monthly Volume	Proposed Price	Monthly Charge Proposed Pricing
		1167	ACH Pos Pay One Time Setup	1	$100.00	$100.00
Information Reporting						
	iTreasury Standard Services:					
		1914	iTreasury Transfer per Account	10	$0.40	$4.00
		1959	iTreasury Mo per User Fee	6	$6.00	$30.00
		1959	1959 Maximum Charge	6	$30.00	
		2207	iTreasury Information Reporting per Item	850	$0.10	$85.00
	iTreasury Previous Day Reporting:					
		1905	iTreasury Previous Day Set Up Fee	1	$50.00	$50.00
		1911	iTreasury Previous Day Mo Maint	10	$5.00	$80.00
		1911	1911 Charge First 5	10	$55.00	
	iTreasury Current Day Reporting:					
		1909	iTreasury Current Day Set Up Fee	1	$50.00	$50.00
		1910	iTreasury Current Day Mo Maint	10	$5.00	$80.00
		1910	1910 Charge First 5	10	$55.00	
	iTreasury ACH Modules:					
		1925	iTreasury ACH Set Up Fee	1	$50.00	$50.00
		1935	iTreasury ACH Module Fee	1	$35.00	$35.00
		2251	iTreasury ACH per Batch	2	$1.00	$2.00
	iTreasury Alerts:					
		1908	iTreasury Alerts per Item	1	$0.40	$0.40
	iTreasury Positive Pay:					
		1960	iTreasury Positive Pay Mo Maint	1	$40.00	$40.00
	iTreasury Stop Payment:					
		1920	iTreasury Stop Payment Set Up Fee	1	$50.00	$50.00
		1921	iTreasury Stop Payment Mo Maint per Account	1	$10.00	$20.00
		1921	1921 Charge First 5	1	$20.00	
	iTreasury Wire Transfer:					
		1950	iTreasury Wire Transfer Set Up Fee	1	$50.00	$50.00
		1951	iTreasury Wire Transfer Mo Maint	1	$35.00	$35.00
		1952	iTreasury Wire per Outgoing Domestic	1	$14.00	$14.00
	iTreasury Special Reports:					
		1975	iTreasury Special Reports Set Up Fee	1	$50.00	$50.00
		1942	iTreasury Special Reports Sweep Account Statements	1	$8.00	$8.00
		1976	iTreasury Special Reports EDI Report (both Valid and Invalid)	1	$25.00	$25.00
		1984	iTreasury Special Reports Recon Report	1	$25.00	$0.00
	iTreasury Data Export:					
		1916	iTreasury BAI2 Export Set Up Fee	1	$50.00	$50.00
		1917	iTreasury BAI2 Export Mo Maint	1	$45.00	$45.00
	iTreasury Imaging:					
		1966	iTreasury Deposit Ticket per Image Retrieved	1	$0.40	$0.40
		1968	iTreasury Imaging Deposit Item Mo Maint	1	$45.00	$0.00
Quick Deposit						
	Quick De	4120	Quick Deposit Set Up Fee	1	$100.00	$100.00
		4121	Quick Deposit Mo Maint Fee per Workstation (Analyzed)	6	$25.00	$150.00
Lockbox Services						
	Wholesale Lockbox Standard Services:					
		1300	Wholesale Lockbox Set Up Fee per Lockbox	1	$300.00	$300.00
	Wholesale Lockbox Low Volume Standard Services:					
		1339	Wholesale Lockbox Low Volume Mo Maint per Box	1	$150.00	$150.00
		1341	Wholesale Lockbox Low Volume per Item	80	$2.00	$0.00
		1341	1341 Charge First 250	80	$0.55	
	Wholesale Lockbox Imaging:					
		1327	Wholesale Lockbox Imaging Set Up Fee per Box	1	$150.00	$150.00
		1329	Wholesale Lockbox Imaging Mo Maint	1	$150.00	$150.00
		1330	Wholesale Lockbox Imaging per Check	80	$0.10	$8.00

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REGIONS

CITY OF FERNANDINA BEACH - SWEEP OPTION

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Average Net Collected Balance	$100,000.00	**Estimated One Time Fees:**	**$1,305.00**
		Earnings Credit Allowance:	$169.86
Competitor Fees:	$0.00	Earnings Credit Rate:	2.000%

Product Family	Product Group	Service Code	Service Description	Monthly Volume	Proposed Price	Monthly Charge Proposed Pricing
		1334	Wholesale Lockbox Imaging Archive Mo Fee per Box	1	$125.00	$125.00
Sweep Services						
	Mutual Fund Sweep:					
		1524	Mutual Fund Sweep Set Up Fee	1	$80.00	$80.00
		1525	Mutual Fund Sweep Mo Maint	1	$200.00	$200.00

REGIONS PRIVACY PLEDGE

FACTS **WHAT DOES REGIONS DO WITH YOUR PERSONAL INFORMATION?**

REGIONS

Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: • Social Security number and income • Account balances and transaction history • Payment history and credit history
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons Regions chooses to share, and whether you can limit this sharing.

Reasons we can share your personal information	Does Regions share?	Can you limit this sharing?
For our everyday business purposes such as to process your transactions, maintain your account(s), respond to court orders and legal investigations or report to credit bureaus	**Yes**	**No**
For our marketing purposes to offer our products and services to you	**Yes**	**No**
For joint marketing with other financial companies	**Yes**	**No**
For our affiliates' everyday business purposes information about your transactions and experiences	**Yes**	**No**
For our affiliates' everyday business purposes information about your creditworthiness	**Yes**	**Yes**
For our affiliates to market to you	**Yes**	**Yes**
For nonaffiliates to market to you	**No** (although, we may share aggregate information that does not contain personal identifiers)	**We don't share personal information**

To limit our sharing	• Call **1.800.240.2948** – our menu will prompt you through your choice(s). For TTY/TDD, call **1.800.374.5791** for assistance with making a written election. • Visit a Regions branch. • Talk to your assigned financial advisor, if applicable. **Please note:** If you are a *new* customer, we can begin sharing your information 30 days from the date we provide this notice. When you are *no longer* our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.
To limit direct marketing contact	• Call **1.800.734.4667** to speak with a Regions Banker. • Visit a Regions branch. • Talk to your assigned financial advisor, if applicable. **Please note:** Direct marketing is email, postal mail and telephone marketing. Even if you limit direct marketing, we may still contact you to service your account or as otherwise allowed by law.
Questions?	Call **1.800.734.4667**, or visit our Privacy & Security section at **www.regions.com**.

Who we are	
Who is providing this notice?	This notice is provided by Regions Bank and other companies with the Regions name.

What we do

How does Regions protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards, secured files and secured buildings. Our internal policies and procedures provide additional safeguards for the protection of customer information and prohibit employees from accessing customer information except for legitimate business purposes.
How does Regions collect my personal information?	We collect your personal information, for example, when you: • open an account or apply for a loan • make deposits or withdrawals from your account, or use your credit or debit card • provide account information We also collect your personal information from others, such as credit bureaus, affiliates or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only: • sharing for affiliates' everyday business purposes – information about your creditworthiness • affiliates from using your information to market to you • sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing. See the "Other important information" section for your rights under state law.
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply individually unless you tell us otherwise.

Definitions

Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. *Our affiliates include companies with the Regions name and financial companies such as Regions Investment Management, Inc., a registered investment advisor, and Regions Investment Services, Inc., a licensed insurance agent.*
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. *Regions does not share personal information with nonaffiliates so they can market to you.*
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. *Our joint marketing partners include financial companies such as insurance companies and product and service marketing companies.*

Other important information

You may have other privacy protections under some state laws. We will comply with applicable state laws as to information about you, including medical information. Accounts with California or Vermont addresses will be treated as if you opted out of joint marketing arrangements.

For Vermont residents only: We will not disclose information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures. Additional information concerning our privacy policies can be found at https://www.regions.com/about-regions/privacy-security or call 1.800.240.2948.

For Nevada residents only: We are providing you this notice under state law. You may be placed on our internal Do Not Solicit List by following the directions in the "To limit direct marketing contact" section. Nevada law requires we provide the following contact information: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; phone number, 702.486.3132; email, BCPINFO@ag.state.nv.us.

Do Not Call Policy

This notice serves as the Regions Do Not Call Policy required by the Telephone Consumer Protection Act. Our associates receive training on how to document and process opt outs for telephone marketing calls. Consumers who request to no longer receive these calls will be placed on our internal Do Not Call list. Regions will not contact any consumer on the federal or state Do Not Call registries, unless allowed by law.

REGIONS

Customer Profile for Treasury Management Services

Company Name ("Client")		Federal Taxpayer ID	
Contact Name		Contact Telephone No	
Contact Email Address		Contact Fax Number	
Street Address		City, State, Zip	
Treasury Management Officer		Relationship Manager	

- [x] ACH Alert
- [x] ACH Services
  - [x] Same Day ACH
- [x] Automated Sweep
- [ ] BillerXchange
- [ ] Client Image Cash Letter
- [ ] Commercial Check Imaging Archive
- [ ] Commercial Returns Requalification
- [ ] Controlled Disbursement
- [ ] EDI Services
- [ ] Electronic Payment Authorization (EPA)
- [ ] Embedded ERP Finance
- [x] Information Reporting
- [ ] Integrated Payables
- [ ] Integrated Receivables
- [x] iTreasury
- [ ] Liquidity Manager
- [ ] Lockbox Retail
- [x] Lockbox Wholesale
- [x] Positive Pay
- [ ] Reconcilement Services
- [ ] Regions CashFlowIQ℠
- [ ] RegionsOne
- [ ] Regions Quick Deposit
- [ ] SWIFT Messaging
- [ ] SWIFT MT940 - Data Exchange Only
- [ ] Vault Services
- [x] Wire Transfer
- [ ] Xpress Connect
- [ ] Zero Balance Accounts

Describe any Amendments to Existing Services or Service Documents:

Client, by and through its undersigned representative, (i) hereby requests Regions Bank ("Bank") to provide to Client the products and services selected in this Customer Profile (the "Services"), (ii) acknowledges receipt of, and agrees to and accepts the terms and provisions of, Bank's Master Agreement for Treasury Management Services (including, without limitation, the ARBITRATION AND WAIVER OF JURY TRIAL provisions thereof and terms and provisions thereof relating to the right of Bank to amend Service terms and conditions), as amended (the "Master Agreement"), (iii) acknowledges receipt of, and agrees to and accepts the terms and provisions of, Bank's Service Schedule(s) and/or other applicable agreements, terms, and provisions for the Services selected in this Customer Profile, as amended (collectively, the "Service Documents"), (iv) acknowledges receipt of Bank's fee schedule(s) for the Services and agrees to timely pay Bank the fees and charges set forth therein, as adjusted and amended from time to time, (v) represents and warrants to Bank that the information provided by Client for inclusion in this Customer Profile and/or in any Service Document is true, correct, and complete in all material respects, (vi) agrees to timely notify Bank and request completion and execution of a revised Customer Profile or Service Document, as applicable, in the event any information set forth therein shall become inaccurate, incomplete, or incorrect in any material respect, and (vii) represents and warrants that the person completing and/or executing this Customer Profile has been duly authorized by Client to do so and to fully and legally bind Client to the terms, conditions, and provisions of this Customer Profile, the Master Agreement, and the Service Documents by and through the execution hereof. This Customer Profile and the Service Documents may be executed in one or more counterparts, all of which taken together will constitute one and the same instrument, The counterparts of this Customer Profile and any Service Documents may be executed and delivered by electronic means (including PDFs of manual signatures and electronic signature services), and signatures executed and/or delivered by such electronic means are deemed equivalent to original signatures for purposes of this Agreement. Client further acknowledges that other products and services provided by or accessible through Bank's Treasury Management Services may be subject to separate terms, conditions, and agreements apart from this Customer Profile, the Service Documents, or the Master Agreement and that Client may be required to execute other documentation or agreements in order to obtain such products and services.

ACCEPTED BY CLIENT:	**ACCEPTED BY REGIONS BANK:**
Typed Name	**Typed Name**
X	**X**
Authorized Client Signature	**Signature**
Title	**Title**
9/29/2025	9/29/2025
Date	**Date**

Section I: CLIENT SETUP

CLIENT INFORMATION

Company Name ("Client")		Federal Taxpayer ID	
"Doing Business As" Name if different			
Mailing Address		City, State and Zip	
Street Address		City, State and Zip	
Primary System Admin		System Admin Phone	
System Admin E-mail Address		System Admin Fax	
Treasury Mgmt Officer		Relationship Manager	

MASTER BILLING ACCOUNT

Bank Number _____ Routing Number _____ Account Number _____

Block List BLOCK LIST IS AUTOMATICALLY GRANTED TO EACH ADMIN, IF USED, A MONTHLY FEE WILL BE GENERATED

Dual Approval:

ACH Positive Pay Entitlements: The admins you designate will receive access to the ACH Positive Pay module(s) based upon the service requested. They will be able to access ACH Positive Pay Debit and Credit, setup additional users, decision transactions, assign access to the Block List, activate Dual Approvers, and add or change approved companies. These admins will need to be added to the Notification Rules by the Primary Admin, or self-service. All users below will be setup as an ACH Positive Pay administrator.

Name	Phone	Email

ACCOUNT NUMBERS TO SERVICE

Account No	Account Description	Notification Level	Services	Pay/Return	Pay/Return

*If you are establishing a full debit block, select "return" as the default decision, otherwise, select "pay". Clients who wish to utilize this service as a filter, but would like to establish a default of "return" can do so after the implementation is complete and they are familiar with the online application.

NOTE - In order for ACH Positive Pay to function as intended, any accounts added to this service must have EPA removed.

ACH Debits and/ or Credits will be available for review by 7:00 AM Central each business day. All pay/return decisions must be made and submitted to the system by 2:00 PM Central.

Special Instructions, if any: _____

Section II: ADDITIONAL TERMS AND CONDITIONS

1. Acceptance of Terms and Conditions. By using and/or enrolling for the service described in this Service Schedule (the "Service"), Client accepts and agrees to all terms, conditions, and provisions set forth in this Service Schedule. Client further accepts and agrees to all terms, conditions, and provisions of the Master Agreement for Treasury Management Services (the "Master Agreement") and acknowledges and agrees that this Service Schedule constitutes a part of the Master Agreement. Client acknowledges and agrees that the terms of this Service Schedule and the terms of the Master Agreement are subject to amendment by Regions Bank ("Bank") from time to time, as described in the Master Agreement.

2. Statement of Service. This Service Schedule describes Bank's ACH Positive Pay Services whereby Bank and Client exchange information according to the processes and procedures described herein in order to authorize and/or confirm the payment or return of ACH Debit or Credit Transactions presented for payment against Client's account(s). As used herein, "ACH Debit or Credit Transaction(s)" shall refer to certain electronic funds transfers which settle within a bank or between banks according to specified rules and procedures governed by the Federal Reserve and the National Automated Clearing House Association ("NACHA") and which have the intended result of removing funds from Client's demand deposit account(s). The Service systems are not designed to detect or prevent fraud due to other types of paperless entries (to include Wire, and EFT) to the account. This Service is applicable to Client's accounts designated in Section I ("Account(s)"). If an Account(s) does not have sufficient available funds to pay an ACH Debit Transaction, Bank will not be required to pay any ACH Debit Transactions presented against the Account.

3. Regions ACH Positive Pay Website. As part of this Service, Regions has established the Regions ACH Positive Pay Website ("ACH Positive Pay") that will be used by Client to make inquiries and to provide pay or return instructions to Bank on various ACH Debit and/or Credit Transactions. Instructions for access to and how to use ACH Positive Pay are contained in the ACH Positive Pay User Guide ("User Guide") which is hereby incorporated by reference and made a part hereof. Client shall designate an "Account Group Admin" in Section I. In accordance with the User Guide, the Account Group Admin shall designate those persons authorized to have access to ACH Positive Pay ("User(s)"). Other than for periods of time for maintenance, acts of God, power outages, and other similar force majeure events described in the Master Agreement, ACH Positive Pay will be available to Client twenty-four (24) hours a day, seven days a week. Client has reviewed the security procedures described in the User Guide and the Master Agreement and agrees that the security procedures are commercially reasonable.

4. ACH Positive Pay Notification Condition. Client may select the conditions under which a notification will be emailed to Client ("Notification Condition"). The Notification Condition options currently available to Client are listed in the User Guide. The Notification Condition options may be changed from time to time and such changes will be made available to Client in the User Guide. The Notification Condition option may be selected to be applicable to all Accounts, or Client may select and designate different Notification Condition options for different Accounts. Client agrees to follow the instructions contained in the User Guide to select the Notification Condition option and to provide information to Bank about an ACH Debit and/or Credit Transaction that is required by the Notification Condition. Based on the Notification Condition option selected by Client, Bank shall send an email notifying Client that an ACH Debit and/or Credit Transaction meeting the Notification Condition has been presented for payment. Bank recommends that Client select the Notification Condition option "Notify for all ACH Debits. or Credits" This option provides Client with the opportunity to receive a notification on each day on which ACH Debit and/or Credit Transactions are presented and the opportunity to review all such ACH Debit and/or Credit Transactions that are presented for payment. Without regard to the Notification Condition selected by Client, all ACH Debit Transactions presented for payment shall be available for review on ACH Positive Pay by the time specified in Section I of this Service Schedule ("Review Time"). At some time prior to the Review Time, if ACH Debit and/or Credit Transactions have posted to the Account(s) and based on the Notification Condition selected by Client, Bank shall send an email to Client Positive Paying Client to the fact that ACH Debit and /or Credit Transactions have posted to the Account(s).

At some point in time after the Review Time, and before the cut-off time designated in Section I ("Cut-Off"), Client shall use ACH Positive Pay to indicate which ACH Debit and/or Transactions should be paid or credited and which Transactions should be dishonored and returned. Client agrees that if Client does not use ACH Positive Pay to give instructions to Regions as to whether to leave the ACH Debit Transactions paid or to return the ACH Debit Transactions, then Bank may execute the applicable Default Decision with respect to such ACH Debit Transactions as specified in Section I. In other words, if Client does not instruct Bank to return any or all of the ACH Debit Transactions contained on ACH Positive Pay for any given day by the Cut-Off, Bank shall pay or return all of the ACH Debit Transactions for that day according to the applicable Default Decision(s) specified in Section I. Client acknowledges and agrees that if paid, the ACH Debit Transactions may not be returned and shall remain paid. Bank shall determine, in its sole discretion, the Return Reason Code, as that term is defined in the NACHA Operating Rules ("Rules"), to be used to when returning ACH Debit Transactions. Notwithstanding the forgoing, if an Account(s) does not have sufficient available funds to pay an ACH Debit Transaction, Bank will not be required to pay any ACH Debit Transactions presented against the Account.

If Client selects a Notification Condition whereby Client provides information about an ACH Debit Transaction, Bank will match ACH Debit Transactions that are presented for payment to a file of ACH Debit Transactions Client provides to Bank ("Approved Debits"). If discrepancies exist between the Approved Debits and the ACH Debit Transactions being presented for payment, Bank shall send Client an email notification that there are discrepancies. If discrepancies exist, Client must provide pay or return instructions to Bank by the Cut-Off. Any ACH Debit Transaction that conforms to the Approved Debit presented to Bank shall be deemed properly payable, will be paid by Bank, and no email notification will be sent to Client.

5. Other Terms and Conditions.

a. Client is responsible for providing and maintaining an updated list of the Account Group Admin. Information provided on the Set-Up will remain in effect until an appropriate Client representative otherwise notifies the Bank in writing of a change in the Account Group Admin.

b. Client acknowledges that notwithstanding the return of ACH Debit or Credit Transactions by the Bank in accordance with Client's instructions in connection with the Service, the Client may be subject to claims for payment by the Receiver, as that term is defined in the Rules.

c. Without liability to any party, and without limiting any other right or remedy available to Bank, Bank shall be entitled to cease or suspend the Service, in whole or in part, in Bank's sole and absolute discretion and with or without notice to Client if Client shall fail to properly perform its duties, obligations, and responsibilities in connection with the Service, or commit any act or omission which impairs Bank's ability to provide or prevents Bank from providing the Service.

d. Nothing in this Service Schedule shall be construed as relieving Client of its normal due diligence responsibilities regarding the examination of account statements and individual ACH Debit Transactions to detect exceptions outside the scope of the Service provided to Client hereunder. Bank shall not be liable for any loss arising from Client's failure to exercise due diligence.

e. Client shall accept liability to any party and hold the Bank harmless for any damages, losses, fines, fees, taxes, legal expenses, or actions at law arising from the return (dishonor) of any ACH Debit Transaction if such return resulted from the correct application of the Client's pay/return instructions.

f. Any ACH Debit Transaction that is paid in accordance with the Service shall be considered properly payable and Client agrees that Bank shall have no liability to Client for paying ACH Debit Transactions in accordance with the Service.

REGIONS

Schedule to Master Agreement for Treasury Management Services
Service Schedule for **ACH ORIGINATION SERVICE**

Section I: CLIENT SETUP

Note: The iTreasury Security Profile is required for New ACH requests.

CLIENT INFORMATION

Company Name ("Client") _____ Federal Taxpayer ID _____ SIC: _____
Mailing Address _____ City, State and Zip _____
Contact Name _____ Contact Number _____
Contact Email Address _____ Contact Fax _____
Treasury Management Officer _____ Relationship Manager _____
Work Package Number _____

*** Is this client a Third Party Sender (TPS)?** ☐ **Yes** ☐ **No**

A Third Party Sender is a client that acts as an intermediary by originating ACH transactions on behalf of their clients. Regions has an ACH contract with our client (the Third Party Sender) and they have a contract with their clients who are the Originators. Note: A Third Party Sender is not where a client utilizes another entity that sends ACH files to Regions on behalf of the client – like a Payroll file, etc.

ORIGINATOR ID PROFILE

Preferred ACH Settlement Display: ☐ Processing by Window (Default) ☐ By Batch (Default for Prefunding ACH)

ACH Company Name (16 Characters)	ACH Originator ID (Tax ID)	Settlement Acct No	Returns Account Number	Standard ACH	Same Day ACH	Originating Consumer Debits
			If same as offset, leave blank	☐	☐	☐
			if same as offset, leave blank	☐	☐	☐
			if same as offset, leave blank	☐	☐	☐
			if same as offset, leave blank	☐	☐	☐
			if same as offset, leave blank	☐	☐	☐

ACH ORIGINATION METHOD: Each Method Requires Its Own Service Schedule

☐ **iTreasury ACH** If checked, also check NACHA File Import below ☐ **Direct Transmission / Third Party** ☐ **Prefunding** If checked, also check NACHA File Import below

iTreasury ACH **iTreasury Billing Account**

☐ **ACH Reversals**

ACH Payments Types Desired (New iTreasury Service Schedule required)

Credit

☐ Cash Disbursement (**CCD**) ☐ Corporate/ Vendor Payments (**CCD**) ☐ NACHA File Import
☐ Child Support Payments (**CCD**) ☐ Payroll (**PPD**) ☐ Tax Payments (**CCD**)
☐ Consumer Payments (**PPD**)

Debit

☐ Cash Concentration (**CCD**) ☐ Corporate Collections (**CCD**) ☐ Telephone Initated (**TEL**) **Originating Consumer Debits Box Must Be Checked**
☐ Internet Initiated (**WEB**) **Originating Consumer Debits Box Must Be Checked** ☐ Consumer Collections (**PPD**) **Originating Consumer Debits Box Must Be Checked**

Credit/Debit

☐ Cash Concentration/Disbursement (**CCD**) ☐ International ACH (**IAT - Mexico and Panama Only**)
☐ Consumer Collections/Payments (**PPD**) **Originating Consumer Debits Box Must Be Checked** ☐ Corporate Trade Exchange (**CTX**)

Direct Transmission/Third Party

☐ Standard Direct Transmission (NACHA file required.) ☐ EDI Origination ☐ Third Party : _____
(Requires copy of contract between Client and third party processor)

Authorized Third Party Vendor Information (if applicable)
Third Party Vendor Name _____ Location _____
Contact Name and Telephone Number _____
After Hours Contact Name and Telephone No _____

Data Transmission Type: ☑ Secure FTP ☐ AS2 ☐ HTTPS ☐ CONNECT: Direct (NDM)

Is this an existing transmission client? (for any Treasury Management service) _____
***Technical Testing Contact :** _____ Phone: _____ Email: _____
(If contact should be added as a user then they should also be added in the user section above) - FOR HTTPS ONLY
****Group Email Address:** _____

*Technical Testing Contact refers to the person who will set up software and hardware on remote site.
** Group Email address is required for ACH file Total Verification
Will the customer use an IP address that is located outside of the US? _____
If yes, please provide the IP address(es). _____

ACH RETURNS DELIVERY METHOD - Choose only one item below

☐ iTreasury Special Report (default for iTreasury ACH Client)
**Separate Service Agreement request is required for new iTreasury customers or a separate request is required for existing iTreasury customers
☐ Direct Transmission (in NACHA format)
☐ E-mailed Advice to (Group email address required): _____

Prefunding

Prefunding Notification Group Email (Not required for ACH iTreasury) _____

Special Instructions, if any:

REGIONS

Schedule to Master Agreement for Treasury Management Services
Service Schedule for iTreasury

Section I. SERVICE SCHEDULE SET-UP: ☐ New iTreasury Customer ☐ Existing iTreasury Customer

CLIENT INFORMATION

Company Name (Client)		Federal Taxpayer ID	
Contact Name		Org ID (if applicable)	
Contact Email Address		Contact Telephone No	
Treasury Mgmt Sales Officer		Relationship Manager	
Billing Account			

CLIENT DESIGNATION OF SYSTEM ADMINISTRATOR

System Admin:		Telephone	
Mailing Address:			
(PO Box Prohibited):			
City,State,ZIP:		E-Mail	

ADMINISTRATION APPROVAL REQUIREMENTS

Allow Single Administrator Approval for User Changes
Must select Yes or No ☐ **Yes** ☐ **No**

If "No" is Checked, provide Name/Email Addresses for all SYS Admins below

****Client System Administrator are responsible for setting up and granting entitlements to all additional users****

Name	Email Address	Phone Number

SERVICE REQUESTED

- ☐ **Alerts** (Automatically included with New iTreasury Information Reporting)
- ☐ **Account Transfer**
- ☐ **ACH** (Requires completed New iTreasury ACH Service Schedule)
- ☐ **BAI2 Export**
- ☐ **ISO CAMT Export**
- ☐ **Current Day Reporting**
- ☐ **Prior Day Reporting**
- ☐ **Positive Pay**
- **QuickBooks/Quicken**
  - ☐ Direct Connect ☐ Manual Download
- ☐ **Real Time Payments**
  - **Is this Company a Money Transmitter?** ☐ Yes ☐ No
  - **If Yes, has Product Management and TCH request for approval been granted?** ☐ Yes ☐ No
- ☐ **Wire Transfer Module** (Requires completed Wire Agreement for iTreasury services. Refer to Wire Agreement for account info.)

INFORMATION REPORTING ACCOUNT INFORMATION (All accounts are added for the following fields):

Opening Ledger Balance	Total Credit Amount	Two + Day Float
Opening Available Balance	Total Debit Amount	
Closing Available Balance	One Day Float	Check and Deposit Ticket Imaging

Bank Number	Account Number	*Acct Type DDA, Savings, CD or MMA	Allow Transfer	Account Description (max of 32 characters)

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Online Statements , Special Reports & Real Time Payments						
Account Number						
State>001, 053, 060, 092						
Online Statements						
DDA Statement	**Automatically granted for all Information Reporting Accounts**					
Overdraft Notice						
NSF Notice						
Analysis Statement						
Scheduled Export						
Liquidity Manager	☐	☐	☐	☐	☐	☐
Credit Card	☐	☐	☐	☐	☐	☐
Return Deposited Items	☐	☐	☐	☐	☐	☐
Real Time Payments	☐	☐	☐	☐	☐	☐
ACH Special Reports						
ACH Opening Exposure (select on ACH SS)	ACH Opening Exposure automatically granted to non-prefunding clients at the primary settlement account.					
ACH Returns (select on ACH SS)						
EDI – Valid and Invalid	☐	☐	☐	☐	☐	☐
Loan Reports						
Commercial Loan (Level III Only)	☐	☐	☐	☐	☐	☐
Obligor Number						
Obligation (current only, non futures)						
Syndicated Loan	☐	☐	☐	☐	☐	☐
Obligor Number						
Obligation						
Account Recon Special Reports						
Consolidated Items Report (5)	☐	☐	☐	☐	☐	☐
Deposit Detail Report (6)	☐	☐	☐	☐	☐	☐
Deposit Summary Report (6)	☐	☐	☐	☐	☐	☐
Miscellaneous Credits Report (9)	☐	☐	☐	☐	☐	☐
Miscellaneous Debits Report (9)	☐	☐	☐	☐	☐	☐
Outstanding Items Report (8)	☐	☐	☐	☐	☐	☐
Outstanding Settlement Report (8)	☐	☐	☐	☐	☐	☐
Paid Checks Detail Reports (7)	☐	☐	☐	☐	☐	☐
Paid Check Summary (7)	☐	☐	☐	☐	☐	☐
Stop Payments Report (9)	☐	☐	☐	☐	☐	☐
Sweep Special Reports						
Investment Sweep Monthly MXMI	☐	☐	☐	☐	☐	☐
Loan Sweep Daily Pmt Advices	☐	☐	☐	☐	☐	☐
Mutual fund Sweep Monthly MXMF	☐	☐	☐	☐	☐	☐
Lockbox Special Reports						
Wholesale Lockbox Detail	☐	☐	☐	☐	☐	☐

(4) The mailing of the Account Analysis statement will be automatically discontinued.
(5) Only available if the customer has Full Recon Package
(6) Only available if the customer has Deposit Recon Package
(7) Available if the customer has Full Recon or Partial Recon Package
(8) Available if the customer has Full Recon or Outstanding Items Package
(9) Available if the customer has Full Recon, Partial Recon, Deposit Recon or Outstanding Items Package

Stop Payments						
All Accounts ☐	☐	☐	☐	☐	☐	☐

Deposit Item Imaging						
All Accounts ☐	☐	☐	☐	☐	☐	☐

Loan Accounts	**Loan Accounts**	**Allow for Loan Payments**	**Loan Draw**	**DDA for Loan Payments**
ACLS		☐	☐	
Level III		☐	☐	
Obligor (include bank number)		☐	☐	
Obligation (current only, non futures)		☐	☐	
Obligor (include bank number)		☐	☐	
Obligation (current only, non futures)		☐	☐	
REFCO		Loan Payment/Draws not an option for REFCO loans		

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Electronic Payments and Transfers
(Wires, ACH, Account Transfers and Loan Payments)
Security Procedures Exhibit

All fund transfers are subject to the Security Procedures as referred to in the Master Agreement and this Exhibit. Terms not otherwise defined in this Exhibit shall have the meaning ascribed to those terms in the Master Agreement. The undersigned ("Customer") acknowledges and assumes responsibility for the System Administrator establishing funds transfer limits for authorized users within iTreasury. In addition to Security Procedures to gain access to the system to initiate/approve fund transfers, the Customer understands and agrees that the authorization of any funds transfer will be verified pursuant to the following security procedures:

- Out of Band authentication – After Customer has submitted the funds transfer instruction and before Bank accepts or executes the funds transfer, Bank will call the telephone number provided by Customer or send an SMS Text message to the mobile phone number provided by Customer to Bank and Customer must enter their security code to release the funds transfer.
- Payment Activity Review - Customer is responsible for reviewing iTreasury each Banking Day and notifying Bank of any suspect funds transfer. If Customer believes any approved funds transfer received by Bank to be erroneous, Customer must notify Bank immediately.
- Dual Control – One authorized User with sufficient initiation entitlements must input the transaction information, and at least one other authorized User with sufficient approval entitlements must approve the transaction before it is released and processed. Two users are needed for dual control and Customer must designate users and entitlements. Dual Control set by the Bank at the Company Level is the recommended Security Procedure but dual control may alternately be managed directly by Customer through a designated administrator who will entitle at least two (2) Authorized Users to separately enter and approve funds transfers. The Customer Dual Control entitlements may be changed at any time by the administrator and will be solely subject to the entitlements maintained by the administrator using their secure OnePass logon credentials.

Select Dual, Single Approval, No Change or Not Apllcable for each payment type:

Payment Type	Dual Control Set by Bank at Company Level *	Dual Control Set by Customer's Administrator	Single Approval**	No Change to existing Payment Type	Not Applicable (Indicates client does not use this payment type)
Domestic and International Wire Initiation	◉	○	○	○	○
ACH Origination	◉	○	○	○	○
Account Transfers	◉	○	○	○	○
Real Time Payments Not Available for Small Business	◉	○	○	○	○
Loan Payment & Loan Draw	◉	○	○	○	○

*Dual Control set by the Bank at the Company level is recommended as it cannot be bypassed by Customer's Administrator.

** By selecting "single approval", Customer is opting out of recommended Dual Control security procedure.

Customer acknowledges that Bank has made available and offered commercially reasonable Security Procedures to Customer. If instead of accepting and following the Security Procedures offered by Bank Customer elects to use some other security procedure, Customer will be bound by any payment order or other instruction issued in Customer's name and accepted by us in compliance with that non-standard security procedure that Customer elected, whether authorized or unauthorized, and Customer further agrees that the elected non-standard security procedures are commercially reasonable for Customer. Bank may, at its option, refuse to accept Customer's non-standard security procedures, in which case, Bank shall refuse to accept fund transfers initiated/approved by Customer. Customer may not opt out of the security procedures required to gain access to the system to initiate/approve any fund transfers or out of band authentication.

By signing this exhibit, Customer further acknowledges that it has been informed of “Regions Best Practices for Online Security” and has access to the information on regions.com/onlinesecurity. Customer understand that best practices for online security may change from time to time and it is Customer’s responsibility to stay informed of online security best practices.

Customer Name

Name of Authorized Representative (Printed)

Title

Authorized Representative Signature

Address

City, State, Zip

9/29/2025
Date

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MICR AND PAYEE NAME TEST DOCUMENT REQUEST FORM

THIS SECTION TO BE COMPLETED BY REQUESTOR

MICR Testing - Non Positive Pay	YES	
Positive Pay - Without Payee Name	YES	
Positive Pay - With Payee Name	YES	
NEW ACCOUNT	YES	NO

DATE REQUESTED:
ACCOUNT NUMBER:
ACCOUNT NAME:

****EACH ACCOUNT MUST BE ON A SEPARATE FORM****

CDA ACCOUNT	YES	
WALKER COUNTY,ALA.		R/T # 062203735
WEST PALM,FLA.		R/T # 067010583
OTHER EXISTING CDA R/T:		R/T #

SURVIVING ROUTING NUMBER BY STATE:

ALABAMA		*ILLINOIS*		*LOUISIANA*		*SOUTH CAROLINA*	
ARKANSAS		*INDIANA*		*MISSISSIPPI*		*TENNESSEE*	
FLORIDA		*IOWA*		*MISSOURI*		*TEXAS*	
GEORGIA		*KENTUCKY*		*NORTH CAROLINA*		*VIRGINIA*	

OTHER: _____

ACCOUNT OFFICER NAME:		EMAIL ADDRESS:			PHONE NUMBER:			
PERSON REQUESTING TEST:		EMAIL ADDRESS:			PHONE NUMBER:			
VENDOR NAME:		EMAIL ADDRESS:			PHONE NUMBER:			
SUBMIT TEST RESULTS TO:		EMAIL ADDRESS:			PHONE NUMBER:			
		EMAIL ADDRESS:			PHONE NUMBER:			
		EMAIL ADDRESS:			PHONE NUMBER:			
		EMAIL ADDRESS:			PHONE NUMBER:			

MUST BE REQUESTED BY ACCOUNT OFFICER OR TREASURY MANAGEMENT SALES (NOT VENDORS)
ACCOUNT OFFICERS RESPONSIBLE FOR TIMEFRAMES IN CASE TEST CHECKS FAIL
TEST RESULTS TO BE SCANNED BACK TO LISTED REQUESTORS

THIS SECTION TO BE COMPLETED FOR MICR QUALITY

DATE RECEIVED:
TEST RESULTS: **PASS** ____ **FAIL** ____
DATE TEST RESULTS SCANNED TO REQUESTOR: _____

REASON DOCUMENT FAILED MICR TESTING:

ALIGNMENT INCORRECT:	CHECK NUMBER		R/T Number		ACCOUNT NUMBER		OTHER	
SYMBOLS INCORRECT:	CHECK NUMBER		R/T Number		ACCOUNT NUMBER		OTHER	
MICR SIGNAL STRENGTH TOO LOW/HIGH:	CHECK NUMBER		R/T Number		ACCOUNT NUMBER		OTHER	
INVALID MICR PRINT IN CLEARBAND ZONE:	CHECK NUMBER		R/T Number		ACCOUNT NUMBER		OTHER	
UNRECOGNIZED CHARACTER:	CHECK NUMBER		R/T Number		ACCOUNT NUMBER		OTHER	
DEBOSSMENT:	CHECK NUMBER		R/T Number		ACCOUNT NUMBER		OTHER	
EXTRANEOUS INK:	CHECK NUMBER		R/T Number		ACCOUNT NUMBER		OTHER	
DIMENSION FLAGS:	CHECK NUMBER		R/T Number		ACCOUNT NUMBER		OTHER	
OTHER:	CHECK NUMBER		R/T Number		ACCOUNT NUMBER		OTHER	

COMMENTS:

THIS SECTION TO BE COMPLETED FOR PAYEE NAME QUALITY

TEST RESULTS: **PASS** ____ **FAIL** ____

TEN CHECKS (DIFFERENT PAYEES/SERIAL #'S) REQUIRED	YES	NO
FONT SIZE CORRECT (MINIMUM 10 POINT)	YES	NO
FONT TYPE CORRECT (SEE PAYEE NAME SERVICE REQUIREMENTS)	YES	NO
PAYEE NAME IN ALL CAPS (MAXIMUM 40 CHARACTERS)	YES	NO
CHECK VERIFICATION FORM RECEIVED	YES	NO
CHECK VERIFICATION FORM COMPLETED	YES	NO

OTHER: (SEE PAYEE NAME SERVICE CHECK REQUIREMENTS FOR COMPLETE DETAIL)

COMMENTS:

RESULTS WILL BE SCANNED TO TREASURY MANAGEMENT SALES OFFICER, CORPORATE ACCOUNT RECON DEPARTMENT, TMI

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REGIONS

Schedule to Master Agreement for Treasury Management Services
Service Schedule for **COMMERCIAL SWEEP SERVICE**

Section I: SERVICE SCHEDULE SET-UP

CLIENT INFORMATION

Company Name (Client)		Federal Taxpayer ID	
Contact Name		DDA Account Number	
Mailing Address		DDA Account Number	
City, State and Zip		DDA Account Number	
Treasury Management Officer		DDA Account Number	
Relationship Manager		Contact Telephone No	
		Contact Email Address	

CUSTOMER SWEEP SELECTION: Please check sweep feature(s) which will apply to the Account Number indicated

☑ **Investment Sweep** (Choose one of the following)

☐ **Sweep to/from Mutual Fund (Mutual Fund Sweep)**

Type of Mutual Fund Investment

Balances **Average:** _____ **High:** _____ **(Required for Mutual Funds)**

☐ Morgan Stanley Government Portfolio - Investor Class (Fund Symbol : MVVXX)
Internal Code: CMSGOV

☐ Fidelity Treasury Only Portfolio - Class II (Fund Symbol: FOXXX)
Internal Code: CTRE03

☐ **Sweep to/from Regions Working Capital Sweep (Investment Sweep)**

☐ **Loan Sweep to/from a Commercial Line of Credit** (Only available for Lines on Level III):

Limit is required if Borrowing Base or Letter of Credit exists.

☐ **Standard Line of Credit Sweep** (**Select Only One: Paydown, Advance, or Advance & Paydown**)

Obligor _____ Current Obligation _____ Future or Limit Obligation _____

Paydown Only _____ Advance Only _____ Advance & Paydown _____

Select the appropriate Loan Sweep Increment _____ If other, indicate increment: _____

For the Paydown Only option, the loan sweep increment must be either $0.01 or $1.00

* Increments cannot exceed $99,999.99

☐ **RBC Line of Credit Sweep**

Obligor _____ Current Obligation _____ Future or Limit Obligation _____

Paydown Only X

Select the appropriate Loan Sweep Increment _____ If other, indicate increment: _____

For the Paydown Only option, the loan sweep increment must be either $0.01 or $1.00

* Increments cannot exceed $99,999.99

TARGET BALANCE

Target Balance To Retain in Account _____ **The Minimum required Target Balance for Mutual Fund and Working Capital Sweep is $100,000.**

Special Instructions, if any: _____

Section II. ADDITIONAL TERMS AND CONDITIONS:

1. Acceptance of Terms and Conditions. By using and/or enrolling for the service described in this Service Schedule (the "Service"), Customer accepts and agrees to all terms, conditions, and provisions set forth in this Service Schedule. Customer further accepts and agrees to all terms, conditions, and provisions of the Master Agreement for Treasury Management Services (the "Master Agreement") and acknowledges and agrees that this Service Schedule constitutes a part of the Master Agreement. Customer acknowledges and agrees that the terms of this Service Schedule and the terms of the Master Agreement are subject to amendment by Regions Bank ("Bank") from time to time, as described in the Master Agreement.

2. Statement of Service. This Service Schedule describes Bank's Commercial Sweep Service, whereby Bank will from time to time transfer funds between Customer's Sweep Account and the Sweep Investment.

3. Definitions. The following definitions apply when the following terms are used in this Service Schedule:

Banking Day means any day that Bank is open for full service banking functions, excluding weekends and holidays.

Target balance means the collected balance amount designated by Bank to remain in Customer's Sweep Account.

Sweep Account means the demand deposit account established by Customer and designated as the "Sweep Account" in Section I

Sweep Investment means an investment product or Customer loan account, as applicable, indicated in Section I of this Service

4. FDIC Insurance. Some of the Sweep Investment options may consist in whole or in part of securities or other nondeposit investment products. Securities and nondeposit investment products are not insured by the FDIC, are not a deposit or other obligation of, or guaranteed by, Bank, and are subject to investment risks, including possible loss of the principal amount invested.

It is important that Customer understands the unique nature of deposit insurance coverage associated with: Customer's Sweep Investment option. As of July 2009, FDIC rules and regulations require Bank to annually disclose to Customer the status of Customer's funds in the unlikely event of a bank failure. At the time of a financial institution's normal end-of-day processing on the day of failure, funds remaining in the Customer's deposit account would be treated as a deposit for FDIC insurance purposes.

Money Market Mutual-Funds - At the time of a bank's normal end-of-day processing on the day of failure, current FDIC procedures would attempt to block the proposed sweep of funds into the Money Market Mutual Fund. Instead, funds should remain in the deposit account and be treated as a deposit for insurance purposes. Therefore, in the event of a bank failure, funds remaining in the deposit account will be FDIC insured. Any funds currently housed in the Money Market Mutual Fund on the day of failure, would not be FDIC insured.

Regions Working Capital Sweep - Funds that have been swept into the Regions Working Capital Sweep account would be treated as a deposit for insurance purposes. Therefore, in the event of a bank failure, swept funds would be FDIC insured according to FDIC rules and regulations. Customer should consult Customer's relationship manager or visit www.fdic.gov for current rules and regulations.

5. Appointment as Agent. Customer appoints Bank, and Bank's designees, as Customer's agent for the purpose placing orders, transferring funds, and taking such other actions on Customer's behalf as are reasonably necessary in Bank's judgment and discretion to perform the Service.

6. Daily Processing.

a) All checks, drafts, ACH, or other demand items drawn by the Customer on or payable from the Sweep Account must be in a format approved by the Bank and shall contain such routing transit number and other information as Bank may require.

b) The Customer agrees to have on deposit in the Sweep Account and/or Sweep Investment on each Banking Day an amount in funds immediately available for withdrawal which is equal to or greater than the sum of checks and/or demand items presented for payment against the Sweep Account on each such Banking Day.

c) In the event that the Sweep Account and/or the Sweep Investment fails to contain on any Banking Day cash or funds immediately available for withdrawal sufficient to pay checks and/or demand items presented against the Sweep Account on such Banking Day, Bank may, at its sole option and discretion, elect to do any one or more of the following: (i)pay any one or all of the checks and/or demand items presented for payment against the Sweep Account subject to the Bank's standard overdraft policies and charges; (ii) dishonor any one or all of checks and/or demand items presented for payment against the Sweep Account and return same to the presenter thereof; or (iii) if the Bank has extended to the Customer a special line of credit pertaining to the Sweep Account, the Bank may pay one or all of the checks and/or demand items presented for payment against such Sweep Account and cause any such payment to be charged to such line of credit pertaining to such Sweep Account considering such amount to be a drawn thereunder, subject to all terms and conditions thereof.

d) The Sweep Investments available in connection with the Service are identified in Section I of this Service Schedule. Bank reserves the right to add or remove Sweep Investments at any time in its sole and absolute discretion without notice to Customer. Customer authorizes and directs Bank, without notice to Customer, to transfer funds to or from the Sweep Account or to or from the Sweep Investment as necessary to maintain in Customer's Sweep Account the target balance designated in Section I of this Service Schedule.

e) Customer acknowledges and agrees that only net collected funds (collected funds less applicable reserve requirement) in the Sweep Account which exceed Customer's Target Balance will be available for transfer to the Sweep Investment. Uncollected funds will not be available for transfer to the Sweep Investment.

7. Investment Sweep Disclosures. Customer acknowledges and agrees all Sweep Investments are subject to all federal and state rules and regulations governing and/or applicable to that investment. The Customer acknowledges and agrees that certain Sweep Investments may be subject to separate terms and conditions and/or may involve the participation of third parties. Customer agrees to be bound by any and all separate terms, conditions, and provisions governing any applicable Sweep Investment and agrees that such terms, conditions and provisions are incorporated herein and made a part hereof to the extent that Customer has elected any Sweep Investment governed thereby. Customer agrees to promptly execute and deliver any instruments or agreements required by Bank to further evidence Customer's assent to separate terms and conditions that may govern any Sweep Investment elected by Customer. The Customer understands that Customer is responsible for determining Customer's eligibility to participate in the Sweep Investment under all applicable laws and regulations. Bank makes no representation or warranty that any of the Sweep Investments are lawful investments for the Customer. The Customer agrees to indemnify and hold harmless Bank from any liability or loss incurred as a result of unlawful participation by Customer in the Service or investment by Customer any Sweep Investment. The Customer understands that, in rendering the Service, the Bank is merely providing a Treasury Management service to the Customer that consists of the transfer by Bank of Customer's funds to and from a Sweep Account and a Sweep Investment chosen by Customer in Customer's discretion. Customer shall not look to Bank for, and Bank hereby disclaims to provide to Customer, any managerial or investment advice whatsoever. Bank shall not be responsible for, and Customer releases Bank from any and all liability and claims related to or arising out of, the performance of any Sweep Investment elected by Customer in connection with the Service. Customer assumes and shall bear all risk as to the performance of any Sweep Investment.

8. Reasonable Efforts to Invest. Customer acknowledges that certain Sweep Investments may require minimum transfer amounts or investments which exceed amounts available to Customer for investment and that Bank may be unable from time to time to invest funds in the Sweep Investment or to place orders to redeem the Sweep Investment because of the unavailability of Sweep Investments or otherwise. Bank will endeavor to make transfers to and from the Sweep Account and the Sweep Investment such that the Target Balance will be approximately maintained; provided, however, that Bank shall have no liability whatsoever to Customer, and Customer releases Bank from any and all liability, whether for lost income or otherwise, for any deviation of actual balances in the Sweep Account from the Target Balance or for any failure of Bank to transfer funds to the Sweep Investment, except to the extent wholly caused by Bank's gross negligence or willful misconduct. In order to fill Sweep Investment orders under this and similar agreements, the Bank may place block orders to purchase and redeem Sweep Investments based on estimated needs across all accounts. These purchase and redemption orders will then be allocated to specific accounts based upon actual account balances. In some cases the actual purchase and redemption needs of accounts in total may exceed the size of the block orders, in which case the Bank will seek to allocate purchase and redemption orders across accounts in a fair and equitable manner, in Bank's judgment and discretion. If this occurs, the amount of Sweep Investments purchased or redeemed for the Customer's account may be less than the amount needed to return the Sweep Account to the Target Balance. In that event, the Sweep Account balance will be larger or smaller than the Target Balance.

9. No Requirement to Sweep to or from the Account. Bank is not required to sweep amounts to or from Customer's Sweep Account (a) if the collected balance in Customer's Sweep Account and Sweep Investment selection, or the available credit on the line of credit, or some combination thereof, is not sufficient to restore the Sweep Account to the Target Balance; (b) if the amount of the sweep is less than the minimum sweep amount Bank establishes from time to time, in its discretion, for Customer's sweep selection; (c) if the amount of the sweep would exceed Bank's internal aggregate limit for Customer's sweep selection; or (d) if Customer is in breach of any term or provision of this Service Schedule, the Master Agreement, or any separate agreement or instrument governing any applicable Sweep Investment.

10. Changing Sweep Selection. If Customer requests Bank to change the Sweep Investment selection, Bank may initiate such transfers and/or redemptions as are necessary to effect the request. Bank may require Customer to make or verify the request in writing, but is under no obligation to do so and may act upon the oral instructions of Customer or its representative. Bank will have a reasonable time after receipt of notice to effect the change.

11. Right of Setoff. Without limiting any other rights or remedies available to Bank, Customer agrees that Bank's right of setoff with respect to the Sweep Account shall apply to any balances in Customer's Sweep Investment.

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Schedule to Master Agreement for Treasury Management Services

Service Schedule for **POSITIVE PAY SERVICE - No File Testing**

Section I. SERVICE SCHEDULE SET-UP:

CLIENT INFORMATION

Company Name ("Client") _____ Federal Taxpayer ID _____

Mailing Address _____

City, State, Zip _____ Telephone Number _____

Contact Name _____ Fax Number _____

Email Address _____ Relationship Manager _____

Treasury Management Officer _____

Positive Pay Client information

Existing Positive Pay Account Number _____ ***This account should not be an account in which you are requesting services or changes.**

Service Requested

☐ Next Day Positive Pay ☐ Same Day Positive Pay ☐ Reverse Positive Pay ☐ No Check Positive Pay

Positive Pay Implementation Contact

Contact Name: _____ Email Address: _____

Phone Number: _____

Check Testing - All questions below should be answered

Does the customer order checks from Deluxe, Harland or McBee? _____

(If yes, MICR check testing is not required)

Will the customer use the same printer/vendor/check stock as the existing Positive Pay account? _____

(If yes, MICR check testing is not required. If an existing Positive Pay acct was not provided in the Positive Pay Client info section, the answer should be "No".)

Do the accounts requesting services have check activity? _____

(If yes, MICR check testing is not required)

Account Details

Next Day Positive Pay

Bank No	Account No	Service Level	Default Decision
		Select from dropdown options	
		Select from dropdown options	
		Select from dropdown options	
		Select from dropdown options	
		Select from dropdown options	

Same Day Positive Pay (Walker County Controlled Disbursement Account and Data Transmission Required)

Bank No	Account No	Funding Account	Service Level	Default Decision
			Select from dropdown options	
			Select from dropdown options	
			Select from dropdown options	
			Select from dropdown options	
			Select from dropdown options	

Reverse Positive Pay - No Input required, Default = Pay All and Special Handling does not apply

Bank No	Account No	Bank No	Account No	Bank No	Account No

No Check Positive Pay - No Input required; No Exception Notification Provided; Default = Return; Deposit Recon services are available. Special Handling, Full and Partial recon services are not available.

Bank No	Account No	Bank No	Account No	Bank No	Account No

iTreasury Information

iTreasury Org ID _____ iTreasury Admin _____

Check Management Approval Requirements

Check Management Permissions determine whether a second approval will be required to place or import Stop Payments, to create/import Check Issues and Voids, or approve Exception decisions (for Positive Pay clients)

Allow Single Administration of Check Management _____

Positive Pay User Entitlements (see definitions below). The users you designate will receive access to the Positive Pay module based on the service requested. They will be able to manually issue checks or voids, import check issues or voids, and manage exceptions based upon the Permissions you grant.

Name	Email	Permissions
		☐ View ☐ Manage ☐ Approve ☐ Approve Own ☐ Auto Approve ☐ No Change
		☐ View ☐ Manage ☐ Approve ☐ Approve Own ☐ Auto Approve ☐ No Change
		☐ View ☐ Manage ☐ Approve ☐ Approve Own ☐ Auto Approve ☐ No Change

Permission Definitions

- View – Allows a user to view details of a decision and/or a check issuance/void
- Manage – allows a user to submit, delete, or modify an action
- Approve – allows a user to approve and/or process an action
- Approve Own – allows a user to approve an action they had submitted
- Auto Approve – allows a user to submit and approve an action with one click
  - Users must have Approve Own
  - Users will not need to submit an action then approve it within a separate action
  - **Auto Approve** is not available with import Check Issue/void
- No Change is only applicable to current users

CHECK ISSUES AND VOIDS - INPUT DELIVERY METHOD

☐ **iTreasury** - Includes Direct Input and File Import

Separate service agreement required for new iTreasury customers and not available with SDPP
The two questions below pertain to file import only and should not be completed for direct input.

Will customer use same input format as existing account? _____

Does the customer include the account number in the existing file? _____

☐ **Data Transmission Type:** ☐ Secure FTP ☐ AS2 ☐ HTTPS ☐ CONNECT: Direct (NDM)

Is this an existing transmission client? (for any Treasury Management service) _____

Will customer use same input format as existing account? _____

Does the customer include the account number in the existing file? _____

***Technical Testing Contact :** _____ Phone: _____ Email: _____

(If contact should be added as a user then they should also be added in the user section above) - FOR HTTPS ONLY

Would Client like confirmation of files submitted? _____ Email or Fax No: _____

System allows only one email address

Will the customer use an IP address that is located outside of the US? _____

If yes, please provide the IP address(es). _____

Outstanding Check Items

How will customer submit oustanding check items at time of implementation?

☐ Direct Input

☐ File Import/ Transmission

☐ None Provided* (Checks which have not cleared and were issued prior to the positive pay service implementation will be reported as exceptions. Additional fees may apply)

*A "Pay All" decision is required for this option which cannot be changed for 6 months. Checks outstanding when the service begins will be treated as exceptions. If presented at the teller line, these checks will not be honored. The "Pay All" decision will apply to all exception items unless you provide instructions to return the item.

☐ None (No checks will be issued prior to the implementation of services)

EXCEPTION NOTIFICATIONS

☐ via iTreasury Alert**

** By selecting this option, additional fees may apply. If this option is not chosen, you will not receive an exceptions alert notification. However, you can view your Positive Pay exceptions by logging into iTreasury.

Special Handling (Not Available with Reverse or No Check Positive Pay)

☐ Stale Date Verification Days _____

A client's check should reflect the number of days before it becomes void. (Example: void after 90 days)

☐ Dollar Limits Greater Than Amount _____

Client Authorized Contacts for Pay/Return Positive Pay Exception Items (contingency)

*Note: These contacts have the authority to make pay/return decisions on Positive Pay exception items if needed directly from the Client. The Client is responsible for all access to items emailed or on-line containing pay/return decisions.

Primary Contact _____ Telephone Number _____

Email Address _____ Fax Number _____

Secondary Contact _____ Telephone Number _____

Email Address _____ Fax Number _____

Special Instructions, if any: _____

REGIONS

Schedule to Master Agreement for Treasury Management Services
Service Schedule for **POSITIVE PAY SERVICE**

Section I. SERVICE SCHEDULE SET-UP:

Client Information

Company Name ("Client")		Federal Taxpayer ID	
Mailing Address			
City, State, Zip		Telephone Number	
Contact Name		Fax Number	
Email Address		Relationship Manager	
Treasury Management Officer			

Positive Pay Client information

Existing Positive Pay Account Number _____ ***This account should not be an account in which you are requesting services or changes.**

Service Requested

☐ Next Day Positive Pay ☐ Same Day Positive Pay

Positive Pay Implementation Contact

Contact Name: _____ Email Address: _____

Phone Number: _____

Check Testing - All questions below should be answered

Does the customer order checks from Deluxe, Harland or McBee? _____
(If yes, MICR check testing is not required)
Will the customer use the same printer/vendor/check stock as the existing Positive Pay account? _____
(If yes, MICR check testing is not required. If an existing Positive Pay acct was not provided in the Positive Pay Client info section, the answer should be "No".)
Do the accounts requesting services have check activity? _____
(If yes, MICR check testing is not required)

Account Details

Next Day Positive Pay

Bank No	Account No	Service Level	Default Decision
		Select from dropdown options	
		Select from dropdown options	
		Select from dropdown options	
		Select from dropdown options	
		Select from dropdown options	

Same Day Positive Pay (Walker County Controlled Disbursement Account and Data Transmission Required)

Bank No	Account No	Funding Account	Service Level	Default Decision
			Select from dropdown options	
			Select from dropdown options	
			Select from dropdown options	
			Select from dropdown options	
			Select from dropdown options	

iTreasury Information

iTreasury Org ID _____ iTreasury Admin _____

Check Management Approval Requirements

Check Management Permissions determine whether a second approval will be required to place or import Stop Payments, to create/import Check Issues and Voids, or approve Exception decisions (for Positive Pay clients)

Allow Single Administration of Check Management _____

Positive Pay User Entitlements (see definitions below). The users you designate below will receive access to the Positive Pay module, they will be able to manually issue checks or voids, import check issues or voids, and manage exceptions based upon the Permissions you grant.

Name	Email	Permissions
		☐ View ☐ Manage ☐ Approve ☐ Approve Own ☐ Auto Approve ☐ No Change
		☐ View ☐ Manage ☐ Approve ☐ Approve Own ☐ Auto Approve ☐ No Change
		☐ View ☐ Manage ☐ Approve ☐ Approve Own ☐ Auto Approve ☐ No Change

Permission Definitions

- View – Allows a user to view details of a decision and/or a check issuance/void
- Manage – allows a user to submit, delete, or modify an action
- Approve – allows a user to approve and/or process an action
- Approve Own – allows a user to approve an action they had submitted
- Auto Approve – allows a user to submit and approve an action with one click
  - Users must have Approve Own
  - Users will not need to submit an action then approve it within a separate action
  - **Auto Approve** is not available with import Check Issue/void
- No Change is only applicable to current users

Check Issues/Voids Input Delivery Method

☐ **iTreasury** (Includes Direct Input and File Import)

Separate service agreement required for new iTreasury customers and not available with SDPP

A test file is required. Test file should include a minimum of 10 line items & include the following:

·Account Number

☐ **Data Transmission Type:** ☐ Secure FTP ☐ AS2 ☐ HTTPS ☐ CONNECT: Direct (NDM)

Is this an existing transmission client? (for any Treasury Management service)

***Technical Testing Contact :** _____ Phone: _____ Email: _____

(If contact should be added as a user then they should also be added in the user section above) - FOR HTTPS ONLY

Would Client like confirmation of files submitted? _____ Email or Fax No: _____

System allows only one email address

Will the customer use an IP address that is located outside of the US? _____

If yes, please provide the IP address(es). _____

Exception Notification

☑ via iTreasury Alert**

** By selecting this option, additional fees may apply. If this option is not chosen, you will not receive an exceptions alert notification. However, you can view your Positive Pay exceptions by logging into iTreasury.

Special Handling

Stale Date Verification # of Days _____

A client's check should reflect the number of days before it becomes void. (Example: void after 90 days)

Dollar Limits Greater Than Amount _____

REGIONS

Schedule to Master Agreement for Treasury Management Services
Service Schedule for **INFORMATION REPORTING**

Section I. SERVICE SCHEDULE SET-UP

CLIENT INFORMATION

Company Name ("Client")		Federal Taxpayer ID	
System Admin		Admin Phone Number	
Admin Email Address		Admin Fax Number	
Treasury Management Officer		Relationship Manager	
Billing Account			

SERVICE SELECTION

☐ **BAI FILE DELIVERY** **(Data Transmission Only)**

Bank Number	Account Number	RegionsOne Master?	Bank Number	Account Number	RegionsOne Master?

Data Transmission Type: ☐ Secure FTP ☐ AS2
☐ HTTPS ☐ CONNECT: Direct (NDM)

Is this an existing transmission client? (for any Treasury Management service)

***Technical Testing Contact :** Phone: Email:

(If contact should be added as a user then they should also be added in the user section above) - FOR HTTPS ONLY

Will the customer use an IP address that is located outside of the US?
If yes, please provide the IP address(es).

Data Types: ☐ Previous Day ☐ Current Day

Current Day Delivery Options: A client must be set up for Previous Day in order to request Current Day reporting.
All Times are Central Standard Time.

☐ Deliver whenever new data becomes available

☐ Deliver at specific times
Interval times should be entered in military time (Ex. 1pm =1300)

☐ Deliver at set intervals
No earlier than:
No later than:

☐ Only include new information since the last time this report was generated.

☐ If no data is available, DO NOT SEND file.

Only Complete The Section Below If RegionsOne Master Is Selected As YES.

Designation of Sub-Accounts to be associated with Master Account shown above

	Bank Number	Sub-Account Number	Identification Number (location code, department, store number, etc.)
1)			
2)			
3)			
4)			
5)			
6)			
7)			
8)			
9)			
10)			

☐ **DATA EXCHANGE**

Primary Bank Name

Contact Name — Contact Telephone Number

Contact E-Mail Address — Contact Fax Number

Data Exchange Switch — Other:

Catalog/ID Number specified by Data Exchange Switch (BankLink Only):

Outbound Data Exchange Reporting Accounts

Account No Summary Detail — Account No Summary Detail

Account No Summary Detail — Account No Summary Detail

Special Instructions, if any:

Section II. ADDITIONAL TERM AND CONDITIONS:

1. Acceptance of Master Agreement for Treasury Management Services. By executing the Client Profile and Client's use of the service described herein, Regions Bank ("Regions" or "Bank") and the company indicated above ("Client") agree to Client's use of Bank's Information Reporting Service. This Service Schedule hereby becomes a part of the Master Agreement for Treasury Management Services ("Master Agreement") and, together, the Service Schedule and Master Agreement constitute one "Service Agreement," the terms and conditions of which shall be binding upon both parties and shall govern the establishment and continued use by Client of the Information Reporting service. Client acknowledges the receipt of a copy of the current Master Agreement.

2. Statement of Service. Subject to the terms and conditions of this Service Schedule, Regions shall provide the Information Reporting service to Client. Depending upon the service selected by Client, the Service enables Client to review information about the balances and transactions in their account(s) with Bank. From time to time Bank, in its discretion, may add and/or eliminate types of accounts that are eligible for Information Reporting Service transactions.

3. Other Agreements. When the Information Reporting Service is used to access other Bank services, any agreements governing such other services remain in full force and effect and may contain terms and conditions in addition to the terms and conditions of this Agreement. Nothing in this Agreement shall be construed as altering or canceling any such terms and conditions. Examples include but are not limited to any agreements establishing and governing services such as depository accounts, wire transfers, or ACH Origination.

4. Service Hours. Bank will provide selected data to Client with respect to balances and/or transactions on the accounts specified by Client. Client acknowledges and agrees that the performance and completion of Information Reporting Service transactions are subject to Bank's business days and hours of operation, Bank's published policies and procedures, the hours of operation of departments within Bank performing Information Reporting Service transactions, applicable law, the provisions of this Information Reporting Service Agreement, and the provisions of other Bank Client agreements governing specific transactions to be performed under this Information Reporting Service Schedule, and Client agrees that Bank shall not be liable for any delay in the processing or settlement of Information Reporting Service transactions resulting from the foregoing.

REGIONS

Schedule to Master Agreement for Treasury Management Services
Service Schedule for **WHOLESALE LOCKBOX SERVICE**

Section I. SERVICE SCHEDULE SET-UP:

CLIENT INFORMATION

Company Name ("Client")		Treasury Management Officer	
Complete Mailing Address		Relationship Manager	
City, State, Zip Code		Federal Tax Payer ID	
Contact Name		Contact Telephone Number	
Contact E-mail Address		Contact Fax Number	

Is client a Healthcare Provider or related entity?
(Healthcare Providers include HIPAA Covered Entities such as Hospitals, Physician Practices, Clinics, Medical Billing companies or any client where Regions Lockbox will receive and process documents containing patient private health information.)

If Yes, a completed **HIPAA TM Business Associate Addendum to Master Agreement must be signed by the client** and submitted with this Service Schedule to complete the implementation of the lockbox service.

☐ **Box 1 Information**

Box Company Name:
Deposit Account #:
Deposit Bank #:
Processing Site:
Est Monthly No of Payments:
Billing Account #:
Billing Bank #:

Type of Wholesale Lockbox:

Return Package, Data Capture Reporting, nor Data Transmission is available with Low Volume Lockbox Services.
Non-processable items and/or correspondence will be mailed.

Credit Card Processing*:

*Requires Merchant Card Processing with Elavon; currently only available in Birmingham, Orlando and Nashville
**Requires Elavon Merchant ID

Acceptable Payees:

☐ Accept All
☐ Acceptable Payee Name(s) (including reasonable variations):

☐ **Box 2 Information**
☐ **Box 3 Information**
☐ **Box 4 Information**

Client Designation of Processing Instructions and Requirements

Return Package Delivery Method (Select One)

☐ No Return Package
☐ Client Pickup (Please indicate preferred pickup time): _____
☐ U.S. Mail* *US Mail is not available for Healthcare Clients, please provide courier info below)
☐ Private courier: (☐ Standard Overnight Service ☐ Premium/expedited Overnight Service)

Name of Courier Service _____
Client's Account Number _____
Reassociate Check To Doc _____
Check Photo Copies _____

Daily Reporting to Client (Select One)

☐ None
☐ Email Notification for 'Daily Lockbox Processing Complete' Group E-mail _____
☐ Current Day Summary/Float via iTreasury *(iTreasury Current Day Information Reporting required)*
☐ Data Capture Reporting: *Not available for Low Volume Lockbox; Check MICR info is captured by default*

Information Required:

☑ Check Number ☑ Check Routing No ☑ Check Account No ☑ Check Amount
☐ Payee Name ☐ Remitter Name ☐ Invoice Amount ☐ Other _____
☐ Invoice Number: Length = _____ Define: _____

Delivery Method: For Standard Lockbox Services, any data selected under the "Information Required" section will automatically be available via Image Lockbox

☐ Via iTreasury Special Report
☐ Data Transmission via: ☐ Secure FTP ☐ AS2
☐ HTTPS ☐ CONNECT: Direct (NDM)

Is this an existing transmission client? (for any Treasury Management service) _____

Technical Contact Name: _____ Phone: _____
Technical Contact E-Mail: _____

Will the customer use an IP address that is located outside of the US? _____
If yes, please provide the IP address(es). _____

LockboxIQ
**Required for Low Volume Lockbox

☐ Checks ☐ Invoices/Enclosures ☐ Envelopes ☐ Correspondence
*Credit Card Payments cannot be included with Correspondence Imaging

Image Delivery

☐ LockboxIQ

System Admin Email Address _____ Phone _____ Fax _____

☐ Additional Image Storage *(Standard image storage is 180 days)*
Please indicate additional storage time required in increments of 30 days but not to exceed 7 years: _____

Data Transmission Type:

☐ Bulk Image File via: ☐ Secure FTP ☐ HTTPS ☐ AS2 ☐ CONNECT: Direct (NDM)

Is this an existing transmission client? (for any Treasury Management service) _____

***Technical Testing Contact :** _____ Phone: _____ Email: _____

(If contact should be added as a user then they should also be added in the user section above) - FOR HTTPS ONLY

****Group Email Address:** _____

*Technical Testing Contact refers to the person who will set up software and hardware on remote site.

Special Instructions, if any: _____

Will the customer use an IP address that is located outside of the US? _____
If yes, please provide the IP address(es). _____

Section II. ADDITIONAL TERMS AND CONDITIONS:

1. Acceptance of Terms and Conditions. By using and/or enrolling for the service described in this Service Schedule (the "Service"), Client accepts and agrees to all terms, conditions, and provisions set forth in this Service Schedule. Client further accepts and agrees to all terms, conditions, and provisions of the Master Agreement for Treasury Management Services (the "Master Agreement") and acknowledges and agrees that this Service Schedule constitutes a part of the Master Agreement. Client acknowledges and agrees that the terms of this Service Schedule and the terms of the Master Agreement are subject to amendment by Regions Bank ("Bank") from time to time, as described in the Master Agreement.

2. Statement of Service. Subject to the terms and conditions of this Service Schedule, Regions shall provide to Client the Wholesale Lockbox service, in which Client causes to be delivered to

a) Collection of mail according to Bank's collection standard as modified from time to time
b) Opening and extraction of mailed payments plus related enclosures
c) Endorsement of checks on behalf of Client (Endorsement standard available to Client upon request.)
d) Deposit to account designated by Client
e) Outsort non-processable items (for example, incomplete checks, checks with unacceptable payees, correspondence, invoices, etc.) on a reasonable efforts basis for delivery to Client in the Return Package.

3. Acceptable Payees. Bank shall process payments drawn to the order of any "payee" name designated by Client herein. Bank shall be entitled to process payments hereunder when the payee name represents a reasonable variation of the above-designated payee name(s), the possibility of misspelling or abbreviation being understood between the parties. Payments drawn to the order of payee names not designated by Client, as determined solely by Bank, shall be returned to the remitter unprocessed, and Client agrees to indemnify, defend, and hold harmless Bank from and against any and all claims, losses, and liability related to or arising out of the return by Bank of such payments.

4. Obligation of Client. Client agrees to provide Bank with unrestricted and exclusive access to Client's designated lockbox(s) in order that Bank might receive all remittance documents. Client hereby agrees to furnish all data, documents, information and materials and to perform all such acts and to make appropriate personnel, records, and facilities available to Bank, all within such time and in such form or manner as may reasonably be necessary in order to enable Bank to perform the required Services.

5. Role of Bank. Bank acts hereunder as Agent for Client with specific respect to Payment Processing. Therefore, claims, disputes, and causes of action related specifically to Bank's actions

a) Conditional, stale-dated (older than six months), and future-dated remittances processed through the lockbox or remittances which bear any legend or notation such as "Paid in Full." The high-speed nature of lockbox processing will not allow for segregating these types of payments. Bank will be in no way responsible for payments of this nature which are deposited into Client's account. Client will be responsible for notifying its payors to send directly to Client any payments which should not be processed through the lockbox given the limitations stated above.

b) The deposit of checks or other items made payable to multiple parties. If Bank deposits a check or item made payable to multiple parties, Client agrees to indemnify and hold Bank harmless from and against any loss, liability, cost, damage, expense (including, but not limited to, reasonable legal and accounting fees and expenses) arising from such deposit or claims asserted against the Bank by any joint payee of the check or any other third party as a result of the handling or deposit of the check.

6. Notification to Remitters. It is the sole and exclusive responsibility of Client to notify its payors that remittance checks should be mailed to Client using the remittance address assigned by Bank.

7. Amount of Payment. If there is a variance between the numeric and written amounts on any check processed hereunder, Bank shall process such items on the basis of the written amounts. Adjustments made with respect to such items shall be between the Client and the remitter and shall not be Bank's responsibility.

8. Returned Checks. Returned checks or disputed items previously credited to the Client's account will be promptly debited from Client's account.

9. Procedures for Remittance Imaging.

a) If the Remittance Imaging Service is selected by Client as directed in Section I, Bank will make the transaction information and images available to Client based on the established delivery method and schedule. Bank will exercise due diligence in entering such information; provided, however, Bank will not be liable for any losses, damages or expenses incurred by Client as a result of unavailable, inaccurate, incomplete or outdated information. Client acknowledges that the information provided is for purposes of ready reference only.

b) Client agrees and acknowledges that if Client selects the image-only archive option (no return package delivered), paper copies of the documents will be maintained by Bank for two business days following the day the documents are processed by the Bank. Bank will make all reasonable efforts to make clear copies of such documents. Client agrees that if it selects the image-only archive option, it assumes all liabilities relating to unclear images, including but not limited to losses arising from disputes with its Clients. Client shall contact Bank as soon as possible but not later than twenty four (24) hours following the discovery of an unsatisfactory image. Client is aware that the remittance items that will be destroyed instead of being mailed to Client include, but are not limited to, checks that are made payable to an inappropriate payee but are otherwise valid. Client agrees to indemnify and hold the Bank harmless from any claims that may be asserted against the Bank in relation to such destruction.

c) Bank will furnish to Client, upon request, a User Guide, which explains the operation of the online system, plus User Codes and password(s). Client will be responsible for designating a System Administrator. The Bank will grant system privileges to other users within Client's organization. Client will be responsible for maintaining the confidentiality of User Codes and Passwords. Bank will assume that access to the online system using Client's User Codes and passwords are by authorized users of the Client.

d) Client acknowledges that Bank's ability to provide access to Remittance Images is conditioned upon the continued operation and availability of computers and associated communications networks. In the event that access to this computer/communications system is suspended or terminated for any reason, Bank will not be responsible or liable for its inability to provide information or images.

e) The hardware and peripheral equipment required to access Remittance Images are to be provided by Client. The maintenance of such equipment is the responsibility of Client.

10. Foreign Items. Bank will make reasonable efforts to forward all foreign items to Bank's International Department for collection. A notice will be provided in the remittance detail that a foreign item has been received and submitted for collection. Notwithstanding any provision in the Agreement to the contrary, these funds will not be available until the collection effort is completed, at which time, Bank will notify Client that funds are available.

11. Notices. To specify any change in the level of service, such as to add or delete a specific processing feature, Client must contact Client's Relationship Manager or Treasury Management Services Representative at Bank. To exchange information with Bank to report errors or to inquire about specific transactions processed hereunder, Client must contact Bank's Treasury Management Services Client Support Department, the contact information for which has been separately published. Otherwise, all notices shall be governed as specified in the Master Agreement.

12. Contract Services. Client acknowledges that Bank shall be entitled to employ or contract with third parties to assist Bank in the provision of the Services contemplated by this Service Schedule.



Suggested Banking Services

Treasury Management Services at Regions Bank

Regions Bank has offered many of its treasury management services for more than 35 years. We offer a wide array of products and services for our commercial, corporate, government and institutional banking clients. Following is information regarding the services we provide and our goals around service and meeting client needs.

Outstanding Service

In addition to the advice and guidance that your Regions Relationship Manager and Treasury Management Officer will provide, you can also expect personalized, responsive and knowledgeable assistance from our award-winning client services team. Regions Client Services is comprised of a fully staffed team of cross-trained and experienced financial services professionals who are dedicated to helping you get the maximum benefit from your Treasury Management Services.

Regions has been recognized repeatedly by Greenwich Associates as a leader in treasury management for the ease of use of our services, innovation in product development and for excellence in customer service.

Solutions That Help Your Business Grow

With Regions Treasury Management Services, you will enjoy multiple benefits:

Improved Cash Flow Management

Regions Quick Deposit® – Conveniently make deposits from the comfort of your office while streamlining the task of processing daily check deposits. Quick Deposit also allows you to take advantage of an extended ledger deposit deadline as compared to branch deposits. With this extended deadline, you have more time to make additional deposits, allowing those funds to be available a full business day earlier. Additionally, take advantage of Regions Quick Deposit Mobile to make check deposits on the go using your smart phone or tablet.

Automated Clearing House (ACH) Origination (Domestic and International) – Use ACH to pay vendors and others electronically by transferring funds directly to their accounts. As an added convenience to employees, you can also use ACH to disburse payroll electronically. By doing so, you will not only reduce the costs and eliminate the posting delays associated with checks, but you'll also see how these direct transfers improve cash flow predictability. Plus, leverage the ACH network to send payroll, pension and other recurring payments internationally to select destination countries using Regions iTreasury® and direct transmission.

Wire Transfer Services – Move collected funds directly from your Regions account to another institution – and with same-day settlement for domestic or international transfers requested by the applicable cutoff time. Also, gain greater flexibility for providing funding to a remote location, settling vendor accounts or repaying borrowed funds.

Lockbox Services – Get faster access to your receivables with multiple collection points, resulting in lower borrowing costs and enhanced investment opportunities. Have payments deposited directly into your account to expedite processing, improve cash flow and relieve bookkeeping overload.

Regions Integrated Payables – Predict, protect and optimize liquidity while migrating accounts payable disbursements to electronic payments with an automated, end-to-end payments solution. Streamline payments – whether by check, ACH, wire or commercial card – to expedite cash flow, capital allocation and the tracking of intraday liquidity. Employees benefit as well with included online account management tools.

Regions Integrated Receivables – Optimize the receivables process and expedite payment posting by allowing transaction-specific data to be downloaded in a daily receivable file. Regions Integrated Receivables provides a consolidated data file containing received payment types including ACH, wire transfer and lockbox. Additionally, Integrated Receivables maintains a long-term (seven-year) archive of payment records that facilitates research and issue resolution with search, download and audit report features.

Regions BillerXchange® – Facilitate faster payments and improve internal billing and posting processes with Regions BillerXchange. A feature-rich, scalable electronic bill presentment and payment solution, BillerXchange enables Regions clients (billers) to present bills to their customers (payers) electronically and capture both the payment and remittance data via a client-branded web application that is linked to the client's website. Secure and simple to use, Regions BillerXchange is a cost-effective platform for businesses of all sizes. The solution also enhances your customer's experience by providing the convenience of online payment acceptance.

Comprehensive Information Reporting

Regions iTreasury – Manage all of your banking needs online with this secure and convenient tool. You will have fast access to your account balance and transactions, special reports and account transfers – along with electronic payments – allowing for improved decision making and business insight. Plus, flexible administration capabilities and the module design allow you to select only the components and functions that are relevant for your business.

Advanced Expense Management

Regions Commercial Card Program – Simplify and integrate purchasing and accounts payable, replacing paper-based processes with automated vendor and supplier payments. A commercial card program can eliminate inefficient processes, save time and drive value to your bottom line. Consider a commercial card program if you want to better manage your spending or re-engineer existing, stand-alone payments

by consolidating purchase transactions through a single, integrated card solution.

Regions Intersect® – Streamline payment processing operations and gain greater business intelligence through automated accounts payable and expense management with Regions Intersect. The online platform offers a single, secure login portal for convenient, comprehensive management of your commercial card program. And with Regions Intersect, you can consolidate the functionality of multiple commercial card applications into a single card solution.

Skylight® PayOptions™ Program – Control payroll expense and increase employee participation in direct deposit while reducing check expense, risk and outsourcing. If you employ hourly workers, contracted employees or employees who are unbanked or geographically disbursed, this turnkey solution could save you time and money. Distribute Skylight ONE Cards on-site and easily fund payroll via ACH. Employees benefit as well with included online account management tools.

The Latest in Fraud Prevention Tools

Positive Pay Services – Increase protection against check fraud and enjoy the peace of mind that our array of award-winning fraud protection tools can bring. Positive pay services are among the strongest and most immediate controls available to detect and help prevent checkfraud.

Regions ACH Alert – Prevent unauthorized ACH debits with our low-cost, effective safeguard. ACH Alert automatically monitors ACH debit activity and alerts you of potentially fraudulent transactions based on the parameters you set. There is no fee for returning unauthorized items, and ACH Alert maintains a record of activity and return decisions for ease of future research.

Liquidity Management Options

A comprehensive approach to liquidity is paramount to achieving your treasury management objectives. Our array of liquidity management solutions can help optimize the value of your cash.

Through analysis of your operating cycle, we will consult with you to find the right mix of solutions to fit your unique business needs. Whether your primary concern is balancing the safety of your investment mix, maximizing yield or simply using earnings credit to offset fees, we will help you maximize the potential of your operating cash, working capital and investments*.

Regions offers a full array of liquidity management solutions, including Regions Liquidity Manager® – a customizable and secure web-based trading platform that delivers institutional money market funds across a diverse group of fund families, enabling you to buy, sell and view money market mutual fund positions from one convenient location.

Global Trade Services

The Regions suite of global trade services is complemented by personal attention from bankers who share your interest in conducting business around the world. Benefit from Regions' solid understanding of global markets and rely on the knowledge of our global trade specialists to provide the financing you need to open new markets, improve cash flow and mitigate risk, regardless of where your business trades. Providing trade finance services since 1921, Regions is one of the most active Ex-IM Bank lenders in the U.S.

Review Your Working Capital

Working capital is one of the most powerful and least understood means of improving cash flow and profitability. It has become increasingly important to understand your working capital due to rapidly changing regulatory requirements, intense investor scrutiny and the historically low interest rate environment. If you lack a strong understanding of this financial metric or have not reviewed your working capital recently, you could be missing key opportunities to maximize cash, reduce risk, manage cost and efficiency, and achieve strategic benefits.

Your Regions Treasury Management Officer or Relationship Manager will work with to provide a working capital assessment to find out what you may be missing.

Integrated Payables

The most efficient means of disbursement is through the utilization of Integrated Payables. Regions Integrated Payables is a comprehensive integrated payables solution that allows clients to simplify and optimize the payables process. Regions Integrated Payables enables clients to securely deliver a consolidated file containing all outgoing payment types:

- Checks
- ACH
- Wire Transfer
- Commercial Card (purchasing card)

Regions will process each payment in the consolidated file as instructed and will provide status updates to the client throughout the process. The client can also manage their payment jobs from start to finish through the Regions Integrated Payables Payment Center.

Regions has partnered with FIS, a leader in the field of integrated payables, to deliver this product to our clients. Clients may ask their vendors to register with FIS' PayNetExchange Vendor Web Portal to receive electronic notice of payments and to participate in Check to Commercial Card (purchasing card) conversion or Check to ACH conversion. Vendors can also download remittance information in a variety of standard formats.

Regions Integrated Payables Payment Center is a Web-based application that allows clients to manage their payments files from start to finish. Clients can:

- upload payment files to Regions (for larger files, a secure FTP option is available)
- review payment files and payment details
- hold files or transactions based on administrative rights or dollar amount
- release files for processing
- check job status
- view reports on completed jobs
- view historical payments for research

The Regions Integrated Payables Payment Center is also a resource for the client to perform payment research. The website maintains image copies of all payments made and provides the ability to search the payment database by check number, vendor, date or amount.

How Region Bank Integrated Payables Works

Clients send a single file containing all payment types to Regions. They can either upload the file through the Regions Integrated Payables Payment Center, or for larger files, through a secure FTP channel. The client can choose to review the file and the payment details via the Payment Center prior to processing.

Once the file has been released for processing, the Wire Transfer transactions will be sent to Regions' Wire Transfer Department and the ACH transactions will be batched and sent to Regions' ACH Department for processing. The Commercial Card transactions will be sent to SunGard's Vendor Web Portal, PayNetExchange, and an email will be sent to the vendor notifying them that card payments are available for processing. The client can view the status of card payments on Regions Integrated Payables Payment Center. The status will indicate whether the card has been used and the total payment amount. This will help the client to reconcile their card payments.

The remaining check payments will be sent to the FIS Print facility for printing. A Payee Positive Pay file will be generated for those clients choosing Payee PositivePay.

Regions Integrated Payables provides the optimal solution for any type of check, including:

- A/P Checks – Eliminates the hassles of producing checks to vendors, service providers and other trading partners.

- Rebate and Refund Checks – Manages rebates and refunds efficiently. Whether the payment is made by check, wire transfer, purchasing card or by ACH, the client's vendors and payees can be notified of the payment via email. Additionally, the remittance advice is made available for online retrieval as a PDF or in the payee's preferred Accounts Receivable data format for direct download, eliminating the need to re-key remittance information. If the remittance data is 200 lines or less, it will be sent to the vendor by secure email, and if it is over 200 lines, the vendor will need to access the PayNetExchange Vendor Portal to view or download the data.

Features and Benefits of Regions Integrated Payables

- Improves security and offers Web-based control over payments with straight-through processing from the client's ERP system
- Simplifies payment processing operations and allows flexibility
- Provides acknowledgement of file receipt and online tracking of payment files
- Allows for complete online review of file detail prior to payment release
- Generates image and data remittance information for each payment
- Maintains historical information online for easy research
- Allows clients to take advantage of online presentment of financial documents and reduces printing and postage costs
- No technology investment required
- File matching process offers additional fraud protection
- Check number assigned to ACH payments, easing reconciliation

- Check to ACH Conversion available for clients to offer their suppliers
- Job-splitting – Allows printing and mailing of select items and others to be presented online
- Job tracking – Provides visibility over all jobs in process to verify accurate and timely completion
- Email notifications – Generated at job submission and release to client
- Offers address cleansing and postal sorting
- Data translation tools enable the mapping of any payment file, circumventing changes to client's back-end system.
- Data Security – Data is protected from the outset through a secure Internet connection and then encrypted for storage (SFTP, FTP with PGP)
- Payment delivery by USPS, FedEx and UPS
- The client's logo may be placed on checks (color printing is not currently offer)

SEE NEXT PAGES FOR NEXTSTEPS FINANCIAL WELLNESS

REGIONS

COMMERCIAL CARD AGREEMENT

Customer Name: City of Fernandina Beach
Date: 12/11/2025

THIS COMMERCIAL CARD AGREEMENT (the "Agreement") is made and entered into as of the date set forth above by the business whose name is set forth above ("Company") with Regions Bank ("Bank"). This Agreement contains the terms and conditions under which Bank will issue credit cards at Company's request (each, a "Card"). □

1. CARDS TO BE ISSUED TO COMPANY

Company has requested Bank to establish a credit card account that may be accessed in the following manner:

- Through "Physical Cards", which are actual Cards that may be used to make a purchase of goods and services (a "Purchase") from those merchants that accept Visa cards as a method of payment (a "Merchant"). Physical Cards may be issued either for a designated use (for example, a Fleet Card to purchase fuel or maintenance services for one or more of Company's vehicles) or to a Cardholder (for example a Travel Card for travel-related expenses or a Purchasing Card). A "Cardholder" means the individual whose name a Card is issued to or who is designated by the Company as being authorized to use a Card. The Company acknowledges that this definition of a Cardholder is for the purpose of this Agreement only and may not apply with respect to other commercial cards services or features including the Visa Corporate Liability Waiver or Travel Insurance programs. At Company's option, Physical Cards issued to Cardholders also may be used to obtain cash from Bank, another financial institution, a non-financial financial institution, or automated teller machine that accepts the Card (a "Cash Advance").
- At Company's option, through one or more "Ghost Cards", each of which is a unique number for a Card account that is issued without any actual Card and may be used only for Purchases with a specific Merchant. For each Ghost Card, Company must identify each employee of Company who is authorized to use that Ghost Card (an "Authorized User") with each Merchant at which that Ghost Card may be used.
- At Company's option, through one or more "Virtual Cards", each of which is unique, randomly issued number for a Card account that may be used only a single time generally and only to make Purchases electronically using the Software (as defined in Section 15 below). When Company requests Bank to issue a Virtual Card, Company must designate the Merchant at which the Card will be used and the total amount that may be charged to that Card.

Physical Cards, Ghost Cards and Virtual Cards may be collectively referred to as "**Commercial Cards**" or "**Cards**."

Except as otherwise provided in Section 9 below, all Purchases and Cash Advances on Company's Cards will be billed to Company through a central account (a "Central Account"). At Company's option, Bank may establish additional Central Accounts to facilitate Company's management of expenses charged to its Cards. For each Card, Bank will establish a subaccount (a "Subaccount") to the Central Account. Although fees and charges may be billed to a Central Account, all Purchases and Cash Advances must be charged to a Subaccount.

2. COMPANY SETUP FORM

Company, through its duly authorized representative, has completed and submitted to Bank a set up form for each Central Account, which is attached to and incorporated into this Agreement (each the "Set Up Form"). Among other information provided on the Set-Up Form, Company has designated the options it has chosen regarding Cards to be issued under this Agreement, including Company's billing and payment cycles, and whether Company has requested Virtual Cards, has requested Individual or Company Billing (as defined in Section 9 below), and has chosen to permit any Cardholder to obtain Cash Advances with a Physical Card. The Set-Up Form also includes Bank's current Fee Schedule and Revenue Sharing Schedule for Commercial Cards.

3. ISSUANCE OF PHYSICAL CARDS

Company must designate a minimum of at least ten (10) Cardholders who each will receive a Physical Card. On the Set Up Form Company has designated the initial Cardholders and Authorized Users for Physical Cards. Company must follow Bank's procedures (as they may be modified from time to time by Bank in its sole discretion) to designate additional Cardholders and Authorized Users. Company agrees to notify Bank immediately, by telephone, followed by prompt written notice, if (a) any Physical Card is lost, stolen or subject to unauthorized use, or (b) Company terminates a Cardholder's or Authorized User's authority to use a Physical Card.

4. COMPANY'S RESPONSIBILITY FOR USE OF COMMERCIAL CARDS

All Commercial Cards shall at all times remain the property of Bank, may be canceled by Bank at any time, and must be surrendered by Company on Bank's demand. Company accepts complete responsibility for all transactions on all Commercial Cards issued at the request of Company's Commercial Card Administrators (as defined below), and for all charges and fees due under this Agreement. Company also accepts complete responsibility for assuring that all use of its Commercial Cards complies with the requirements of this Agreement. □

□

Company must designate a two (2) Commercial Card Administrators (together, the "Commercial Card Administrators"). Company has designated the initial Commercial Card Administrators on the Set Up Form, and Company agrees to notify Bank immediately, by telephone, followed by prompt written notice, of any changes related to a Commercial Card Administrator. The Commercial Card Administrators are responsible for managing Company's use of the Cards through the online card management system made available by Bank (the "Card Management System"). Among other responsibilities, the Commercial Card Administrators shall provide notice to Bank of any changes to the information provided in the Set Up Form and to any other information with respect to the Cardholders or the use of Commercial Cards, including without limitation, any limits Company may place on the transaction type, amount or frequency permitted for Commercial Card use generally and/or by any Cardholder or Authorized User. □

Company is responsible for reviewing all billing statements and other transaction activity reports made available through the Card Management System and for reporting any errors and unauthorized transactions on the Commercial Cards. Bank shall have no obligation to provide Company with statements or other reports of any transactions occurring more than twenty-four (24) months prior to the date any such report is requested.

5. LIMITATIONS ON USE OF COMMERCIAL CARDS

The Commercial Cards may be subject to various limitations regarding transaction type, amount and frequency, as agreed upon in writing between Company and Bank. Company agrees that these limitations are reasonable and fully meet the needs of Company for security and control over its Commercial Cards, while at the same time affording the Cardholders and any Authorized Users sufficient access to the Cards. Company acknowledges that, under the rules governing the processing of Visa card transactions, transactions in an amount below certain floor limits established will not be subject to prior authorization or approval at the point-of-sale and will, therefore, bypass the routine authorization process for transaction approval. Company accepts full responsibility for payment of all such transactions, even if any such transaction does not comply with any transaction limitations agreed upon in writing between Company and Bank

6. PERMISSIBLE PURPOSES FOR USING COMMERCIAL CARD ACCOUNT

Business Purposes Only: Each Commercial Card may be used solely for Company's business purposes (and not for any personal, family or household purpose), and Company agrees to so advise each Cardholder and Authorized User. Company's obligations under this Agreement, however, shall not be affected or limited if any balances are incurred for non-business purposes.

No Illegal Transactions: No Commercial Card may be used for any illegal transaction. Company agrees that the Commercial Cards will be used only for transactions that are legal where they are conducted. For example, Internet gambling transactions may be illegal in some states. Display of a Visa logo by an online merchant does not mean that an Internet transaction is legal anywhere it may be conducted. Bank may charge a Commercial Card for such transactions, and will not be liable for any illegal transaction. Bank may deny authorization of any transactions identified as Internet gambling. Company agrees that Commercial Cards will not be used to conduct transactions in any country or territory, or with any individual or entity that is subject to economic sanctions administered and enforced by the U.S. Department of the Treasury's Office of Foreign Assets control (or OFAC). Use of Commercial Cards in those countries may be blocked. Company accepts full responsibility for payment of all such transactions, even if any such transaction does not comply with the limitations provided in this Section.

7. ANNUAL FEE; OTHER FEES

In return for the services provided to Company by Bank under this Agreement, Company agrees to pay a nonrefundable annual fee for each Physical Card issued under this Agreement. The amount of the annual fee is set forth on the Fee Schedule included as part of the Set Up Form, and will be charged to the Central Account or, if Company has selected Individual Billing, to each Commercial Card during the first billing cycle after the Effective Date of this Agreement and during the same month of each subsequent year. Company also agrees to pay the other fees set forth on this Fee Schedule. Bank may change the amount and terms of the annual fee and any other fees (including without limitation the Cash Advance Fee and Late Fee provided below) by providing written notice of the change to Company as provided in Section 18.

8. CASH ADVANCES

If Company has selected the option to obtain Cash Advances on any Physical Cards, Company agrees to pay a fee for each Cash Advance provided under this Agreement. Cash Advances include any and all advances to obtain cash or cash equivalents, whether in person, through an ATM, or by any other means whatsoever, including without limitation using Commercial Cards to make tax payments. The Cash Advance Fee will be in addition to any other charge or fee that may be imposed by a third party in connection with any Cash Advance, such as a fee charged for using a ATM that is not operated by Bank.

9. PERIODIC BILLING

Individual Billing: If Company selected Individual Billing for Travel Cards, at the end of each billing cycle in which a Travel Card Subaccount has a closing credit or debit balance of more than $1, Bank shall furnish to the Cardholder a billing statement reflecting all transactions posted to that Subaccount, all fees and charges imposed on that Subaccount under this Agreement, and any credits to that Subaccount (an "Individual Statement"). With Individual Billing, Company may not receive any billing statements, but all activity on each Travel Card will be provided to Company through the Card Management System, and Company remains obligated for payment in full of the amount billed on each Individual Statement by the Payment Due Date (as defined below) for that Statement.

Company Billing: At the end of each billing cycle in which any Subaccount has a closing credit or debit balance of more than $1, Bank shall furnish to Company a billing statement reflecting all transactions posted to all Subaccounts, all fees and charges imposed under this Agreement, any credits to the Central Account or any Subaccount, and the total payment due for all Subaccounts (the "Company Statement"). If Company has chosen to receive Individual Billing for Travel Cards, an amount billed to an Individual Statement will be included on the Company Statement only if that amount is not paid by Payment Due Date.

For all Billing Statements: Among other information, the Company Statement and each Individual Statement will show the total balance owed on the Central Account or Subaccount, as applicable (the "New Balance") and the date by which Bank must receive payment of the New Balance (the "Payment Due Date").

10. PAYMENT IN FULL REQUIRED FOR EACH BILLING CYCLE

Regardless of the billing option that Company selects, Company agrees to pay or have paid the New Balance in full on or before the Payment Due Date shown on each Company Statement or Individual Statement, as applicable. **Unless Bank agrees otherwise in writing, Company authorizes Bank to debit Company's deposit account designated in the Set Up Form for the New Balance shown on each Company Statement and for any other fees, charges or amounts under this Agreement when due**. Company further agrees that its failure to pay the full amount owed under this Agreement on or before any Payment Due Date (which includes its failure to have sufficient funds in its designated deposit account for the amount owed on any Payment Due Date) will constitute a breach of this Agreement for which Bank may, without prior notice to Company, immediately suspend or terminate Company's ability to use Commercial Cards.

11. LATE FEE

If any New Balance on an Individual Statement or Company Statement is not paid in full within five (5) days of the Payment Due Date, Company shall pay a Late Fee equal to the greater of (a) $10 or (b) one and one-half percent (1.5%) of that portion of the New Balance that remains unpaid.

12. CREDIT LIMIT

Bank, in its sole discretion, shall establish a total credit limit for Company (the "**Company Credit Limit**"). If Company has selected the option for Cash Advances, Bank may designate that only a portion of the Company Credit Limit and any Individual Credit Limit is available for Cash Advances. If Bank makes this designation, any reference in this Agreement to the Company Credit Limit shall be considered a reference to both the total credit limit and any limits on Cash Advances, unless otherwise specified. If the total Cash Advances charged to the Central Account exceed the designated limit on Cash Advances, Company will be considered to have exceeded Company Credit Limit for all purposes of this Agreement. Company promises to keep the amount of credit outstanding under this Agreement at all times below the applicable Company Credit Limit. Subject to the requirements of applicable law, Bank at any time may increase or decrease Company Credit Limit (including the portion available for Cash Advances) to be effective immediately, whether in response to a request by Company or otherwise. Bank will notify Company in writing if such a change occurs.

With the approval of Bank, Company may designate activity limits and an individual credit limit for each Cardholder and Authorized User (an "Individual Credit Limit"), which always will be contingent upon availability of credit under Company's Credit Limit. If Company has selected the option for Cash Advances, Bank may designate that only a portion of any Individual Credit Limit is available for Cash Advances. If Bank makes this designation, any reference in this Agreement to the Individual Credit Limit shall be considered a reference to both the total Individual Credit Limit and any limits on Cash Advances, unless otherwise specified. If the total Cash Advances charged to a Subaccount exceed the designated limit on Cash Advances, the Subaccount will be considered to have exceeded the Individual Credit Limit for all purposes of this Agreement. Company agrees to advise each Cardholder and Authorized User of the Individual Credit Limit and any activity limits applicable to that Subaccount, including but not limited to restrictions relating to the maximum number of transactions or maximum total dollar amounts permitted during a specified period of time. Company understands that once an applicable Individual Credit Limit or an activity limit is reached with respect to that Subaccount, Bank has no obligation to honor further uses of the Card associated with that Subaccount until Bank has received sufficient payment on the Subaccount, the applicable time period has expired, or Company has notified Bank of a change to the Subaccount restrictions and Bank has had a reasonable opportunity to act on that notice.

When a payment is made on the Central Account or any Subaccount, Bank will apply that payment as of the date that Bank receives it, but Bank may delay increasing the credit available under this Agreement for up to ten (10) days while that payment is processed. Bank does not have to honor any Purchase or Cash Advance that would cause the outstanding balance on the Central Account or Subaccount (including interest and fees) to exceed the applicable Company or Individual Credit Limit. If Bank does so, this Agreement also will apply to any credit Bank extends in excess of the applicable Credit Limit, and Company agrees to pay this excess amount immediately. If Bank honors requests for credit over the applicable Credit Limit on one or more occasions, it does not mean that Bank must honor future overlimit requests.

13. UNAUTHORIZED USE OF THE ACCOUNT

Company agrees to call Bank immediately at 1-888-934-1087 if Company or any Cardholder or Authorized User knows or suspects that any Card is lost or stolen, or that any Subaccount is otherwise subject to unauthorized use. At Bank's request, Company agrees to provide written confirmation of that report. As used in this Agreement, "unauthorized use" means the use of any Card by a person other than a Cardholder or an Authorized User who does not have actual, implied or apparent authority for such use, and from which Company receives no benefit. Company will be liable for all unauthorized use.

14. ERRORS AND BILLING DISPUTES

Company agrees to review promptly each Company Statement and to instruct each Cardholder and Authorized User to review promptly each Individual Statement. If Company or any Cardholder or Authorized User believes that a Statement is incorrect or needs additional information about a transaction shown on a Statement, Company agrees to notify Bank in writing within sixty (60) days of the date of the billing statement on which any error or disputed charge first appeared and at the address provided on that statement. If Company does not notify Bank within this time period, Company waives any rights with respect to the disputed amount to the fullest extent permitted by law. Company's notice must include the following information: both Company' name and the name of the Cardholder or Authorized User; the Subaccount Number; the dollar amount of any dispute or suspected error; the reference number for any questioned transaction; and a brief description of the dispute or alleged error.□

15. SOFTWARE

Company will use the Card Management System to manage the Account and Cards and use the software and other related services approved by Bank and accessible via the Internet to request and receive cards or to make Purchases electronically (collectively, "**Software**""). The required Software may be provided to Company directly by Bank or any other service provider designated by Bank in its sole discretion (a "**Software Provider**"). If Company has requested to receive Virtual Cards on the Set Up Form, Company also has identified the specific Software that Company will use with its Virtual Cards. Company's use of the Software is subject to the terms of this Section and any terms and conditions provided on the website hosting the Software (the "**Website Terms of Use**"). □

License to Use Software. By issuing Cards to Company, Bank grants to Company a non-exclusive, worldwide right and license in the Software identified in the Set Up Form to use the Software exclusively for the purpose of making purchases using Company's Cards (the "**License**"), subject to the terms, conditions, and/or limitations set forth in this Section.

Company acknowledges and agrees that: (i) the scope of the License and rights granted to Company is expressly limited to those required for Company to fulfill the stated purpose of the grant, and that any and all rights which are not expressly granted to Company in this Section shall remain vested in Bank or the Software Provider (as applicable). □

Company acknowledges and agrees that Bank and/or any Software Provider shall retain the right, in its reasonable business judgment, to revoke or suspend the License granted to Company and/or to suspend Company's access to the Software in the event that it reasonably believes that Company's use of the Software: (A) is in violation of state, federal, or international law or outside the scope of the License provided; (B) will subject Bank or the Software Provider (as applicable) to legal liability for which it may incur material damages; and/or (C) Company's use of the Software exceeds the rights granted to Company under the License. Company's License to use the Software shall terminate automatically upon termination of Bank's agreement to provide Cards to Company.

The License and rights granted to Company Bank under this Section are and shall otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of rights to "**intellectual propert**y" as defined under Section 101 (35A) of the U.S. Bankruptcy Code.

Security Procedures for Use of Software. Bank may make available to Company certain procedures, including the use of identification codes, passwords, log-on identifications, personal or location identification numbers, repetitive codes, encryption, tokens and other security devices, systems and software (collectively, the **"Security Procedures"**) that are designed to verify the authenticity of instructions, orders and other communications sent by Company using the Software (each, a **"Communication"**). Bank has no obligation to act on any Communication that fails to comply with the Security Procedures, and may refuse to act on any Communication where Bank reasonably doubts its authenticity or compliance with the Security Procedures. Bank is entitled to act on any Communication that Bank receives which is sent in Company's name and in compliance with the Security Procedures, and Bank has no obligation to verify the content of such Communication, establish the identity of the person giving it, or await any confirmation of that Communication by Company. Bank shall have no liability for acting on, and Company shall be bound by, any Communication sent in Company's name, whether or not that Communication actually was authorized by Company.

Bank reserves the right to issue new Security Procedures and/or to cancel or change any Security Procedures from time to time. Whenever the Security Procedures include the assigning to Company of any confidential password, logon identification, identification code, personal or location identification number, repetitive code, token or similar security device (a "**Security Device**"), Company shall not disclose any Security Device except to employees or agents authorized to act for Company in connection with the Cards issued to Company, and agrees to instruct its authorized employees and agents to do the same. Company shall implement such safeguards as are reasonably necessary to ensure the confidentiality and integrity of each Security Device, and shall immediately notify Bank if the confidentiality or integrity of any Security Device is breached or threatened. To the fullest extent permitted by law, Company shall be solely responsible for the safekeeping of all Security Devices and assumes all risk of the disclosure or inadvertent use of any Security Device by any party whatsoever, whether such disclosure or use results from Company's negligence, deliberate acts or otherwise. Bank shall not be liable for any loss or damage resulting from fraudulent, unauthorized or otherwise improper use of any Security Devices.

Company also agrees that the use of these Security Procedures constitutes a commercially reasonable security procedure for Company's use of Cards. Company agrees to be bound by all Communications that are initiated in Company's name and in compliance with the Security Procedures, regardless of whether or not Company actually authorized the Communication. Bank's records demonstrating any Communication's compliance with the Security Procedures shall be deemed conclusive proof that the Communication received by Bank was authorized by Company and that Company is bound by that Communication.

Company agrees that the purpose of the Security Procedures is to verify the authenticity of Communications transmitted to Bank in Company's name, and not to detect an error in the transmission or content of any Communication. Company acknowledges that no security procedure for the detection of such errors has been agreed upon by Bank and Company, and that Bank has no obligation to investigate or discover, and shall not be liable for, errors by Company. If any Communication sent in Company's name and in compliance with the Security Procedures contains any error, to the full extent allowed by law Company shall be liable for, and shall indemnify Bank or any Software Provider (as applicable) against any claims, losses and expenses Bank may incur that arise from or relate to the erroneous Communication. Company also agrees that Bank will not be liable for any loss that Company may incur as a result of someone else using the Security Device, either with or without Company's knowledge. Company understands it could be held liable for losses incurred by Bank or another party due to someone else using your Security Device.

Acceptable Use. Company agrees to use the Software only as expressly provided by the License for its own business, and not directly or indirectly for the use or benefit of any other person, and only in compliance with all applicable laws, including, without limitations, copyright, trademark, obscenity and defamation laws and those related to data privacy and the transmission of technical or personal data. Company may not use the Software for spamming, chain letters, junk mail or distribution lists to contact any person who has not given specific permission to be included in such list.

Indemnification. Company agrees to indemnify and hold Bank and/or any Software Provider (as applicable) harmless against all costs and expenses (including reasonable attorneys' fees) that each may incur in connection with any third party claim or action that arises from or relates to (i) Company's acts, omissions or misrepresentations under the License and/or any Online Terms, regardless of whether any acts or omissions are a breach of the License and/or any Online Terms, and/or (ii) Company's use of the Software, regardless of whether such use is in accordance with the License, any Online Terms, or applicable law.

16. THIRD PARTY PRODUCTS AND SERVICES

From time to time and in its sole discretion, Bank may make available one or more products or services provided by third parties for use in connection with Commercial Cards, such as software that enables Company to manage card settings and expenses charged to Commercial Cards. These services are not under the control of Bank and Company will be provided third party website addresses at implementation. The provider of these websites applies encryption technology to its websites to assist in the protection of the Company's information. If Company chooses to obtain such third party product or service, Company acknowledges that transactions conducted over the internet and information transmitted over the internet may be subject to interception by outside parties not under the control of the Bank or the provider of the website. In this regard, Company assumes the risk of such occurrences and releases the Bank from liability for any activity of this nature.

The Company will be issued an ID and password to gain entry into these websites. Company agrees to protect, secure and preserve the ID and password and the confidentiality of the ID and password. Company further agrees to follow all procedures issued by Bank from time to time involving the use of any Internet related products. Company acknowledges that data presented within the website on a particular day is information posted by the website provider as of the close of provider's prior business day. Any third party product or service that Company chooses to receive will be subject to the fees provided in the Fee Schedule, which may be payable to Bank, rather than the third party. Company releases Bank from liability for any claims that arise from or relate to Company's use of any such third party product or service unless such claim is proven to result directly from Bank's gross negligence or willful misconduct.

17. TRANSACTIONS IN FOREIGN CURRENCIES

For any transaction on a Commercial Card in a foreign currency, the transaction amount will be converted by Visa International into a U.S. dollar amount in accordance with the operating regulations or conversion procedures in effect at the time the transaction is processed. Currently, those regulations and procedures provide that the currency conversion rate to be used is either (1) a wholesale market rate or (2) a government-mandated rate in effect one day prior to the processing date. The currency conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date. The same conversion process and fee may apply if any Foreign Transaction is reversed or credited back to the Subaccount. The amount (in U.S. dollars) of any credit associated with a particular foreign transaction is likely to differ from the original amount (in U.S. dollars) of the Card transaction due to differences in the applicable exchange rates, which may vary daily. For any transaction that is (1) made in a foreign currency or (2) processed outside of the United States, Company agrees to pay any Foreign Transaction fee imposed by Visa. The current fees are provided in the Fee Schedule, but Visa may change these rates at any time and without prior notice

18. NOTICES

Except as otherwise expressly provided in this Agreement, all notices, requests and other communications provided for hereunder must be directed to the other party at the respective addresses indicated in this Agreement and must be either (1) in writing, by first class mail, postage prepaid, (2) via facsimile, (3) via e-mail, or (4) hand delivered. Delivery shall be deemed to have occurred within three days of mailing if sent by mail, on the date of confirmation if sent by facsimile or e-mail, or on the date of delivery if hand-delivered. Either party may, by notice to the other, change its address set forth in this Agreement. Company's address for notices is set forth at the end of this Agreement. Bank's address for notices is:

Mailing Address:
Regions Bank
Attn: Commercial Card Services (ALBH40207B)
2050 Parkway Office Circle
Hoover, AL 35244

Hand-Delivery Address:
Regions Bank
Attn: Commercial Card Services (ALBH40207B)
2050 Parkway Office Circle
Hoover, AL 35244

Email Address:
tmipcardgroup@regions.com

Fax Number:
205-905-5840

19. NONUSE OF SERVICE

In the event that Company does not use the services to be provided under this Agreement for a period of six (6) months or longer, Bank may terminate Company's ability to use the services described in this Agreement without any advance notice to Company.

20. TERMINATION

Company may terminate this Agreement at any time by providing written notice to Bank and surrendering all outstanding Commercial Cards to Bank. Except as otherwise provided by law, Bank may terminate this Agreement and/or deactivate Company's Commercial Cards at any time, without prior notice to Company.

This Agreement shall be automatically be terminated without notice to Company (i) if there is a death of a guarantor or any owner or officer of Company; (ii) if Company files a petition in bankruptcy, petitions or applies to any tribunal for the appointment of a custodian, receiver or trustee for it or a substantial part of its assets or commences any proceeding under any bankruptcy, dissolution or reorganization law or statute, or if any such proceeding is filed against it, and such petition, application or proceeding remains undismissed for a period of thirty (30) days or more; (iii) if Company becomes insolvent or generally does not pay its debts as they become due or makes a general assignment for the benefit of creditors; (iv) if Company has any substantial part of its property become subject to any levy, seizure, assignment, application for sale for or by any creditor or governmental agency; or (v) if Company fails to maintain its corporate, partnership or other business existence in good standing; or (vi) if Company, without the prior written consent of Bank, consolidates or merges with or into or acquires the stock of any other corporation or entity, sells or otherwise transfers all or substantially all of its assets, permits the sale or transfer of a material ownership interest in Company, or otherwise materially changes or permits to be materially changed its organization or corporate or ownership structure. Termination of this Agreement and/or deactivation of any Commercial Cards, for any reason shall not terminate Company's obligation to pay Bank for all amounts due under the Agreement (including, without limitation, amounts which post to the Commercial Cards) or any other Company obligation which survives such termination according to the terms of this Agreement or by implication. Upon termination, all amounts owed under this Agreement shall become immediately due and payable.

21. CHANGES TO THIS AGREEMENT

To the fullest extent permitted by applicable law, Bank may modify, add to, delete from or otherwise change any of the terms of this Agreement (including without limitation the fees and charges provided under this Agreement) at any time and from time to time in Bank's discretion upon written or electronic notice to Company, including (without limitation) by including notice with or on Company's account statement or by posting notice on Bank's official web site at http://www.regions.com or any subsequent official Bank web site. Company agrees that a summary of any change in the terms is sufficient notice. Any changes made by Bank shall be effective as provided in Bank's notice. Company agrees that advance notice is not required for any changes to the Card Management System or any other administrative or operational features and elements applicable to Cards (including, without limitation, security limits and restrictions) or for any changes that are in Company's favor.

22. INDEMNIFICATION

Company agrees to indemnify and hold Bank harmless from any and all liability and expense, including reasonable attorneys' fees incurred by Bank in connection with this Agreement or the performance of its duties hereunder unless the actions which give rise to the indemnity obligation are solely the result of Bank's gross negligence or willful misconduct. The terms and provisions of this Section shall survive the termination of this Agreement and/or deactivation of any Commercial Cards, for any reason.

23. LIMITATION OF BANK'S LIABILITY

Bank's duties and responsibilities are limited to those described in this Agreement. Bank will be responsible for loss sustained by Company only to the extent that such loss is caused by Bank's gross negligence or willful misconduct. In any case, liability will extend only to the resulting actual direct loss, and not to any incidental, consequential, indirect or special loss or damage. Further, Bank will not be responsible for any loss or damage resulting from any delay in the performance or any failure to perform any of its other responsibilities under this Agreement which is caused by an act of God, fire or other catastrophe, electrical, computer or system failure, acts or failures to act by Company or by third parties, or any other cause beyond Bank's reasonable control.

Visa Liability Waiver Program. Subject to applicable terms and conditions, Company may be eligible for coverage under Visa Liability Waiver Programs which provides coverage against employee misuse of the Card. Company should consult with Visa Liability Program brochures available upon request from Regions for terms and conditions of coverage. Company acknowledges that Regions is not responsible for providing any form of liability protection program on Company's behalf and that Regions makes no representations or warranties regarding any such program that may be offered by third parties.

24. COMPLIANCE WITH ANTI-MONEY LAUNDERING LAWS AND REGULATIONS

Company represents and warrants that it is and will remain in compliance with all applicable anti-money laundering laws and regulations, including (without limitation) the U.S. Bank Secrecy Act, as amended by Title III, International Money Laundering and Anti-Terrorist Financing Act of 2001, of the USA PATRIOT Act of 2001, as may be amended from time to time. Company shall from time to time promptly provide Bank with such information and documentation as Bank may request (including, without limitation, names of proposed Cardholders, names of existing Cardholders, and other identifying information relating to such proposed and existing Cardholders), and otherwise shall fully cooperate with Bank as Bank deems necessary, in order to screen and clear Cardholders against the Specially Designated Nationals list (the "**SDN List**") of Office of Foreign Asset Control and/or to ensure compliance with applicable anti-money laundering laws and regulations. In the event Bank shall at any time determine that any existing Cardholder or proposed Cardholder cannot be cleared against the SDN List, Bank shall have the right to withhold or delay the issuance of, or to suspend or deactivate, any related Card until Company provides such information as may be necessary for Bank to clear such proposed or existing Cardholder against the SDN List. Bank reserves the right to require Company at any time and from time to time (i) independently to screen and clear proposed or existing Cardholders against the SDN List, (ii) to certify to Bank that such Cardholders have been screened and cleared against the SDN List, and (iii) to deny Card use for any transactions to any proposed or existing Cardholder as to whom Company does not or cannot provide such certification. Without limiting or diminishing any other right or remedy of Bank under this Agreement, Bank shall have the right to withhold or delay the issuance of, or to suspend or deactivate, any Card or Cards in the event Company shall fail to comply fully and faithfully with the terms and provisions of this Section 24 or in the event that Bank shall deem itself at risk for any violation of applicable anti-money laundering laws or regulations.

25. BENEFICIAL OWNERSHIP

If Company is a Legal Entity Customer, Company agrees to provide Bank with all information, documentation, and certifications that Bank requests about Beneficial Owners pursuant to 31 C.F.R. §1010.230. Company represents and warrants that the most recent of such information, documentation, and certifications submitted to Bank remains true and accurate. Further, Company certifies and confirms that Company will notify Bank immediately—and in no event no later than at any renewal—should Company have any change to its Beneficial Owners or any other person(s) or entity(ies) having any direct or indirect equity interest in Company. Nothing in this paragraph shall be construed to obligate Bank to renew this Agreement. "**Legal Entity Customer**" has its meaning set forth in 31 C.F.R. § 1010.230(e) and includes a corporation, limited liability company, or other entity that is created by a filing of a public document with a Secretary of State or similar office, a general partnership, and any similar business entity formed under the laws of a foreign jurisdiction that opens an account.

26. ARBITRATION

"Any controversy, claim, dispute or issue related to or arising from (i) the interpretation, negotiation, execution, assignment, administration, repayment, modification, or extension of this Agreement; (ii) any charge or cost incurred under this Agreement; (iii) the collection of any amounts due under this Agreement; (iv) any alleged tort related to or arising out of this Agreement; or (v) any breach of any provision of this Agreement, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (the "**AAA Rules**").

Any disagreement as to whether a particular dispute or claim is subject to arbitration under this paragraph shall be decided by arbitration in accordance with the provisions of this paragraph. Commencement of litigation by any person entitled to demand arbitration under this paragraph shall not waive any right that person has to demand arbitration with respect to any counterclaim or other claim that may be made against that person, whether in, relating to, or arising out of such litigation, or otherwise. The Expedited Procedures of the AAA Rules shall apply in any dispute where the aggregate of all claims and the aggregate of all counterclaims each are in an amount less than $500,000. The arbitrator(s) may award all remedies that a court could award."

Judgment upon any award rendered by the arbitrator(s) in any such arbitration may be entered in any Court having jurisdiction of the dispute. Any demand for arbitration under this Agreement shall be made no later than the date when any judicial action upon the same matter would be barred under any applicable statute of limitations. Any dispute as to whether the statute of limitations bars the arbitration of such matters shall be decided by arbitration in accordance with the provisions of this paragraph. The locale of any arbitration proceedings under this Agreement shall be in Birmingham, Alabama, or such other location as is mutually acceptable to Company and Bank.□

The arbitrator(s) in any such arbitration shall establish such reasonable procedures as may be necessary for the reasonable exchange of information between the parties prior to such arbitration. Any arbitration under this paragraph shall be on an individual basis between the parties to this Agreement only and shall not be commenced by or on behalf of a class of persons, it being the intention of the parties that there shall be no class action arbitration under this Agreement. Company and Bank specifically acknowledge and agree that this Agreement evidences a "transaction involving commerce" under the Federal Arbitration Act, and both Company and Bank each hereby waive and relinquish any right to claim otherwise. **With respect to disputes submitted to arbitration, Company and Bank each waive all rights to a trial by jury.**

27. FINANCIAL INFORMATION

Company shall deliver, upon request, to Bank as soon as available, and in any event not later than three (3) months after the end of each fiscal year of Company, Company's audited financial statements prepared by independent certified public accountants acceptable to Bank. Company further agrees to provide to Bank from time to time such other information regarding the financial condition of Company as Bank may reasonably request.

28. LIABILITY FOR TAXES

Company acknowledges that certain sales, use and other taxes may be required in conjunction with certain purchases made using the Commercial Cards. Company agrees to be liable for all such taxes and further agrees to indemnify Bank against any claim, or any expense associated with such a claim, for payment of any taxes. The terms and provisions of this Section shall survive the termination of this Agreement and/or deactivation of any Commercial Cards, for any reason.

29. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama and applicable federal law.

30. HEADINGS

The headings and captions contained in this Agreement are included only for convenience of reference and do not define, limit, explain or modify this Agreement or its interpretation, construction, or meaning.

31. VALIDITY

The holding of any provision of this Agreement as invalid, illegal, or unenforceable, in whole or in part, shall not affect the other provisions of this Agreement, which shall remain in full force and effect.

32. ASSIGNMENT AND BINDING EFFECT

Company may not assign or transfer this Agreement, the Central Account, any Subaccount, or any Commercial Card without Bank's prior written acknowledgement and consent, which may be granted or withheld in Bank's absolute discretion. Bank may assign this Agreement and/or any or all of Bank's rights hereunder, or delegate any or all of Bank's responsibilities hereunder, to any third party or parties in Bank's discretion and without notice to Company. Subject to the foregoing, this Agreement shall be binding on Company and Bank and their respective successors and assigns.

33. MERGER OF AGREEMENTS

This Agreement constitutes the entire agreement between the parties hereto concerning the subject matter hereof. All prior and/or contemporaneous agreements or understandings concerning the subject matter hereof, whether oral or written, are merged into this Agreement.

34. COLLECTIONS

Company agrees to pay all costs of collecting or attempting to collect any amounts due under this Agreement and all costs of defending any claim asserted against Bank arising out of or in connection with this Agreement, which costs shall include, without limitation, attorneys' fees and costs. The terms and provisions of this Section shall survive the termination of this Agreement and/or deactivation of any Commercial Cards.

35. REMEDIES; WAIVER

The rights, remedies, and recourse afforded to Bank with respect to the enforcement of this Agreement, whether arising in law or in equity, are cumulative and concurrent and may be exercised by Bank in such order and in such manner as Bank may determine in Bank's sole and absolute discretion. No delay or omission by Bank in exercising any right or remedy under this Agreement or applicable law shall impair such right or remedy or be construed as a waiver of any such right or remedy. Any single or partial exercise of a right or remedy shall not preclude further exercise of that right or remedy or the exercise of any other right or remedy. No waiver shall be valid unless in writing and signed by Bank. A waiver on any one occasion shall not be construed as a bar or waiver of any rights or remedies on future occasions. Where this Agreement or applicable law permits Bank to take action, or not to take action, in Bank's discretion on any matter, any action or inaction on Bank's part with respect to such matter shall not obligate Bank to repeat such action or inaction with respect to similar matters that may subsequently arise. Except as otherwise required by the express terms and provisions of this Agreement, no notice to or demand on Company in any case shall entitle Company to any other or further notice or demand in similar or other circumstances.

36. SIGNATURE AND DELIVERY

Electronic and PDF signatures are deemed equivalent to original signatures for purposes of this Agreement. This Commercial Card Agreement may be issued, executed and then delivered by sending PDF or other copies hereof via email or other electronic means and in one or more counterparts, each of which shall be (i) an original, and all of the counterparts of which taken together shall constitute one and the same agreement, (ii) a valid and binding agreement and fully admissible under state and federal rules of evidence and (iii) enforceable under UCC Section 3-309, UCC Section 3-604, or any other similar statute (with any provision thereunder to the contrary being waived hereby), without regard to any loss or destruction of any written counterpart hereof, the parties hereto agreeing that the possession or maintenance of an executed and delivered, scanned, electronic or digital version hereof shall constitute possession hereof and shall not constitute the destruction hereof and shall not result in the discharge of any obligation evidenced hereby, notwithstanding UCC Section 3-604 or any other similar statute. If this Commercial Card is issued via electronic signature in electronic format, it shall also constitute a "transferable record" under UETA and/or ESIGN or other equivalent, applicable law.

*Please ensure signers are in accordance with borrowing resolution.

Signature of Authorized Representative 1	**Signature of Authorized Representative 3**
0	0
Printed Name	Printed Name
0	0
Title	Title
Signature of Authorized Representative 2	**Signature of Authorized Representative 4**
0	0
Printed Name	Printed Name
0	0
Title	Title

Company's Address:

Mailing Address:

Attn:

Hand-Delivery Address:

Attn:

Email Address:

Fax Number:

REGIONS

COMMERCIAL CARD AGREEMENT
SET UP FORM

Company Name: 0
Effective Date: 12/11/2025

Fee Schedule

Commercial Card Services	
Purchasing or Fleet (Per Card)	$25.00/yr.
Commercial Travel (Per Card)	$35.00/yr.
Online Tools:	
CentreSuite	Waived
Regions Intersect	
Expense Management (Min $100K Limit)	$100/month
A/P Automation (Min $250K Limit)	$100/month
Intersect A/P Lite(Min $500K Annual Spend)	$50/month
Data/Receipt Retrieval (Post 24 months)	$135.00/hr.
Custom File/Custom Extract Development	
Standard Delivery: 5 to 8 weeks	As Quoted
Rush Delivery: 1 to 4 weeks	As Quoted
Emergency Delivery: Less than 1 week	As Quoted
IntelliLink	$100/month
Integrated Payables	Refer to Treasury Management Price List
VCF Data File	$250.00 setup
Card Plastics:	
Standard	Waived
Co-Branded (Must have more than 25 cards)	$250.00 setup
Custom	$500.00
Other Fees:	
Overnight Card Delivery (Per Card)	$25.00
Custom Programming	$160/hr.
Late Payment	Greater of $10.00 or 1.5% of Total Outstanding Balance
Cash Advance	Greater of $10.00 or 1.5% of Cash Advance Amount
Foreign Transaction	Transactions which originate and settle in a different currency are subject to Visa's current standard foreign conversion rate of 1.20%. Transactions which originate and settle in the same currency but occur across borders are subject to Visa's current conversion rate of 0.8%. Fees imposed by Visa and are subject to change at any time without notice.

This pricing is guaranteed for one year, and then may be changed as provided in the Commercial Card Agreement.

Signature: _____ Signature: _____

Company | Regions Bank

REGIONS

Revenue Sharing Schedule

Prepared For: City of Fernandina Beach
Effective Date: 12/11/2025

			A	B	C	D	E	Level III, Large Ticket	Negotiated
Cycle Period			30	30	14	7	1		
Grace Period			15	3	7	3	1		
Tier	Annual Purchasing Card Volume		Standard Rebate, in Basis Points					in Basis Points	in Basis Points
A	$ -	$ 499,999	0	0	0	0	0	0	0
B	$ 500,000	$ 1,499,999	90	97	104	111	115	50	50
C	$ 1,500,000	$ 2,499,999	115	122	129	136	140	50	50
D	$ 2,500,000	$ 4,999,999	130	137	144	151	155	50	50
E	$ 5,000,000	$ 7,499,999	150	157	164	171	175	50	50
F	$ 7,500,000	$ 9,999,999	160	167	174	181	185	50	50
G	$ 10,000,000		170	177	184	191	195	50	50
H									

1. Calculation

- Any transactions that have been defined by Visa as Negotiated Large Ticket (or VPP Large Ticket) transactions will be assigned a Fee Program Indicator of "VLT" All VLT transactions are exempted from revenue share eligibility.
- All purchases, irrespective of Visa classification or the rates at which they earn basis points of revenue share, are included in the "Net Volume" Calculation used to determine qualifying basis points of Standard revenue share.

2. Definitions

- "Large Ticket Purchases" refer to transactions processed at a reduced interchange rate because the merchant participates in a special program operated by Visa, wherein participating merchants pay to process certain larger transactions with enhanced data elements at discounted rates
- "Level II Purchases" refer to transactions processed for merchants at reduced interchange rates because the data transmission contains enhanced data elements as determined by Visa.
- "Level III Purchases" refer to transactions processed for merchants at reduced interchange rates because the data transmission contains enhanced data elements as determined by Visa.
- "Net Volume" means the total US dollar amount of purchases on the Commercial Card account, less any credits for returns or other adjustments.
- "Standard Purchases" refer to transactions for which certain standard data elements, including but not limited to total purchase amount, date of purchase, merchant category code, merchant name, city/state, debit/credit indicator, date on which the charge/credit was processed, processing/transaction reference number, and other items as determined by Visa are included in the data transmission.
- "Visa Preferred Partner Purchases" refer to transactions processed for merchants that qualify for a reduced interchange rate because the merchant participates in a special program operated by Visa,

Any capitalized terms not specifically defined herein shall have the meaning as set forth in the Commercial Card Agreement.

3. Visa rules and individual merchants, not the Bank, determine whether each transaction will be classified as Standard, Level II, Level III, Negotiated/Visa Preferred Partner (VPP), or Large Ticket. Visa rules may change from time to time.

4. No revenue share will be paid to the Customer on purchases for which the Bank earns interchange revenue at a discounted rate due to merchant participation in the Visa Preferred Partner Program (VPP). Large Ticket purchases, Level III purchases, and VPP purchases earn revenue sharing at different basis point rates than Standard purchases but are included in the annual Net Volume calculation used to determine the volume tier and basis point rate applicable to Standard Purchases.

5. Cash advances are neither eligible for revenue sharing nor included in the Net Volume used to determine the Standard revenue sharing rate used to calculate revenue sharing amount.

6. Any revenue sharing earned by Company for purchases made on its Commercial Cards during a given year will be paid no later than March of the following year. The Company's Commercial Card account must be open, active, and in good standing at the time of payment to be eligible for this revenue; in addition, the Bank reserves the right not to pay the Company if Net Volume in the year for which revenue share was earned does not equal at least 50% of the Net Volume accumulated by the same Customer for the prior calendar year. For purposes of clarification, the Net Volume requirement to receive revenue share will begin as a qualification requirement for the first full calendar year of the program.

7. The Bank offers revenue sharing based on anticipated compensation to be provided from Visa and reserves the right to change the amounts provided in this schedule without notice to Company if co

8. The terms of this Schedule are expressly incorporate into the Commercial Card Agreement as if fully setout therin and thus are subject to change by the Bank as provided in the Commercial Card Agreement.

9. Company's Billing Period/Payment Period will be Monthly/15 Days unless another period is designated below:

10. Billing Cycle/Payment Period Selected Is: 30/15

Signature: _____ Company

Signature: _____ Regions Bank

Restricted



Commercial Card Solutions

REGIONS

Regions Commercial Card

Regions Commercial Card Value Proposition

Manage spend more effectively

- Convenient payment for almost any business-related transaction or expense
- Cost effective purchasing and accounts payable processing
- Unsurpassed acceptance supported by Visa®
- Integration of procurement and spending data directly into your existing accounting systems and financial applications

Strengthen control, minimize misuse, and increase compliance

- Merchant Category Code monitoring and blocking
- Monthly spend and individual transaction limits with ability to authorize spending categories based on individual employees
- Centralization of policies and audit rules to decrease exposure to errors and misuse
- Customizable reports
- Tracking of vendor spend compliance with contractual terms

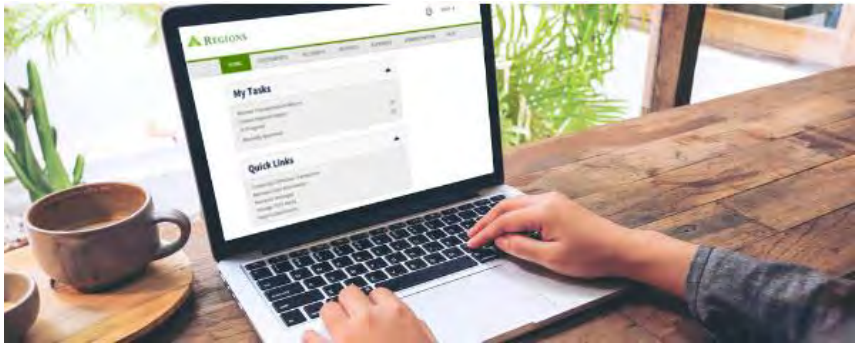


Internal Use

Regions CentreSuite Commercial Card Management Site

Features and Benefits:

- Mobile-optimized design that can be easily accessed on your desktop, mobile phone, or tablet
- Expedited delivery for faster receipt of plastic cards
- Enhanced card management platform with improved functionality for administrators
- Newly designed statements with expanded account summary section and quick access to remittance
- Option for administrators to add new expense reporting in addition to standard transaction and cardholder reports



Internal Use

A/P Automation: Vendor Enrollment Process

Regions Approach

- Dedicated team and consultative approach
- Clear strategy - you approve all vendors before they're contacted
- **Client** manages the pace of the migration process
- **Client** approves all vendor scripts, correspondence and messaging
- All vendor contact and feedback is kept in a detailed tracking database
- Cross-reference database to easily track new acceptors
- Weekly meetings to review enrollment process

Successful Enablement Strategies

- Implement a preferred payment protocol
- Offer shorter payment terms for preferred payment methods (card payments)
- Include Procurement into supplier payment negotiations
- Include preferred payment method language into purchasing contracts







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*Investment, Insurance and Annuity Products:
Are Not FDIC Insured | Are Not a Deposit | May Go Down in Value | Are Not Bank Guaranteed
Are Not Insured by Any Government Agency | Are Not a Condition of Any Banking Activity

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NEXT STEP: EMPLOYEE EVERYDAY SOLUTIONS

REGIONS NEXT STEP

Take your financial goals to the next level.
Next Step is here to provide you with financial wellness solutions, tools and advice to help you reach your unique financial goals.

Financial Wellness Solutions – Start making the most of your money. Attend an on-site seminar where a knowledgeable Regions Banker will walk you through easy-to-understand courses covering different financial topics.

Checking – Whether you write a lot of checks or prefer to bank online, Regions offers several checking options with a variety of features.

Convenience Services – You can count on us to provide you with a combination of technology and personal service to make your financial life more manageable – so you can focus on more important things.

Regions Visa® CheckCard – Complete your everyday purchases with ease and security.

Regions Cashback Rewards® – Activate offers through Online and Mobile Banking and use your Now Card or CheckCard to make qualifying purchases.[1]

Regions Relationship Rewards® – Earn points when you have a qualifying Regions checking account or a Regions Prestige® or Regions Premium® Visa Credit Card[1].

Regions DepositSmart ATMs® – Withdraw funds and deposit checks and cash outside of normal banking hours.

Regions Mobile Banking[2] – Enjoy features like mobile deposit and alerts.

Online Banking with Bill Pay[3] – Manage and pay your bills in no time.

Find even more financial wellness resources at regions.com/learn or call 1.800.regions to schedule your one-on-one financial review session.

[Custom Information]
[Custom Information]

REGIONS CHECKING

All Regions checking accounts offer these great features:

- Regions My GreenInsights
- Discount on safe deposit box[4]
- Online Banking with Bill Pay and Online Statements[3]
- Access to more than 1,900 ATMs
- Mobile Banking[2]
- Regions LockIt℠
- Multiple Overdraft Protection options[5]
- Pricing options on checks
- Regions Visa CheckCard
- Cashback and Relationship Rewards[1]

LifeGreen® Checking	LifeGreen eAccess Account®	LifeGreen Simple Checking℠	LifeGreen Preferred Checking®
This account is for you if: You have direct deposit and want unlimited check writing.	**This account is for you if:** You do most of your banking online or on your mobile device, with little check writing.	**This account is for you if:** You want the same great LifeGreen Checking account features with a flat monthly fee.	**This account is for you if:** You want to earn interest and enjoy the other added benefits of maintaining a deeper relationship with Regions.
Additional Features: • Unlimited check writing • LifeGreen Savings available with no monthly fee and option to earn an annual savings bonus[6]	**Additional Features:** • No Check Writing Fee for first three checks per statement period, then $0.50 per check[9] • LifeGreen Savings available with no monthly fee and option to earn an annual savings bonus[6]	**Additional Features:** • Unlimited check writing • LifeGreen Savings available with no monthly fee and option to earn an annual savings bonus[6]	**Additional Features:** • Interest-bearing checking • Platinum Relationship Money Market available with no monthly fee • No Regions ATM fee on two domestic ATM transactions at non-Regions ATMs per statement period[11] • No fee for cashier's checks and money orders • Unlimited check writing • Paper statements at no additional charge
No Monthly Fee with: • $1,500 average monthly statement balance in your LifeGreen Checking account **OR** • At least one ACH direct deposit, such as a recurring payroll or government benefit deposit, of at least $500 single deposit ($300 for 62+ LifeGreen Checking) or $1,000 combined[7] **Otherwise:** • $8 per month with online statements[3] **OR** • $10 per month with paper statements (without check images) --- **LifeGreen Checking for Students** **No Monthly Fee** • Customers age 25 or younger[8] (paper statements without check images available for $2 per month)	**No Monthly Fee with:** • Any combination of at least 10 Regions CheckCard and/or credit card purchases[10] **Otherwise:** • $8 per month with online statements[3] (paper statements without check images available for an additional $2 per month)	**Monthly Fee:** • $5 per month with online statements[3] **OR** • $7 per month with paper statements (without check images)	**No Monthly Fee with:** • $5,000 average monthly balance[12] **OR** • $25,000 combined balance in checking, savings, money market, CDs, IRAs[13] **OR** • Certain qualifying first-lien home mortgage loans[14] **OR** • $25,000 in outstanding combined balances in certain qualifying personal loans, in good standing[13,15] **Otherwise:** • $18 per month
Minimum Deposit To Open: $50	**Minimum Deposit To Open:** $50	**Minimum Deposit To Open:** $50	**Minimum Deposit To Open:** $50

See last page for numbered disclosures.
For detailed terms of Regions checking accounts and Regions Deposit Agreements, see the Personal Checking, Money Market, Savings, Time Deposit & IRA Pricing Schedule.

REGIONS NOW BANKING®

Whether or not you have a Regions bank account, Regions offers a quick and convenient way to manage your cash with a reloadable Visa prepaid card – the **Now Card**. Start a savings plan with **Now Savings**, purchase money orders without a checking account, and quickly pay bills or send money with Western Union. You can even have customizable control of your CheckCard, credit card or Now Card with **Regions LockIt**.

REGIONS NOW BANKING			
Now Card	**Now Savings**	**Check Cashing**	**Western Union**
This card is for you if: You want a smart way to manage your money that's safer than cash. It's easy to use – and there are no overdraft fees.	**This savings plan is for you if:** You have a Now Card and want an easy way to put money aside and earn interest.	**This service is for you if:** You want immediate access to the funds from your check.	**This service is for you if:** You want to send or receive money through Western Union or have a bill payment to make at the branch.
Features: • Reloadable card can be used virtually anywhere Visa debit cards are accepted • No overdraft fees • Track your purchases and balance with Online and Mobile Banking[2] • Load the card at a Regions branch, DepositSmart ATM, or with Regions Mobile Deposit[2]; through Online Banking or at any Visa ReadyLink network ($10 load minimum) • Access to Regions My GreenInsights and Cashback Rewards[1]; located in Online Banking	**Features:** • Easy to set up • Option to earn a 1% annual savings bonus[16] (up to $100 per year) • Earn a $1 builder bonus each month you make at least a $5 deposit and have no withdrawals[16]	**Features:** • Cash checks at a branch with or without a checking account • Cash most checks – handwritten, out-of-state, two party, insurance, tax refunds, business, government, and payroll – and get your cash immediately • If you have a checking account or Now Card, you can also cash and/or deposit/load most checks for optional immediate availability at DepositSmart ATMs or with Regions Mobile Deposit	**Features:** • No checking account required for branch transactions • Domestic and international transfers at the branch • Pay bills at the branch • Urgent bill payment delivery options* available for many local/national payees[17]
Select Fees: • $4 issuance Fee for new cards (no fee with Regions check cashing) • $5 Monthly Fee (waived with $500 combined monthly direct deposits) • $3 load Fee at Regions branch (no fee with Regions check cashing) • Load Fee for Regions Mobile Deposit is a percentage of the check amount (between 1% and 5% depending on check type), with a $5 minimum • No load Fee for loads through direct deposits, Regions DepositSmart ATMs or Online Banking • No charge for Regions ATM withdrawals or balance inquiries	**Select Fees:** • No monthly fee while Now Card is active • No charge for three withdrawals per month (otherwise, $3 per withdrawal) • No charge for online statements (paper statements available for an additional $2 per month)	**Select Fees:** Pay a percentage of the check amount: • Between 1% and 4% on checks (up to $5 minimum fee may apply) • 5% on money orders ($5 minimum fee) • You may be able to avoid check cashing fees for Regions checks if you have a Regions deposit account. See a Regions associate for details. For more information on check cashing fees, please refer to the Pricing Schedule. • For more information on check cashing fees please refer to the Pricing Schedule.	**Select Fees**:** • Money Transfer and Bill Payment Fees depend on amount sent, destination and service option selected. See Western Union Money Transfer Form and Payments Form for terms and conditions[18] (see below for more details).

See last page for numbered disclosures.
For detailed terms of the Now Savings account, see the Regions Now Savings Pricing Schedule. For terms of the Now Card and check cashing services, see the Now Banking Fees and Charges Pricing Schedule. Other products and services described in this Guide may be subject to separate terms and conditions.

*Payment, service and funds availability depends on certain factors, including the service selected, the selection of delayed delivery options, special terms applicable to each service, biller cutoff times or posting procedure, biller failure to properly or timely credit funds sent, amount sent, destination country, currency availability, regulatory issues, consumer protection issues, identification requirements, delivery restrictions, agent location hours and differences in time zones. Additional restrictions may apply. See payments forms for terms and conditions.

** Western Union also makes money from currency exchange. When choosing a money transmitter, carefully compare both transfer fees and exchange rates. Fees, foreign exchange rates and taxes may vary by brand, channel and location based on a number of factors. Fees and rates subject to change without notice.

Find even more financial wellness resources at regions.com/learn or call 1.800.regions to schedule your one-on-one financial review session.

MEMBER FDIC © 2018 Regions Bank. This document is not an offer or contract and does not amend any applicable customer agreement, the terms of which govern and control. Please refer to the pricing schedule or the applicable customer agreement or disclosure for additional details or pricing. All loans, lines of credit and credit cards are subject to credit approval. For accounts opened in Iowa, certain account fees are subject to Iowa State Tax of 6%, which will be assessed at the time the fee is charged, unless exempt.

[1] Regions Relationship Rewards allows you to earn points that can be redeemed for cash, merchandise, travel, gift cards and more. When you enroll your Regions checking account, you can earn points for having certain accounts and using certain Regions products and services. When you have a Regions Relationship Rewards Credit Card, you automatically earn points for qualifying purchases on your Card. See regions.com/relationshiprewards for details.

[2] Mobile Banking and Regions Mobile Deposit require enrollment in Online Banking and are subject to terms and conditions. Compatible device required. Carrier's message and data fees may apply.

[3] To enroll in Online Statements or Bill Pay, you first must enroll in Online Banking, which requires you to have a Social Security or Tax Identification Number or use alternative enrollment procedures available by visiting a branch.

[4] Safe deposit boxes subject to availability, and discount applies to one box per account. Receive an additional 10% discount when your safe deposit box payment is auto debited from your Regions checking or savings account.

[5] Overdraft Protection allows you to link your Regions checking account to a Regions savings account, money market account, credit line or credit card account. If one or more transactions would overdraw your checking account, we will automatically transfer money to your checking account from your linked account, as provided in the Regions Deposit Agreement. If the checking account still has an insufficient available balance to pay an overdraft item, even after we transfer/advance available funds from the funding account, we may return the item or pay it into overdraft. On each day that funds are transferred, your checking account will be charged a transfer fee, as provided in the Regions pricing schedule for that account. Transfers from another deposit account are subject to transaction limits and excessive withdrawal fees. Funds transferred from a credit line or credit card account will accrue interest at the interest rate provided in the agreement for that account. Credit lines and credit cards are subject to credit approval. See your checking account Pricing Schedule for additional details.

[6] A monthly automatic transfer of funds of at least $10 from your Regions checking account to your LifeGreen Savings account for the 12 calendar months that precede the month of your account opening anniversary is required to earn a 1% annual savings bonus. The bonus is based on the average monthly balance for the 12 calendar months that precede the month of your anniversary date and is paid to your LifeGreen Savings account on the business day following the anniversary of account opening. Maximum annual savings bonus of $100. Your LifeGreen Savings account must be open on the date the annual savings bonus is paid to receive the annual savings bonus. As of July 26, 2012, Annual Percentage Yield for Regions LifeGreen Savings account was 0.01%. This rate may change after the account is opened, and fees could reduce the earnings on the account.

[7] For the monthly fee waiver, we count all ACH direct deposits that post to your account during the account statement period, excluding the last day of the period. ACH direct deposits that post on the last day of the statement period are counted in the following statement period.

[8] If you have a LifeGreen Checking for Students account and do not meet the age requirement, your account will be converted to the standard LifeGreen Checking account and must meet the normal criteria in order to avoid the Monthly Fee. One account holder must be the age of majority.

[9] This fee has been temporarily discontinued pending system modifications. We will notify you before the fee is reinstated.

[10] Based on current eAccess Account period for CheckCard activity and most recent credit card account statement for credit card activity.

[11] ATM fees charged by owners/operators of non-Regions ATMs may apply.

[12] For the average monthly balance, we add the opening posted balances for each day in the statement period, then divide the total by the number of days in the statement period. Your account statement only shows the ending posted balances and an average balance reflected by those ending posted balances. The average balance shown on the account statement is not used for purposes of the monthly fee waiver. The ending balance for any day is the opening balance for the next day.

[13] To qualify for combined balances in relation to the monthly fee waiver, the primary (person listed first on the account) or secondary (person listed second on the account) owner of the checking account must be the primary or secondary owner of the related deposit accounts. The primary or secondary owner of the checking account must be the primary owner of related credit accounts. See pricing schedule for other requirements. Balances determined at the beginning of the last day of your checking account statement period.

[14] Qualifying first-lien home mortgage loans must be serviced by Regions, must not be past due or in default and do not include home equity loans or home equity lines of credit, or construction, manufactured housing and business loans.

[15] Good standing means you are not past due or in default under your credit agreement.

[16] If you make a monthly deposit of at least $5 to your Regions Now Savings account, you will earn (a) a $1 monthly builder bonus to your Regions Now Savings account if you make no withdrawal from your Regions Now Savings account that same month, and (b) a 1% annual savings bonus (up to $100) if you make deposits to your account each calendar month, beginning with the account opening month. Bonus will be credited to your Regions Now Savings account by the second business day of the month following each month the bonus is earned (for the annual bonus), and your Regions Now Savings account must be open on the date the bonus is paid to receive the bonus. A Regions Now Savings account is available only to the primary owner of a Now Card. $10 minimum deposit is required to open the account. As of July 26, 2012, Annual Percentage Yield for Regions Now Savings account was 0.01%. This rate may change after the account is opened, and fees could reduce the earnings on the account.

[17] Payment, service and funds availability depends on certain factors, including the service selected, the selection of delayed delivery options, special terms applicable to each service, biller cutoff times or posting procedures, biller failure to properly or timely credit funds sent, amount sent, destination country, currency availability, regulatory issues, consumer protection issues, identification requirements, delivery restrictions, agent location hours and differences in time zones. Additional restrictions may apply. See payments form for terms and conditions.

[18] Western Union makes money from currency exchange. When choosing a money transmitter, carefully compare both transfer fees and exchange rates.

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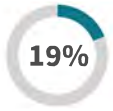
REGIONS NEXT STEP

FINANCIAL WELLNESS

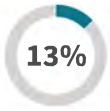
Guidance, resources and tools to move your goals forward.

After the disruption of COVID-19, finances are the top cause of employee stress. Financial distress intensified for employees over the past year, with 45% of these workers saying finances are a distraction at work and 72% saying they would be attracted to another company that cares more about financial well-being than their current company.*

According to a Regions Next Step Survey, Americans say they:



are financially secure



believe they can achieve their financial goals



do not follow a budget



think they will save enough to retire comfortably



are not confident they can withstand an unexpected financial emergency

Next Step Seminars

Regions Next Step Program provides in-person and virtual workshops that focus on helping you accomplish your unique financial goals. Let our knowledgeable, helpful associates guide your team through each step of their financial journey with advice and perspective to fit their needs. These seminars come at no cost to you or your employees.

Get Set Up for Success

1. Prioritize presentation order of topics
2. Select presentation method:
   - ☐ In-person
   - ☐ Virtual
3. Schedule your workshops
4. Organize your event and invite your employees

Next Step Financial Wellness Event Dates

1.

2.

3.

4.

5.

6.

Rank in Priority Order:

☐ **The Cash Flow Connection to Your Financial Goals**
Set up a successful financial future by learning how to track your spending and income, identify and organize your financial goals.

☐ **Should I Refinance My Home?**
Explore refinancing your home. Determine your goals, compare costs vs. benefits, and evaluate if refinancing is right for you.

☐ **Fueling Your Savings Plan**
Learn money saving tips to help you save now, evaluate different savings account options and use online calculators to create a custom savings plan.

☐ **Your Retirement Savings Plan**
Begin breaking down a plan for the future into simple decisions and set goals to help you get there.

☐ **Preparing A Personal Saving & Spending Plan**
Become more strategic in your financial choices by creating a budget that includes ways to save.

☐ **Credit Reports & Scores**
Harness the power of your credit by learning what is in a credit report and what goes into a credit score.

☐ **Establishing or Repairing Your Credit**
Knowledge is power. Learn how to calculate the true cost of credit, and tips to maintain or improve your credit score.

Sources: 'PwC's 10th annual Employee Financial Wellness Survey, PwC US, 2021.

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ADDENDUM TO SERVICE AND DEPOSIT AGREEMENTS FOR GOVERNMENT OR PUBLIC ENTITY CUSTOMERS

This Addendum to Service and Deposit Agreements for Government or Public Entity Customers ("Addendum") supplements and modifies the terms of the Master Agreement for Treasury Management Services (including any Customer Profile, Service Schedules, or other service terms) ("Master Agreement"), Deposit Agreement ("Deposit Agreement"), and/or Wire Transfer of Funds Agreement ("Wire Agreement"), as applicable, between the government or public entity customer identified on the signature page below ("Customer" or "you") and Regions Bank ("Bank", "we" or "us"). Master Agreement, Deposit Agreement, and Wire Agreement may collectively be referred to herein as the "Bank Agreements." Capitalized terms used but not defined in this Addendum shall have the meanings given in the Bank Agreements, as applicable. In the event of a conflict between the terms of this Addendum and the Bank Agreements, the terms of this Addendum shall control.

1. Fees and Payment. If the parties have agreed upon pricing for the Services pursuant to a separate pricing schedule or exhibit ("Negotiated Pricing"), the Negotiated Pricing shall control over Bank's standard fee schedules or Service Schedules. Fees and charges shall be collected as described in the Negotiated Pricing or as otherwise agreed by Bank and Customer.

2. Confidentiality. Customer acknowledges that public disclosure of Bank's Confidential Information, including but not limited to the Bank Agreements, Negotiated Pricing, or any bid submitted by Bank in response to a request for proposal, may put Bank at a competitive disadvantage or otherwise harm Bank's business. To the extent that information or records related to the Services or the Bank Agreements are required to be made available to the public under an open records law applicable to Customer, Customer agrees to limit disclosure of any such information or records that are Confidential Information to the maximum extent permitted by applicable law or the order of any court or governmental authority of competent jurisdiction. For the avoidance of doubt, Customer's disclosure of Confidential Information to the extent required pursuant to an open records law shall not be deemed a breach of Customer's confidentiality obligations under the Bank Agreements.

3. Indemnification. Customer's indemnification obligations under the Bank Agreements shall be limited to the extent required by applicable law based on Customer's status as a government or public entity, and nothing therein shall be deemed to waive or abrogate any defenses or immunities available to Customer under applicable state or local law.

4. Amendments. Bank's rights to amend the Bank Agreements are hereby modified such that Bank agrees that any amendments or modifications to the Bank Agreements, that are inconsistent with the Governing Law set forth in this Addendum shall not be applicable as to Customer. This Addendum, and the Governing Law set forth herein, shall apply to any such modified or amended Bank Agreements. Any modifications or amendments to the terms of this Addendum or to any Negotiated Pricing shall be in a writing signed by both Customer and Bank.

5. Assignment. Bank's right to assign the Bank Agreements or any of its right or obligations thereunder shall be limited to an assignment to its parent company or affiliate or an assignment in connection with a merger, consolidation, acquisition, or sale of all or substantially all of Bank's assets or stocks or a line of Bank's business related to the Services. Bank agrees to provide written

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notice to Customer in the event of any such assignment and Customer retains the right to terminate the Bank Agreements or any Services thereunder, if Customer objects to the assignment.

6. Arbitration. The arbitration provisions under the Bank Agreements shall be deleted in their entirety.

7. Attorneys Fees; Collection Costs. Any provisions of the Bank Agreements requiring Customer to pay Bank any attorney fees and/or collection costs are only enforceable to the extent permitted pursuant to applicable governing law.

8. Governing Law, Venue. The governing law provision of the Bank Agreements shall be amended to provide that the laws of the state where Customer is located will govern, and the exclusive venue for any legal action or proceeding arising out of or in connection with the Bank Agreements and the Services and transactions thereunder will be any court of proper jurisdiction located in such state.

9. Government Entity. Bank recognizes and acknowledges that Customer is entering the Master Agreement, Deposit Agreement, and/or Wire Agreement as a government agency, political subdivision, municipal corporation, school district, or other governmental or public entity, and as such, any of the Bank Agreements executed by Customer are enforceable against Customer only to the fullest extent permitted pursuant to applicable governing law, including the opinions of the attorney general of the state where Customer is located.

[SIGNATURE PAGE FOLLOWS]

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The parties have caused this Addendum to be executed by their duly authorized representatives as of the date set forth below.

EFFECTIVE DATE: _____

REGIONS BANK	**CUSTOMER:** _____
By: _____	By: _____
Print name: _____	Print name: _____
Print title: _____	Print title: _____

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DEPOSIT AGREEMENT



Member FDIC

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DEPOSIT AGREEMENT

Welcome to Regions Bank. We appreciate your business and we are pleased you are one of our customers. This Agreement contains the following sections:

Section I:	**Agreement For Deposit Accounts**
Section II:	**Time Deposits/Certificates of Deposit**
Section III:	**Individual Retirement Accounts**
Section IV:	**Funds Availability Policy**
Section V:	**Electronic Funds Transfer Disclosure To Our Consumer Customers**
Section VI:	**Important Information For Our Consumer Customers About Substitute Checks**

This Agreement covers any and all deposit accounts you have or have had from time to time with Regions Bank, by whatever name or description, including, but not limited to, checking accounts, savings accounts, money market deposit accounts, time deposit accounts, and certificates of deposit. As used herein, the terms "account," "deposit," and/or "deposit account" shall mean and refer to any such deposit account. Additionally, any BINDING ARBITRATION provisions set forth in this Agreement also apply to any account, contract, loan, credit, transaction, business, contact, interaction or relationship you may have or have had with us from time to time. Further, as used in, or in relation to, or in interpreting any provision of this Agreement as it relates or applies to any BINDING ARBITRATION provisions set forth in this Agreement, the term "account" shall also include any account, other business relationship, interaction or transaction of any nature whatsoever you may hold or have held from time to time with any of us. Notwithstanding the foregoing terms of this paragraph, the BINDING ARBITRATION provisions set forth in this Agreement shall not apply to any account, contract, loan, credit, transaction, business, contact, interaction or relationship that constitutes "consumer credit," as defined in the U.S. Department of Defense regulation implementing the Military Lending Act, 32 C.F.R. §§ 232.3(f)(1) and (f)(2), and under which you are a "covered borrower," as defined in 32 C.F.R. § 32.3(g)(1).

You should read this Agreement carefully and keep it with your other account records. The following terms and definitions apply when used in this Agreement:

Agreement – this Deposit Agreement.

Item – includes, without limitation, a check, draft, negotiable order of withdrawal, note, withdrawal slip, oral payment, transfer or withdrawal order made by telephone or in person, and/or withdrawal, payment or transfer order initiated through an automated teller machine (ATM) or point of sale (POS) terminal or any other electronic device, means or network, and/or a check or draft you have authorized a third party to charge to your account, whether by any manual or any electronic means.

Signature and sign (and derivations of those terms) – include, as the context may require and subject to applicable law, electronic signatures and signing and authenticating electronically as well as written signatures and signing and authenticating in writing.

You, your, yours, depositor, and customer – as the context may require, any person or entity in whose name the account is maintained according to our records, and/or any person or entity that uses the account or is authorized to transact business on the account, by any means whatsoever, including electronically, whether such authority is evidenced by signature cards, organizational resolutions, or otherwise, and/or any person or entity that has a beneficial interest in the account, and/or any such person's or entity's heirs, assignee or successor in interest to the account, including such person's estate, survivors and wrongful death beneficiaries.

We, us, our, ours, and Regions – Regions Bank, and with respect to any **BINDING ARBITRATION AND/OR WAIVER OF JURY TRIAL** provisions set forth in this Agreement, such terms also mean and refer to Regions Bank and its current and former parent(s), subsidiaries, affiliates, employees, officers, directors, agents, controlling persons and representatives, as well as any other person or company who provides any services in connection with an account, as may exist from time to time.

Other definitions may appear within the remaining text of this Agreement.

►ARBITRATION AND WAIVER OF JURY TRIAL. THIS AGREEMENT CONTAINS PROVISIONS FOR BINDING ARBITRATION AND WAIVER OF JURY TRIAL. YOUR ACCEPTANCE OF THIS AGREEMENT INCLUDES YOUR ACCEPTANCE OF AND AGREEMENT TO SUCH PROVISIONS. WHEN ARBITRATION IS INVOKED FOR CLAIMS SUBJECT TO ARBITRATION, YOU AND REGIONS WILL NOT HAVE THE RIGHT TO PURSUE THAT CLAIM IN COURT OR HAVE A JURY DECIDE THE CLAIM AND YOU WILL NOT HAVE THE RIGHT TO BRING OR PARTICIPATE IN ANY CLASS ACTION OR SIMILAR PROCEEDING IN COURT OR IN ARBITRATION.

SECTION I: AGREEMENT FOR DEPOSIT ACCOUNTS

1. Acceptance Of This Agreement. By signing a signature card when you open an account, by signing any signature maintenance card or other account document for an account, by opening or modifying an account electronically, by depositing funds into, or withdrawing funds from, any account, by being named as a beneficiary or joint owner by an existing owner of an account, by using an account with us, or permitting anyone else to get access to your account through any of our electronic banking services, or by maintaining an account after our sending or providing to you by any reasonable means (including but not limited to: by mail to the mailing address we have for you on our records; by e-mail to the e-mail address we have for you on our records; by making available or publishing on or with the periodic statement of an account; by publishing on our official Web site at http://www.regions.com or any subsequent official Regions Bank website; or by making publicly available at any of our locations at the time you open or modify an account) this Agreement or any amendment(s) to this Agreement or by your receipt of the same by any means, you agree to the terms of this Agreement, as amended. Our agreement with you includes this Agreement, our pricing schedule, funds availability policy as posted, and any supplemental provisions we print concerning your account, which are applicable. All these documents together are a contract between you and us.

We may also provide you with agreements and disclosure statements ("Disclosure Statements") governing certain services associated with your account, including, but not limited to, ATM or debit card services, telephone or online banking services, preauthorized funds transfer services, and wire transfer services. Both this Agreement and the Disclosure Statements govern those services. If, however, any provision of this Agreement conflicts with any provision of a Disclosure Statement, then the conflicting provision of the Disclosure Statement shall prevail with respect to the corresponding service. To the fullest extent permitted by law, we may provide you notices and disclosures by electronic means. You agree that, unless otherwise expressly agreed by us in writing, the deposits in your account are general deposits. You further agree that the relationship between us and you with respect to any account covered by this Agreement, including one titled as a "trust account" or similar designation, is solely that of debtor and creditor, and that we are not acting as your fiduciary.

2. Mutual Arbitration Agreement And Waiver Of Jury Trial.

READ THIS PROVISION CAREFULLY BECAUSE IT HAS A SUBSTANTIAL IMPACT ON HOW DISPUTES AND CLAIMS YOU AND WE HAVE AGAINST EACH OTHER ARE RESOLVED.

For any Claim subject to arbitration (as defined below), neither you nor we (referred to throughout as a "party" or the "parties") will have the right to: (1) have a court or a jury decide the Claim; (2) engage in information-gathering (discovery) to the same extent as in court; (3) participate in a class action in court or in arbitration; or (4) join or consolidate a Claim with claims of any other person. The right to appeal is more limited in arbitration than in court and other rights in court may be unavailable or limited in arbitration. You and we mutually agree that, if either party demands arbitration, the parties will resolve any and all disputes between them exclusively through final, binding, and individual arbitration under the terms of this Mutual Arbitration Agreement, including its pre-arbitration dispute resolution process, instead of filing or proceeding with a lawsuit in court (except as otherwise provided below). However, this Mutual Arbitration Agreement does not cover disputes that, as a matter of law, may not be subject to pre-dispute arbitration agreements.

Whether any controversy is arbitrated or settled by a court, you and we voluntarily and knowingly waive any right to a jury trial with respect to such controversy to the fullest extent allowed by law.

Requirement to Arbitrate. Upon the demand of you or us, any Claim(s) will be resolved by individual (as opposed to class, consolidated, collective, or representative) binding arbitration under the terms specified

in this Mutual Arbitration Agreement. A "Claim" subject to arbitration is any claim, cause of action, dispute, or controversy between you and us (other than an Excluded Claim or Proceeding as defined below), whether preexisting, present, or future, which arises out of or relates to the account, this Deposit Agreement, any transaction conducted with us in connection with the account or this Deposit Agreement, any products or services provided by us to you, any aspect of our relationship, or any other demand or request for compensation or damages from or against us, including any Claim involving our current and former officers, directors, employees, agents, representatives, contractors, subcontractors, parent, subsidiaries, affiliates, successors, assigns, any third party that assigned any agreements to us, and any of the respective current and former employees, officers, agents, or directors of such affiliates or third parties. Any such Claim against any of those parties may be joined or consolidated with any related Claim against us in a single arbitration proceeding. "Claim" has the broadest possible meaning and includes initial claims, counterclaims, cross-claims, third-party claims, and federal, state, local, and administrative claims, whether asserted or brought in a direct, derivative, assignee, survivor, successor, beneficiary, or personal capacity. It includes disputes based in contract, tort, consumer rights, fraud, and other intentional torts, a state or the federal Constitution, statute, regulation, ordinance, common law, and equity, and includes claims for money damages and injunctive or declaratory relief, including disputes regarding whether a particular controversy is subject to arbitration, including any claim of unconscionability and any dispute over the enforceability, scope, reach, or validity of this Mutual Arbitration Agreement. "Claim" also includes disputes concerning the use or disclosure of information about you or us, as well as disputes concerning communications involving telephones, cell phones, automatic dialing systems, artificial or prerecorded voice messages, text messages, emails, or facsimile machines, such as alleged violations of the Telephone Consumer Protection Act and other statutes or regulations involving telemarketing.

Neither you nor we waive the right to arbitrate by filing or serving a complaint, answer, counterclaim, motion or discovery in a court lawsuit. In addition, if we become a party in any lawsuit that you have with any third party, whether through intervention by us or by motion or pleading made by you or any third party, subject to controlling law, we may elect to have all claims in that lawsuit between you and such third party to be resolved by BINDING ARBITRATION under this Mutual Arbitration Agreement. Notwithstanding the foregoing terms of this paragraph, this Mutual Arbitration Agreement shall not apply to any account, contract, loan, credit, transaction, business, contact, interaction, or relationship that constitutes "consumer credit," as defined in the U.S. Department of Defense regulation implementing the Military Lending Act, 32 C.F.R. §§ 232.3(f)(1) and (f)(2), and under which you are a "covered borrower," as defined in 32 C.F.R. § 232.3(g)(1).

Excluded Claims and Proceedings. Notwithstanding the foregoing, "Claim" does not include any individual action brought by you or us in small claims court or your state's equivalent court, unless such action is transferred, removed, or appealed to a different court or the matter is not brought on an individual basis (i.e., a class, consolidated, collective, or representative basis), at which point either party has the right to demand arbitration. If a claim is within the jurisdiction of the small claims court where you reside, we or you may at any time choose to take the claim to that court instead of arbitration. We or you may take the claim to small claims court without first filing in arbitration or, after a case is filed in arbitration, a party may send written notice to the opposing party and the arbitration forum that it wants the claim decided by a small claims court. After receiving the notice, the arbitration forum shall administratively close the case without requiring the payment of filing or any other administrative fees.

In addition, nothing in this Mutual Arbitration Agreement prevents you or us from, before, during, or after the pendency of any arbitration proceeding, (1) exercising any lawful rights or using other available remedies to preserve or obtain possession of property, (2) exercising self-help remedies, including set-off as described in the Deposit Agreement section titled "Right Of Setoff; Grant of Security Interest," recoupment, repossession, trustee's sales, and the like or (3) bringing an action (individually, and not on behalf of a class) to obtain provisional or ancillary remedies or injunctive relief (other than a stay of arbitration) to protect the rights or property of the party seeking such relief, such as attachment, garnishment, or appointment of a receiver by a court of competent jurisdiction. However, the arbitrator(s) shall have the power to vacate and/or stay any such proceedings or orders granting provisional or ancillary remedies or injunctive relief, upon application by you or us. The taking by either you or us of any of the self-help remedies or the filing of any action in court, including but not limited to the actions described above, shall not be deemed to be a waiver of the right to elect BINDING ARBITRATION of any Claim upon the filing of a counterclaim, crossclaim, third-party claim or the like by either you or us in response to any such action. Any individual action in court by you or us that is limited to preventing the other party from using a self-help remedy and that does not involve a request for damages or monetary relief of any kind does not constitute a "Claim" that must be arbitrated. The institution and/or maintenance of any such self-help (or protection from self-help) right, action, or litigation shall not constitute a waiver of the right of either of the parties to compel arbitration regarding any other dispute subject to arbitration pursuant to this Mutual Arbitration Agreement.

Federal Arbitration Act. Notwithstanding any choice of law or other provisions in this Deposit Agreement, the parties agree and acknowledge that this agreement evidences a transaction involving interstate commerce and that the Federal Arbitration Act (Title 9 of the United States Code) ("FAA") shall govern its interpretation and enforcement and proceedings pursuant thereto, and the parties waive and relinquish any right to claim otherwise. You and we hereby acknowledge, agree, and stipulate that Regions Bank is a multi-state banking organization engaging in interstate banking and commerce; Regions Bank's deposits are federally insured; the funds deposited in any account flow through interstate commerce; and we regularly use the services of businesses located in other states in opening and administering accounts. The parties expressly agree that this Mutual Arbitration Agreement shall be governed by the FAA even in the event you and/or we are otherwise exempted from the FAA. If for whatever reason the rules and procedures of the FAA cannot apply, the state law governing arbitration agreements in the state in which you reside shall apply.

CLASS, CONSOLIDATED, COLLECTIVE, AND/OR REPRESENTATIVE ACTION WAIVER. The parties mutually agree that if you or we elect to arbitrate a Claim, such Claim will be resolved in individual arbitration. The parties further agree that, to the maximum extent allowable by law, they waive the right to have any Claim brought, heard, administered, resolved, or arbitrated as a class, consolidated, collective, or representative action, and an arbitrator shall not have any authority to hear or arbitrate any class, consolidated, collective, and/or representative action, or to award relief to or for the benefit of anyone but the individual parties in arbitration. The parties also waive the right to bring any claims for public injunctive relief, private attorney general actions, or other non-individualized injunctive relief. This Class, Consolidated, Collective, and/or Representative Action Waiver does not prevent you or us from participating in a settlement of claims on a class-wide, consolidated, collective, or representative basis, to the extent you or we do not exercise a right to opt out of such settlement. Any dispute as to the validity or enforceability of this Class, Consolidated, Collective, and/or Representative Action Waiver shall be decided by the arbitrator. If, after exhaustion of all appeals, any of these prohibitions on class, consolidated, collective, or representative claims or public or non-individualized injunctive relief is found to be unenforceable with respect

to a particular claim or with respect to a particular request for relief (such as a request for injunctive relief), then the parties agree that such a claim or request for relief shall be decided by a court after all other claims and requests for relief are arbitrated; provided, however, that the jury trial waiver shall, in any event, remain in full force and effect to the fullest extent permitted by law.

Arbitration Procedures.

(a) **Pre-Arbitration Dispute Resolution:** The parties agree that good faith informal efforts to resolve a dispute often can result in a prompt, low-cost, and mutually beneficial outcome. As a result, before commencing arbitration, the parties must engage in a good faith effort to resolve any Claim covered by this Mutual Arbitration Agreement by providing a written notice of dispute and participating in an informal dispute resolution conference. The party who wishes to assert a Claim must first give notice to the other party in writing of the intent to initiate arbitration ("Notice of Pre-Arbitration Dispute"). A Notice of Pre-Arbitration Dispute must contain the claimant's name, telephone number, mailing address, and e-mail address, the account number of any account at issue, a factual description of the nature and basis of the dispute, including the basis and amount of any claimed damages, the amount that the claimant is seeking for resolution of the dispute, and the original personal signature of the party (a digital, electronic, copied, or facsimile signature is not sufficient) and, if the claimant is represented by counsel, a signed statement authorizing the other party to share information about the account and the Claim with such counsel. After the Notice of Pre-Arbitration Dispute is provided, the parties will engage in an informal dispute resolution conference by telephone or videoconference to discuss the Claim and see if a resolution can be reached, including through mediation if mutually desired. If either party is represented by counsel, that party's counsel may participate in the conference, but both you and a Regions Bank representative must personally participate in the conference unless you and we agree otherwise in writing. For the protection of your confidential account information, multiple customers cannot participate in the same informal dispute resolution conference unless mutually agreed to by all parties.

The informal dispute resolution conference shall occur within sixty (60) days of receipt of the Notice of Pre-Arbitration Dispute, unless an extension is mutually agreed to by the parties. The parties shall negotiate in good faith to select a mutually agreeable time. Nothing in this Mutual Arbitration Agreement shall prohibit the parties from engaging in informal communications to resolve the initiating party's Claim at any time, including before the informal dispute resolution conference. Engaging in an informal dispute resolution conference is a requirement that must be fulfilled before commencing arbitration. The parties agree that the statute of limitations and any applicable contractual limitations period shall be tolled from the time when a fully complete Notice of Pre-Arbitration Dispute Resolution is received until the completion of the informal dispute resolution conference (or if the parties agree to mediate, until the completion of the mediation).

If you are initiating the Claim, the Notice of Pre-Arbitration Dispute must be clearly marked "Notice of Pre-Arbitration Dispute" and delivered to Regions Bank Legal Department, Attn: Notice of Pre-Arbitration Dispute, Mailcode: ALBH12201B, P.O. Box 11007, Birmingham, AL 35288. If we are initiating the Claim, we will send the Notice of Pre-Arbitration Dispute to the most recent address for you in our files. If any offers of settlement are discussed by the parties, such information about the proposed settlement will not be disclosed in the arbitration. The Pre-Arbitration Dispute Resolution and informal dispute resolution conference requirements are essential in order to give the parties a meaningful chance to resolve Claims informally. If any aspect of these requirements has not been met, the parties agree that a court can enjoin the filing or prosecution of an arbitration, and, unless prohibited by law, no arbitration provider shall either accept or administer the arbitration or assess fees in connection with such an arbitration.

(b) After completion of the informal dispute resolution conference, if the Claim remains unresolved, either you or we may initiate arbitration by submitting a demand for arbitration to the arbitration administrator. The demand must include (1) the name, telephone number, mailing address, and e-mail address of the party seeking arbitration; (2) the account number of any account at issue; (3) a statement of the legal claims being asserted and the factual basis of those claims; (4) a description of the remedy sought and an accurate, good-faith calculation of the amount in controversy, enumerated in United States Dollars (any request for injunctive relief or attorneys' fees shall not count toward the calculation of the amount in controversy unless such injunctive relief seeks the payment of money); (5) the original personal signature of the party seeking arbitration (a digital, electronic, copied, or facsimile signature is not sufficient); and (6) the party's portion of the applicable filing fee. The party initiating arbitration must serve the demand on the other party via certified mail, return receipt requested, or hand delivery. If the party seeking arbitration is represented by counsel, counsel must also provide an original personal signature on the demand for arbitration (a digital, electronic, copied, or facsimile signature is not sufficient). Counsel must also provide a certification that, to the best of counsel's knowledge, information, and belief, formed after an inquiry reasonable under the circumstances, (1) the demand for arbitration is not being presented for any improper purpose, such as to harass, cause unnecessary delay, or needlessly increase the cost of dispute resolution; (2) the claims and other legal contentions are warranted by existing law or by a nonfrivolous argument for extending, modifying, or reversing existing law or for establishing new law; and (3) the factual contentions have evidentiary support, or if specifically so identified, will likely have evidentiary support after a reasonable opportunity for further investigation or discovery. Any demand for arbitration by you must be delivered to Regions Bank Legal Department, Attn: Arbitration Election, Mailcode: ALBH12201B, P.O. Box 11007, Birmingham, AL 35288, and any demand for arbitration by us must be sent to the most recent address for you in our files.

(c) Any arbitration hearing must take place in the federal judicial district that includes your home address at the time we or you file an arbitration demand, unless the parties agree otherwise. If a party files a lawsuit in court asserting any Claim(s) that are subject to arbitration and the other party demands arbitration or files a motion to compel arbitration with the court which is granted, it will be the responsibility of the party bringing the Claim(s) to follow the pre-arbitration dispute resolution procedures and—if the dispute is not resolved—to commence the arbitration proceeding with an arbitration administrator in

accordance with this Mutual Arbitration Agreement and the administrator's rules and procedures. Nothing in that litigation shall constitute a waiver of any rights under this Mutual Arbitration Agreement.

(d) The arbitration will be administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules or the Consumer Arbitration Rules, as applicable (collectively "Arbitration Rules") in effect at the time the demand for arbitration is filed. In all instances, the arbitrator(s) shall be selected in accordance with Commercial Arbitration Rule R-12, using the procedure for Appointment from the National Roster, unless you and we agree on the arbitrator(s). The AAA will not administratively appoint the arbitrator(s) from the National Roster under any circumstances and regardless of the number of parties or amount of your Claim. The rules and forms of AAA may be obtained at their website, http://www.adr.org. If AAA cannot or will not administer the arbitration in accordance with this Mutual Arbitration Agreement—in whole or in part and for any reason whatsoever or for no reason—the Mutual Arbitration Agreement shall not fail or be invalidated as a result. Rather, in that instance, the parties may agree upon another administrator, or if they are unable to agree, any party to the Claim may then petition a court of competent jurisdiction under 9 U.S.C. § 5 to appoint the arbitrator(s), and the court shall determine the administrator. Upon consideration of a petition to appoint an arbitrator, should the court decline or refuse to appoint the arbitrator(s), then and only then and within 30 days of a final and non-appealable decision on the matter from such court, you and we shall each respectively pick one arbitrator, and those two arbitrators shall then, by mutual agreement and within 30 days of the selection of the second of them, select a third arbitrator. The third arbitrator so selected shall then arbitrate the Claim as the sole arbitrator, except with respect to a Claim for $500,000 or greater, in which case all three arbitrators so selected shall arbitrate the claim together, with the award and all pre-award decisions made by majority vote. In the case of any arbitration not administered by AAA, the arbitrator(s) shall still be bound by all applicable provisions of this Mutual Arbitration Agreement and the Federal Arbitration Act. They further shall administer and conduct the arbitration under the applicable AAA Arbitration Rules, to the extent such rules may be practicably applied to an arbitration not administered by AAA.

No company may serve as administrator if it fails to abide by the terms of this Mutual Arbitration Agreement unless all parties otherwise consent. The arbitration will proceed in accordance with this mutual Arbitration Agreement and the administrator's rules and procedures in effect at the time of commencement of the arbitration, including any streamlined or expedited arbitration rules, but in the event of a conflict between the two, the provisions of this Mutual Arbitration Agreement shall supersede any and all conflicting arbitration administrator's rules or procedures. To the extent there is a dispute over which arbitration provider shall administer the arbitration, only a court (and not an arbitrator or arbitration administrator) can resolve that dispute, and the arbitration shall be stayed until the court resolves that dispute.

(e) In addition to all other requirements in this Mutual Arbitration Agreement, the following provisions shall apply to all arbitrations between the parties: (1) we will pay any costs that are required to be paid by us under the arbitration administrator's rules and procedures, and subject to applicable law. If the arbitrator rules in your favor on any claim presented, we will reimburse you for arbitration filing fees you have paid. Please check with the arbitration administrator to determine the fees applicable to any arbitration you file. The fee and cost schedule in effect at the time you submit your Claim shall apply. The Arbitration Rules permit you to request a deferral or reduction of the administrative fees of arbitration if paying them would cause you extreme hardship; (2) both parties agree not to oppose or interfere with any negotiations or agreements between the other party and the arbitration administrator relating to a party's portion of the fees. The arbitrator, however, may disallow any private agreement between an administrator, on the one hand, and the negotiating party, on the other hand, if the arbitrator believes that the private agreement undermines his or her neutrality as an arbitrator; (3) the arbitrator may issue orders (including subpoenas to third parties) allowing the parties to conduct discovery sufficient to allow each party to prepare that party's claims and/or defenses, taking into consideration that arbitration is designed to be a speedy and efficient method for resolving disputes; (4) in rendering an award, the arbitrator(s) shall apply applicable contract terms, statutes and legal precedent and shall follow the Federal Rules of Evidence, enforce applicable privileges, and employ applicable burdens of proof. All statutes of limitation, defenses, and attorney-client and other privileges that would apply in a court proceeding shall apply in and to the arbitration; (5) except as provided in the Class, Consolidated, Collective, and/or Representative Action Waiver, the arbitrator may award all remedies to which a party is entitled under applicable law and which would otherwise be available in a court of law under the circumstances (including statutory awards of attorneys' and expert witness fees, costs, expenses, and punitive damages) but shall not be empowered to award any remedies that would not have been available in a court of law for the claims presented in arbitration. The arbitrator shall apply state or federal substantive law, or both, as is applicable; (6) the arbitrator may hear motions to dismiss and/or motions for summary judgment; (7) the arbitrator's decision or award, including decisions on any motions to dismiss or motions for summary judgment, shall be in writing with findings of fact and conclusions of law, and shall be consistent with the law of the jurisdiction that applies to the Claim; (8) any finding that a claim or counterclaim violates the standards set forth in Federal Rule of Civil Procedure 11 shall entitle the other party to recover attorneys' fees, costs, and expenses associated with defending against the claim or counterclaim; (9) either we or you may apply to a court of competent jurisdiction for temporary or preliminary injunctive relief on the ground that without such relief the arbitration may be rendered ineffectual; (10) under no circumstances is an arbitrator or court bound by decisions reached in separate arbitrations involving different parties; (11) the arbitrator shall honor all evidentiary privileges recognized by applicable law, including the attorney-client privilege and attorney work product doctrine; and (12) if at any time the arbitrator or arbitration administrator fails to enforce the terms of this Mutual Arbitration Agreement, either party may seek to enjoin the arbitration proceeding in a court of competent jurisdiction, and the arbitration shall automatically be stayed pending the outcome of that proceeding.

(f) The arbitration of any Claim of $500,000 or greater shall be conducted by a panel of three arbitrators, unless you and we agree otherwise. The arbitration of any Claim of a lesser amount shall be conducted by one arbitrator. Unless you and we agree otherwise, each arbitrator must be a practicing attorney with ten or more years of experience or a retired judge. Except as specifically stated herein, the arbitrator will not be bound by judicial rules of procedure and evidence that would apply in a court, or by state or local laws that relate to arbitration provisions or proceedings. A judgment on the award may be entered by any court having jurisdiction.

Survival and Severability. This Mutual Arbitration Agreement shall survive (1) the closing of your account, (2) the termination of any relationship between us, including the termination of this Deposit Agreement, (3) your death, and (4) any bankruptcy to the extent consistent with applicable bankruptcy law. Except as specified in the Class, Consolidated, Collective, and/or Representative Action Waiver, if any portion of this Mutual Arbitration Agreement is found unenforceable, it shall be severed from the Mutual Arbitration Agreement such that the remainder of this Mutual Arbitration Agreement shall be enforceable to the fullest extent permitted by law. A determination that this Mutual Arbitration Agreement is unenforceable or void in its entirety shall have no effect on the validity or enforceability of any other arbitration agreement between or applicable to the parties.

Effect of Arbitration Award. The arbitrator's award shall be final and binding on all parties, except for any right of appeal provided by the FAA. However, if the amount of the Claim exceeds $500,000 or involves a request for injunctive or declaratory relief that could foreseeably involve a cost or benefit to either party exceeding $500,000, any party can, within thirty (30) days after the entry of the award by the arbitrator, appeal the award to a three-arbitrator panel administered by the Administrator. The panel shall be appointed from the national roster as provided by Appellate Rule A-5, except that the AAA shall not unilaterally appoint the arbitrators for the appeal, unless you and we so agree. The appeal shall be governed by the AAA Optional Appellate Arbitration Rules to the extent they are not inconsistent with this Mutual Arbitration Agreement. Any award eligible for appeal shall not be considered final until after the 30-day period for filing the notice of appeal has expired. The panel shall reconsider anew any aspect of the initial award requested by the appealing party. The decision of the panel shall be by majority vote. Reference in this Mutual Arbitration Agreement to "the arbitrator" shall mean the panel if an appeal of the arbitrator's decision has been taken. Any filing fees and other similar and usual administrative costs of such an appeal will be borne by the party taking the appeal subject to a reallocation by the arbitrator panel as justice requires. Any final decision of the appeal panel is subject to judicial review only as provided under the FAA. No arbitration award involving the parties will have any preclusive effect as to issues or claims in any dispute involving anyone who is not a party to the arbitration, nor will an arbitration award in prior disputes involving other parties have preclusive effect in an arbitration between the parties to this agreement.

Impact on Pending Litigation. This Mutual Arbitration Agreement shall not affect your existing rights with respect to any litigation between us and you that is pending in a state or federal court or arbitration as of the date of this Mutual Arbitration Agreement. However, if on such date you were bound by an existing arbitration agreement with us then that agreement shall continue to apply.

Right to Consult with an Attorney. You have the right to consult with private counsel of your choice, at your own expense, with respect to any aspect of, or any Claim that may be subject to, this Mutual Arbitration Agreement.

3. Deposits; Deposit Of Substitute Checks. You can make deposits by mail, in person at our banking offices, using our Convenience Depository Services (as defined below), or otherwise at or through any

of our facilities or services that allow you to make deposits. Subject to our right of setoff and other rights afforded to us in this Agreement or by applicable law, each deposit you make with us will become available for withdrawal in accordance with our Funds Availability Policy, as the same may be amended from time to time, and the terms of the deposit facility or service you use, as applicable. If we discover an error or discrepancy in any deposit, we may make correcting entries and notify you of the correction. However, if any errors or discrepancies with respect to a deposit total less than $1 in the aggregate (a "De Minimis Discrepancy"), you acknowledge and agree that we may elect, in our sole and absolute discretion, not to correct such De Minimis Discrepancy, regardless of whether such De Minimis Discrepancy is in our favor or in your favor. You and we waive any and all claims and demands against each other with respect to any De Minimis Discrepancy that we elect not to correct. We also have the right to limit, refuse or return any deposit.

Preprinted deposit slips help us process deposits more quickly and minimize errors. We will not be liable for any errors resulting from the use of a counter deposit slip, whether completed by you or by one of our employees. You are responsible for reconstruction and proof of loss of any items, including checks and other negotiable instruments included in deposits that are lost or stolen in transit before we have received and accepted the deposit. Further, you agree to fully cooperate and assist in the reconstruction of any items, including checks and other negotiable instruments included in the deposits that are lost or stolen after we have received and accepted the deposit. If a deposit contains foreign currency or items that are denominated in a foreign currency, the final credit for the deposit will be based on our exchange rate in effect at the time of conversion to United States Currency pursuant to our policies and procedures. Funds from an item denominated in foreign currency will be made available upon final payment of the item by the drawee or as otherwise disclosed to you at the time of deposit. Exchange rates may fluctuate significantly in a short period of time. You bear all exchange risk related to deposits of foreign currency and items denominated in foreign currency.

You acknowledge that any ATM we operate that accepts deposits, our night depositories, our deposit by mail service and any post-verification deposit service (e.g., daytime deposit drop) that we offer ("Convenience Depository Services") are for your convenience. We are not accountable for deposits made through any Convenience Depository Service until the deposit is actually verified and accepted by our authorized employees. Our records are conclusive proof of what deposits we received from you through any Convenience Depository Service. You expressly understand and agree that each delivery or attempted delivery by you of any deposit or deposit bags shall be at your sole risk at all times, and until we have actually verified and accepted any deposit, the bank-customer relationship of us as debtor and you as creditor shall not arise for such deposit. Instead and prior to our verification and acceptance of such deposit, the relationship shall be deemed that of us as a gratuitous bailee and you as bailor. We shall not be liable for any loss by you in your attempts to use Convenience Depository Services. Any initial or interim credit that you receive with respect to a deposit made through any Convenience Depository Service is subject to verification by us, and we may make adjustments to your account at any time to ensure proper crediting to your account. You agree to comply with our rules in effect from time to time for making deposits using Convenience Depository Services and you agree to use equipment and supplies (e.g., bags and envelopes) that conform to our specifications. You agree to exercise due care in using any Convenience Depository Service (e.g., by properly sealing depository bags, securing night deposit boxes, etc.), and you agree that we are not responsible for any loss or damage you may incur in connection with the use of any Convenience Depository Service unless the loss or damage is the result of our gross negligence or deliberate malfeasance. We may discontinue or suspend any Convenience Depository Service at any time in our discretion without notice to you, except such notice as may be required by applicable law.

You agree that you will not deposit, without our prior written consent, "substitute checks," as defined by federal law, or Image Replacement Documents that purport to be substitute checks and have not been previously endorsed by a bank. If you deposit such an item, you agree to reimburse us for losses, costs and expenses we may incur associated with warranty or indemnity claims. If you provide us with an electronic representation of a substitute check for deposit into your account instead of an original check, you agree to reimburse us for losses, costs and expenses we incur because the substitute check resulting from the electronic representation does not meet applicable substitute check standards and/or causes duplicate payments.

Unless otherwise expressly provided in this Agreement, and in addition to warranties provided elsewhere in this Agreement or provided by law, you acknowledge and agree that you make all applicable Uniform Commercial Code warranties with respect to each item you deposit to your account, and you agree that you do not and will not disclaim any of such warranties. You expressly guarantee and warrant with respect to each item you deposit that such item, whether paper or electronic, is properly payable. If you deposit a "remotely created check," as that term is defined in regulations and/or issuances of the Board of Governors of the Federal Reserve System, as amended, you warrant that the person on whose account the remotely created check is drawn authorized the issuance of the check in the amount stated on the check and to the payee stated on the check. If you deposit an "electronically-created item," as that term is defined in regulations and/or issuances of the Board of Governors of the Federal Reserve System, as amended, you agree to indemnify us against any and all losses (including, without limitation, losses related to our indemnification obligations to other banks) that result from the fact that (i) the electronic image or electronic information is not derived from a paper check, (ii) the person on whose account the electronically-created item is drawn did not authorize the issuance of the item in the amount stated on the item or to the payee stated on the item, or (iii) a person receives a transfer, presentment, or return of, or otherwise is charged for an electronically-created item such that the person is asked to make payment based on an item or check it has already paid.

You further expressly guarantee and warrant with respect to each item you deposit that all endorsements are valid and that all necessary endorsements are included. You agree to reimburse us for any loss or expense (including reasonable attorneys' fees as permitted by law) that we incur because you fail to endorse an item exactly as it is drawn. In any event if you fail to endorse an item that you cash or submit for deposit, we have the right, but are not obligated, to supply the missing endorsement. We may require that certain government, insurance company and other special types of items be personally endorsed by each of the payees.

If we have reason to believe that any item you have deposited is irregular, unauthorized, or fraudulent in any way, or has any missing or forged signature or endorsement, or should not have been paid or may not be paid by the drawee (any such condition, an "Item Irregularity"), you agree promptly to cooperate with us and to take such action as we may require to correct or resolve to our satisfaction any such Item Irregularity. Such action may include (without limitation) presentation of such evidence that we may request or that otherwise is acceptable to us that all payees or transferees with respect to the item have, in fact, endorsed or authorized the endorsement of the item. Your failure to cooperate with us promptly and as we request shall constitute a breach of this Agreement, and in such event, or in the event another financial institution notifies us of or makes a claim with respect to an Item Irregularity or otherwise indicates that an item you have deposited will not be paid due to any Item Irregularity, we shall have an immediate claim against you and a right (without limitation or preclusion of any other rights or remedies available to us) to place a hold on or charge your account for the amount of any item in question without notice to you. You agree that we may release or remit such amount as we deem appropriate or as required by law for the resolution of the Item Irregularity without notice to you.

We may exercise our rights with respect to the correction or resolution of Item Irregularities notwithstanding the pendency or expiration of any funds availability hold notice we may have provided to you, and we may, in any event, assert our claim against the proceeds of any collected item with respect to which there is an Item Irregularity immediately upon or at any time after the expiration of any funds availability hold period. You agree that we will not be liable to you for any overdrafts or other nonsufficient funds items or transactions on your account in the event we exercise any of our rights with respect Item Irregularities.

A direct deposit is an electronic transfer of funds made by a payor, such as an employer or a government agency, to a payee's bank account through a payment system known as the automated clearing house (ACH). Regions Early Pay is a service whereby we may make funds from direct deposits available to you up to two business days prior to our receipt of the funds for regularly recurring direct deposits made directly to your Regions checking, savings, or money market account, subject to the terms and conditions governing your account. All Regions checking, savings, and money market accounts that meet our criteria for Early Pay are automatically enrolled for the Early Pay service, and there is no fee for the service. You may opt out of the Early Pay service at any time by contacting a Regions banking office or calling 1-800-REGIONS. It may take up to 60 days to process your opt-out request, and we may continue to provide the Early Pay service during that time. We may determine which direct deposits and which deposit accounts qualify for the Early Pay service in our discretion and according to criteria we establish from time to time, and whether a direct deposit qualifies for the service may depend on other factors, such as the time of receipt or terms or coding of a payor's ACH file, fraud prevention restrictions (including restrictions related to the amount of a direct deposit), and other confidential risk considerations. These factors may change from time to time without notice to you. Once a regularly recurring direct deposit starts, it may take up to 60 days for us to determine whether the direct deposit qualifies for the Early Pay service, and our determination may change over time. We do not guarantee that any direct deposit will qualify for the Early Pay service. Any direct deposit that does not qualify for the service will be made available as provided in our funds availability policy. If we make funds from a direct deposit available to you prior to the time we receive the funds from the payor through the ACH, but we are unable to collect part or all of the funds, you will be liable to repay us the funds we made available to you. In this situation, you agree that we may debit your account to recover the funds without prior notice to you, even if the debit transaction overdraws your account. In the event of an overdraft, you agree to pay the applicable overdraft fee as then disclosed in our pricing or fee schedule. We provide the Early Pay service as a courtesy in our sole and absolute discretion, and we may terminate, suspend, or modify the service at any time without notice to you.

4. Collection Of Items. In receiving items for deposit or collection, we act as your collection agent and assume no responsibility beyond the exercise of ordinary care. Special instructions for handling an item are effective only if made in a separate writing and given to us along with the item. Any special instructions are subject to acceptance by us in our sole and absolute discretion, and in any event, you must give us reasonable notice and opportunity to act on any special instructions that you give us. We will not be liable for default or negligence of our correspondents or for loss in transit, and each correspondent will be responsible for its own negligence. Items and their proceeds may be handled in accordance with applicable Federal Reserve rules, clearinghouse rules, funds transfer system rules, and contractual agreements with other financial institutions. All items are credited subject to final payment and our receipt of cash or its equivalent. Without prior notice to you, we may charge back any dishonored item at any time, whether before or after final payment by the drawer's bank, even if doing so results in an overdraft in the account.

We may exercise charge-back whether the item is returned or not, and whether it is returned by electronic or other means. You will be liable for any overdraft created by the charge-back, including applicable overdraft fees. We are authorized to pursue collection of previously dishonored items and, in doing so, we may permit the payor bank to hold an item beyond any applicable deadline.

We may from time to time offer a service whereby we immediately cash checks or other items that we receive from you for collection without regard to insufficient collected or available funds in your account to cover the checks or items at that time. In the event that you use such service, you agree to pay our applicable fees and charges. We reserve all rights of chargeback and other rights and remedies as provided in this Agreement, or as provided by law, in the event such checks or items are dishonored or returned unpaid, or in the event that you breach any warranty or other term of this Agreement with respect to such checks or items, and our immediate cashing of such checks or items in exchange for a fee shall in no way be construed as a waiver of such rights and remedies.

As your agent for collecting your checks, we may "truncate" your paper checks (i.e., convert them into electronic information or images) and present and return them electronically. We may also truncate paper checks that are dishonored by the drawer's bank when we re-present them. Under authority of federal law (commonly called "Check 21"), we may reconvert a truncated check into a paper "substitute check" which is the legal equivalent of the original. For further details, see Section VI – Important Information For Our Consumer Customers About Substitute Checks below.

5. Authorized Signers; Remotely Created Drafts; Facsimile Signatures. You agree that each signer on your account is authorized individually to conduct any and all business with respect to the account and to perform any and all account transactions, subject to this Agreement. Also, you appoint as your attorney-in-fact and/or duly authorized agent each person whose name is recorded as a signer on the signature card for an account to conduct all business with respect to the account (except as restricted herein) including, but not limited to, issuing stop payment orders, depositing funds to the account, closing the account and receiving the balance of funds on deposit, endorsing any item payable to a depositor (or payable jointly to a depositor and any other person) for deposit to the account, and withdrawing funds from the account. You authorize us to honor instructions received by us from any such person, whether such instructions are written, oral (including by telephone) or electronic. Where applicable law requires your concurrence in any transaction or business regarding or affecting your account, you expressly authorize any other signatory on your account to concur on your behalf as your attorney-in-fact or agent, and the authorization of any such transaction or business by any other signatory constitutes your concurrence without any further action or expression on the part of such signatory or on your part. Because our automated check processing precludes us from identifying items that require multiple signatures, you agree that any multiple signature requirement is for your internal purposes only, and you authorize us to debit your account even though the item contains less than the required number of signatures. We may, if we elect to do so, honor items signed in a different form from that set forth on the signature card, or we may refuse to pay any item where the account to be charged is not accurately described or encoded, or the signer's name is in a form different from that on our records of persons authorized to sign. Subject to any other provisions of this Agreement relating to our procedures, conditions, requirements, and discretion as to powers of attorney, and without limitation on the foregoing provisions as to the attorney-in-fact and/or agency status of the other signatories on your account, an authorized signer may appoint one or more attorneys-in-fact to execute items on his or her behalf. An attorney-in-fact may sign his or her own name or the name of the authorized signer for whom he or she is acting. All authorized signers are bound by and subject to the terms and conditions of this Agreement.

Subject to the provisions of applicable law, the authority of any person who has no beneficial ownership interest in the account and who is authorized as a signer on the account and has the designation in the account signature card of additional authorized signatory, convenience signer or personal agent, or a similar designation of representative authority, will survive the disability, incompetency and incapacity of the account owner(s), and we may rely on the authority of any such person until actually notified in writing, in form and substance acceptable to us, of the revocation of such person's authority and given a reasonable opportunity to act upon such notification.

If we pay an item that you have not signed, but you have provided information identifying your account to a seller of property or services who created an item purportedly authorized by you, payment of the item is deemed to be authorized.

If you use a facsimile signature or other form of signature for signing or authenticating items drawn on your account, you assume the entire risk that such facsimile signature or device will be used improperly or by an unauthorized person. We will have no liability to you for paying items signed or authenticated by any person who is not authorized to affix such facsimile signature or use such device or by any person who exceeds his or her authority to do so.

If you have opened your account electronically or have signed or authenticated an account signature card electronically, you agree that any written signature that you apply or cause or direct to be applied to any item drawn on your account is an authorized signature and that we, in paying items drawn on your account, may refer to and rely on such written signatures on authorized items previously drawn against your account for signature verification purposes.

6. Fraud Detection And Deterrence; Identity Theft. Check fraud and identity theft are big problems for banks and their customers. There are several precautions you can and should take to decrease the risk of unauthorized debits to your account. Such precautions include, but are not limited to:

- Safeguarding critical identity information such as your deposit account number.
- Safeguarding checkbooks, unused checks, electronic access devices, ATM and debit card PIN numbers, and facsimile signature machines.
- Reviewing checkbooks, unused checks and online statements for unauthorized activity upon any suspicion that checks may have been stolen.
- Closing your account immediately upon discovery of any known or suspected unauthorized debits.
- Using services that help detect and deter fraud (such as "positive pay"). If we offer you such a product or service, you agree that if you fail to accept and implement it you will be precluded from asserting claims against us for paying any unauthorized debit that could have been avoided by use of the product or service.

You agree to call us immediately at **1-800-REGIONS (734-4667)** if you suspect or detect any fraudulent activity or unauthorized transactions in your account, and you agree to cooperate with us to mitigate the effect of any fraudulent or criminal activity affecting your account and to recover any losses you or we may incur as a result of fraudulent or criminal activity affecting your account.

7. Keeping Track Of Your Transactions; Posting And Payment Of Transactions; Limits On Withdrawal; Cashing Checks For Third Parties. For purposes of this Agreement, "available balance," "available funds" and words of similar import mean the balance in your account that is immediately available for the posting, payment, or authorization of payment, withdrawal, or other debit transactions. Funds subject to holds (e.g., funds availability holds or delays, or transaction authorization holds) will not be available for the posting, payment, or authorization of payment, withdrawal, or other debit transactions. The balance available throughout the day for the authorization of payment and withdrawal transactions

may increase or decrease as our deposit systems receive or recognize transactions on your account. You acknowledge and agree that you are responsible for keeping track of your available balance and all transactions made on your account to ensure your available balance is sufficient to cover all transactions. If you wish to avoid overdrafts and the return of items due to insufficient funds and associated fees, you should not execute debit transactions that may be presented for payment when your account's available balance is insufficient to cover the transactions. Overdraft and nonsufficient funds fees are determined when transactions are presented for payment. We offer tools and services that can help you monitor your account balance and activity, including the balance of funds currently available for debit or withdrawal debit transactions, and we recommend that you use them. For example, you may keep track of transactions and balances by using Regions Online and Mobile Banking, by calling us at 1-800-REGIONS (734-4667), by using our ATMs, video teller machines and branch facilities, or by enrolling for email and mobile alerts (Regions Online and Mobile Banking services are subject to enrollment requirements and separate terms and conditions).

You agree that we may post transactions to your account and pay items presented for payment in any order and using any methodology or protocol that we choose, and you acknowledge and agree that we may change the posting and payment order, methodology or protocol that we use at any time and from time to time without notice to you. In the event you do not have sufficient available funds in your account to pay all items or withdrawal requests presented to us on a given day, we may pay such items or honor such requests in any order we choose, and we may return items or refuse payment requests in any order we choose. You will be responsible for the payment of any fees that are imposed as a result of our decision-making process, and you agree that we will in no way be liable to you in the event the method and order that we choose to post transactions and pay items result in higher aggregate fees being charged against your account than other methods and ordering protocols that may have been used.

Without limiting our discretion in the choice of transaction processing methods and protocols, and without limiting our right to change such methods and protocols without notice to you, you acknowledge that we may use the following general processing methodology to post transactions to your account:

ACCOUNTS CLASSIFIED AS PERSONAL DEPOSIT PRODUCTS ON OUR DEPOSIT SYSTEM

1. We start with the available balance in your account at the end of our business day.
2. We add available deposits and credits in the following order:
   (i) Closing credits.
   (ii) General deposit and credit transactions (e.g., wire transfers, deposits, ACH credits, etc.).
3. We subtract debits, payments, and withdrawals in the following order:
   (i) Returned deposited items.
   (ii) General debit/withdrawal transactions (e.g., wire transfers, ACH debits, Zelle® payments, checks, etc.) in time order according to time stamps applied to the transactions by our processing systems. Different processing systems may use different logic for setting and applying time stamps, but time stamps generally are based on the time when the processing system receives or recognizes a transaction and may not correspond to the time when you initiate, execute, deliver, submit, or authorize a transaction. If our processing system for some reason does not apply a time stamp to a transaction, the transaction will be assigned a default end-of-day time stamp and will post after all other general debit/withdrawal transactions. In the event multiple debit/withdrawal transactions have the same time stamp (including multiple transactions with the default end-of-day time stamp), electronic items will post before paper items, electronic items with the same time stamp will post in low to high transaction amount, and checks with the same time stamp will post in ascending check number order.
   (iii) Fees generated from our deposit systems.
   (iv) Closing withdrawal.

NON-PERSONAL ACCOUNTS (INCLUDING BUSINESS, COMMERCIAL, PUBLIC FUNDS, NOT-FOR-PROFIT, AND IOLTA/IOTA DEPOSIT PRODUCTS)

1. We start with the available balance in your account at the end of our business day.
2. We add available deposits and credits in the following order:
   (i) Closing credits.
   (ii) General desposit and credit transactions (e.g., wire transfers, deposits, ACH credits, etc.).
   (iii) Non-personal credits generated from our commercial deposit systems.
3. We subtract debits, payments, and withdrawals in the following order:
   (i) ACH settlement.
   (ii) Returned deposited items.
   (iii) Non-personal debits generated from our commercial deposit systems.
   (iv) General debit/withdrawal transactions (e.g., wire transfers, ACH debits, checks, etc.) in time order according to time stamps applied to the transactions by our processing systems. Different processing systems may use different logic for setting and applying time stamps, but time stamps generally are based on the time when the processing system receives or recognizes a transaction and may not correspond to the time when you initiate, execute, deliver, submit, or authorize a transaction. However, all checks will ordinarily receive a time stamp of 11 p.m. Central Time. If our processing system for some reason does not apply a time stamp to a transaction, the transaction will be assigned a default end-of-day time stamp and will post after all other general debit/withdrawal transactions. In the event multiple debit/withdrawal transactions have the same time stamp (including multiple transactions with the default end-of-day time stamp), electronic items will post before paper items, electronic items with the same time stamp will post in low to high transaction amount, and checks with the same time stamp will post in ascending check number order.
   (v) Closing withdrawal.
   (vi) Fees generated from our commercial deposit systems.

With respect to any account, whether a transaction is posted on any given business day may depend on our receipt of the transaction before applicable cutoff times.

Modern bank payment processing systems and operations are complex. You acknowledge that the description of the foregoing processing methodology is general in nature and does not describe in detail or limit in any way all possible processing decisions or protocols that we may make or use within the context of the general methodology. You release us from any and all liability and claims based on the omission of any such possible decision or protocol in particular from the general methodology description. If you have questions about particular transaction processing and posting order matters, please call us at 1-800-REGIONS (734-4667).

If we pay any item that results in an overdraft in your account, you agree to pay us for the amount of the overdraft and to pay our standard overdraft or nonsufficient funds fee then in effect. If we return any item that would have overdrawn your account if the item had been paid, you agree to pay our standard nonsufficient funds or returned item fee then in effect. An overdraft, nonsufficient funds or returned item fee may result from any item presented for payment against insufficient available funds

in your account, including a check, in-person withdrawal, ATM withdrawal, debit card transaction or withdrawal by any other manual or electronic means whatsoever. We may charge the amount of any overdraft and/or any overdraft, nonsufficient funds or returned item fee to any account you have with us. All fees are set forth in our pricing schedule. Other provisions of this Agreement may provide additional information regarding overdrafts and overdraft protection.

As you use your account, you should bear in mind that modern payments systems may be more likely to process transactions in real time or near real time. In such a processing environment, if you do not wish to incur overdraft, nonsufficient funds or returned item fees when you write a check or initiate a debit, you should make sure your account contains sufficient available funds at that time (and, in the event of a delay in processing or presentment, at the time the item is presented against your account for payment) to cover the transaction. If you initiate transactions when your account does not contain sufficient available funds and then later make a deposit to cover those transactions, it is likely that those transactions could overdraw your account or be returned for insufficient funds.

We reserve the right to limit the amount of funds that may be withdrawn from your account in cash for various reasons including, without limit, the amount of currency that is available at a particular branch or ATM terminal. This limit is in addition to those set forth in other sections of this Agreement.

We process items with high-speed automated equipment. In order for that equipment to function properly and efficiently, all items drawn against an account or used to withdraw funds from an account must meet certain formatting and other technical specifications. Information concerning these specifications is available upon request. If an item that does not meet these specifications is presented to us, we reserve the right to reject the item, impose a special fee for processing the item, or both. We also reserve the right to refuse a withdrawal or transfer request which is attempted by any manner not specifically authorized for the account in question, which is greater in frequency or number than that specifically permitted for the account in question, or which is for an amount less than any minimum withdrawal or transfer denomination required for the account in question.

Some checks that you originate as paper checks may be truncated (i.e., converted into electronic information or images). The truncated items may be reconverted to substitute paper checks. In either case, we may debit your account for these items, regardless of the form they take. Moreover, we may debit your account for other items that do not qualify under federal law as "substitute checks," including electronic information and Image Replacement Documents, if they are replacements for properly payable items.

Because cashing a check for a person who does not maintain a deposit relationship with us exposes us to additional fraud risks and imposes additional administrative burdens on us, you agree that we may charge a fee for cashing a check for any such person when the check is drawn on your account, deduct the fee from the cash remitted to such person, and/or require a thumbprint or other physical and/or documentary requirements from such persons. We also may provide certain ATM or electronic kiosk check cashing services to persons who maintain deposit or other financial services relationships with us, or we may offer such persons expedited funds availability options with respect to certain check transactions. When these customers use any such service with regard to any check drawn on your account, you agree that we may charge a fee for the service and deduct the fee from the check proceeds. You release us from any and all claims and liability for charging any person a check cashing fee or other fee related to the handling or processing of a check, and/or for refusing to handle, process or pay a check for which the fee is not paid or with respect to which physical or documentary requirements are not satisfied, including (but not limited to) any claims for wrongful dishonor.

8. Interest-Bearing Accounts.

Account Limitations. We reserve the right to ask for seven days' written notice before you may withdraw money from savings and money market deposit accounts and from interest-bearing checking accounts that we designate as, or that are classified in our books and records as, negotiable order of withdrawal (NOW) accounts, as such accounts are defined and described in 12 U.S.C. § 1832, 12 C.F.R. Part 204, and/or other applicable regulations, as amended. You must satisfy any and all eligibility requirements established by federal regulations or us in order to maintain these accounts. Please refer to our pricing schedule for transaction and other fees related to these accounts. There may be other limitations that apply to these accounts.

Payment Of Interest. We have no obligation to pay interest on any deposit, except as required by law or otherwise agreed by us or disclosed to you in writing. For interest-bearing accounts, interest will be paid at the rate and on the interest payment dates we establish from time to time for that type of account. We use the daily balance method to calculate the interest earned on your account. This method applies a daily periodic rate to the collected balance in your account each day. Interest begins to accrue on cash, electronic payments and on deposits of checks drawn on us on the business day the cash or such check is deposited into your account. Interest begins to accrue on your account no later than the business day we receive credit for the deposit of items such as a check you deposited to your account. We will receive credit for checks drawn on other financial institutions based on the general availability schedule established either by the Federal Reserve Bank or its appropriate branch for the district in which we are located. We may not pay interest on funds represented by an item that is returned unpaid. If your account is converted for any reason from an interest-bearing to a non-interest bearing account before interest is credited, you will not receive the accrued interest. To receive interest (or certain rates of interest) on your type of account, you may be required to maintain a minimum balance of collected funds established by us from time to time. The interest rate paid on your interest-bearing account is determined by us, in our sole judgment and discretion. The Interest Rate and Annual Percentage Yield (APY) may vary depending on the type of account, the balance in the account, and other factors. For certain types of accounts, the interest rate and APY may vary as often as every day. The details of these conditions are contained in the pricing schedule.

9. Sub-Accounts. Accounts, whether interest-bearing or non-interest-bearing, may be divided into two sub-accounts: a transaction sub-account to which all financial transactions are posted; and a money-market holding sub-account into which available balances above a preset level are transferred daily. Funds will be retransferred to the transaction sub-account to meet transactional needs. For non-interest bearing accounts, both sub-accounts are non-interest bearing. For interest bearing accounts, both sub-accounts pay the same interest rate. Transfers can occur on any business day. Transfers to the holding sub-account will be made whenever available balances in the transaction sub-account exceed a preset level. Transfers from the holding sub-account to the transaction sub-account will be made whenever transaction sub-account balances fall below a preset level. If banking regulations limit the number of transfers between these types of sub-accounts, all balances in the holding sub-account will be transferred to the transaction sub-account when the limit for any particular period is reached. Both sub-accounts are treated as a single account for purposes of deposits and withdrawals, access and information, tax reporting, fees, etc., except that we reserve the right to require seven days' advance notice before permitting a withdrawal from the holding sub-account. We are required by law to reserve this right.

10. Review Of Statements. You are responsible for exercising reasonable promptness in examining your account statement each statement period, or if provided, originals or imaged copies of cancelled checks, or your account activity through the internet if we provide

such access, to determine whether any payment or debit was not authorized because of an alteration of an item or because a signature or endorsement on the item was unauthorized, or for any other discrepancy or reason for which you believe that the debit is not correct. If you discover an unauthorized payment or other discrepancy, you must promptly notify us in writing of the relevant facts. Your report must identify the specific items or debits that you are challenging.

If you fail to comply with your duty to examine your statements and account activity and report errors, discrepancies and unauthorized transactions, in addition to any and all other rights and remedies available to us, we shall have the defenses contained in § 4-406 of the Uniform Commercial Code (UCC), as amended, as adopted in the state in which your account was established. In addition, if your claim involves a series of items containing unauthorized signatures or alterations by the same wrongdoer, or conspiracy of wrongdoers, you shall be precluded from asserting against us any unauthorized signature or alteration by the same wrongdoer or conspiracy of wrongdoers on any item paid in good faith on or after 10 calendar days after the first statement describing the first altered or unauthorized item was sent or made available to you. By this provision, you and we intend to define a reasonable time period for the examination of bank statements for purposes of the "Repeater Rule," or the "Same Wrongdoer" rule as provided in § 4-406(d) of the UCC.

Without regard to the care or lack of care of either you or us, if you fail within 30 calendar days after the statement or item is sent or made available to discover and report with respect to an item (i) your unauthorized signature, (ii) any unauthorized or missing endorsement, or (iii) any alteration on an item, you shall be precluded from asserting against us the unauthorized signature, the unauthorized or missing endorsement or alteration on that item. This absolute preclusion applies (i) to each item that you fail to report within 30 calendar days and (ii) regardless of the legal theory you assert. By this provision, you and we intend to shorten the absolute statutory preclusion period for unauthorized signatures and alterations specified in § 4-406(f) of the UCC and to establish a contractual condition precedent for reporting claims involving unauthorized or missing endorsements.

Except for transactions covered by the Electronic Funds Transfer Act or unauthorized debits involving Substitute Checks, you must report any other problems with your account within 30 calendar days of the date we send or make available the statement or items, failing which you will be precluded from asserting the problem against us, even if we fail to exercise ordinary care in the transaction.

If we provide you with access to your account via the internet, then for purposes of your duty to examine your statements and account activity and report errors, discrepancies and unauthorized transactions, account statements and items will be deemed to be "made available" on the day the subject debit occurred, whether you accessed your account through the internet or not.

If you do not timely receive any account statement, you shall notify us as soon as possible but in no event later than 10 calendar days after such account statement would ordinarily be received by you.

You agree to complete such affidavits and documents we deem necessary to process any claim you make regarding your account. You also agree that you will provide all reasonable cooperation to us in the civil or criminal prosecution of (i) any party responsible for any unauthorized withdrawals from your account or (ii) any party who has made an unauthorized endorsement on any item payable to you if such item was deposited or negotiated by us. Your failure to comply with these procedures may result in a denial of your claim.

We will mail the statement to the address for the account in our records, unless you and we have agreed to a different means for the delivery of statements. You agree to notify us immediately of any change in your mailing address for the delivery of statements. If any statement is returned to us because of an incorrect address, we may suspend sending statements to you until you notify us of your correct mailing address, or we may, at our sole discretion and without obligation, use any source available to us to update and/or validate the accuracy of your mailing address and begin sending statements to such updated and/or validated address. If you have requested us to hold, rather than mail your statements, you must call for them promptly. You will be responsible for the same care in reviewing the statements and related items as if they were mailed.

11. Check Retention Accounts. If you select an account in which checks are truncated or imaged, you authorize us to retain a copy at our expense of all checks, drafts, and/or debit or credit advices for the account. The original documents will be destroyed after they have been copied. The copies will be available for seven (7) years from the date the checks are paid. All copies produced are subject to a copy fee. To produce a copy, we need the account number, the check number, the exact amount of the check, and the date the check was paid. If we can't provide a check copy and you lose money as a result, our liability is limited to any direct loss you sustain up to the amount of the check. You agree to provide any information we require concerning the missing check prior to our payment of your claim, and if you fail to substantiate your claim, we may decline to pay it. You agree that our retention of checks and other items does not alter or waive your responsibility to examine your statements or change the time limits for providing notice to us of forged or altered items, or other errors.

12. Service Charges. You agree to pay all service charges and fees that apply to your account or transactions within or affecting your account. The amounts of charges and fees are subject to change from time to time, and new types of charges and fees may be added and apply to your account from time to time. We will notify you of changes and additions to fees and charges as required by applicable law; otherwise, such changes and additions may be made without notice to you. You acknowledge receipt of our pricing schedule listing current service charges, fees and balance requirements. You further acknowledge that the pricing schedule you have received does not necessarily reflect all possible fees and charges that may apply to your account from time to time. A current pricing schedule is available at our branch offices, and you may request information about any fees and charges applicable to your account from any of our customer service representatives. You agree that we may debit all applicable fees and charges, as well as charges for the purchase of checks, drafts, and other items purchased by you from or through us, to your account when due without further notice. You also agree that we will not be liable for returning items because of insufficient funds that result from debiting your account for these charges. In addition, you agree to pay all expenses, including reasonable attorneys' fees, involved in the collection of fees, charges, overdrafts,or the enforcement of any other of our rights or remedies in relation to your account.

13. Endorsing Items. If you sign, stamp or affix an endorsement to an item that extends into the space reserved for bank endorsements or otherwise cause our endorsement to be obscured, and the return of an item is delayed because of the obscured bank endorsement, you agree to reimburse and hold us harmless against any loss, expense and cost we may incur because of your endorsement. You authorize us to debit any such amount against your account without further notice to you.

14. Information-Sharing. If you are a consumer who has obtained a financial product or service from us that is used primarily for personal, family or household purposes, you should refer to our privacy notice for a description of our information sharing policies and practices. You may request a copy of our privacy notice from any of our customer service representatives. Provisions regarding the sharing of consumer account information are also set forth in Section V – Electronic Funds Transfer Disclosure to Our Consumer Customers. Otherwise, you agree that we may disclose information as necessary or convenient to perform our obligations and responsibilities in relation to your account, or to the extent not prohibited by law. If you authorize or direct a third party to request information from us about your account or your other banking

relationships with us, you acknowledge and agree that we may charge a fee for furnishing the information to such party.

15. Verification. You authorize us to investigate or reinvestigate at any time any information provided by you in connection with your application for or use of any account, and to request reports from credit bureaus and consumer reporting agencies for such purposes and for any other purpose permissible under applicable law. In order for us to verify that you continue to qualify and meet eligibility requirements for your account, or to fulfill our policies and procedures with respect to the monitoring of accounts, or to comply with the requirements of applicable law or regulation, we may from time to time request you to confirm information you have provided to us or to provide us with additional information. You agree to confirm information or to provide additional information as we may request and within 30 days after our request. Pending your compliance with our request, you agree that we may, in our discretion and without closing your account, limit or suspend your access to your account, refuse to permit withdrawals or transfers from or deposits to your account, or take such other action as we deem appropriate or legally required, all in our judgment and discretion and without limiting or waiving any other rights or remedies available to us, and without any liability to you (including, without limitation, any liability for any claim for wrongful dishonor of any item).

16. Automated Clearinghouse. From time to time, you may be a party to an Automated Clearinghouse (ACH) entry that may be credited or charged to your account. You agree to be bound by applicable automated or other clearinghouse rules and regulations then in effect. Some checks that you give to a merchant may be converted by the merchant into ACH debit entries, in which case they will be collected electronically and charged against your account much more quickly than a paper check. This means that (a) you will have a reduced right to stop payment, (b) you need to make sure that your account has sufficient collected funds to cover the debit, and (c) you will not receive any copy of a cancelled check with your monthly statement. If a merchant uses a blank check to initiate a debit entry at the point of sale, the merchant should return the voided check to you. You should treat the voided check with care because someone else who obtains possession of it could use the information to initiate additional debits against your account. A merchant who receives your check by mail should give you notice of the conversion but will destroy the original check. Whether your check is converted at the point of sale or at the merchant's lockbox, a description of the transaction will appear on your monthly statement from us. For further information on ACH transfers, see Section V – Electronic Funds Transfer Disclosure to Our Consumer Customers.

17. Wire Transfers. We have established rules and security procedures for initiating and receiving funds transfers to the extent they are not subject to the Electronic Fund Transfer Act or Regulation E. These include a requirement that you sign a Funds Transfer Agreement before we initiate certain funds transfers. In the event you do not execute our Funds Transfer Agreement and in consideration of our handling your funds transfers, you agree to abide by our established rules and security procedures for funds transfers which include, without limitation, the following:

Governing Rules. You agree to be bound by any rules then in effect governing the use of any system through which the funds may be transmitted including, but not limited to, Federal Reserve Board Regulation J with regard to FEDWIRE.

Notice. We will not give telephonic notice to you of incoming credits unless you make a written request for the service in advance. If so requested, we will use reasonable efforts to provide such notification, but shall have no liability for failure to notify or for incorrect or untimely notification. You will receive confirmation of executed funds transfer payment orders in the periodic statements provided by us to you. If you believe we have failed to properly credit or debit a transfer to you, you agree to promptly notify your account officer or banking representative at the branch where you do your principal business of all of the relevant facts. If you fail to notify us within 30 days of the mailing of the statement reflecting the debit caused by a wire transfer, the debit is deemed to be authorized.

Final Payments. Except for FEDWIRE funds transfers, any credit we give you is provisional until we receive final payment. If we do not receive final payment, you agree that we may reverse the credit to your account or that you will otherwise reimburse us if funds in your account are not sufficient.

Compensation. In the event we shall be liable to you for the delay or improper completion of funds transfer as a result of our error, our liability shall be limited to payment for loss of interest on the use of the funds. Interest shall be calculated on the basis of the average Federal Funds rate for the period involved. Any such compensation will be paid, in our option, by either (a) a lump sum payment of cash, or (b) a credit to your account with us.

Use of Account Numbers. You are notified and agree that if your payment order in a funds transfer identifies any bank or the beneficiary by both a name and an identifying (or bank account) number and the name and number identify different persons, execution of the payment order, payment to the beneficiary, or cancellation of the payment order may be made solely on the basis of the identifying number. We shall have no liability for failing to detect any error contained in any payment order sent by you to us.

By using any of our funds transfer services, you acknowledge and agree that our methods and procedures for the authorization and authentication of funds transfers constitute commercially reasonable security procedures under applicable law.

Unless we have otherwise expressly agreed with you in writing, if we receive a funds transfer denominated in foreign currency for credit to your account, we may, in our discretion, prior to or upon acceptance of the transaction, convert the transaction to the U.S. dollar equivalent at our exchange rate in effect at the time of conversion pursuant to our policies and procedures. Exchange rates may differ depending on the amount of the transaction. Exchange rates may fluctuate significantly in a short period of time. You bear all exchange risk related to funds transfers denominated in foreign currency.

18. Assignment. Accounts are transferable only on our records, and except as expressly provided in this Agreement, you may not assign or transfer your account (whether as security for a debt or otherwise) or this Agreement, or any of your rights therein or thereunder, without our written acknowledgement and consent, which may be granted or withheld in our absolute discretion. In the event we acknowledge and consent to the transfer or assignment of any account, such account will remain subject to our right of setoff and our other rights and remedies hereunder with respect to obligations incurred and defaults, events, and/or circumstances occurring or existing both before and/or after the transfer or assignment. We may assign this Agreement and/or any or all of our rights hereunder, or delegate any or all of our responsibilities hereunder, to any third party or parties in our discretion and without notice to you, subject to the requirements of applicable law. Subject to the foregoing, this Agreement shall be binding on the parties hereto and their respective successors and assigns.

19. Insufficient Funds And Overdrafts. If an item is presented for payment on your account at a time when there is an insufficient balance of available funds in your account to pay the item in full, you agree to pay us our charge then in effect for items drawn against insufficient or unavailable funds, whether or not we pay the item. Overdraft and nonsufficient funds fees are determined when transactions are presented for payment. If any item is presented again after having previously been

returned unpaid by us, you agree to pay this charge for each time the item is presented for payment and the balance of available funds in your account is insufficient to pay the item. You waive notice of the return of any item unpaid and notice of the imposition of any insufficient or unavailable funds charge. At our election, we may pay any item drawn against your account even though the item causes an overdraft to the account. You agree to pay the overdraft amount and applicable fee. If the account is a multi-party account, you agree that all depositors will be personally liable, jointly and severally (and solidarily if applicable), for payment to us of all overdrafts on the account, regardless of which depositor created the overdraft and whether the other depositors knew of the overdraft, participated in activity on the account, or benefited from the overdraft. We are under no obligation to let you overdraw your account. The honoring of past overdrafts will not obligate us to honor overdrafts in the future. You understand that any overdraft in your account may be subject to a security interest that you have granted in the past or will grant in the future to support another debt you owe us.

20. Automated Item Processing. We have adopted collection and payment procedures that allow us to process all items at a lower cost to our customers. These automated procedures involve high-speed automated check processing machines that read information encoded onto each item in magnetic ink. In recognizing this fact, you agree that we may disregard any information on an item drawn on your account other than the signature of the authorized signer, the identification of the drawee bank and payee, the amount of the item, and any other information that appears in magnetic ink at the bottom of the item. We are not bound by any other information on the item, including terms such as "Payee's endorsement required," "Not good for more than $(amount)," "Void if not paid in (number) days," and similar language. You also agree that we do not fail to exercise ordinary care in paying an item solely because our procedures do not provide for the sight examination of any items, or do not provide for sight examination of items below a threshold amount we determine from time to time. We will not be liable for processing errors or delays due to printing inaccuracies or faulty magnetic ink encoding of critical data that result from your use of checks or other items in a form not approved by us in advance. Checks you write may be converted into electronic information or images (truncated) during the check collection and return process. If you elect to have your checks printed by a vendor that has not been approved by us, or you use check stock or features (e.g., security features) that cause critical data to disappear or be obscured upon truncation, or you make your check out in a way (e.g., using a lightly colored ink) that causes critical data to disappear upon truncation, you agree to bear the risk of loss. You also agree to bear the risk of loss if you use check stock that contains printing inaccuracies, faulty magnetic ink, faulty encoding, or duplicate serial numbers.

21. Postdated, Stale And Expiration Date Items. If an item presented for payment against your account is postdated or contains an expiration date, we may pay the item when presented or return it, at our option, and we shall have no liability to you for taking either such action. If a check, instrument, or other draft you have drawn on your account is postdated or contains an expiration date (a "Dated Check") and you do not wish us to pay such Dated Check prior to its date or after its expiration date, as applicable, you may submit a stop-payment order as provided in this Agreement and the handling of such Dated Check shall be governed by the stop-payment order provisions of this Agreement. You are solely responsible for timely cancelling a stop-payment order on any Dated Check that is postdated if you wish for us to pay such Dated Check on or after its date and prior to the expiration date of the stop-payment order. We shall have the right, at our option and without notice to you, to pay or return any item that is presented for payment against your account more than six months after its date, and we shall have no liability to you for taking either such action.

22. Stopping Payment; No Stopping Payment Of Bank Instruments. If a check, instrument, or other draft you have drawn on your account (a "Check") has not already been paid or verified for payment to the payee, you may ask us to stop payment. You must tell us the exact amount of the Check, the Check number, the date of the Check, the name of the payee, and the full account number on which the Check is drawn. If you produce a Check by computer or in any other manner that does not contain a magnetic-encoded check number, we may not be able to honor the stop-payment order. We must receive your stop-payment order in time to permit us a reasonable opportunity to act on it in the ordinary course of business. If the information you give us is not correct, or if you do not give us other reasonable information we request about the Check, we will not be responsible if we are unable to effect the stop-payment order. Your stop-payment order, whether oral or written, is effective for six (6) months from the original date of the order. After processing your stop-payment order, we will send to you a written STOP PAYMENT REQUEST/SPECIAL PAYING CONFIRMATION indicating the date the stop-payment order was applied and the date of expiration. You may request us to renew any stop-payment order. You must make your renewal request, orally or in writing, prior to the expiration date of the stop-payment order, and you must provide complete information concerning the Check for which the stop-payment order is to be renewed. A renewal of your stop-payment order will be effective for six (6) months from the date we process the renewal request.

Stop-payment requests and renewal requests are subject to the service charges for such items as set out in our pricing schedule at the time of your request. If we refuse to pay any Check pursuant to your stop-payment order, you agree to hold us harmless from all costs and expenses incurred by us, including our attorney's fees, resulting from our refusal to pay the Check. If we recredit your account after paying an item over a valid stop-payment order, you agree to transfer to us in writing all of your rights against the payee or other holder of the item and to assist us in legal action against that person. If we fail to honor a timely and accurate stop-order, we reserve the right not to recredit your account unless you can demonstrate the fact and amount of your loss.

You may request us to cancel any stop-payment order prior to the expiration of the order. You must provide such information as we may reasonably require to cancel the stop-payment order, and we may require you to make your request in writing and acknowledge and attest to your written request before a notary public.

You do not have the right to stop payment on an official check, a cashier's check, a teller's check, a certified check, a money order or a traveler's check you have purchased from us. These are instruments on which the bank itself is or may be obligated. However, if a bank instrument you purchased is lost or stolen, you may obtain a replacement instrument, provided that we have not already paid the lost instrument. To obtain a replacement instrument or get your money back, you must execute such affidavits and indemnification agreements and/or furnish such bonds as we may require in our discretion. In general, your claim will become enforceable in 90 days. Once it becomes enforceable, we will issue a replacement instrument or refund your money if we have not already paid the lost instrument.

We may permit you to attempt to stop payment on items other than Checks. You agree to be bound by and to comply with our rules and procedures, the rules and procedures of participating payment networks, processing systems, and clearinghouses, and applicable law and regulation in the event we permit you to attempt to stop payment on such other items. Checks and other items that are subject to stop payment orders may reduce your available balance when they are presented against your account pending our return of such Checks and other items.

23. Multi-Party Accounts. If your account is a personal account and has more than one owner name on it, we will treat it as a joint tenant account with right of survivorship (to the extent such accounts are recognized under applicable law) unless otherwise expressly designated on the signature card or other account records maintained by us. We may require you to sign additional forms to establish the account. Each

depositor of a multi-party account hereby appoints the other(s) as his or her attorney-in-fact and/or duly authorized agent to conduct all business with respect to the account including, but not limited to, issuing stop payment orders, depositing funds to the account, withdrawing funds from the account, entering into any agreement, terms or conditions for the use of other products or services in connection with the account, closing the account and receiving the balance of funds on deposit, and endorsing any item payable to any other depositor (or payable jointly to any other depositor and any other person) and either depositing the item in the account or receiving all or any part of the item in cash. The authority granted herein to each depositor shall extend to any conservator, guardian, or other fiduciary or personal representative of such depositor. Where applicable law requires your concurrence in any transaction or business regarding or affecting your account, you expressly authorize each other depositor on your account to individually concur on your behalf as your attorney-in-fact or agent, and the authorization of any such transaction or business by any such other depositor constitutes your concurrence without any further action or expression on the part of such other depositor or on your part. Subject to any other provisions of this Agreement relating to our procedures, conditions, requirements, and discretion as to powers of attorney, each depositor also may appoint one or more attorneys-in-fact without notice to or consent of any other depositor, and no other depositor will have the authority to revoke or limit the power of attorney made by another depositor. To the extent not prohibited by applicable law, we may, at our discretion, require that all depositors sign the power of attorney before we will recognize it. We are not required to remove a depositor from the title to a multi-party account without the written consent of the other depositor(s). The liability of each depositor on a multi-party account is joint and several (and solidarily if applicable).

24. Formal Trust Account. A formal trust account is an account held by one or more trustees for the benefit of one or more beneficiaries according to a written trust agreement or a will provided to us at the time the account is opened. If the trustee(s) die or are replaced, then we will not release any funds until we are satisfied that all required legal documents have been delivered to us and that all other legal requirements have been met. At our option, as a condition to opening or continuing to maintain a trust account, or to disbursing funds from a trust account, we may require the trustee(s) and/or each beneficiary to execute certain certificates, affidavits, and/or instruments attesting to the terms of the trust, their respective rights therein, and/or such other facts or information as we may require in our discretion. We may accept such certificates, affidavits, and/or instruments in lieu of accepting and/or reviewing a copy of the trust instrument, and in such event we may rely on the information set forth in such certificates, affidavits, and/or instruments (which information shall control in the event of any conflict with the terms of the trust instrument) and we shall not be charged with knowledge of any of the provisions of the trust instrument.

25. "In Trust For" / Payable On Death (POD) Accounts. If an account is opened without a written trust agreement and the account is in the name of one or more depositors for the benefit of one or more beneficiaries, or names one or more POD beneficiaries, all funds in the account will be paid, upon the death of the depositor or surviving depositors, in equal shares to the person or persons then living who are named as beneficiary or beneficiaries (whether an adult or minor) and, unless applicable law expressly provides otherwise, the money in the account will not be inherited by the heirs of the depositor(s) or controlled by the will of the depositor(s). Payment of the account funds to such beneficiary or beneficiaries shall fully release us from all liability. During the lifetime of the depositor(s), any interest of the beneficiary or beneficiaries in such an account shall be deemed for all purposes to be revocable and only the depositor(s) may withdraw funds therefrom. Certain state law restrictions and provisions also may apply.

26. Accounts Established On Behalf Of Others. If you have established an account as a custodian for a minor beneficiary under the applicable state version of the Uniform Transfers to Minors Act or the Uniform Gifts to Minors Act, your rights and duties are governed by the Act. You will not be allowed to pledge the account as collateral for any loan to you. In the event an account is established by a party (i) for or on behalf of a minor (and such account is not established under the Uniform Transfer to Minors Act) or (ii) for or on behalf of another individual who is not the subject of a guardianship or conservatorship as ordered by the Court, we may in our sole discretion pay the funds on deposit in such account to the party establishing the account or, upon request, to the party for whose benefit the account was established. We will not, however, be responsible for our refusal for any reason to pay funds on deposit to a party for whom the account was established. This provision does not apply to accounts established pursuant to a written escrow agreement, accounts established by court-appointed guardians or conservators, or accounts established by a fiduciary under a written agreement.

27. Business/Organization Accounts And Authorized Representatives. We may rely on the classification and form of ownership for a business account, as set forth on the signature card, for all purposes relating to the account. You represent and agree that (a) you have taken all actions necessary to open and maintain the account, (b) all resolutions or other authorizations given by you to us are true, accurate and complete in all respects, (c) all assumed or fictitious names have been registered or filed with the appropriate governmental authorities, and (d) each person whose name is written or printed on the signature card, any resolution or other separate written authorization concerning the account has complete authority involving the account.

The definition of an authorized representative is a representative(s) of the business or organization who has been identified to us as being authorized to sign checks on, make withdrawals from, or otherwise give instructions with respect to your account and has (have) signed a signature card for the account. An authorized representative may also be a person who has been authorized to obtain account information but may not sign checks. An authorized representative also may be any person reasonably believed by us otherwise to be authorized by the business or organization to act on its behalf or any person who may have capacity to act on behalf of the business or organization under the law of agency.

You agree that each authorized representative, except for those who have not been given signing authority by the business or organization but have the authority to obtain information, shall have full authority, subject to the provisions of any signature card or supporting documents, for all actions relating to your account, including, but not limited to, making deposits, making withdrawals, endorsing checks, closing the account, stopping payment, assigning the account, overdrawing the account, and entering into agreements on your behalf for any other products and services we offer that may be used in connection with your account, and each authorized representative may take such actions alone and without participation by any other authorized representative. Any one of the authorized representatives may write checks and/or withdraw money from your account. We may rely on any resolution and/or certification submitted by a party purporting to be an officer, director, member or partner of an organization and may act upon such document and instructions therein. You will be liable for any deficiency in your account regardless of which authorized representative is responsible for its occurrence.

If there is a dispute between any authorized representative(s), or if one of the authorized representative(s) demands that we not allow any other authorized representative to withdraw money from the account, or if there is a dispute about who is authorized to make withdrawals from or give instructions with respect to an account, or if the bank receives a notice from a party who purports to be an officer, director, incorporator, shareholder, member, or partner of a business or organization disputing the rights of any existing authorized representatives to make withdrawals or handle account transactions, we may (but do not have to) refuse to

allow any withdrawals or other action by anyone until we are satisfied that the dispute is resolved or the demand or notice is withdrawn. We will not be responsible for any damages you may suffer as a result of our refusal to allow you to withdraw money due to the dispute, demand or notice.

We reserve the right, in our sole and absolute discretion, to require that any in-person cash withdrawal from a business or organization account be made by means of a check that is machine printed with the name of the business or organization, the account number, and our routing/transit number and not to permit such withdrawals by means of a blank countercheck or counter withdrawal slip completed with handwriting. You agree that we shall have no liability to you if we do not permit such a withdrawal by means of a blank countercheck or counter withdrawal slip, nor shall we have any liability to you if we do permit such a withdrawal by means of a blank countercheck or counter withdrawal slip, provided the item otherwise is properly payable according to the terms of this Agreement.

28. Special State Provisions And Disclosures. The following provisions apply to accounts in the states indicated and supplement the other terms and conditions of this Agreement. In the event the following provisions conflict with the other terms and conditions of this Agreement, the following provisions shall control with respect to accounts in the states indicated.

Texas Account Disclosures. The type of account you select may determine how property passes on your death. Your will may not control the disposition of funds held in some of the following accounts. You may choose to designate one or more convenience signers on an account, even if the account is not a convenience account. A designated convenience signer may make transactions on your behalf during your lifetime, but does not own the account during your lifetime. The designated convenience signer owns the account on your death only if the convenience signer is also designated as a POD (Payable on Death) payee or trust account beneficiary. *Single-Party Account Without POD (Payable on Death) Designation*: The party to the account owns the account. On the death of the party, ownership of the account passes as part of the party's estate under the party's will or by intestacy. *Single Party Account with POD (Payable on Death) Designation*: The party to the account owns the account. On the death of the party, ownership of the account passes to the POD beneficiaries of the account. The account is not a part of the party's estate. *Multiple-Party Account Without Right of Survivorship*: The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of a party, the party's ownership of the account passes as a part of the party's estate under the party's will or by intestacy. *Multiple-Party Account With Right of Survivorship*: The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of a party, the party's ownership of the account passes to the surviving parties. *Multiple Party Account With Right of Survivorship and POD (Payable on Death) Designation:* The parties to the account own the account in proportion to the parties' net contributions to the account. The financial institution may pay any sum in the account to a party at any time. On the death of the last surviving party, the ownership of the account passes to the POD beneficiaries. *Convenience Account:* The parties to the account own the account. One or more convenience signers to the account may make account transactions for a party. A convenience signer does not own the account. On the death of the last surviving party, ownership of the account passes as a part of the last surviving party's estate under the last surviving party's will or by intestacy. The financial institution may pay funds in the account to a convenience signer before the financial institution receives notice of the death of the last surviving party. The payment to a convenience signer does not affect the parties' ownership of the account. *Trust Account:* The parties named as trustees to the account own the account in proportion to the parties' net contributions to the account. A trustee may withdraw funds from the account. A beneficiary may not withdraw funds from the account before all trustees are deceased. On the death of the last surviving trustee, the ownership of the account passes to the beneficiary. The trust account is not a part of a trustee's estate and does not pass under the trustee's will or by intestacy, unless the trustee survives all of the beneficiaries and all other trustees.

We make no representation as to the appropriateness or effect of the ownership and beneficiary designations. Community property laws in your state may affect account ownership designations and the disposition of the account upon the death of a party.

Missouri Account Disclosures. If your account is in Missouri and is a personal account that has more than one name on it, we will treat it as a joint tenant account with right of survivorship (to the extent such accounts are recognized under applicable law) *and not as an acount of tenants by the entirety*, unless otherwise expressly designated on the signature card or other account records.

Florida Account Disclosures. If your account is in Florida and is in your name and your spouse's name, we will treat it as a joint tenant account with right of survivorship (to the extent that such accounts are recognized under applicable law) *and not as an account of tenants by the entireties,* unless otherwise expressly designated on the signature card or other account records.

Tennessee Account Disclosures. With respect only to accounts established at our Tennessee branches, all joint accounts are owned by the parties as they have indicated upon the signature card for such account. Upon the death of any joint owner, the ownership of the joint account shall be vested in accordance with the form of ownership so chosen by the parties. In regards to public funds accounts, any qualified public entity of the State of Tennessee that opens a public funds deposit account shall have its deposits secured with the State of Tennessee Bank Collateral Pool established under The Collateral Pool For Public Deposits Act of 1990. A "public entity" is defined as the State of Tennessee, or any of its agencies, or any Tennessee county, Tennessee incorporated municipality and their political subdivisions, or any utility district organized under the laws of the state or interstate compact to which the state is a party. A "public funds deposit account" is defined as any Deposit Account, Time Deposit or Certificate of Deposit a public entity opens with us.

The designation "joint tenants with right of survivorship" on an account means that the deposit account or certificate of deposit shall become the property of each owner as joint tenants, and that the survivor is entitled to all moneys in the account or represented by the certificate even if the first person to die had a will specifically directing disposition to someone else. We may release all moneys in the account or represented by the certificate to, or honor checks or orders drawn by, or withdrawal requests from, the survivor upon the death of any joint tenant.

The designation "additional authorized signatory" on an account means that the person named as additional authorized signatory shall have authority during the lifetime of one (1) or more owners to withdraw moneys from the deposit account or represented by the certificate of deposit. Moneys remaining in the account or represented by the instrument upon the owner's death shall become part of the deceased owner's estate, subject to the deceased person's will or applicable law if the deceased person left no will. We may release all moneys in the account or represented by the certificate to, or honor checks or orders drawn by, or withdrawal requests from, the authorized signatory until notified of revocation of the authority.

Louisiana Account Disclosures. With respect to joint accounts established at our Louisiana branches, we can pay to any one of the joint depositors, or their legal representative(s) (including the legal representative of the estate or succession of a deceased joint depositor), the entire balance of the joint account or any part of the balance of the joint account at any time, including after the death of any joint depositor. Each joint depositor, and his/her legal representative(s), is authorized at any time, including after the death of any joint depositor, to deposit or

withdraw money from the joint account by check or item or otherwise, to close the joint account, to order electronic funds transferred to and from the joint account, to stop payment on any check or item drawn on the joint account and to enter into special agreements concerning the joint account. Upon the death of any joint depositor, we have the specific right to pay any or all of the funds on deposit in the joint account to the surviving joint depositor(s) or any one of them and we shall not incur liability to the heirs, successors, legatees or devises of any deceased joint depositor or to any surviving joint depositor for such payment.

You hereby state, acknowledge and agree, that (a) we have not offered or rendered any legal, tax or other advice whatsoever to you, including, without limitation, any advice regarding this account, the opening or maintenance thereof, the distribution of funds therefrom, or the purpose thereof, or any advice regarding successions, inheritance or estate planning; (b) we have fully and completely disclosed to you that we do not offer any such advice; (c) we have advised you to consult with a third-party attorney or other qualified expert should you have any questions regarding your account, the legal consequences thereof, or any other questions related thereto; and (d) you have consulted with such attorneys, accountants and other experts as you deem necessary or appropriate.

29. Power Of Attorney Accounts. Subject to the requirements of applicable law, we have no obligation to accept or recognize a power of attorney. If we elect to recognize and accept a power of attorney, we may require that the power of attorney be executed on a form and/or pursuant to procedures that are acceptable to us and that comply with applicable law. We may require such other evidence of authority, as well as affidavits and indemnifications, as we may deem appropriate. If we accept a power of attorney, any action taken by us shall be binding upon you if we take such action before we receive and have a reasonable opportunity to act upon (a) written revocation of the power of attorney; (b) written notice of death of the principal of the power of attorney; (c) in the event the power of attorney does not survive the disability, incompetency or incapacitation of the principal under applicable law, written notice that the principal has been declared disabled, incompetent or incapacitated; or (d) written notice that a guardian of the principal's person or property has been appointed. Unless otherwise provided in applicable state law, we will not be liable to you for our refusal to allow a transaction requested by an agent or attorney in fact and you agree to indemnify and hold us harmless should any agent or attorney in fact make any claim against us for our refusal to conduct a transaction on your behalf.

30. Fiduciary Accounts. To the maximum extent permissible under applicable law, we have no responsibility or obligation to supervise or monitor the transactions within fiduciary accounts (including, but not limited to, estate accounts, guardianship accounts and trust accounts), or to inquire as to the powers or duties of the depositor(s). The depositor(s), in their individual capacity and jointly and severally (and solidarily if applicable), agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or other party with respect to the authority or actions taken by the depositor(s) in handling or dealing with a fiduciary account.

31. Closing Your Account. We may close your account at any time and for any reason or for no reason, with or without advance notice. If we close your account, we will notify you by mail or telephone that we have closed your account; provided that if we allow you to open an account without an initial deposit and you do not timely fund the account, or if we suspect any illegal or fraudulent activity relating to your account, we may close the account without any notice to you. We may (but do not have to) mail you a check for the balance of collected funds in your account, or you may pick up a check for the collected balance at our office. Written notice and a check, if any, will be sent to any address shown on our records for you, or if the account is a multi-party account, any depositor to whom we elect to send it. We may deliver the remaining balance in any business or organization account to any authorized representative listed on our records for the business or organization. Alternatively, at our option and in our discretion, when we close your account we may transfer the balance of collected funds to another account of any owner of the closed account notwithstanding that the ownership of the closed account may not be identical to the ownership of such other account. If you would like to close your account, you must visit one of our banking offices or call our customer service number and ask us to complete a closing withdrawal. If you do not close your account in this way, the account will remain open on our systems and remain subject to the assessment of fees, including any applicable monthly account fee. If your account is subject to a monthly account fee that is charged in advance each statement period, as disclosed in the account disclosures for your particular account, the fee is deemed earned in full at the time it is charged and is not subject to refund or proration in the event you should close your account. Before closing your checking or money market account, be sure that all the checks you have written have cleared. We suggest you not write checks for at least fifteen (15) days before you close your account. Once we have closed your account, we can, without any liability to you or any other party, refuse to (a) honor any items you have written or authorized that are presented to us for payment after we have closed your account, or (b) collect any item you have deposited in the account. We reserve the right to charge an early-account-closing fee when applicable. Any terms regarding any minimum period of time during which your account must remain open will be disclosed to you separately. When an interest-bearing account is closed during a statement period, we may not pay interest on the account for the period between the end of the last statement period and the account closing date. If you call our customer service number to close your account by telephone, and if your account balance is less than $2 (a "Low Dollar Balance") at the time you ask us to close your account, we will transfer the Low Dollar Balance to another account you maintain with us. If you do not maintain another account with us, you agree that we may close your account without paying the Low Dollar Balance to you. In such event, you hereby assign and transfer the Low Dollar Balance to us, and you authorize us to debit the Low Dollar Balance from your account. If you do not maintain another account with us and you want us to pay a Low Dollar Balance to you when you close your account, you must visit one of our banking offices and close your account in person. If, after your account has been closed to further transactions, we determine that a credit is due to the account for any reason (e.g., the refund of a fee charged in error), and the net credit due is less than $1, you hereby waive your claim to such amount and assign and transfer such amount to us. If your account has a balance of $0.00, or if your account remains overdrawn for a certain period of time, our deposit system may place the account into an administrative closed or no-post status. Certain account services and functionality may be unavailable while an account is in an administrative closed or no-post status.

32. Abandoned Or Dormant Accounts. If you do not use your account or notify us in writing of your current mailing address, or if statements or notices we send to you are returned undelivered, your account and deposits may be presumed abandoned after a specified period of time, as provided by applicable law, or may be considered dormant or inactive according to our internal policies and procedures. To the extent not prohibited under applicable law, abandoned or dormant accounts are subject to a reasonable service charge in addition to any usual service charges applicable to the accounts. You may request current information about our abandoned and dormant account charges from any of our customer service representatives. If we consider your account to be inactive or dormant under our policies and procedures, we also may (to the extent not prohibited by applicable law) refuse to pay items drawn on or payable out of the account, stop sending account statements, and/or stop paying interest on the account. Accounts that are presumed to be abandoned will be escheated to the state in which

the account is maintained in accordance with applicable law.

33. Adverse Claims To An Account. If there is a dispute between those of you who have signed a signature card or who have been named as a joint owner by an existing account holder for a joint account, or between the authorized representatives who have signed a signature card for a nonpersonal account, or if one of you demands that we not allow other(s) to withdraw money from the account, or if there is a dispute or if a claim is made by any person or entity about who is authorized to make withdrawals from an account or about who owns or is entitled any funds on deposit in an account, we may (but do not have to) refuse to allow any withdrawals by anyone until we are satisfied that the dispute is resolved or the claim or demand is withdrawn. At our option, however, we may place a "hold" on funds until resolution of the controversy, or we may accept an indemnity satisfactory to us, or we may deposit the funds with a court until a court order directs us to do otherwise. If we incur attorneys' fees, costs or expenses to resolve the issues specified in this paragraph, you agree to reimburse us for those sums we incur, including (without limitation) all costs and expenses allowed by state or federal law or regulation and, as applicable, costs of video depositions, fees charged by experts retained by us, fees charged by third-party e-discovery and document management vendors, fees charged by private process servers, and costs of mediation. No interest will be paid by us on funds deposited with a court. We will not be responsible for any damages you may suffer as a result of our refusal to allow you to withdraw money or our refusal to pay checks drawn on your account due to the dispute, demand or claim.

34. Legal Process Affecting Your Account. Should we receive by any means, in any jurisdiction, any legal process or other legal notice that purports to have been issued by or pursuant to the authority of any court or governmental agency for the restriction of account access, or for the withholding, seizure or turnover of account funds, or otherwise affecting your account or records ("Legal Process"), you hereby acknowledge and agree that we may comply with such Legal Process in accordance with the requirements of applicable law and regulation. You further acknowledge and agree that, in complying with Legal Process, we may limit or suspend your access to your account, refuse to permit withdrawals or transfers from or deposits to your account, and/or take such other action as we deem legally required in our judgment and discretion, without regard to the ownership or original source of the funds on deposit and without requirement that the Legal Process name all or any of the account owners or signers. All Legal Process is subject to our right of setoff and security interest. You waive all interest that may otherwise accrue or have accrued on any balance withheld pursuant to or otherwise affected by Legal Process, and you consent to the assessment of an early withdrawal penalty, if applicable. Except to the extent prohibited by applicable law or regulation, we may assess a fee against your account if we are served with Legal Process affecting your account, and you agree that, if allowed by applicable law, we may deduct such fee from your account funds before remitting any funds pursuant to any Legal Process. You also agree to pay any research and copy services fees, in addition to administrative and attorney's expenses we incur in responding to Legal Process affecting your account, except to the extent that such fees and expenses are prohibited by applicable law or regulation. You authorize us to deduct fees and expenses associated with the Legal Process affecting your account from any of your accounts without notice to you, even if such deductions result in overdrafts in any of your accounts. You may request current information about the fees we may charge in connection with Legal Process from any of our customer service representatives. We will not be responsible for any damages you may suffer as a result of our refusal to allow you to withdraw money or our refusal to pay checks drawn on your account due to our lawful compliance with any Legal Process affecting your account, or as a result of any other act or omission in compliance with applicable law or regulation on our part in connection with any Legal Process. No term or provision of this section shall be construed as a waiver of any legally enforceable right you have under applicable law or regulation the waiver of which is prohibited by applicable law or regulation. You may have certain rights and claims of exemption with respect to Legal Process affecting your account, either under the laws of the state where you reside or under the laws of the state from which Legal Process is issued, or both. We recommend that you consult an attorney for advice and guidance regarding such rights and exemptions. You acknowledge and agree that the assertion of any such rights and obligations is solely your responsibility and that we shall have no duty or obligation to assert such rights and obligations or to contest Legal Process on your behalf, subject to the requirements of applicable law or regulation. To the fullest extent permitted by applicable law and regulation, we may act in our own best legal interests in our discretion in connection with any Legal Process affecting your account.

35. Indemnification; Waiver Of Consequential Damages; Correction of Errors. To the extent allowed by law, you waive the right to recover consequential damages for our action or inaction in handling your deposit account. If we take any action with respect to your account in accordance with your instructions or orders, or in accordance with this Agreement, or if you breach any warranty provided in this Agreement or by law, and we incur any loss, liability, damage, cost or expense (including reasonable attorney's fees) as a result of any claim, demand, action, suit or proceeding brought or made by any party, against you or us, or made by you against us, or made by us against you, you agree to indemnify and hold us harmless from and against such loss, liability, damage, cost or expense and to reimburse us for the amount thereof, including (without limitation) all costs and expenses allowed by state or federal law or regulation and, as applicable, costs of video depositions, fees charged by experts retained by us, fees charged by third-party e-discovery and document management vendors, fees charged by private process servers, and costs of mediation. You further agree that we may at any time, without prior notice to you, adjust, correct, or reverse, by debit or credit to your account, any transaction in your account that we believe was made or posted in error.

36. Right Of Setoff; Grant Of Security Interest. You agree that we shall have the right to setoff against any and all funds in your account with us (including any multi-party accounts), and to apply such funds to satisfy any and/or all indebtedness that you owe us and/or any of our affiliates (excluding debt created by a consumer credit transaction under a credit card plan) without any further notice to or demand on you (unless otherwise required by applicable law) and whether the indebtedness to us is now existing or hereafter arising. Unless prohibited by applicable law, we may set off against a multi-party account the full amount of any claim that we have against any one or more of the depositors without regard to the joint or several ownership of the funds on deposit to the account or the original source of those funds and without requirement that the claim be owed to us by all of the depositors rather than only some of them. If your account receives a direct deposit of Social Security or Supplemental Security Income, or any other federal or state benefits exempt from legal process, you consent to our right to exercise setoff against such deposits to satisfy any overdraft and associated fees, or to satisfy any other debt that you owe the bank. If you desire to prevent our exercise of setoff against such deposits, you should arrange not to have them directly deposited into your account.

In addition to our right of setoff, you hereby grant to us a security interest in the account to cover any debt you owe us, of whatever type, whether you are borrower, guarantor or otherwise. This security interest may not apply to your account if (a) it is an IRA or tax-deferred Keogh Retirement Account, (b) the debt is created by a consumer credit transaction under a credit card plan, or (c) your right of withdrawal arises only in a representative capacity.

37. Communication Consent. You agree that Regions and any of its current and former parent(s), subsidiaries, affiliates, employees, officers, directors, agents, controlling persons and representatives, as

well as any other person or company who provides any services in connection with an account (each a "Communicator") may monitor and record telephone calls regarding your account to assure the quality of service or for other reasons. You agree that any Communicator may call you, using an automatic telephone dialing system or otherwise, leave you a voice, prerecorded, or artificial voice message, or send you a text, e-mail, or other electronic message to service your account, to collect any amounts you may owe under your account or for other informational purposes related to your account (each a "Communication"). You agree that any Communicator may call or text you at any telephone number that you provide in connection with your account, including cellular telephone numbers, and may send an e-mail to any email address that you provide in connection with your account. You also agree that any Communicator may include your personal information in a Communication. You agree that Regions will not charge you for a Communication, but your service provider may. In addition, you understand and agree that any Communicator may always communicate with you in any manner permissible by law that does not require your prior consent.

You expressly acknowledge and agree that you are providing the foregoing consent to receive Communications from any Communicator as consideration and as a bargained-for term in a legally binding agreement; further, this consent is irrevocable by you to the maximum extent allowed by law. If you wish to revoke your consent to be contacted at any cellular telephone number using an automatic telephone dialing system and/or an artificial or prerecorded message, Regions will consider your request in its sole and absolute discretion, subject to the requirements of applicable law, but you must make your request by calling Regions at 1-888-219-9227, whereby you will identify your name, the account(s) affected by your notice and your cellular telephone number(s). You further agree that if you no longer own a cellular telephone number or if you change a residential telephone number to a cellular telephone number, you will notify Regions immediately by calling the number above.

We may from time to time provide certain SMS/text alert services that you may deactivate or opt out of. It may be necessary in some cases for you separately to deactivate or opt out of these alerts by type or category, and deactivating or opting out of one type or category of alert will not necessarily deactivate or opt you out of other types or categories of alerts you receive.

38. Changing This Agreement. We have the right to change the terms of this Agreement (including the separate sections hereof) and the fees, charges, features, operational elements (including, without limitation, account numbers), and other terms and conditions applicable to your account and services linked to your account. We also have the right to discontinue certain kinds of accounts, in which case we may transfer your funds to another type of account. In addition, we reserve the right to change your account from one account type to another if (i) transactions being conducted in your account are not appropriate for your type of account or (ii) we are required by law or regulation to convert your account to another account type based upon your account activity. We will notify you should your account type be changed. With respect to disclosures required by federal regulations, we will provide prior written notice to you of any change that is not in your favor in accordance with such federal regulations. Except as otherwise required by applicable law, and/or except as otherwise provided in any notice we may furnish, any other changes to this Agreement will be effective on that date which is 10 days after the date notice is given by either posting the notice in our manned offices where deposits are received or including the notice with or on your statement or in a separate mailing, or by any other means or method described in this Agreement. You agree that a summary of the change in terms is sufficient notice. If you do not agree to any change or amendment relating to terms and conditions of this Agreement or your account, you must terminate your account within 10 days after the date notice is given to you of the change or amendment. By using your account after any such change or amendment, you agree to that

change or amendment. Subject to any notice requirements provided by applicable law, you agree that we may from time to time in our discretion add to, modify, and/or delete administrative and operational features and elements applicable to your account and/or make any changes that are in your favor without notice to you. This Agreement may not be altered, modified or amended by you in any way without our express written agreement signed by our authorized officer. Any attempt by you to alter, modify or amend this Agreement without our express written agreement signed by our authorized officer shall be void and shall have no legal effect. You acknowledge and agree that no practice or course of dealing between you and us, nor any oral representations or communications by you and/or any of our agents, employees or representatives, which vary the terms and conditions of this Agreement shall constitute a modification or amendment of the terms and conditions of this Agreement. If we elect to send a notice of change by mail or other transmission directed to you and there is more than one person on the signature card or receipt for your account we will only send the notice of change to one of you. You acknowledge and are aware that our current customer agreement, pricing schedule and funds availability policy are available to you upon request at our offices.

39. Effect Of Waiver. We reserve the right to waive the enforcement of any of the terms of this Agreement with respect to any transaction or series of transactions and/or with respect to any of our customers. Any such waiver will not affect our right to enforce any of our rights with respect to other customers, or to enforce any of our rights with respect to other or later transactions. Otherwise, no failure by us to exercise, and no delay by us in exercising, any right or remedy shall operate as a waiver thereof or constitute an amendment of the terms of this Agreement. Where this Agreement or applicable law permits us to take action, or not to take action, in our discretion on any matter, any action, or inaction, on our part with respect to such matter shall not obligate us to repeat such action, or inaction, with respect to similar matters that may subsequently arise.

40. Waiver Of Notice. You waive and agree that we may waive certain legal requirements called presentment, demand for payment, protest, notice of protest and notice of dishonor with respect to any and all items cashed by us or credited to or charged against your account.

41. Notices; Updating Contact Information. Any notice we send you will be considered effective when it is deposited in the U.S. Mail to the address for the account in our records or, at our option, when it is transmitted or made available to you pursuant to any other method to which you have agreed in connection with your account, including, with respect to changes or amendments to this Agreement, any means or method described in this Agreement. You agree to notify us immediately of any change in your name, your residence or mailing address or phone number. We may use any source available to us to update and validate the accuracy of this information, but we have no obligation to do so. If you provide us with an email address, you agree that we may send notices and communications to you electronically at that email address, subject to the requirements of applicable law, and you agree promptly to notify us of any change in the email address. Except to the extent otherwise required by applicable law or regulation, you agree that we are under no obligation to re-send, re-transmit, or otherwise deliver to you any notices or communications that we have transmitted to the email address you have provided and that have been returned "undeliverable" or otherwise rejected for delivery. Unless otherwise provided in this Agreement, notice from you must be in writing. Written notice from you will not be deemed given to us until it has been received by one of our representatives who is authorized by us to consider and act on your notice. If we are required by law or agreement with you to act on any notice you have given to us, you agree that we will have a reasonable opportunity to act. Our failure to act or delay in acting on any notice from you does not constitute our acquiescence in, acceptance or acknowledgement of, or agreement or consent to the terms or substance of your notice. If your account is a

multi-party account, we can notify any one of you and the notice will be effective for all of you. Any one of you can notify us, and we will consider it to be notice from all of you.

42. Account Disclosures. Additional terms and conditions are contained in any disclosures provided to you.

43. Force Majeure. You agree that we will not be liable for any loss or damage due to delays or failure to perform resulting from circumstances beyond our reasonable control (such as telecommunication or electrical outages and malfunctions, postal strikes or delays, computer system failures or natural disasters). The time, if any, required for such performance under this Agreement shall be automatically extended during the period of such delay or interruption.

44. Applicable Law. This Agreement and your deposit relationship with us will be governed by the substantive laws (excluding laws of conflict) and regulations of the United States and the state in which your account is established, except that Alabama law will govern the maximum interest rate that may be payable to us. We reserve all of our rights with respect to the preemptive effect of any applicable federal laws and/or regulations. Our rights under this Agreement and applicable law are cumulative and not exclusive.

45. Conflicts With Applicable Law And Disclosures. To the extent this Agreement conflicts with any applicable provision of the Uniform Commercial Code, this Agreement shall control; otherwise, this Agreement supplements but does not displace the Uniform Commercial Code. If any provision of this Agreement conflicts with any applicable disclosure statement we have given you pursuant to the requirements of any law, such as the federal Electronic Fund Transfer Act, the federal Truth-in-Savings Act, the federal Expedited Funds Availability Act, or the Check 21 Act, the provisions of such disclosure statement shall control.

46. Entire Agreement; Other Programs And Services. You agree to be bound by any and all operating rules, circulars and regulations imposed by any networks, funds transfer systems (including, without limitation, the Federal Reserve) and/or clearinghouses in which we participate and/or which process transactions that affect your account. You further agree to be bound by any agreements we have with other financial institutions with respect to the processing or handling of transactions that affect your account. This Agreement constitutes the current and entire general deposit agreement between you and us with respect to the account(s) for which this Agreement has been delivered, and any and all prior general deposit agreements with respect to such account(s) are superseded by this Agreement. Additional and/or specific rules, regulations, disclosures and/or agreements may be applicable to certain or particular accounts or specialized account programs and/or to bank services linked to an account, such as electronic or online banking. You agree that the terms and conditions set forth in such rules, regulations, disclosures and other agreements continue in effect and are intended to be in addition to and not in substitution of the terms and conditions set forth in this Agreement. To the extent there is a conflict, the terms and conditions set forth in such rules, regulations, disclosures and other agreements shall govern unless otherwise required by applicable law, subject, however, to the provisions of the immediately following paragraph.

In the event we provide any operational service to you in connection with any deposit account you maintain with us, and to the extent you have a right to terminate the agreement that governs the provision and use of such operational service (the "Operational Service Agreement"), you may not terminate the Operational Service Agreement without first giving us written notice of termination (i) at least 30 calendar days in advance of the effective date of such termination or (ii) according to the applicable notice interval provided in the Operational Service Agreement (if any), whichever of (i) or (ii) shall result in greater advance notice to us. The terms of this paragraph do not grant you a right of termination with respect to any Operational Service Agreement, but only govern the timing of notification of termination to the extent necessary to qualify the related deposit account as an operational deposit for purposes of liquidity coverage laws or regulations to which we are subject. Whether you have any such right of termination shall be governed by the terms of the Operational Service Agreement or applicable law. In the event of a conflict between the terms of this paragraph and the terms of any Operational Service Agreement, the terms of this paragraph shall govern and control to the extent necessary to qualify your deposit account as an operational deposit. For purposes of this paragraph, the terms "operational deposit" and "operational service" shall have the meanings respectively ascribed to them by 12 CFR Part 249, as amended or as replaced by any successor law, regulation or rule binding on us.

47. Construction Of Agreement. The captions and headings used in this Agreement are for convenience of reference only and shall not be used to limit the applicability or meaning of any provisions of this Agreement. All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders where the context so requires. The use of the singular form shall include the plural and the use of the plural shall include the singular where the context so requires. No termination of any account will affect your liability or obligations under this Agreement accruing prior to the date of termination or any provisions of this Agreement which, by their terms or nature, are intended to survive account termination.

48. Severability. If any provision of this Agreement or the application thereof to any persons or circumstances shall irreconcilably conflict with or be invalid or unenforceable under applicable law, such provision shall be deemed automatically reformed and amended to the extent, and only to the extent, necessary to render it valid and enforceable under such applicable law as of the effective date thereof, and such reformed or amended provision shall be binding without necessitating the formal amendment of this Agreement by the procedures specified herein; provided, however, that if such automatic reformation and amendment of such provision shall be unreasonable or impracticable in the context of this Agreement, or shall significantly conflict with the purpose, intent, and/or any other material terms or provisions of this Agreement, then such provision shall be deemed severed from this Agreement with respect to the persons or circumstances as to which such provision shall be invalid or unenforceable. The invalidity or unenforceability of any one or more of the provisions of this Agreement, or the severance of any provision from this Agreement pursuant to the terms of this Agreement, shall not affect the validity or enforceability of the remaining provisions, and such remaining provisions shall continue in full force and effect to the fullest extent permitted by law.

49. Illegal Purposes; Offensive Conduct; Cryptocurrency. You agree not to use your account for any illegal or fraudulent purpose or in breach of any contract or agreement by which you are bound, and you agree to comply with all applicable laws, rules, and regulations concerning your account and/or the use of your account. You agree not to use your account to engage in any internet or online gambling transaction, whether or not gambling is legal in any applicable jurisdiction. We reserve the right to decline any transaction that we believe is an internet or online gambling transaction or a high-risk transaction. If at any time we suspect any irregular, unauthorized, fraudulent or illegal activity in connection with your account, we may, in our discretion and without limiting or waiving any other rights or remedies available to us, freeze the funds in the account and in other accounts you maintain with us, without any liability to you and without notice to you (except such notice as may be required by applicable law), pending resolution of the matters, transactions or activity in question. We reserve the right in our sole and absolute discretion to return or to decline to pay any item presented against your account that we reasonably believe is related to the purchase, sale or exchange of any decentralized, non-fiat virtual currency, cryptocurrency, or any other digital currency or money that relies on distributed ledger or blockchain technology, and you agree that we shall have no liability to you whether we decline to pay or whether we pay any such item. You certify that you have legal capacity under applicable law to enter into this Agreement.

You further agree not to use your account in any way that may, in our judgment, impute to us or make us appear to endorse conduct or activity that could in any way be considered offensive, harassing, defamatory, privacy invading, abusive, threatening, inflammatory, scandalous, harmful, vulgar, obscene, or otherwise objectionable (e.g., by printing offensive messages or symbols on your checks).

50. Customer Identification.

(a) ***Customer Identification Program.*** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What this means to you: When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

(b) ***Beneficial Ownership.*** To help the government fight financial crime, you understand and agree that federal regulation requires us to obtain, verify and record information about the Beneficial Owners of Legal Entity Customers. If you are a Legal Entity Customer, you agree to provide us immediately with information and documentation that we request about both your Beneficial Owners and any other person(s) or entity(ies) having any direct or indirect equity interest in you. Further, you certify and confirm that you will notify us immediately – and in no event no later than at the renewal of any Time Deposit or Certificate (as defined in Section II: Time Deposits/ Certificates of Deposit) or any other account – should you have any changes to your Beneficial Owners or any other person(s) or entity(ies) having any direct or indirect equity interest in you. Should you fail to notify us of any such change, you confirm and certify to us that the Beneficial Owner and other ownership information previously provided is complete, accurate and up-to-date. Nothing in this paragraph shall be construed to obligate us to renew any Time Deposit or Certificate.

"Beneficial Owner" has its meaning set forth in 31 C.F.R. § 1010.230(d) and includes each individual, if any, who owns, directly or indirectly, 25% or more of the equity interests of a Legal Entity Customer, as well as a single individual with significant responsibility to control, manage or direct a Legal Entity Customer.

"Legal Entity Customer" has its meaning set forth in 31 C.F.R. § 1010.230(e) and includes a corporation, limited liability company, or other entity that is created by a filing of a public document with a Secretary of State or similar office, a general partnership, and any similar business entity formed under the laws of a foreign jurisdiction that opens an account.

51. Telephone Transactions.

VRU Service. Our automated telephone transaction service ("VRU Service") allows you to check account balances, place stop payment requests, order checks, transfer funds among eligible accounts, and access other account information using your touchtone telephone and a personal identification number (PIN). You may activate the VRU Service by visiting one of our branches or by calling us at our customer service number **1-800-REGIONS (734-4667).** By requesting us to activate the VRU Service, you authorize and request the creation and issuance of the PIN, and you agree that the use of the PIN for the authorization and authentication of transactions through the VRU Service constitutes a commercially reasonable security procedure under applicable law. You agree to be bound by and to follow any rules, regulations, and instructional materials or guides we impose or provide from time to time in connection with the VRU Service (whether imposed or provided in writing or orally through the VRU Service). Transactions entered through the VRU Service may not result in an immediate transfer of funds or immediate funds availability because of the time required to process the transaction. Any transaction entered through the VRU Service after 6 p.m. Central Time (or such other times as may be disclosed), or on Saturdays, Sundays, or holidays, may not post to your account until we process the transaction the next business day. To the fullest extent permitted by law, and subject to the provisions of Section V – Electronic Funds Transfer Disclosure to Our Consumer Customers, you agree to be bound by all transactions entered through the VRU Service with your PIN. You agree (a) not to provide your PIN to any person or entity not authorized to use the PIN; (b) not to write your PIN on anything likely to fall into the wrong hands, and not to do anything else that would cause or increase the risk of unauthorized or fraudulent use of the PIN; and (c) to keep the PIN in a safe place and to otherwise protect the PIN from fraudulent or unauthorized use. You also agree to notify us at once if you believe that your PIN has been lost, stolen, obtained by an unauthorized person or used fraudulently, or if you believe that any transaction on your account is in error, or if you believe your account has been or may be subject to any fraudulent or unauthorized use whatsoever. The fastest way to notify us is by calling us toll-free at **1-800-REGIONS (734-4667).** Subject to notice requirements provided by applicable law, we may cancel, discontinue, suspend, or change the terms of the VRU Service, or expand or reduce the functions thereof, at any time without notice to you.

Other. We have no obligation to effect account transactions requested by telephone and without the use of a PIN or other security procedures we require, and you acknowledge and agree that we have no plan or agreement for such transactions. To the extent we allow such transactions, you acknowledge and agree that such transactions are performed solely as an occasional courtesy and accommodation to you, and such transactions are in any event subject to the terms of this Agreement and our operational rules and policies (including, without limitation, our Funds Availability Policy). If you make a telephone request to one of our customer service representatives to effect an account transaction, you agree to provide such verification information as we may require in our discretion. To fullest extent allowed by law, and subject to the other express provisions of this Agreement, you release us from, and agree to indemnify and hold us harmless as to, any and all claims, liability, damages (including, without limitation, incidental and consequential damages), losses, expenses (including without limitation reasonable attorneys' fees), and/or causes of action relating to or arising out of the performance, nonperformance, or erroneous performance of any account transaction request made to any customer service representative by telephone, whether authorized or unauthorized, and whether or not caused, in whole or in part, by our negligence.

52. Overdraft Protection. With our consent, certain savings and money market accounts, credit card or line of credit accounts, or other accounts as we may designate or permit from time to time (collectively hereinafter the "designated funding account") may be established for use in covering overdrafts on most of our checking accounts and/or on other deposit accounts as we may designate from time to time (collectively hereinafter the "protected account"). You authorize us to transfer funds from or make charges to your designated funding account to cover overdrafts as provided in this section. Subject to the terms, conditions and limitations of this section, if we allow you to use a designated funding account for Overdraft Protection, we will pay any item which constitutes and creates an overdraft in your protected account and we will automatically transfer sufficient funds from your designated funding account (in multiples of the amount designated by us from time to time as transfer increments) to cover the overdraft. If the available credit or balance in your designated funding account is insufficient to cover any overdraft item(s) in your protected account, you accept the risk that we may transfer the maximum amount available in your designated funding

account and also return your item(s) unpaid due to insufficient funds or pay the item(s) and create an overdraft in your protected account, and you also accept the risk that we may, in our sole discretion, overdraw your designated funding account in order to provide sufficient funds to cover the overdraft item(s) in your protected account. If (i) more than one item is presented for payment at the same time and (ii) the sum of the items so presented would create an overdraft in your protected account if all of the items were paid and (iii) the available credit or balance in your designated funding account is insufficient to cover the overdraft which would be created by payment of all the items, you agree that we may pay any of the items we choose in any order we choose. We will not be responsible for any loss you may incur due to the transfer of funds, the method used to pay items, the failure to transfer funds, or a mistake in the transfer of funds in connection with an overdraft. You further understand and agree that we are not obligated to link more than one protected account to a designated funding account for the purpose of Overdraft Protection, nor are we obligated to link more than one designated funding account to any protected account. Should you request the linkage of your protected account to a designated funding account, you agree not to use the service until you receive our notice confirming the relationship between the two accounts for the purpose of Overdraft Protection. The notice will contain the account numbers (or truncated account numbers) of the two accounts and will be generated each time you change related accounts or upon termination of the Overdraft Protection service. We may in our discretion, and without obligation, initiate a transfer of funds from your funding account to your protected account (in multiples of the amount designated by us from time to time as transfer increments) to pay any fees that have been assessed against and overdrawn your protected account.

You agree to pay our standard transfer fee for Overdraft Protection then in effect for each transfer of funds from a designated funding account to your protected account in connection with any overdraft item presented against your protected account. In the event we decline or are unable, for any reason whatsoever, to make a transfer from your designated funding account and (i) we return an item unpaid due to insufficient funds in your protected account or (ii) in our sole discretion, we pay the item, thereby creating an overdraft in your protected account, you agree to pay our standard overdraft, nonsufficient funds, and/or returned item fee then in effect, subject to the requirements of applicable law. In the event any transfer from your designated funding account is insufficient to cover overdraft items presented against your protected account (including, but not limited to, a transfer of all remaining available funds from your designated funding account) and (i) we return any item(s) unpaid due to insufficient funds or (ii) in our sole discretion, we pay any item(s), thereby creating an overdraft in your protected account, you agree to pay both our standard transfer fee and overdraft, nonsufficient funds, or returned item fee then in effect, as applicable, subject to the requirements of applicable law. In the event we overdraw your designated funding account in order to provide funds to cover any overdraft item(s) in your protected account, you agree to pay both our standard transfer fee and any fees then effect for an overdraft in your designated funding account.

If your designated funding account is a deposit account, our funds availability policies govern when funds deposited to your designated funding account will be available for covering overdrafts in your protected account. If your designated funding account is a deposit account and all remaining funds are transferred from your designated funding account, you must promptly deposit additional funds in the designated funding account in order to maintain the Overdraft Protection link with your protected account. Otherwise, the Overdraft Protection link between your protected account and your designated funding account will be terminated and you will no longer have Overdraft Protection from that designated funding account. In that event, you must contact us if you wish to reestablish the link between your protected account and your designated funding account. If your designated funding account is a deposit account, we may withhold a nominal amount of funds from any transfer in order to prevent the termination of the link between your protected account and designated funding account, but we have no obligation to do so. Without limiting the other terms and conditions of this section, in the event your Overdraft Protection is cancelled or terminated for any reason, you agree that you will thereafter pay our standard overdraft, nonsufficient funds, or returned item fee, as applicable, in effect for each item presented for payment against your protected account which we, in our sole discretion, (i) return unpaid due to insufficient funds or (ii) pay, thereby creating an overdraft in your protected account, subject to the requirements of applicable law.

Your designated funding account may be subject to separate terms and conditions which govern such account, including the transfer of funds out of such account. The terms of this section do not supersede or replace such separate terms and conditions. Credit accounts that may serve as designated funding accounts are subject to credit approval. We reserve the right to terminate the Overdraft Protection service for your protected account at any time in our discretion, with or without notice to you.

53. Tax Issues. We make no representation as to the tax consequences relating to any deposit or account covered by this Agreement (including, but not limited to, individual retirement accounts). If you have questions concerning the federal or state tax consequences resulting from your purchase, ownership, use, liquidation, withdrawal, or permitted assignment of your account, you should contact your tax advisor.

54. Backup Withholding. Under the federal income tax law, you are subject to certain penalties as well as withholding of tax if: (1) You fail to furnish your certified taxpayer identification number to us each time an account is opened; (2) The Internal Revenue Service notifies us that you furnished an incorrect taxpayer identification number; or (3) We are notified that you are subject to backup withholding under applicable provisions of the Internal Revenue Code.

55. Special Terms Regarding Electronic Funds Transfers For Non-Consumer Accounts. If your account is not established primarily for personal, family, or household purposes, you acknowledge and agree that Section V – Electronic Funds Transfer Disclosure to Our Consumer Customers does not apply to your account or to any electronic funds transfers to or from your account. To the fullest extent permitted by law, you agree that in no event will we be liable to you under this Agreement, or in performing or failing to perform, or in erroneously performing, any electronic transactions, for special, indirect or consequential damages, including, without limitation, lost profits or attorneys' fees, even if we are advised in advance of the possibility of such damages, or for any other damages whatsoever, notwithstanding any other provisions of this Agreement to the contrary. You acknowledge and agree that this Agreement and any other related agreements with us set forth security procedures for electronic banking transactions that are commercially reasonable. You agree to be bound by any and all electronic fund transactions to or from your account, whether authorized or unauthorized, and we shall have no liability to you for any unauthorized electronic fund transaction or inquiry, except as otherwise expressly provided in a written agreement between you and us, or as required by applicable law. You agree that we, in our discretion, may from time to time impose limitations and restrictions on the number, frequency, and dollar amount of electronic transactions, as well as restrictions on the types of available transactions, with or without notice to you. In addition, you agree to comply with any limitations or restrictions that otherwise apply to your account(s) and may affect electronic funds transfers or inquiries.

56. Special Terms For Pass-Through Deposit Insurance Coverage. If you have opened a deposit account on behalf of the beneficial owner(s) of the funds in the account (for example as a trustee, agent, nominee, guardian, executor, custodian or funds held in some other capacity for the benefit of others), those beneficial owners may be eligible for

"pass-through" insurance from the FDIC. This means the account could qualify for more than the standard maximum deposit insurance amount (currently $250,000 per depositor in the same ownership capacity). If the account has transactional features, you as the account holder must be able to provide a record of the interests of the beneficial owner(s) in accordance with the FDIC's requirements as specified below.

The FDIC has published a guide that describes the process to follow and the information you will need to provide in the event we fail. That information can be accessed on the FDIC's website at www.fdic.gov/deposit/deposits/brokers/part-370-appendix.html. In addition, the FDIC published an Addendum to the guide, section VIII, which is a good resource to understand the FDIC's alternative recordkeeping requirements for pass-through insurance. The Addendum sets forth the expectations of the FDIC for pass-through insurance coverage of any deposit accounts, including those with transactional features. The Addendum will provide information regarding the records you keep on the beneficial owners of the funds, identifying information for those owners, and the format in which to provide the records to the FDIC upon bank failure. You must be able to provide this information in a timely manner in order to receive payment for the insured amount of pass-through deposit insurance coverage as soon as possible. You will have an opportunity to validate the capability to deliver the required information in the appropriate format so that a timely calculation of deposit insurance coverage can be made; further instructions relating to this opportunity will be communicated at a later time.

You agree to cooperate fully with us and the FDIC in connection with determining the insured status of funds in such accounts at any time. In the event of a bank failure, you agree to provide the FDIC with the information described above in the required format within 24 hours of a bank failure. As soon as a receiver is appointed, a hold will be placed on your account and that hold will not be released until the FDIC determines that you have provided the necessary data to enable the FDIC to calculate the deposit insurance. You understand and agree that your failure to provide the necessary data to the FDIC may result in a delay in receipt of insured funds and may result in legal claims against you from the beneficial owners of the funds in the account. If you do not provide the required data, your account may be held or frozen until the information is received, which will cause a delay when the beneficial owners could receive funds. Despite other provisions in this Agreement, this section survives after a receiver is appointed for us, and the FDIC is considered a third-party beneficiary of this section.

SECTION II: TIME DEPOSITS/CERTIFICATES OF DEPOSIT

The terms and conditions contained in this Section II supplement the other terms and provisions of this Agreement and apply to any time deposit accounts ("Time Deposits") and certificates of deposit ("Certificates") that you have with us, including, as applicable, Time Deposits or Certificates purchased for an Individual Retirement Account. Time Deposits and Certificates are further subject to terms and provisions that may be printed on your Time Deposit receipt or Certificate, and you acknowledge and agree that such terms and provisions are part of this Agreement. In the event of a conflict between the terms set forth herein and the terms and provisions printed on your Time Deposit receipt or Certificate, the terms and provisions printed on your Time Deposit receipt or Certificate will govern and control.

INTEREST ACCRUAL INFORMATION

Interest will begin to accrue on the business day we receive your deposit. We use the daily balance method to calculate the interest on Time Deposits and Certificates. This method applies a daily periodic rate to the principal in the account each day. Interest is compounded daily for all Time Deposits and Certificates.

INTEREST PAYMENT METHOD AND FREQUENCY

You may elect to have your interest deposited into your Regions checking, savings or money market account, sent to you by check, or credited to your Time Deposit or Certificate monthly, quarterly, semiannually, annually or – if the term is 365 days or less – at maturity. Interest on Time Deposits or Certificates with terms of 366 days or longer must be paid or credited at least annually. Your interest payment method and frequency are designated on your Time Deposit receipt or Certificate, as applicable, as well as on your Pre-Maturity and Renewal Confirmation Notices.

ANNUAL PERCENTAGE YIELD (APY)

The APY is a percentage rate reflecting the total amount of interest that would be earned on the account based on the interest rate and the frequency of compounding. The APY assumes interest will remain on deposit until maturity. Any withdrawal will reduce earnings. You must maintain a daily balance equal to the amount of your initial deposit or renewal amount to earn the stated interest rate and APY.

AUTOMATIC RENEWAL

For any renewable Time Deposit or Certificate, your deposit will be automatically renewed for the same term as indicated on your Time Deposit receipt or Certificate, as applicable, and at the interest rate established by us for your type of deposit at the time of each renewal, provided that your type of deposit is still a part of our service offering at the time of renewal. If you allow your Time Deposit or Certificate to automatically renew, it will renew on the date your prior deposit matured. Should you wish to prevent the deposit from being renewed, you must contact us in writing at any time before the maturity date but not later than the grace period defined below. If your type of deposit is not a part of our service offering at the time of renewal, we will notify you accordingly, and the funds will be paid to you or deposited into a different type of account pursuant to this Agreement and our disbursement procedures in effect at that time, and/or pursuant to any option we have given you in our notification to you which you have elected.

PRE-MATURITY NOTICE

For Time Deposits or Certificates with terms greater than thirteen (13) days, a notice will be sent prior to maturity indicating the date on which your deposit will mature. If the term of your deposit is thirteen (13) days or less, you will not receive a notice.

RENEWAL CONFIRMATION NOTICE

For Time Deposits or Certificates with terms greater than thirteen (13) days, a notice will be sent after the grace period on your matured deposit has expired, indicating your new interest rate and maturity date. If the term of your deposit is thirteen (13) days or less, you will not receive a notice.

GRACE PERIOD

For seven to thirty-one (7-31) day Time Deposits and Certificates, you may withdraw all or any part of your deposit without penalty not more than one (1) business day after a maturity date, however, no interest from the date of maturity will be paid on any funds withdrawn in this manner. For Time Deposits and Certificates with terms greater than thirty-one (31) days, you may withdraw all or any part of your deposit without penalty not more than ten (10) calendar days after a maturity date. However, no interest from the date of maturity will be paid on any funds withdrawn in this manner. Any person named on the Time Deposit receipt or Certificate may make withdrawals during a grace period.

NON-AUTOMATICALLY RENEWABLE; FINAL MATURITY NOTICE

A notice will be sent prior to maturity indicating the date on which your deposit will mature. On that date, the principal and any unpaid interest will be disbursed as indicated on your Time Deposit receipt or Certificate.

EARLY WITHDRAWAL
Early withdrawal is withdrawing all or part of the principal of any deposit, prior to maturity, except withdrawals during a grace period as defined above. Early withdrawal is also defined as amending the terms of your Time Deposit or Certificate to reduce the maturity period designated on the Time Deposit receipt or Certificate as the "Term." To the fullest extent allowed by law, we reserve the right not to permit any early withdrawal, and we shall have no obligation to agree to an amendment of the terms of your Time Deposit or Certificate. Whether we permit any early withdrawal or agree to amend the terms of your Time Deposit or Certificate shall be within our sole and absolute discretion.

MULTIPLE OWNERSHIP;
AVAILABILITY OF FUNDS FOR WITHDRAWAL
In the event that any Time Deposit or Certificate is owned by two or more depositors, as indicated in our records, we may allow any depositor, acting alone, to withdraw all or any of the Time Deposit or Certificate funds. Our payment of Time Deposit or Certificate funds to any such depositor is a full discharge of our liability to all depositors in the amount of the payment. However, we reserve the right to require, in our sole and absolute discretion, the signature, assent or acknowledgement of all depositors in connection with any withdrawal of funds from a Time Deposit or Certificate that is not made during the grace period. We reserve the right to refuse your request to withdraw the funds in your Time Deposit or Certificate until such time as the funds used to purchase the Time Deposit or Certificate have become collected funds.

EARLY WITHDRAWAL PENALTY
In the event of any early withdrawal, you must pay the applicable early withdrawal penalty described below, provided that we reserve the right to charge a minimum early withdrawal penalty on any early withdrawal equal to seven days' simple interest on the amount withdrawn at the interest rate being paid on your deposit at the time of withdrawal. Withdrawals made during a grace period are not subject to an early withdrawal penalty, and an early withdrawal penalty may not apply to withdrawals made at certain times during the term of your deposit, as provided below. Also, the early withdrawal penalty may be waived in the event of death of any depositor on the Time Deposit or Certificate, or if any depositor is determined to be legally incompetent by a court or other administrative body of competent jurisdiction. With regard to IRA Time Deposits and Certificates, early withdrawal penalties do not apply if the withdrawal reason was due to: death, total and permanent disability, substantially equal periodic payments, seven day revocation (provided that seven day revocation may result in forfeiture of interest earned), excess contribution, divorce or you are aged 59½ or older. Note that early withdrawal of IRA funds may also be subject to other penalties and tax consequences as provided by applicable law.

As applicable, if you receive periodic distributions of interest or if you have not earned enough interest to pay the required early withdrawal penalty, some or all of the penalty may be deducted from the principal amount of your Time Deposit or Certificate. Any early withdrawal penalty will be payable immediately upon withdrawal.

The following early withdrawal penalties apply:

1. If the term of your deposit is 31 days or less, you must pay an early withdrawal penalty equal to the total amount of interest that would have been earned on the amount withdrawn had such amount remained on deposit for the entire term of the deposit until maturity. The penalty shall be calculated at the interest rate being paid on your deposit at the time of withdrawal.

2. If the term of your deposit is 32 days to and including 364 days, you must pay an early withdrawal penalty equal to (i) all interest earned on the amount withdrawn as of the date of withdrawal or (ii) 1% of the amount withdrawn, whichever is less. However, we may collect a minimum penalty of seven days' simple interest on the amount withdrawn at the interest rate being paid on your deposit at the time of withdrawal.

3. If the term of your deposit is 365 days or more, you must pay an early withdrawal penalty equal to (i) all interest earned on the amount withdrawn as of the date of withdrawal or (ii) 2% of the amount withdrawn, whichever is less. However, we may collect a minimum penalty of seven days' simple interest on the amount withdrawn at the interest rate being paid on your deposit at the time of withdrawal. If the original maturity of your deposit is 730 days or more, no early withdrawal penalty will apply to any withdrawals made during the last 31 calendar days of your deposit term, except for withdrawals made within six days after the date of deposit (if we allow additional deposits during such period) and withdrawals made within six days after any previous partial early withdrawal, which withdrawals will be subject to an early withdrawal penalty equal to seven days' simple interest on the amount withdrawn at the interest rate being paid on your deposit at the time of withdrawal.

TRANSFERABILITY
Time Deposits and non-negotiable Certificates are not transferable. This means that you may not transfer the ownership of your Time Deposit or non-negotiable Certificate to anyone without our written consent, which may be granted or withheld in our sole and absolute discretion. Any transfer is not effective until we have given you written consent and note the transfer in our records. Certificates that are negotiable instruments under applicable law are transferable only upon proper endorsement and registration at the Regions location which initially issued the Certificate.

NEGOTIABILITY
Time Deposits are not negotiable. Certificates may be negotiable, subject to the requirements of applicable law, and the balance will be paid to you or any transferee of a negotiable Certificate only upon proper presentment of the Certificate, with all necessary endorsements, to us. Seven to thirty-one (7-31) day Certificates are not negotiable.

REPORTING INTEREST EARNED
The Internal Revenue Service requires us to report interest, on which you may owe income tax, for the calendar year in which it is paid to you. For Time Deposits or Certificates with terms greater than one (1) year with interest paid at maturity (grandfathered accounts only), we will report the interest your deposit has earned, whether or not it is paid. Each year we will furnish you a statement that reflects the interest paid to you during the preceding year. All interest will be reported as having been earned by the person named first on the account.

ADDITIONAL DEPOSITS
For automatically renewable Time Deposits with maturities greater than thirty-one (31) days, you may make additional deposits only during the grace period defined above, with the exception of the 18 Month Variable Rate IRA as described in this Section II. Additional deposits are not allowed on any Certificate or on automatically renewable Time Deposits with maturities of seven to thirty-one (7-31) days. If you have established an 18 Month Variable Rate IRA Time Deposit, additional deposits of not less than $50 will be accepted. Additional deposits will not extend the maturity date of this deposit.

TERMINATION
If you fail to comply with any terms or conditions of this Agreement, you agree that we may terminate your Time Deposit or Certificate at our discretion, in addition to exercising any other rights or remedies we may have, which we may exercise in our sole and absolute discretion. In this event, we will remit to you any funds held by us, including any interest earned, less any applicable early withdrawal penalties, and we will have no further obligation to you.

ADDITIONAL CONDITIONS SPECIFIC TO CERTIFICATES
Payment of principal and any unpaid interest will be made to you only upon proper presentment of your Certificate.

SECTION III: INDIVIDUAL RETIREMENT ACCOUNTS

The terms and provisions of this Section III supplement the other terms and provisions of this Agreement and apply to any Regions IRA you may have with us. This includes: Traditional IRA, Roth IRA, SEP IRA and Coverdell Education Savings Account. This Section III also applies to deposits covered by this Agreement that are held in qualified retirement plans.

Regions IRAs are further subject to the information and provisions in your Individual Retirement Account and Disclosure Statement, your Roth IRA and Disclosure Statement, your Coverdell Education Savings Account and Disclosure Statement, or your 5305-SA, and on your IRA Deposit Receipt(s) ("Receipt(s)"), and you acknowledge and agree that such information and provisions are part of this Agreement. In the event of a conflict between the terms set forth herein and the terms and provisions of such IRA disclosures statements and/or Receipts, the terms and provisions of such disclosures, statements, and Receipts will govern and control.

INTEREST RATE
The interest rate stated on your Receipt is guaranteed until its original maturity, subject to the exceptions outlined in this Section III.

18-MONTH VARIABLE IRA
The interest rate on this deposit is equal to the discount rate of the new 6-month Treasury bill plus 1/4%. The discount rate of the 6-month Treasury bill is determined by the weekly auction of the Federal Reserve. To this extent, the interest rate and APY earned on this deposit are subject to change weekly and may be deemed variable rates. Fluctuations in the discount rate of the 6-month Treasury bill could cause an interest rate and APY in a subsequent week to be less than the interest rate and APY in an earlier week. This deposit is not available for Roth IRA or Coverdell Education Savings Accounts.

MONEY MARKET IRA
The interest rate on this deposit is set by Regions management in its sole discretion. To this extent, the interest rate and APY earned on this deposit are subject to change daily and may be deemed variable rates.

AUTOMATIC RENEWAL OF DEPOSIT
See Section II of this Agreement for details regarding automatic renewal of your IRA Time Deposit or Certificate. If your deposit is not a part of our service offering at the time of renewal, the funds will be deposited into the Money Market IRA unless we have received different instructions from you in writing.

ADDITIONAL DEPOSITS
You may make additional deposits to your account only during the grace period for Time Deposits or Certificates as defined in Section II except as noted in this Section III.

18-MONTH VARIABLE IRA
Additional deposits of not less than $50 will be accepted. Additional deposits will not extend the maturity date of the deposit.

MONEY MARKET IRA
Additional deposits of not less than $25 will be accepted.

AUTOMATED DEPOSITS
Deposits made to your IRA through payroll deduction or telephone banking will be made as "current year" contributions only.

INTEREST PAYMENT FREQUENCY
Unless otherwise requested, interest will be credited to your IRA account quarterly.

INTEREST AND PRINCIPAL DISBURSEMENTS/WITHDRAWALS
All requests to withdraw funds from the IRA must be done in writing. Please refer to the applicable disclosure statement governing your type of account (Traditional, Roth, or Coverdell Education Savings Account) for possible IRS penalties.

Should you elect to receive interest or principal distributions, your payment method and frequency are designated on your IRA Request for Distribution as well as on your Pre-Maturity and Renewal Confirmation notices.

PAYMENT METHOD
Your interest or principal can be deposited directly into your Regions checking or savings account, or paid by cashier's check. You may be charged a cashier's check fee.

PAYMENT FREQUENCY
You may receive your interest or principal monthly, quarterly, semi-annually or annually.

EARLY WITHDRAWAL PENALTY
You should refer to Section II of this Agreement for applicable terms relating to early withdrawal penalties for IRA Time Deposits or Certificates.

TERMINATION
You may elect to close your account at any time and withdraw your funds less any applicable withdrawal penalties. Notification to close your account must be done in writing. Furthermore, if you fail to comply with any of the terms and conditions of this Agreement, we may terminate your account and resign as custodian of your IRA (refer to your applicable Disclosure Statement or Receipt), in addition to exercising any other rights or remedies we may have, which we may exercise in our sole and absolute discretion. In this event, we will remit to you or your designated successor custodian any funds held by us, including any interest earned, less any applicable early withdrawal penalties. We will have no further obligation to you.

TAX CONSEQUENCES
We make no representation as to the tax consequences relating to any individual retirement account covered by this Agreement. If you have questions concerning the federal or state tax consequences resulting from your purchase, ownership, use, liquidation, or withdrawal of your IRA deposit, you should contact your tax advisor.

SECTION IV: FUNDS AVAILABILITY POLICY

1. Your Ability To Withdraw Funds. Our policy is to make funds from your deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available no later than the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and federal holidays. If you make a deposit on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit on a day that is not a business day or on a day we are not open,

we will consider that the deposit was made on the next business day we are open. Our self-service deposit-taking facilities (e.g., ATMs and night depositories) will display any applicable cutoff times for determining when a deposit is received. If you make a deposit at one of these facilities before the displayed cutoff time on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit at one of these facilities on a day that is not a business day, or on a day we are not open, or after the displayed cutoff time on a business day we are open, we will consider that the deposit was made on the next business day we are open. This Funds Availability Policy does not apply to mobile and remote deposit capture services. Funds availability terms for such services are set forth in applicable service agreements. This Funds Availability Policy also does not apply to savings accounts or to money market accounts, and we may delay the availability of funds from deposits made to such accounts.

2. Longer Delays May Apply. In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second (2nd) business day after the day of your deposit. However, the first $275 of your deposits may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available.

If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than $6,725 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh (7th) business day after the day of your deposit.

3. Special Rules For New Accounts. If you are a new customer, the following special rules may apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first $6,725 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess of the above stated checks over $6,725 will be available on the seventh (7th) business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury Check) is not made in person to one of our employees, the first $6,725 may not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the seventh (7th) business day after the day of your deposit.

4. Holds On Other Funds (Check Cashing). If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. We have no responsibility for fees assessed by third parties or for any other amounts claimed due to our delaying the availability of funds in the account.

5. Holds On Other Funds (Other Accounts). If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited. We have no responsibility for fees assessed by third parties or for any other amounts claimed due to our delaying the availability of funds in the other account.

6. Real-Time Electronic Payments. We may participate in certain electronic payment networks that facilitate instantaneous or real-time settlement of funds transfers. Such funds transfers into your account are immediately available for ATM withdrawal and electronic transaction authorization, and if made to your account before 8 p.m. Central Time on a business day will be available in processing that night to cover items presented against your account during that same business day. Such funds transfers made to your account on a day that is not a business day or after 8 p.m. Central Time on a business day will not be available to cover items in nightly processing until the next business day. You should ask us if you need additional information about funds transfers made through these payment networks.

SECTION V: ELECTRONIC FUNDS TRANSFER DISCLOSURE TO OUR CONSUMER CUSTOMERS

(THE DISCLOSURES AND TERMS IN THIS SECTION V ARE APPLICABLE ONLY TO THE EXTENT THAT YOUR ACCOUNT HAS BEEN ESTABLISHED PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES.)

Certain types of transactions that are handled completely or partially by electronics are subject to the Electronic Fund Transfer Act (EFT Act). The EFT Act, subject to certain exceptions and qualifications, covers funds transfers that are initiated through an electronic terminal, telephone, computer or magnetic tape, including automated clearinghouse (ACH) transactions and preauthorized electronic direct deposits and preauthorized electronic payments to third parties to or from your checking account, other transaction accounts or savings account.

Your rights, protection and liabilities are outlined in the following disclosure in accordance with the EFT Act. Our obligations and liabilities are also summarized for you. Please read and become familiar with all parts of this disclosure. Be sure to retain the telephone numbers and addresses that you may need in order to limit your liability and to resolve problems that you may have concerning electronic transfers. You may contract with us for the provision of a specific electronic funds transfer service (for example, by requesting an ATM or CheckCard, or by enrolling for the use of our online or electronic banking services) and receive separate terms and conditions and EFT Act disclosures pertaining to that service. Such separate terms, conditions and disclosures supplement the terms of this Agreement and the following disclosures.

1. Types Of Available Transfers. Unless you have separately contracted with us for a different or specific electronic funds transfer service or access device for your account(s), the electronic funds transfers described below generally are the only types of transfers that may be available to you.

(a) ***ACH; preauthorized electronic funds transfers.*** The following are examples of ACH transactions and/or preauthorized electronic funds transfers:

(i) You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills. This is known as "electronic check conversion." For instance, assume that you purchase goods from a merchant. You provide the merchant with a voided check which allows the merchant to capture routing, account and serial

number information. The transaction is processed electronically through ACH, and your account is debited for the purchase price of the goods.

(ii) You send a check to a merchant who bills you on a periodic basis. The merchant uses the information on the check to process your payment electronically through ACH and your account is debited for the bill.

(iii) You authorize your employer in writing to pay you through direct deposit of your paycheck to your account. You provide your employer with account and routing number information to enable your employer to credit your account. The transfers will take place on a recurring basis, at substantially regular intervals, and will require no further action from you to initiate the transfers. The transfers are processed electronically through ACH, and your account is credited for the amount of your paycheck each payday.

(iv) You give advance written authorization to your telephone company to debit your account electronically each month in the amount of your monthly telephone bill. You provide your telephone company with account and routing number information to enable your telephone company to debit your account. The transfers will take place on a recurring basis, at substantially regular intervals, and will require no further action from you to initiate the transfers. The transfers are processed electronically through ACH, and your account is debited for the amount of your telephone bill each month.

(b) ***Telephone VRU Service***. You may transfer funds among your accounts that are accessible through the VRU Service, our automated telephone funds transfer and account information service. More details about the features and functionality of the VRU Service are provided in Section I of this Agreement.

(c) ***Electronic Teller Kiosks and Service Units.*** We may from time to time install electronic teller kiosks and service units in our branches and at other various locations. You may use these electronic terminals to get cash from your account, to transfer funds between certain accounts, to check certain account balances and certain transaction histories, to make deposits to your account, to make payments by check or cash to us, and to perform certain other transactions that you might perform in person with the assistance of a teller at one of our branches. Please note that some of these electronic terminals may have limited functionality and may not be able to perform all of the transactions described above. You should verify that the electronic terminal you are using can perform the transaction you require before attempting the transaction.

(d) ***Real-Time Electronic Payments.*** We may participate in certain electronic payment networks that facilitate instantaneous or real-time settlement of funds transfers. You may from time to time arrange for third parties to make funds transfers to your account through these payment networks, subject to the rules of the payment networks. In order for you to send funds transfers to third parties through these payment networks, you may need to enroll for a separate electronic funds transfer service with us or with the applicable payment network. You should ask us if you need additional information about funds transfers made through these payment networks.

2. Limits On Transfers. There may from time to time be limits on the number and dollar amount of electronic funds transfers that you can make. These limits are for security reasons and may change from time to time. There may be additional limitations elsewhere in this Agreement.

Your ability to initiate transactions also may be limited by the terms of other agreements you have with us or as described in other disclosures we have made to you, or by applicable law. You agree to abide by and be bound by all applicable limitations.

3. Right To Receive Documentation Of Transfers.

(a) ***Terminal transfers***. You can get a receipt at the time you make any transfer to or from your account using any electronic terminal (You may need to request and enter into a separate agreement for an ATM card, debit card or check card in order to effect transactions at certain electronic terminals).

(b) ***Preauthorized credits.*** If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call us to find out whether or not the deposit has been made.

(c) ***Periodic statements***. You will get a monthly account statement for each month in which an electronic funds transfer is made to or from your account. In any case, you will get the statement at least quarterly for each account to which or from which an electronic funds transfer may be made.

4. Your Liability For Unauthorized Transfers; Advisability Of Prompt Reporting. An unauthorized transfer means a transfer from your account that is initiated by another person without your authority to initiate the transfer and from which you receive no benefit. The term does not include any transfer that is initiated by a person who was furnished by you with the means to access your account, unless you have notified us that transfers by that person are no longer authorized and we have had reasonable opportunity to act on that notification.

(a) Tell us AT ONCE if you believe any access device, code, PIN, or other means of electronically accessing your account has been lost or stolen or if you believe that an electronic funds transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all your money in your account (plus your maximum overdraft funding amounts). If you tell us within two (2) business days after you learn of the loss or theft, you can lose no more than $50 if someone electronically accessed your account without your permission.

(b) If you do NOT tell us within two (2) business days after you learn of the loss or theft of your access device, code, PIN, or other means of electronically accessing your account, and we can prove we could have stopped someone from electronically accessing your account without your permission if you had told us, you could lose as much as $500.

(c) Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time.

(d) If we determine that extenuating circumstances kept you from telling us, we may extend the time periods.

5. Our Liability For Failure To Make Transfers. If we do not properly complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

(a) If, through no fault of ours, your account does not contain enough money to make the transfer.

(b) If the transfer would go over any existing credit limit on your overdraft line, or other credit account.

(c) If your funds are being held or frozen or are subject to legal process.
(d) If the electronic terminal where you are making the transfer does not have enough cash.
(e) If the electronic terminal (or system) was not working properly and you knew about the breakdown when you started the transfer.
(f) If circumstances beyond our control (such as telecommunication or electrical outages and malfunctions, postal strikes or delays, computer system failures or natural disasters) prevent the transfer, despite reasonable precautions that we have taken.
(g) If you have exceeded the limitations on frequency of transfers or dollar amount of transfers.
(h) If your access device, code, PIN, or other means of electronically accessing your account has been reported lost or stolen, or has been damaged, or if we have reason to believe that a transaction has not been properly authorized or authenticated, or is fraudulent, erroneous, or illegal.
(i) If we do not receive the necessary transfer data from a third party, or if such data is incomplete or erroneous when received by us.
(j) If making the transfer would cause us to violate any law, rule or regulation to which we are subject.
(k) If your account is presumed abandoned under applicable law, or if we consider your account to be dormant or inactive under our policies and procedures.
(l) If any failure on our part was not intentional and resulted from a bona fide error, notwithstanding procedures to avoid such error, except for actual damages (which do not include indirect, incidental, special or consequential damages).

There may be other exceptions to liability stated in this Agreement or other agreements with you or otherwise provided by applicable law.

6. Disclosure Of Account Information To Third Parties. We will disclose information to third parties about your account or the transfers you make:

(a) Where it is necessary for completing transfers, or
(b) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or
(c) In order to comply with government agency or court orders, or
(d) If you give us your written permission, or
(e) Otherwise in accordance with our privacy notice. You may obtain a copy of our privacy notice at any time by visiting any of our branches or by visiting our website.

7. Right To Stop Payment On Preauthorized Transfers And Procedure For Doing So; Right To Receive Notice Of Varying Amounts; And Our Liability For Failure To Stop Payment.

(a) ***Right to stop payment and procedures for doing so.*** If you have directed preauthorized electronic funds transfers from your account, you can stop any of these payments. Here's how: Call us at the number shown below or you can write us at the address shown below in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call.
(b) ***Notice of varying amounts.*** If these regular payments may vary in amount, the person you are going to pay will tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment will differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

(c) ***Liability for failure to stop payments of preauthorized transfer.*** If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we may be liable for your losses or damages.

8. What Constitutes A Business Day. For purposes of these disclosures, our business days are Monday through Friday. Holidays are not included.

9. In Case Of Billing Errors Or Questions About Your Electronic Transfers. Telephone us at the telephone number shown below or write us at the address shown below as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

(a) Tell us your name and account number.
(b) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
(c) Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days. We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account. For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error. We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

10. Telephone Number And Address To Be Notified In Event Of Lost, Stolen Or Compromised Access Device, Or Unauthorized Transfer. If you believe that your access device, code, PIN, or other means of electronically accessing your account has been lost or stolen, or compromised, or that someone has transferred or may transfer money from your account, without permission, using information from your check or otherwise, you should call the number below or write to the address provided.

Call toll free 1-800-REGIONS (734-4667)
Or write:
Regions Electronic Banking Services
P.O. Box 830843
Birmingham, Alabama 35283-0843

11. Fees. You should refer to our pricing schedule, which is included with other documentation and disclosures we have provided to you in connection with the opening of your account, for information regarding any fees associated with funds transfers covered by the EFT Act. Such fees are subject to change from time to time, and we will provide you with notice of such changes as required by law. The owners/operators of electronic funds transfer systems may charge fees for transactions that are not disclosed in our pricing schedule.

SECTION VI: IMPORTANT INFORMATION FOR OUR CONSUMER CUSTOMERS ABOUT SUBSTITUTE CHECKS

What is a substitute check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other laws with respect to those transactions.

What are my rights regarding substitute checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to $2,500 of your refund plus interest if your account earns interest within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

How do I make a claim for a refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at **1-800-REGIONS (734-4667)**. You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include –

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check or the following information to help us identify the substitute check: the check number, the name of the person to whom you wrote the check, and the amount of the check.

NOTES



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CS1004 (06/25) PS

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EXHIBIT "A"

CONTACT SHEET

Name: Regions Bank

Federal Taxpayer ID: 63-0371391

Mailing Address: 51 W. Bay Street

City, State, & Zip Code: Jacksonville, FL 32202

Telephone: 904.281.7640 **Fax:**

Email: jennifer.kirouac@regions.com

Submitted By: Jennifer Kirouac

Title: Vice President Commercial Banking

Accounting Contact:

Name: Georgette Smith **Title:** TMO

Email Address: georgette.smith@regions.com **Phone:** 904.998.4977

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 25-04
MANAGEMENT BANKING SERVICES

EXHIBIT "B"
SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES

THIS FORM SHALL BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for City of Fernandina Beach, Florida.

2. This sworn statement is submitted by (entity) Regions Bank whose business address is 51 W. Bay St., Jacksonville, FL 32202 and (if applicable) Federal Employer Identification Number (FEIN) is 63-0371391 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is Jennifer Kirouac and my relationship to the entity named above is Vice President Commercial Banking Relationship Manager.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or

    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for

fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)

_x_ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

__ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)

____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)

__ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

Jennifer Kinnac 12/9/25

Signature Date:

STATE OF FLORIDA
COUNTY OF Duval

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 9th day of December
2025 by Jennifer K. Irovac,

Notary Public — Amy McFadden-Williams (Printed Name)

My Commission Expires June 13, 2027

Personally Known ✓ OR Produced Identification _____ ID Produced _____

AMY McFADDEN-WILLIAMS
MY COMMISSION # HH 377213
EXPIRES: June 13, 2027

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 25-04
MANAGEMENT BANKING SERVICES

EXHIBIT "C"
DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.

2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.

3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.

4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.

5. Impose a sanction on, or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.

6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: Regions Bank_____

CITY: Jacksonville_____STATE: FL_____ZIP CODE: 32202_____

SIGNATURE: _____PHONE: 904.281.7640___

NAME (TYPED OR PRINTED): Jennifer Kirouac_____TITLE: VP Commercial RM____

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: Request for Proposal 25-04

Project Description: Management Banking Services

I/FIRM acknowledges and agrees to the following:

I/FIRM will utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: Jennifer Kirouac/Regions Bank

Authorized Signature: Jennifer Kirouac

Title: Vice President Commercial Relationship Manager

Date: 10/9/25

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "E"
PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Jennifer Kirouac_____Title: Vice President Commercial RM____

Signature: _____ Date: 12/9/25

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"
CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for City of Fernandina Beach, Florida.

This sworn statement is submitted by (entity) Regions Bank whose business address is 51 W. Bay St., Jacksonville, FL 32202 and (if applicable) Federal Employer Identification Number (FEIN) is 63-0371391 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Jennifer Kirouac and my relationship to the entity named above is Vice President Commercial Banking Relationship Manager.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.

2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.

3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.

4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.

5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.

6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.

7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.

8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.

9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above named entity, will immediately notify the City of Fernandina Beach.

Signature Date: 12/19/25

STATE OF FLORIDA
COUNTY OF Duval

Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 19th day of December 2025 by Jennifer Kovac,

Notary Public Amy McFadden-Williams
Printed Name

My Commission Expires June 13, 2027

Personally Known ✓ OR Produced Identification _____ ID Produced _____

AMY McFADDEN-WILLIAMS
MY COMMISSION # HH 377213
EXPIRES: June 13, 2027

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"
NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for City of Fernandina Beach, Florida.

This sworn statement is submitted by (entity) Regions Bank whose business address is 51 W. Bay St., Jacksonville, FL 32202 and (if applicable) Federal Employer Identification Number (FEIN) is 63-0371391 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Jennifer Kirouac and my relationship to the entity named above is Vice President Commercial Banking Relationship Manager.

1. The above named is fully informed respecting the preparation and contents of the attached proposal and of all pertinent circumstances respecting such proposal;

2. Such Proposal is genuine and is not a collusive or sham proposal;

3. Neither the said Proposer nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Proposal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached proposal or any other Bidder, or to fix any overhead, profit or cost element of the proposal price or the proposal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and

4. The price or prices quoted in the attached proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Jennifer Kirouac 12/9/25
Signature Date:

CITY OF FERNANDINA BEACH, FLORIDA
REQUEST FOR PROPOSAL 25-04
MANAGEMENT BANKING SERVICES

STATE OF FLORIDA
COUNTY OF Duval

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 9th day of December 2025 by Jennifer X. Kovac,

Amy McFadden-Williams
Notary Public Printed Name

My Commission Expires June 13, 2025

Personally Known ✓ OR Produced Identification _____ ID Produced _____

AMY McFADDEN-WILLIAMS
MY COMMISSION # HH 377213
EXPIRES: June 13, 2027

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___NO___X

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO _____X

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO_____X

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

Regions Bank
Firm

Date

Jennifer Kirouac VP Commercial RM
Authorized Signature

Printed or Typed Name and Title

THIS FORM SHALL BE INCLUDED WITH BID/PROPOSAL

REGIONS

Regions Merchant Services
by Worldpay

Merchant Services

Dan Hulen

Senior Sales Executive

February 27, 2026



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Payment Methods

Regions Merchant Services is powered by Worldpay. Worldpay provides core processing services for Visa, Mastercard, American Express, and Discover. We also have integrated support for electronic checks. Our solution supports all co-branded Visa/Mastercard products, a private-label gift card, and fleet cards. We support the following card brands and types:

- All major credit card brands: Visa, Mastercard, Discover, and American Express.
- All National and Regional PIN networks: ACCEL, AFFN, Culiance, Jeanie, NYCE, Pulse, Shazam, and STAR.
- Worldpay supports ACH and eCheck.
- We offer many different Alternative Payment Methods, including Apple Pay, Google Pay, Click to Pay (Visa Checkout, Masterpass, and Amex Express Checkout), and Samsung Pay.

Solutioning

Worldpay invests in creating a global partnership strategy that focuses on industry verticals with market-leading eCommerce platforms, system integrators, technology companies, consultancy, and value-added providers. A key focus for partnerships is to build best-of-breed plug-ins/integrations with large eCommerce platforms.

Worldpay pairs industry-leading scale with unmatched integrated technology to take payments into the future and fuel global business growth. The City of Fernandina Beach should no longer piece together different global payment capabilities from different sources. The City of Fernandina Beach will have access to capabilities across the globe through Worldpay.

Worldpay covers more than 99 percent of the global GDP footprint. With our local experience, licenses, and payments expertise, we take the complexity out of entering new markets, whether accepting a new currency or adding the latest digital wallet. With access to approximately 225 markets and nearly 135 currencies, our solutions cover all your sales channels at home and abroad.

These comprehensive capabilities and our proven track record in the education market uniquely position Worldpay to assist the City of Fernandina Beach in attracting and retaining large-scale customers.

Direct Certification Details

Worldpay will work with the City of Fernandina Beach to create a payment environment tailored specifically for your business. When it comes to solutions, we see two different paths that the City of Fernandina Beach could take. The first path would be to have the City of Fernandina Beach

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come to Worldpay by coding directly to our Native Raft API and using Worldpay's iFrame eProtect. We can also support your business by utilizing one of our semi-integrated card-present solutions, such as triPOS. This will give City of Fernandina Beach full control and design over the tech stack, with Worldpay collecting all the sensitive payment data to keep your website PCI compliant. The benefit of this path is that it allows the City of Fernandina Beach to access a full suite of products, such as Apple Pay, Google Pay, Account Updater, Fraudsight, and OmniToken, to name a few.

Third-Party Partner

The second path that we could take for your business is connecting to Worldpay through one of our third-party gateway partners that has already been certified to Worldpay. The benefit of using a gateway is that it can offer prebuilt hosted payment pages, shopping carts, plug-ins, and pre-certified EMV devices, as well as other products available for the City of Fernandina Beach that require less integration work. Some of the prominent gateway solutions that are connected to Worldpay are Authorize.net, PayPal Pay Flow Pro, FreedomPay, CyberSource, Express (a Worldpay company), as well as hundreds of other gateways, presenters, partners, and other payment facilitators. Worldpay will work with the City of Fernandina Beach to find the best path for your business, whether it be a direct certification or utilizing a third-party partner of ours.

Card-Present

Below are multiple devices that Worldpay supports, which will allow us the flexibility to craft the right solution to custom fit your needs while delivering a consistent experience across devices and making sure you have access to the most current devices to help reduce PCI scope. Worldpay offers purchase, lease, and reprogram options depending on the best fit for the City of Fernandina Beach.

								
COMMERCE360 GO DADDY POYNT C	COMMERCE360 N950	VERIFONE TRINITY T650C	VERIFONE TRINITY T650P	INGENICO AXIUM DX8000	INGENICO DESK 3500 WI-FI	INGENICO DESK 5000	INGENICO MOVE 5000	INGENICO DESK 3500

Commerce360

Commerce360 features a custom, easy-to-use website portal that integrates with GoDaddy's smart point-of-sale options, allowing acceptance of payments across all channels with flexible payment options like digital ordering, touchless payments, mobile wallets, and buy online/pick up in-store, among others.

A custom-curated website designed by GoDaddy gives our customers the ability to sell through online marketplaces like Etsy and Amazon, as well as social media channels. There is also the

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Smart Terminal App Center with over 70 vertical-specific apps designed for restaurant and employee management, salon scheduling, customer loyalty, and so much more.

Managing channels is also simple, with single sign-on access to the merchant portal. The merchant portal allows customers to view inventory, access in-store and online sales, analyze performance metrics, and more.

The benefits of Commerce360 are:

- Increase revenue with efficient inventory tracking across online and in-store.
- Easily reconcile transactions with holistic reporting.
- Meet customer needs by allowing easy checkout both online and in-store.
- Outperform the competition with marketing channels, an online presence, and a smooth checkout experience.

Virtual Terminals

Below is a Virtual Terminal that we would recommend, but we will work with the City of Fernandina Beach to find the best Virtual Terminal.

SlimCD

- SlimCD offers a Desktop, Mobile, Virtual Terminal, Shopping Cart, Creation of Invoices, Text and Email links, Card-Present and Card-Not-Present, accepts ACH, level 2 and 3 processing, and simple integration for developers with hosted payments pages.



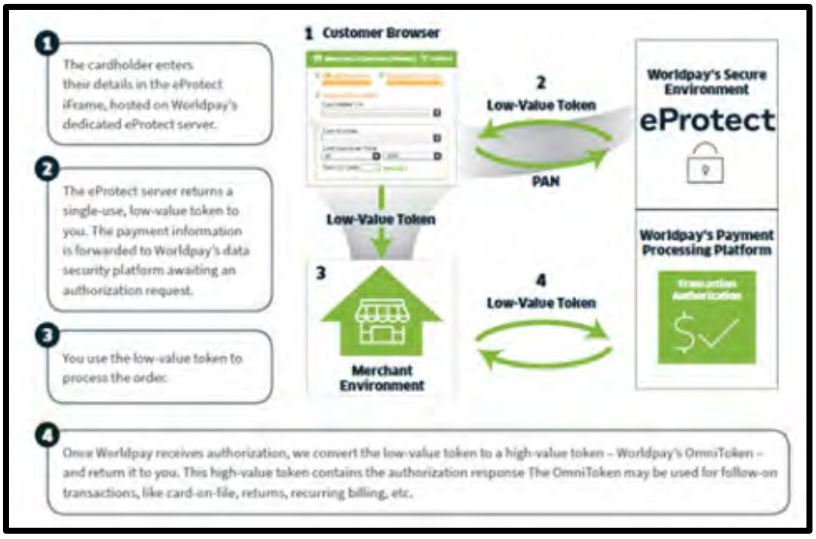
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eProtect (iFrame)

Worldpay offers eProtect to resolve your card-not-present challenges. The eProtect solution transfers the risk to Worldpay, reducing the need for PCI-applicable controls. Moreover, no card data is transmitted through your web server, ensuring maximum security.

Integration options are through iFrame, JavaScript, or Mobile API:

- iFrame API - This works by fully hosting fields with PCI-sensitive values. Payment card details, such as primary account number (PAN), expiration date, and CVV2 values, are hosted from our PCI Compliance environment, rather than embedded as code into the checkout page within the customer's environment.
- JavaScript Customer Browser API – This method controls the fields on a checkout page that hold sensitive card data. When a consumer submits their account information, the customer's checkout page calls the eProtect JavaScript to register the provided credit card for a token. The JavaScript validates, encrypts, and passes the account number to our system as the first step in the form submission. The return message includes the Registration ID in place of the account number. No card data is transmitted via the customer's web server.
- Mobile API - eProtect Mobile Native Application allows customers to use the eProtect solution to handle payments without interacting with the eProtect JavaScript in a browser. With the Mobile Native Application, customers POST an account number to our system and receive a Registration ID in response. Our customers can use it in native mobile applications, where the cross-domain limitations of a browser do not apply, to replace payment card data from their web servers.



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Transaction Flow:

1. Cardholder enters their details in the eProtect iFrame, hosted on our dedicated eProtect server.

2. The eProtect server returns a single-use, low-value token to you. The payment information is forwarded to Worldpay's data security platform, awaiting an authorization request.

3. You use the low-value token to process the order.

4. Once we receive authorization, we convert the low-value token to a high-value token - Worldpay's OmniToken - and return it to you. This high-value token contains the authorization response. The OmniToken may be used for follow-on transactions, such as card-on-file, returns, recurring billing, etc.

Tokenization

Worldpay's tokenization solution provides City of Fernandina Beach with the ability to replace sensitive card data with tokens and store those details securely within Worldpay's PCI-compliant servers, removing any need for you to store card data. For City of Fernandina Beach eComm, tokenization of card info can be done by the customer's browser/checkout screen through Worldpay's eProtect product. Worldpay's tokenization product (OmniToken) can be leveraged for all payment channels under the City of Fernandina Beach hierarchy. OmniTokens are stored securely on the Worldpay side and provided to the City of Fernandina Beach to store and leverage for future payments. PAN will not be provided back to the City of Fernandina Beach unless requested or by submitting a detoken API call.

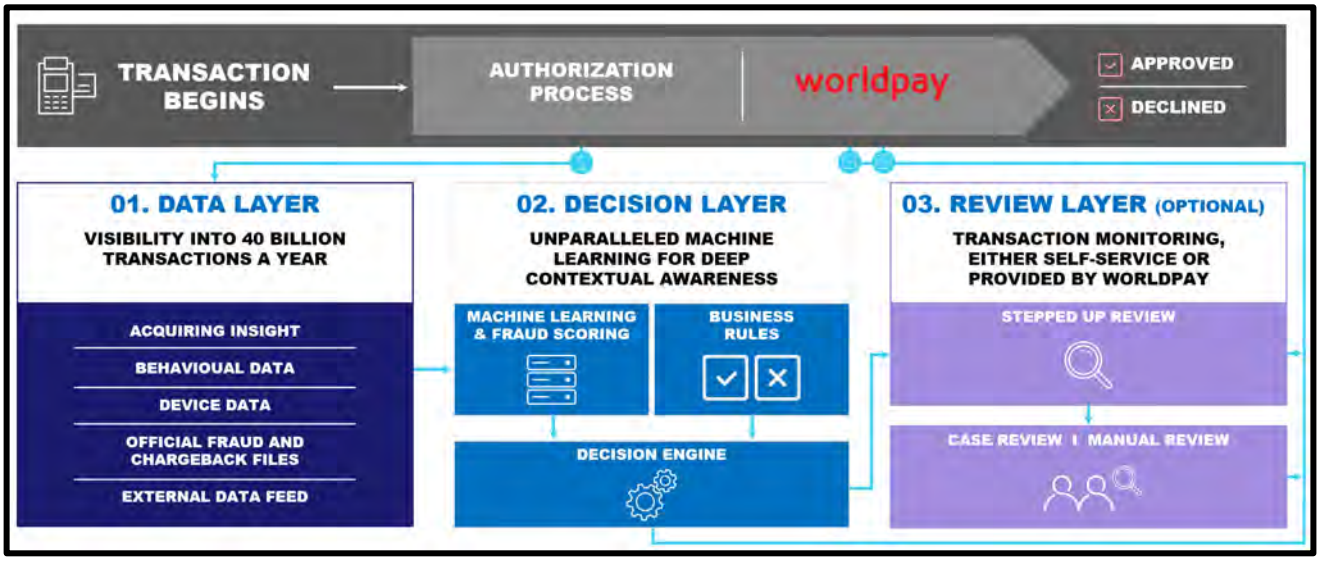
Fraud

FraudSight

FraudSight blends our vast transaction data visibility, the latest adaptive behavioral machine learning technology, and an award-winning fraud operations team to arm you for the right fight in fraud prevention. Fraud prevention is all about getting the good transactions through and stopping the bad ones. If your defenses are too weak, you open the door to more fraud and increased fraud costs. However, overly strong defenses lead to false positives and increase the cost of abandoned carts and lost customers. FraudSight accurately sorts the good from the bad and strikes the right balance—one that is good for you and your customers.

FraudSight focuses on the right protection to guard your growth, so you can focus on delivering delightful customer experiences at every interaction point.

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Above: FraudSight Solution Architecture

Data Layer

An authorization enters FraudSight via the data layer. The authorization is enhanced with additional data, which FraudSight uses to improve its performance. The data augmentation sources include proprietary Worldpay assets such as Wallet ID and First Party Fraud indicators. Other sources include device ID, behavioral data, and merchant-provided information. The flexible architecture supports additional data feeds as technology evolves and other data sources are identified.

Decision Layer

Once the authorization is enhanced with additional data, it enters the Machine Learning scoring module, which assigns a fraud probability score. Machine Learning is a powerful predictor of fraud and is more effective than a set of static rules common in legacy solutions. The fraud score and the authorization data enter the decisioning engine to determine the appropriate action. Depending on the merchant's needs, the action may be "Approve / Decline" or "Approve / Decline / Send to Manual Review".

The decisioning engine is powered by Worldpay fraud experts who monitor and adapt the system based on the latest trends in the industry to protect all merchants.

Review Layer (optional)

Where appropriate, an authorization can be sent to the Review layer for manual review. In this layer, specialty data providers can be engaged to gain additional insights into the transaction and the consumer to identify whether to approve or decline. A robust case management system is used to house the manual reviews and provide feedback to merchants.

Key Features of FraudSight include:

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- Real-time decisioning of an authorization: FraudSight renders a decision in milliseconds to influence a decision at the time of the authorization. This is the best opportunity to mitigate merchant losses.
- Card Present and Card Not Present support: Consolidate dual fraud systems (one for CP, one for CNP) into a single solution with better visibility and approval rates.
- Multiple Integration Options, including no integration: FraudSight provided fraud management on the authorization, with no additional integration required by the merchant. Merchant-provided data is supported and welcomed to improve performance.
- Managed service offering: With fraud visibility across 1MM merchants, the entire US, 25B transactions, and a team of 120+ fraud professionals, Worldpay is uniquely positioned to manage fraud on your behalf. Merchant-managed fraud is also supported.
- Machine Learning/Data Analytics: Worldpay partnered with Featurespace after conducting an extensive Proof of Concept with several vendors who are household names in the fraud space. While all claim to have the best technology, Worldpay put them to the test to identify who truly is best. We are excited to have them as a partner, as Worldpay is integrating its technology into our environment for a seamless solution for our merchants. Featurespace provides the backbone of our FraudSight solution, including:
    - Machine learning fraud scores
    - Decisioning system
    - Manual review system
- Manual Review system: Manual reviews can be managed by Worldpay or by the merchant
- Best-in-breed technologies: The modular architecture supports a multi-vendor solution, leveraging niche providers to improve overall performance

Implementation

You will have an Implementation Consultant/Project Manager who will guide you as needed throughout the implementation process.

Your Implementation Consultant will ensure that the status of the installation, training, testing, and certification items is discussed and addressed for outstanding issues or anticipated issues to be directed to the appropriate City of Fernandina Beach representatives.

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Implementation is broken up into three segments: solution, implementation, and production phases. Below is an overview of each segment:

Solution Phase

During this phase, the Solutions Team works with the City of Fernandina Beach to plan a solution based on your requirements. After the agreed-upon contracts and documents are signed, Worldpay holds a kick-off call with the City of Fernandina Beach. The Sales Representative introduces your RM and Implementation Team. The Solutions Team instructs the Implementation Team on the needed requirements and recommended solutions; Worldpay builds out a customized timeline and schedule for both parties to follow.

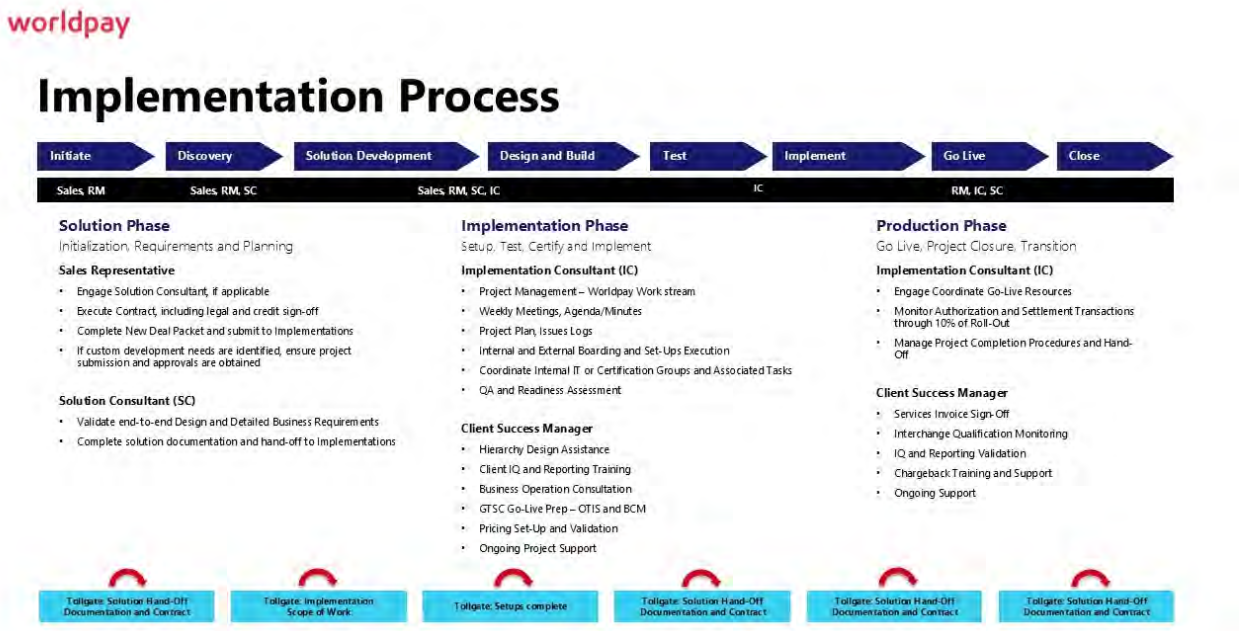
Implementation Phase

The Implementation Team assigns a designated Implementation Consultant during conversion. Worldpay engages product managers as needed and completes the Statement of Work (SOW). Any third party that is involved is engaged to coordinate implementation and activity at this time.

Training and documentation are provided.

Production Phase

In the last stage, the Implementation Consultant and RM work with the City of Fernandina Beach to validate production. Worldpay continues to monitor all activity and validate billing. After all implementation is completed, the Implementation Team transitions the activity over to your RM.



Above: Worldpay Implementation Process Details

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Customer Support

At Worldpay, we are committed to delivering exceptional customer service to our clients around the clock. Our dedicated support team is available 24 hours a day, 7 days a week, 365 days a year through a direct support line, ensuring you receive timely assistance whenever you need it. Should your inquiry require urgent attention, our escalation process ensures that your issue is promptly prioritized and addressed by the appropriate specialists. With Worldpay, you can count on reliable, responsive support at every step.

Reporting

iQ

iQ is the latest generation of our customer self-service platform. It is a one-stop portal on which customers can view and act upon all their transactional information, so they can make smarter, more informed business decisions. iQ provides our clients with the tools to efficiently handle their payment processing, so they can spend their time serving their customers.

No other tool in the industry can match iQ's customizable features and functionality. iQ offers a unique, secure experience far beyond what our competitors can provide.

iQ is a robust, easy-to-use, web-based reporting tool designed with you in mind:

- Alerts: Alert users regarding chargebacks, statements, reports, and more.
- Flexible User Management: Effectively control administrative functions such as user setup and profile settings.
- Payment Processing Summary: View snapshots of your payment processing activity and history (up to 36 months of data), as well as provide a way to dive deeper into specific areas of your business.
- Reporting and Search Tool: View key historical reports containing valuable information related to reconciliation, chargebacks, interchange management, fees, fraud, and more! Search by card numbers (full and partial), tokens, date range, or dollar amount to get important details on each transaction, including EMV data - export data to a CSV file or Excel spreadsheet.
- Online Support: Provides online self-service support, including interactive resources, informative industry content, and 'how-to' product content.
- Dispute Processing: Merchants who use iQ can now manage the dispute process through iQ. The process is now paperless, offering a more seamless experience for our merchants.

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They can view and work on draft retrievals and chargebacks using a scanner or by importing the appropriate documentation.

Proactive Notifications that Put You in Control

iQ helps better monitor your business with various types of alerts regarding chargebacks, statements, reports, security question changes, and more. Actionable insights are available at the click of a button, allowing you to gather intelligence that can help you run your business more efficiently.

Analytics and Reporting will Help Drive Business Efficiencies

With iQ, you can view snapshots of your payment processing activity/history (up to 36 months of data) and pull key historical reports containing valuable information related to interchange management, fees, possible fraud, exception handling, etc. Dashboard snapshots provide quick insight into how your business is currently performing and allow you to utilize resources more efficiently.

Our suite of reports can be categorized as follows:

- Financial: Reconciliation, Settlement, Activity, Fees, Reserve, Trending, eCheck (Verifications, Pending Redeposits), and Recurring
- Chargebacks: Chargeback Search, Chargeback Summary, Chargeback Financial, eCheck (NACHA Unauthorized Returns, Returns Summary, Returns Received)
- Operations: Transaction Search, Transaction Summary, Sessions, Virtual Terminal, BIN Lookup, Authorization, Presenter Credentials
- Worldpay Recovery: Account Updater (Repaired Auths, AU Fees, AU Match), Recovery/Recycling Snapshot, Recovery/Recycling Cohort
- Fraud: Snapshot, Post-Deposit Impact, A-B Impact
- Worldpay Insights: Insights Dashboard, FlexMatch

Some of the primary features of our interface are:

- Customizable Date Range
- Unlimited MID Hierarchy structure
- Multiple sub-division fields to track by campaign/geographic region
- One-click download to CSV file/Excel spreadsheet, with subscription options
- Fully paperless chargeback management environment

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- Up to three years of historical transaction and customer data

Reconciliation and Settlements

Standard Funding Schedule

Normally, next-day funding is accomplished via ACH. Times are in ET.

Day of the Week	Merchant Batch	Money in DDA (ACH)
Sunday	Before 11pm	Monday (~8:30am)
	After 11pm	Tuesday (~8:30am)
Monday	Before 11pm	Tuesday (~8:30am)
	After 11pm	Wednesday (~8:30am)
Tuesday	Before 11pm	Wednesday (~8:30am)
	After 11pm	Thursday (~8:30am)
Wednesday	Before 11pm	Thursday (~8:30am)
	After 11pm	Friday (~8:30am)
Thursday	Before 11pm	Friday (~8:30am)
	After 11pm	Monday (~8:30am)
Friday	Before 11pm	Monday (~8:30am)
	After 11pm	Monday (~8:30am)
Saturday	Before 11pm	Monday (~8:30am)
	After 11pm	Monday (~8:30am)

**Posting times vary by bank.*

In the event of a funding delay or issue, Worldpay will quickly act to address the situation. Funding delays are rare at Worldpay, and the cause varies by situation, so we cannot state a specific time for resolution. However, the City of Fernandina Beach can be assured that the matter will be worked on quickly to reach a resolution. Your assigned RM will also have information and ensure you are kept current on the situation.

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eMAF Files

Worldpay can provide the City of Fernandina Beach with an enhanced Merchant Activity File (eMAF) file, which is a raw data file that includes detailed transaction and summary-level data that can feed into an ERP system. This allows for automated reconciliation. We also have a raw data file for chargebacks and exception items.

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Statement of Understanding

Worldpay, LLC ("Worldpay", "we", "us") welcomes the opportunity to respond to this Request for Proposal (RFP) / Request for Information (RFI). Worldpay's responses to the Client RFP have been prepared in accordance with Worldpay's understanding of the requirements of the City of Fernandina Beach ("Client" or "you") based on the information provided in the Client RFP. Worldpay's responses to questions posed by the Client in the Client RFP are provided for informational purposes only and do not constitute or give rise to contractual commitments on behalf of Worldpay.

In response to your invitation, we are pleased to submit this proposal for your consideration.

The information contained in or supplied with this proposal is submitted solely for the purpose of evaluating the products and/or services of Worldpay, LLC, and/or its affiliates and subsidiaries (collectively "Worldpay"™). The information contained in or supplied with this proposal, in its entirety, is the confidential and proprietary information of Worldpay, and it may not be copied by or disclosed to any person or entity (other than to the intended recipient), without the prior written consent of Worldpay. With or without Worldpay's prior written consent, Worldpay accepts no liability whatsoever for any consequences arising from the reproduction of the information contained in or supplied with this proposal, or from its disclosure to any person or entity, including to the intended recipient. Worldpay additionally accepts no liability for the use of the information contained in, or supplied with this proposal, by the intended recipient, or by any other person or entity, with or without Worldpay's express prior consent. The intended recipient shall not use any part of the information contained in, or supplied with this proposal, in any way to the competitive disadvantage of Worldpay, and will take all steps necessary to comply with this provision.

This proposal is neither an offer nor intended by Worldpay, upon acceptance by the intended recipient, or otherwise, to create a binding agreement with Worldpay. Such an agreement shall be reflected only by a legally binding contract executed by both parties.

All information contained in this proposal represents Worldpay's best estimates. However, since the actual results in your particular operations may vary from those indicated in the proposal due to variations in software, programs, volume, environment, personnel, and other factors, the final determination that the proposed products and services meet your technical requirements must be yours.

Worldpay has endeavored to provide thorough and helpful responses to questions posed by Client. The contractual terms and conditions under which Worldpay would do business with

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Client are those expressly set forth in the current Worldpay agreement applicable to the Worldpay products and/or services included in this proposal ("Worldpay Agreement"). If not included in this proposal, a copy of the Worldpay Agreement is available on request.

Worldpay's proposal, including pricing, is based on the Worldpay Agreement, the information provided by you, and the assumptions set forth in our proposal, and any changes to such information or assumptions may, if material, require modification.

The Worldpay Agreement has been drafted with the relevant Worldpay products in mind and is designed to offer a fair balance of risk and responsibilities between the parties, based on Worldpay's long history of successfully contracting with a wide variety of public and private institutions throughout the world. Using the Worldpay Agreement permits us to keep our operational requirements as standardized as possible, including any interoperability concerns for multi-product offerings, considering that we need to provide a similar service to many clients. It is operationally difficult for a provider to accommodate bespoke requirements, especially when our proposal and pricing are, at least in part, based on the economies of scale we can offer. Furthermore, the Worldpay Agreement is designed to work with the majority of Worldpay's products, whether hosted and/or locally installed, as well as any consultancy services, meaning that a Client on the Worldpay Agreement can easily add new products and services without having to renegotiate the underlying terms and conditions.

If Client has included legal terms and conditions in the Client RFP document, Worldpay rejects any express or implied acceptance of such terms and conditions. Upon successful award, Worldpay agrees to negotiate in good faith for the inclusion of additional, mutually acceptable terms and conditions into the Worldpay Agreement.

Further, if Client is an existing client of the Worldpay group, Worldpay will work with Client to determine whether existing terms and conditions in place between the parties can be leveraged for this new opportunity.

Worldpay has every confidence that in the instant case, we will be able to address all terms and conditions to the satisfaction of both parties.

Our proposal is effective and valid for one hundred twenty (120) days from the proposal date hereof.

Please note that references by Worldpay to enhancements, improvements, new releases, or other functional and/or technical items that are not available in general release as of the date of this proposal ("Future Functionality") do not represent commitments on the part of Worldpay that it will develop or deliver any such items. Accordingly, Worldpay does not include in its agreements

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with clients any commitments or obligations relating to the development or delivery of specific Future Functionality.

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Contact Details:

Dan Hulen

Senior Sales Executive

8500 Governors Hill Drive

Cincinnati, OH 45249-1384

USA

Email: dan.hulen@worldpay.com

CITY OF FERNANDINA BEACH RFP OPENING TALLY

RFP 26-04, February 27, 2026; 10:30AM
RFP Name: MANAGEMENT BANKING SERVICES
Attended by: Susan Carless, Wanda Weaks

DATE/TIME REC'D	COMPANY NAME/LOCATION	EXHIBITS A-H	ATTACHMENTS A-D	ADDENDUM NO 1
02/26/2026 4:10PM	First Federal Bank, Lake City, FL	✓	✓	✓
002/27/2026 8:56AM	Regions Bank, Jacksonville, FL	✓	✓	✓
2/27/2026 9:51AM	First Port City Bank, Fernandina Beach, FL	✓	✓	✓
02/27/2026 9:53AM	Primesouth Bank, Fernandina Beach, FL	✓	✓	✓

This is a preliminary summary of the submittals as they were opened and announced at the opening. Contractor/Vendor should not assume award until after final/review/recommendation for award

RFP 26-04 MANAGEMENT BANKING SERVICES

Combined Scoring

	Criteria	Weight
1	Financial Strength in Government Accounts	30
2	Quality of Scope of Conversion Plan and Implementation	15
3	Qualifications of Professional Personnel Assigned to City Accounts	15
4	Proposed Fees/Compensation/Interest Income Formula	30
5	Breadth of Services/Innovation/Additional Services	10
		100

Rating (used to fill in yellow boxes)

0	Did not address
1	Significant deficiencies
2	Some deficiencies
3	Meets requirements/expectation
4	Slightly exceeds expectations
5	Greatly exceeds expectations

		REGIONS BANK		FIRST PORT CITY BANK		FIRST FEDERAL BANK		PRIMESOUTH	
			Total		Total		Total		Total
1	Financial Strength in Government Accounts	12	72.00	9	54.00	12	72.00	10	60.00
2	Quality of Scope of Conversion Plan and Implementation	10	30.00	12	36.00	8	24.00	9	27.00
3	Qualifications of Professional Personnel Assigned to City Accounts	9	27.00	12	36.00	12	36.00	9	27.00
4	Proposed Fees/Compensation/Interest Income Formula	9	54.00	9	54.00	13	78.00	12	72.00
5	Breadth of Services/Innovation/Additional Services	9	18.00	10	20.00	10	20.00	7	14.00
	Total		201.00		200.00		230.00		200.00

RFP 26-04 MANAGEMENT BANKING SERVICES
Kim Briley

	Criteria	Weight
1	Financial Strength in Government Accounts	30
2	Quality of Scope of Conversion Plan and Implementation	15
3	Qualifications of Professional Personnel Assigned to City Accounts	15
4	Proposed Fees/Compensation/Interest Income Formula	30
5	Breadth of Services/Innovation/Additional Services	10
		100

Rating (used to fill in yellow boxes)

0	Did not address
1	Significant deficiencies
2	Some deficiencies
3	Meets requirements/expectation
4	Slightly exceeds expectations
5	Greatly exceeds expectations

		REGIONS BANK		FIRST PORT CITY BANK		FIRST FEDERAL BANK		PRIMESOUTH	
			Total		Total		Total		Total
1	Financial Strength in Government Accounts	3	18.00	3	18.00	4	24.00	3	18.00
2	Quality of Scope of Conversion Plan and Implementation	4	12.00	4	12.00	0	0.00	3	9.00
3	Qualifications of Professional Personnel Assigned to City Accounts	3	9.00	5	15.00	5	15.00	3	9.00
4	Proposed Fees/Compensation/Interest Income Formula	3	18.00	2	12.00	4	24.00	4	24.00
5	Breadth of Services/Innovation/Additional Services	3	6.00	4	8.00	3	6.00	3	6.00
	Total		63.00		65.00		69.00		66.00

RFP 26-04 MANAGEMENT BANKING SERVICES

Steven Gibb

	Criteria	Weight
1	Financial Strength in Government Accounts	30
2	Quality of Scope of Conversion Plan and Implementation	15
3	Qualifications of Professional Personnel Assigned to City Accounts	15
4	Proposed Fees/Compensation/Interest Income Formula	30
5	Breadth of Services/Innovation/Additional Services	10
		100

Rating (used to fill in yellow boxes)

0	Did not address
1	Significant deficiencies
2	Some deficiencies
3	Meets requirements/expectation
4	Slightly exceeds expectations
5	Greatly exceeds expectations

		REGIONS BANK		FIRST PORT CITY BANK		FIRST FEDERAL BANK		PRIME SOUTH	
			Total		Total		Total		Total
1	Financial Strength in Government Accounts	4	24.00	3	18.00	4	24.00	3	18.00
2	Quality of Scope of Conversion Plan and Implementation	4	12.00	4	12.00	3	9.00	2	6.00
3	Qualifications of Professional Personnel Assigned to City Accounts	3	9.00	3	9.00	4	12.00	3	9.00
4	Proposed Fees/Compensation/Interest Income Formula	3	18.00	3	18.00	4	24.00	4	24.00
5	Breadth of Services/Innovation/Additional Services	2	4.00	3	6.00	3	6.00	2	4.00
	Total		67.00		63.00		75.00		61.00

RFP 26-04 MANAGEMENT BANKING SERVICES
Dana Whicker

	Criteria	Weight
1	Financial Strength in Government Accounts	30
2	Quality of Scope of Conversion Plan and Implementation	15
3	Qualifications of Professional Personnel Assigned to City Accounts	15
4	Proposed Fees/Compensation/Interest Income Formula	30
5	Breadth of Services/Innovation/Additional Services	10
		100

Rating (used to fill in yellow boxes)

0	Did not address
1	Significant deficiencies
2	Some deficiencies
3	Meets requirements/expectation
4	Slightly exceeds expectations
5	Greatly exceeds expectations

		REGIONS BANK		FIRST PORT CITY BANK		FIRST FEDERAL BANK		PRIMESOUTH	
			Total		Total		Total		Total
1	Financial Strength in Government Accounts	5	30.00	3	18.00	4	24.00	4	24.00
2	Quality of Scope of Conversion Plan and Implementation	2	6.00	4	12.00	5	15.00	4	12.00
3	Qualifications of Professional Personnel Assigned to City Accounts	3	9.00	4	12.00	3	9.00	3	9.00
4	Proposed Fees/Compensation/Interest Income Formula	3	18.00	4	24.00	5	30.00	4	24.00
5	Breadth of Services/Innovation/Additional Services	4	8.00	3	6.00	4	8.00	2	4.00
	Total		71.00		72.00		86.00		73.00

City of Fernandina Beach
RFP 26-04 Management Banking Services
Evaluation Committee Meeting Minutes
March 4, 2026 – 10:00AM
City Hall Conference Room
204 Ash Street
Fernandina Beach, FL 32034

CALL TO ORDER: Finance Department Purchasing Specialist Wanda Weaks called the meeting to order at 10:00AM.

ROLL CALL: Evaluation Committee Members: Deputy City Clerk, Kim Elliott-Briley; IT Director, Dana Whicker; Edward Jones Financial Advisor, Steven G. Gibb, CFP.

Four banks responded to RFP 26-04, Management Banking Services. First Federal Bank, First Port City Bank, PrimeSouth Bank and Regions Bank.

Ms. Weaks recited the Evaluation Committee Members' collective scores, from highest to lowest, which were as follows: First Federal Bank (230), Regions Bank (201), First Port City Bank (200) and PrimeSouth Bank (200).

Member Gibb stated that First Federal Bank definitely came out on top, followed by First Port City Bank. He noted that First Federal provided the most money earned with the least cost to the City.

Members Whicker and Elliott-Briley agreed with Member Gibb. Member Whicker stated that First Federal Bank provides the City with great customer service.

Following the discussion, a motion was made by Member Gibb, seconded by Member Whicker, to award RFP 26-04 to First Federal Bank.

The next step is to prepare a resolution to recommend to the City Commission, at their March 17, 2026, regular meeting, that First Federal Bank be awarded RFP 26-04.

ADJOURNMENT: There being no further business before the Evaluation Committee, the meeting adjourned at 10:16AM.

FAILED

RESOLUTION 2026-14

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, ADOPTING THE RECOMMENDATION OF THE MANAGEMENT BANKING SERVICES EVALUATION COMMITTEE; AWARDING RFP 25-04 TO FIRST FEDERAL BANK TO PROVIDE BANKING SERVICES FOR A PERIOD OF FIVE (5) YEARS WITH TWO (2) ONE-YEAR RENEWAL; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the current banking services contract expires March 14, 2026, and as a result, City staff developed and issued a Request for Proposal ("RFP") 25-04 in December 2025, and established a Management Banking Services RFP Evaluation Committee; and

WHEREAS, after careful review of the three complete submittals, the Management Banking Services RFP Evaluation Committee unanimously recommends First Federal Bank as the City's provider of banking services.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby adopts the recommendation of the Evaluation Committee and awards RFP 25-04 for Management Banking Services to First Federal Bank, attached hereto as Exhibit A.

SECTION 2. The City Clerk and City Manager are hereby authorized to execute all pertinent agreements with First Federal Bank, upon review and approval of the City Attorney.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This resolution shall take effect on the first business day following its adoption.

ADOPTED this 3rd day of February, 2026.

ATTEST:

CAROLINE BEST
City Clerk

CITY OF FERNANDINA BEACH

JAMES ANTUN
Mayor-Commissioner

APPROVED AS TO FORM & LEGALITY:

TERESA L. PRINCE, ESQ.

City Attorney

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-44
Lease Amendments — Airport Fixed Base Operator and Related Leases

ITEM TYPE: Resolution (w/ fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-44.

SYNOPSIS: The City of Fernandina Beach owns, controls, and operates the Fernandina Beach Municipal Airport.

8 Flags Aviation, LLC, FHB Aircraft Hangars LLC, FHB Aircraft Hangars 3, LLC and the City wish to amend certain provisions in the Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement and related leases previously approved by the City Commission to authorize acquisition and reconstruction of Airport-owned Hangar "D" in support of a project to provide a permanent facility for Air Methods aeromedical operations at the Airport, and to align effective lease terms of multiple ground leases for capital development completed by the Airport's fixed base operator.

FISCAL IMPACT: This amendment will increase the footprint of the FBO lease and increase the revenue paid to the Airport for the ground lease held by the fixed base operator. Additionally, the acquisition of Airport-owned Hangar "D" will result in $50,000 in revenue paid to the Airport within this fiscal year.

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission adopt proposed Resolution 2026-44.

Kimberly Elliott-Briley, Deputy City Clerk	03/04/2026
Alisha Brown, Budget Analyst	03/04/2026
Susan Carless, Comptroller	03/04/2026
Jeremiah Glisson, Deputy City Manager	03/09/2026
Sarah Campbell, City Manager	03/09/2026
Teresa Prince, City Attorney	03/10/2026
Katie Newton, Downtown Coordinator	03/10/2026

Submitted By: Teresa Prince, City Attorney Date: February 27, 2026

COMMISSION ACTION: Adopt

RESOLUTION 2026-44

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING ADDENDUM 3 TO FERNANDINA BEACH MUNICIPAL AIRPORT FIXED BASE OPERATOR LEASE AND AMENDMENT 2 TO FHB AIRCRAFT HANGARS LLC LEASE AND AMENDMENT 1 TO FHB AIRCRAFT HANGARS 3, LLC LEASE EACH FOR CITY PROPERTY LOCATED ON THE FERNANDINA BEACH MUNICIPAL AIRPORT TO AUTHORIZE ACQUISITION AND RECONSTRUCTION OF AIRPORT-OWNED "HANGAR D"; TO EXTEND AND ALIGN EACH LEASE TERM TO JUNE 30, 2054, WITH ONE TEN (10) YEAR EXTENSION OPTION; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Fernandina Beach ("City") owns, controls, and operates the Fernandina Beach Municipal Airport in the City of Fernandina Beach, County of Nassau, and State of Florida; and

WHEREAS**,** 8 Flags Aviation, LLC, a Florida limited liability company ("8FA"), the "Lessee" under the FBO Lease (as defined below), and City wish to amend certain provisions in the Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement approved by the City via Resolution 2015-139 and dated October 30, 2015, as was previously amended via Addendum 1 on December 19, 2023 approved pursuant to City Resolution 2023-236 ("Addendum 1") and Addendum 2 on May 7, 2024 approved pursuant to City Resolution 2024-80 ("Addendum 2") to provide for additions and amendments to certain lease provisions (as modified by Addendum 1 and Addendum 2, the "FBO Lease" or "Agreement"); and

WHEREAS**,** FHB Aircraft Hangars LLC, a Florida limited liability company ("FHB1"), the current "Lessee" under that certain "Ground Lease Agreement for Southshore CRE Inc." for construction of hangars, ramp apron, automobile parking and related infrastructure which consists of approximately 97,914 square feet approved by the City via Resolution 2020-09 and dated February 4, 2020 by and between City and Southshore CRE Inc., as such lease was subsequently amended to authorize the formation of a condo association and sale of individual hangars and/or hangar units and assigned to and assumed by FHB1, pursuant to the Amendment and Assignment and Assumption of Lease approved by the City via 2021-62 each dated May 4, 2021 (as amended and assigned, the "FHB1 Lease"), and City wish to amend certain provisions of the FHB1 Lease; and

WHEREAS, FHB Aircraft Hangars 3, LLC, a Florida limited liability company ("FHB3"), the "Lessee" under that certain "Ground Lease Agreement for FHB Aircraft Hangars, LLC" for the purpose of constructing one hangar facility with five individual box hangar units, as well as associated auto parking and infrastructure, approved by the City via Resolution 2024-112 and dated June 18, 2024 by and between City and FHB3 (the "FHB3 Lease"), and City wish to amend certain provisions of the FHB3 Lease; and

WHEREAS, since commencement of the FBO Lease, 8FA, either directly or through its affiliates FHB1 and FHB3, have undertaken more than six million dollars in development of aircraft storage hangars, and proposes to undertake additional capital improvements, including but not limited to the significant restoration and redevelopment of Hangar "D" and adjacent properties, which will enhance the Leased Premises and will benefit the Airport; and

WHEREAS, the FBO Lease, the FHB1 Lease and the FHB3 Lease may be referred to herein collectively as the "Airport Leases"; and

WHEREAS, the City desires to extend the terms of the Airport Leases in consideration of such capital investment(s), subject to compliance with applicable federal and state requirements, Airport rules, and FAA Grant Assurances.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the terms and conditions Addendum 3 to Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement amendment 2 to FHB Aircraft Hangars LLC lease and Amendment 1 to FHB Aircraft Hangars 3, LLC lease, attached hereto as compiled Exhibit A.

SECTION 2. The City Clerk and City Manager are hereby authorized to execute Addendum 3 to Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement amendment 2 to FHB Aircraft Hangars LLC lease and Amendment 1 to FHB Aircraft Hangars 3, LLC lease, upon review and approval of the City Attorney.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This Resolution shall be effective immediately upon passage.

ADOPTED this 17th day of March, 2026.

ATTEST:

_____
CAROLINE BEST
City Clerk

CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Commissioner-Mayor

APPROVED AS TO FORM & LEGALITY:

_____
TERESA L. PRINCE, ESQ.
City Attorney

ADDENDUM 3 TO FERNANDINA BEACH MUNICIPAL AIRPORT
FIXED BASE OPERATOR LEASE
AND
AMENDMENT 2 TO FHB AIRCRAFT HANGARS LLC LEASE
AND
AMENDMENT 1 TO FHB AIRCRAFT HANGARS 3, LLC LEASE

These GROUND LEASE AGREEMENTS further identified and defined below (hereinafter referred to collectively as the "Agreements"), made and entered into this _____ day of March, 2026, made by and between the CITY OF FERNANDINA BEACH, FLORIDA, a municipal corporation (hereinafter referred to as "LESSOR" or "City,") and 8 FLAGS AVIATION, LLC, FHB Aircraft Hangars LLC, and FHB AIRCRAFT HANGARS 3, LLC, each a limited liability company duly registered within the State of Florida, its successors and assigns (hereinafter collectively referred to as the "LESSEES".)

WHEREAS, City of Fernandina Beach ("City" or "LESSOR") owns, controls, and operates the Fernandina Beach Municipal Airport (hereinafter referred to as the "Airport"), in the City of Fernandina Beach, County of Nassau, and State of Florida; and

WHEREAS, 8 Flags Aviation, LLC, a Florida limited liability company ("8FA"), the "Lessee" under the FBO Lease (as defined below), and City wish to amend certain provisions in the Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement approved by the City via Resolution 2015-139 and dated October 30, 2015, as was previously amended via Addendum 1 on December 19, 2023 approved pursuant to City Resolution 2023-236 ("Addendum 1") and Addendum 2 on May 7, 2024 approved pursuant to City Resolution 2024-80 ("Addendum 2") to provide for additions and amendments to certain lease provisions (as modified by Addendum 1 and Addendum 2, the "FBO Lease" or "Agreement"); and

WHEREAS, FHB Aircraft Hangars LLC, a Florida limited liability company ("FHB1"), the current "Lessee" under that certain "Ground Lease Agreement for Southshore CRE Inc." for construction of hangars, ramp apron, automobile parking and related infrastructure which consists of approximately 97,914 square feet approved by the City via Resolution 2020-09 and dated February 4, 2020 by and between City and Southshore CRE Inc., as such lease was subsequently amended to authorize the formation of a condo association and sale of individual hangars and/or hangar units and assigned to and assumed by FHB1, pursuant to the Amendment and Assignment and Assumption of Lease approved by the City via 2021-62 each dated May 4, 2021 (as amended and assigned, the "FHB1 Lease"), and City wish to amend certain provisions of the FHB1 Lease; and

WHEREAS, FHB Aircraft Hangars 3, LLC, a Florida limited liability company ("FHB3"), the "Lessee" under that certain "Ground Lease Agreement for FHB Aircraft Hangars, LLC" for the purpose of constructing one hangar facility with five individual box hangar units, as well as associated auto parking and infrastructure, approved by the City via Resolution 2024-112 and dated June 18, 2024 by and between City and FHB3 (the "FHB3 Lease"), and City wish to amend certain provisions of the FHB3 Lease; and

WHEREAS, since commencement of the FBO Lease, 8FA, either directly or through its affiliates FHB1 and FHB3, have undertaken more than 6 million dollars in development of aircraft

storage hangars, and proposes to undertake additional capital improvements, including but not limited to the significant restoration and redevelopment of Hangar "D" and adjacent properties, which will enhance the Leased Premises and will benefit the Airport; and

WHEREAS, The FBO Lease, the FHB1 Lease and the FHB3 Lease may be referred to herein collectively as the "Airport Leases"); and

WHEREAS, the City desires to extend the terms of the Airport Leases in consideration of such capital investment(s), subject to compliance with applicable federal and state requirements, Airport rules, and FAA Grant Assurances.

NOW THEREFORE, based on mutual consideration, the sufficiency of which is agreed to between the parties, the parties hereby agree to amend the FBO Lease as follows:

1. Acknowledgment. It is fully understood by the parties that there are two Article 2 references and one Article 2, Leased Premises, of the FBO Lease has subsections numbered 1.1-1.7 and the second Article 2, Term, of the FBO Lease has subsection numbered (a-e).

2. For the FBO Lease, Article 2 Term, first unlettered paragraph is hereby amended to extend the base term (also referred to as the initial term) of the FBO Lease for a period ending on June 30, 2054, plus the option for Lessee to extend the term by an additional 10 years, which may be exercised as provided in the FBO Lease.

3. For the FBO Lease, Article 2 Term, subsections a-c are hereby repealed and replaced with a new subsection a. as follows:

a. Every seven (7) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

4. For the FBO Lease, Article 2 Term subsection d. is re-lettered to subsection b. and is restated with no changes below as follows:

b. At the four-year anniversary of any extension term of the Agreement, the LESSOR may conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a scope of work (or such additional time if such repairs

cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

5. For the FBO Lease, Article 2 Term, subsection e. is relettered to subsection c. and amended below as follows:

c. At the expiration of the initial ~~20 year~~ term and any extension term, LESSEE may request a new lease on terms and conditions consistent with the Agreement and then - current rates and conditions.

6. For the FBO Lease, Article 2, Leased Premises, Section 1.1 Ground, Exhibit 1 is repealed and replaced with Exhibit 1 to this Addendum 3 and Section 1.3 Rented Terminal Space, Exhibit 2 is repealed and replaced with Exhibit 2 to this Addendum 3. All references to Exhibit 1 and Exhibit 2 of the FBO lease shall be replaced with Exhibits 1 and 2 to this Addendum 3. All other provisions of Article 2, Sections 1.1 and 1.3 are ratified and shall remain in full force and effect.

7. For the FBO Lease, Article 3, Section 3.2 is hereby amended to increase the ground lease area from 256,132 square feet by 14,837 sq/ft to 270,969 sq/ft as reflected in Exhibit 1 to this Addendum 3 to be leased at the initial lease rate of $0.20 per square foot per year, plus applicable sales tax as adjusted by CPI increases consistent with other lease,

8. For the FBO Lease, Article 3, Section 3.5 is hereby amended and restated to be consistent with other airport leases as follows:

<u>This ground rent rate shall be reviewed each year by the LESSOR and ground rent rates, plus all applicable taxes, shall be adjusted so as to maintain a fair rental rate based on change in the Consumer Price Index (CPI) - All Urban Consumers South Urban Region - All Items (base year 1982-84=100), as published by the United States Department of Labor-Bureau of Labor Statistics, an appraisal, market rent study or other method designated by LESSOR. Such CPI change will be computed each year after the completion of the month of July and any change will be implemented and effective with October rent payments of each year. An appraisal, market rent study or alternative method as designated by the LESSOR may be substituted periodically for the CPI adjustment and shall be at least four years apart and any such adjustment will also be implemented in October of the applicable year. In no event, however, shall the ground rent be less than the previous year's rental amount. The Tenant shall be solely responsible for the payment of all applicable ad valorem property taxes and subject to adjustment as provided in the FBO Lease. The fuel flowage fee and the automobile rental percentage are not subject to annual review.</u>

All other ground lease areas specified in the FBO Ground Lease Addendum 1 and Addendum 2 remain unchanged. All ground space, office/storage space, parking areas, ramp aprons, hangars and pavement leased by LESSEE are covered by the terms and conditions of the FBO Lease, Addendum 1, Addendum 2, and this Addendum 3.

9. The FBO Lease is hereby amended to add a new Article 14 – Capital Improvements and Ownership as follows:

Article 14 – <u>Capital Improvements and Ownership</u>.

a. In exchange for extension of ground lease term, Lessee agrees to undertake and complete the following capital improvements:

The restoration of Hangar "D", development of supporting office space for Hangar "D", and redevelopment of access walkway and parking area associated with Hangar "D", to include new roof, updated plumbing and electrical systems, and construction of a single-story addition, approximately 3,000 square feet in size.

Lessee shall obtain all necessary approvals, permits, and comply with Airport design standards, environmental regulations, and building codes.

The Lessor reserves the right to review and approve all plans and issue appropriate permits prior to construction of capital improvements.

b. Ownership of Capital Improvements: Lessee shall pay a fair market value of $50,000 to Lessor for acquisition of Hangar "D" in its existing condition. All permanent improvements shall, upon redevelopment of the Hangar, become the property of the Lessee during the term of the FBO Lease. Ownership of these improvements will revert back to the Lessor upon expiration or earlier termination of the FBO Lease in accordance with Section 10.3 of the FBO Lease.

10. All other terms and provisions of the FBO Lease and Exhibits not amended by this Addendum 3 are hereby ratified and affirmed and shall remain in full force and effect.

NOW THEREFORE, based on mutual consideration, the sufficiency of which is agreed to between the parties, the parties hereby agree to Amendment 2 of the FHB1 Lease as follows:

1. Section 2. Term, shall be amended to extend the initial term to June 30, 2054 and continuing for said term, unless earlier termination under the provisions of this Agreement. In lieu of the options to extend the term set forth in the second paragraph of Section 2, Term of the FHB1 Lease, upon expiration of the initial term, Lessee shall have the right to extend the FHB1 Lease for one additional term of ten (10) years, on the same terms and conditions as set forth in the FHB1 Lease, and which may be exercised as provided in the FHB1 Lease. The Lease Commencement Date shall be the date of this Amendment 2 to the FHB1 Lease. The second 10 year term in Section 2 is deleted.

2. The first sentence of Section 2(a) of the FHB1 Lease is amended to permit the Lessor to conduct an inspection of the Premises at the seventh (7^{th}) anniversary of the Lease Commencement Date, and every seven (7) years thereafter as otherwise outlined in Section 2a. of the FHB1 Lease.

3. All other terms and provisions of the FHB1 Lease and Exhibits not amended by this amendment are hereby ratified and affirmed and shall remain in full force and effect.

NOW THEREFORE, based on mutual consideration, the sufficiency of which is agreed to between the parties, the parties hereby agree to Amendment 1 of the FHB3 Lease as follows:

1. Section 2. Term, shall be amended to extend the initial term to June 30, 2054 and continuing for said term, unless earlier termination under the provisions of this Agreement. In lieu of the options to extend the term set forth in the second paragraph of Section 2, Term of the FHB3 Lease, upon expiration

of the initial term, Lessee shall have the right to extend the FHB3 Lease for one additional term of ten (10) years, on the same terms and conditions as set forth in the FHB3 Lease, and which may be exercised as provided in the FHB3 Lease. The Lease Commencement Date shall be the date of this Amendment 1 to the FHB3 Lease. The second 10 year term in Section 2 is deleted.

2. The first sentence of Section 2(a) of the FHB3 Lease is amended to permit the Lessor to conduct an inspection of the Premises at the seventh (7^{th}) anniversary of the Lease Commencement Date, and every seven (7) years thereafter as otherwise outlined in Section 2a. of the FHB3 Lease.

3. All other terms and provisions of the FHB3 Lease and Exhibits not amended by this amendment are hereby ratified and affirmed and shall remain in full force and effect.

[remainder of page left blank intentionally]

IN WITNESS WHEREOF, this Addendum 3 to the FBO Lease and Amendment 2 to FHB1 Lease and Amendment 1 to the FHB3 Lease is effective on the date that this Addendum is approved by the City Commission.

8 Flags Aviation, LLC

By:_____ Date:_____
Brian Echard, Manager

FHB Aircraft Hangars, LLC

By:_____ Date:_____
Brian Echard, Manager

FHB Aircraft Hangars 3, LLC

By:_____ Date:_____
Brian Echard, Manager

City of Fernandina Beach, Florida

By:_____
Sarah Campbell, City Manager

ATTEST:

By:_____ Date:_____
Caroline Best, City Clerk

APPROVED AS TO FORM AND LEGALITY:

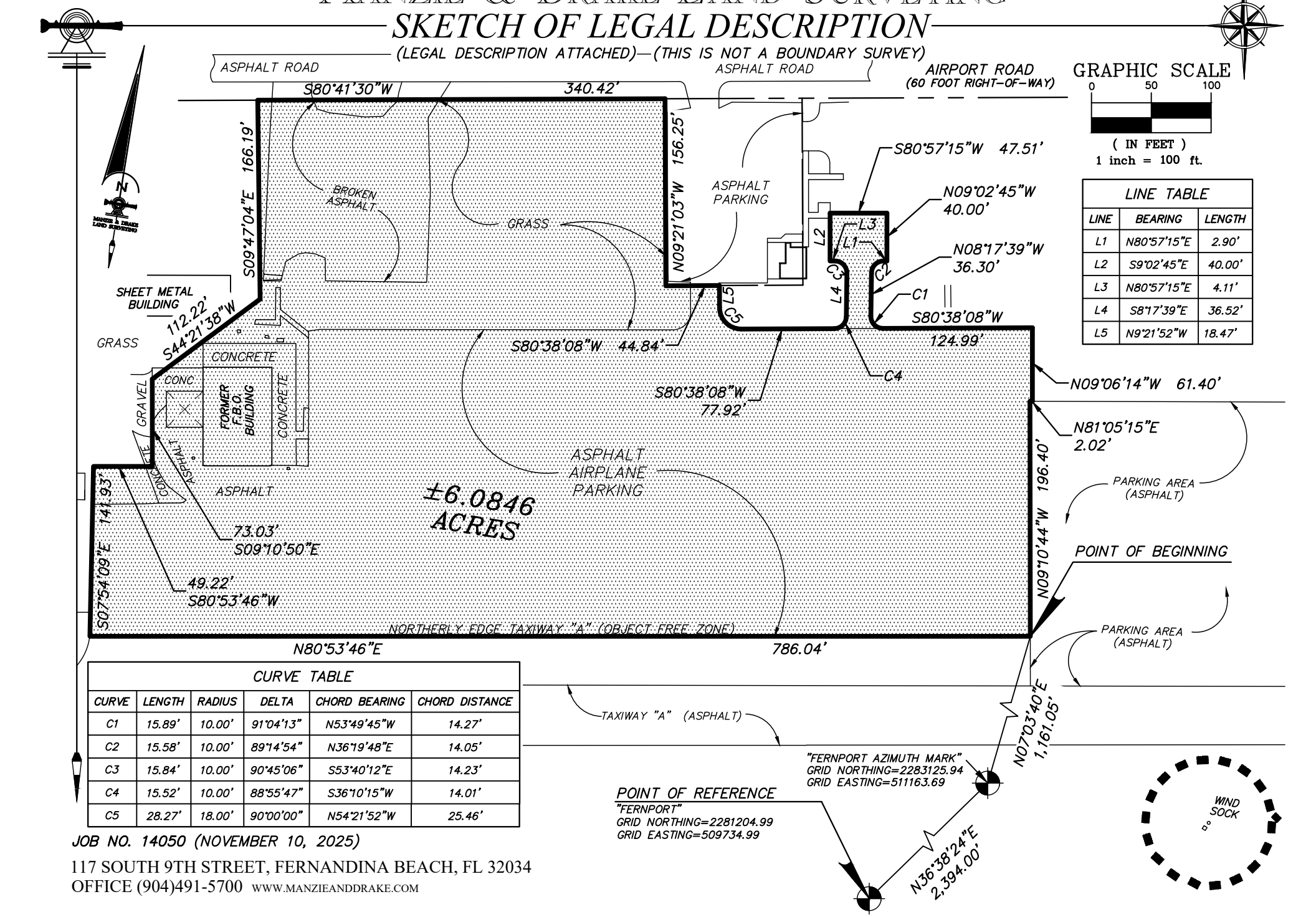
By:_____
Teresa Prince, City Attorney

Resolution 2026-44
Exhibit "1" to Exhibit "A"

MANZIE & DRAKE LAND SURVEYING

SKETCH OF LEGAL DESCRIPTION

(LEGAL DESCRIPTION ATTACHED)—(THIS IS NOT A BOUNDARY SURVEY)



LINE TABLE		
LINE	BEARING	LENGTH
L1	N80°57'15"E	2.90'
L2	S9°02'45"E	40.00'
L3	N80°57'15"E	4.11'
L4	S8°17'39"E	36.52'
L5	N9°21'52"W	18.47'

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C1	15.89'	10.00'	91°04'13"	N53°49'45"W	14.27'
C2	15.58'	10.00'	89°14'54"	N36°19'48"E	14.05'
C3	15.84'	10.00'	90°45'06"	S53°40'12"E	14.23'
C4	15.52'	10.00'	88°55'47"	S36°10'15"W	14.01'
C5	28.27'	18.00'	90°00'00"	N54°21'52"W	25.46'

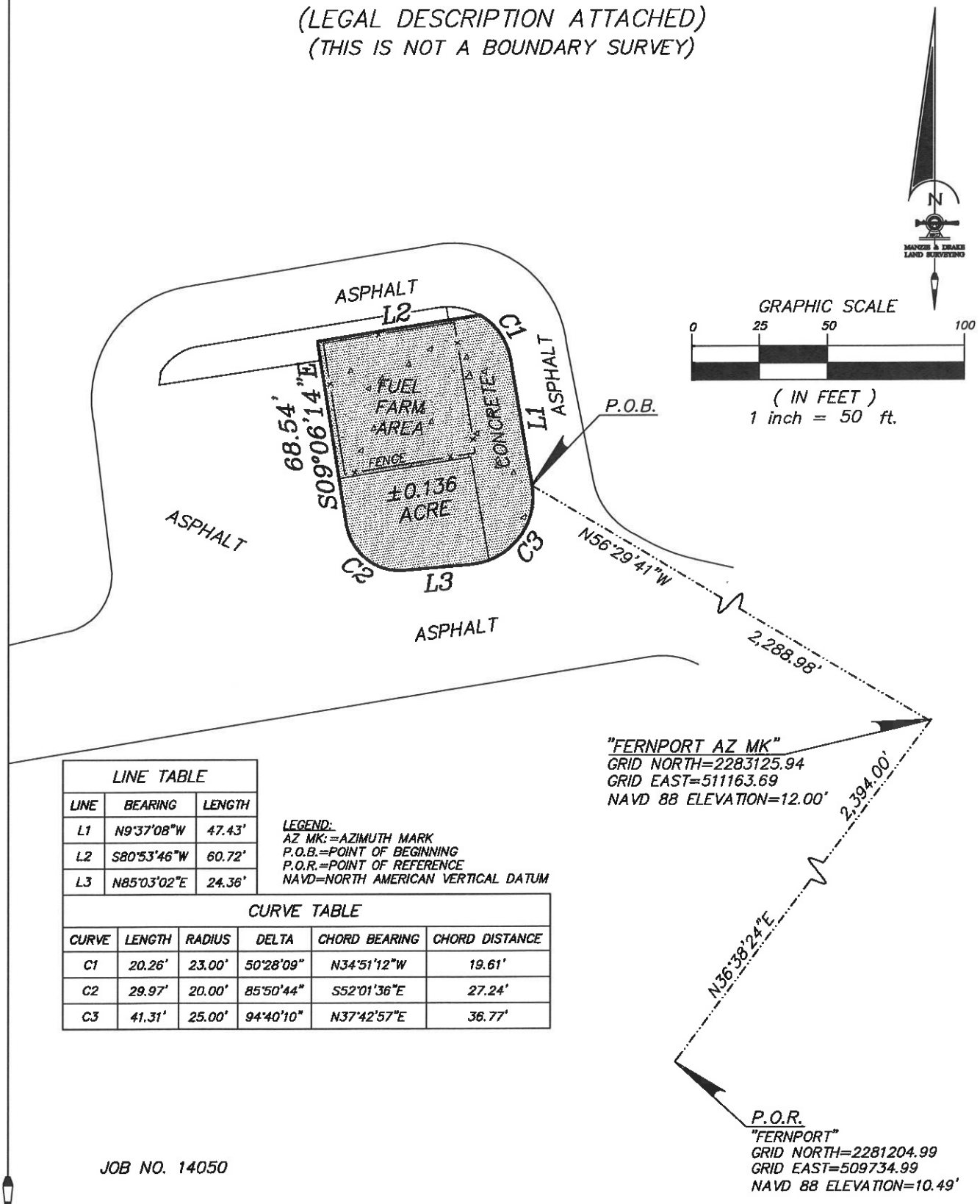
JOB NO. 14050 (NOVEMBER 10, 2025)

117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904)491-5700 WWW.MANZIEANDDRAKE.COM

MANZIE & DRAKE LAND SURVEYING

SKETCH OF LEGAL DESCRIPTION

(LEGAL DESCRIPTION ATTACHED)
(THIS IS NOT A BOUNDARY SURVEY)



LINE TABLE		
LINE	BEARING	LENGTH
L1	N9°37'08"W	47.43'
L2	S80°53'46"W	60.72'
L3	N85°03'02"E	24.36'

LEGEND:
AZ MK:=AZIMUTH MARK
P.O.B.=POINT OF BEGINNING
P.O.R.=POINT OF REFERENCE
NAVD=NORTH AMERICAN VERTICAL DATUM

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C1	20.26'	23.00'	50°28'09"	N34°51'12"W	19.61'
C2	29.97'	20.00'	85°50'44"	S52°01'36"E	27.24'
C3	41.31'	25.00'	94°40'10"	N37°42'57"E	36.77'

JOB NO. 14050

117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904)491-5700 * www.ManzieAndDrake.com
WWW.MANZIEANDDRAKE.COM

Resolution 2026-44
Exhibit "2" to Exhibit "A"



1 FIRST FLOOR LEASE PLAN

0' 4' 8' 16' 32'

FIRST FLOOR		
	1ST FLOOR FBO AREAS	= 3,885 sf
	1ST FLOOR AIRPORT AREAS	= 1,852 sf
	1ST FLOOR FBO SHADE HANGAR	= 2,169 sf

SECOND FLOOR		
	2ND FLOOR FBO AREAS	= 1,471 sf
	2ND FLOOR AIRPORT AREAS	= 3,148 sf

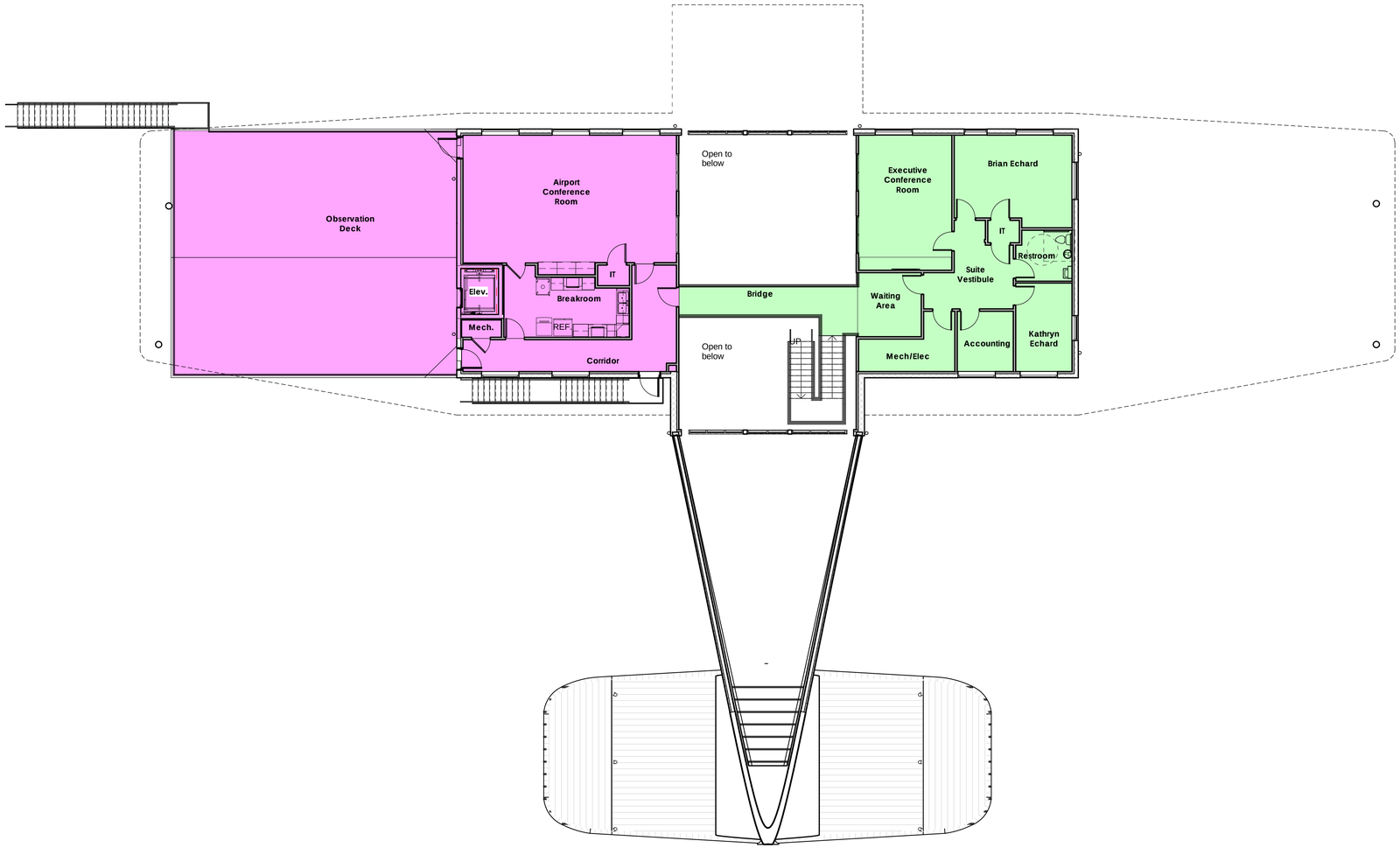
TOTAL		
	FBO AREAS	= 5,356 sf
	AIRPORT AREAS	= 5,000 sf
	SHADE HANGAR	= 2,169 sf
	TOTAL	**= 12,525 sf**

PERCENTAGES		
	FBO AREAS	= 43%
	AIRPORT AREAS	= 40%
	SHADE HANGAR	= 17%

SEPTEMBER 5, 2018

GA TERMINAL FIRST FLOOR LEASE AREAS

PASSERO ASSOCIATES
engineering architecture



1 SECOND FLOOR LEASE PLAN

0" 4' 8' 16' 32'

FIRST FLOOR		
1ST FLOOR FBO AREAS	=	3,885 sf
1ST FLOOR AIRPORT AREAS	=	1,852 sf
1ST FLOOR FBO SHADE HANGAR	=	2,169 sf

SECOND FLOOR		
2ND FLOOR FBO AREAS	=	1,471 sf
2ND FLOOR AIRPORT AREAS	=	3,148 sf

TOTAL		
FBO AREAS	=	5,356 sf
AIRPORT AREAS	=	5,000 sf
SHADE HANGAR	=	2,169 sf
TOTAL	**=**	**12,525 sf**

PERCENTAGES		
FBO AREAS	=	43%
AIRPORT AREAS	=	40%
SHADE HANGAR	=	17%

SEPTEMBER 5, 2018

GA TERMINAL SECOND FLOOR LEASE AREAS

PASSERO ASSOCIATES
engineering architecture

City of Fernandina Beach **Mr. Nathan Coyle**

Airport Manager ncoyle@fbfl.org

September 15, 2018

8 Flags Aviation, LLC
Attn: Brian Echard
306 ½ Centre Street
Fernandina Beach, FL 32034

Subject: Commencement of Lease and October 2018 Lease Invoice

Mr. Echard,

This letter serves to document the Commencement Date of the Lease Agreement between the City of Fernandina Beach and 8 Flags Aviation, LLC dated October 15, 2015. In accordance with Section 2 of this agreement, Commencement shall take place when the certificate of occupancy is issued and 8 Flags Aviation takes possession of the premises. A copy of the certificate of occupancy is enclosed with this letter, and the date of commencement for this lease agreement shall begin on October 1, 2018.

Given the October 1, 2018 commencement date for this lease, I have also enclosed a copy of the October lease invoice for payment which is due and payable in accordance with the terms of the lease agreement. After you have a chance to review the invoice, please let me know if you have any questions on the invoice and/or rent credits reflected on the invoice.

Respectfully,



Nathan Coyle
Airport Director

Cc: Dale Martin, City Manager

Attachments:
1. Terminal Facility Certificate of Occupancy
2. October 2018 Lease Invoice – 8 Flags Aviation, LLC

CITY OF FERNANDINA BEACH
BUILDING DEPARTMENT

CERTIFICATE OF OCCUPANCY

This Certificate is issued pursuant to the requirements of Section 106 of the Florida Building Code certifying that at the time of issuance this structure was in compliance with the various ordinances of the City regulating building construction or use.

Address: 700 AIRPORT ROAD
FERNANDINA BEACH, FLORIDA
Subdiv: AIRPORT MNGR OFF
Parcel: 06-2N-28-0000-0001-0000

Owner: CITY OF FERNANDINA BEACH
204 ASH STREET
FERNANDINA BEACH, FLORIDA 32034
Work Type: COMMERCIAL NEW CONSTRUCTION

Construction Type: COMMERCIAL

☐ Sprinklers

Use Classification: COMMERCIAL

Permit Number: 20173062

Date: 8/03/2018

Jim HARE
BUILDING OFFICIAL

For buildings & structures in the flood hazard areas, a statement of documentation of the as-built lowest floor elevation has been provided & is retained in the records of the Building Department or archived.

CITY OF FERNANDINA BEACH
BUILDING DEPARTMENT

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204 ASH STREET
FERNANDINA BEACH, FLORIDA 32034
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Date: 8/03/2018

Jim HARE
BUILDING OFFICIAL

For buildings & structures in the flood hazard areas, a statement of documentation of the as-built lowest floor elevation has been provided & is retained in the records of the Building Department or archived.

City of Fernandina Beach
700 Airport Road
Fernandina Beach, FL 32034
(904) 310-3436

INVOICE

REFERENCE: October, 2018 FBO Lease Invoice

DATE: 10/1/2018 – 10/31/2018

INVOICE: FY19/1

BILL TO:
Eight Flags Aviation, LLC
306 ½ Centre Street
Fernandina Beach, FL 32034

Charges

Ground Lease and Shade Hangar (pre-tax)	**$3,931.58**
Terminal Facility Rental (pre-tax)	**$4,463.33**
Other Invoicing for Lease Area Rental (pre-tax)	**$1,360.00**
Total (pre-tax)	**$9,754.92**
Deduct 50% Rent Credit	**$4,877.46**
Remaining Total After Credit Deduction (pre-tax)	**$4,877.46**
Sales Tax	**$331.67**
TOTAL AMOUNT DUE	**$5,209.13**

PLEASE REMIT PAYMENT TO THE ABOVE ADDRESS.

RESOLUTION 2024-112

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING AN AERONAUTICAL GROUND LEASE WITH FHB AIRCRAFT HANGARS 3, LLC FOR PROPERTY LOCATED AT THE AIRPORT; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, City of Fernandina Beach owns, controls, and operates the Fernandina Beach Municipal Airport in the City of Fernandina Beach, County of Nassau, and State of Florida; and

WHEREAS, the Fernandina Beach Municipal Airport is engaged in leasing property designated for aeronautical uses; and

WHEREAS, FHB Aircraft Hangars 3, LLC wishes to lease Airport land for the purpose of constructing one hangar facility with five individual box hangar units, as well as associated auto parking and infrastructure; and

WHEREAS, this proposal was considered by the Airport Advisory Commission at their February 8, 2024, regular meeting, and the AAC recommends approval of this aeronautical ground lease.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the aeronautical ground lease agreement with FHB Aircraft Hangars 3, LLC, attached hereto as Exhibit 1.

SECTION 2. The City Clerk and Interim City Manager are hereby authorized to execute Exhibit A, upon review and approval of the City Attorney.

SECTION 3. This Resolution shall be effective immediately upon passage.

ADOPTED this 18th day of June, 2024.

ATTEST:

Caroline Best
_____
CAROLINE BEST
City Clerk

CITY OF FERNANDINA BEACH

Bradley M. Bean
_____
BRADLEY M. BEAN
Commissioner-Mayor

APPROVED AS TO FORM & LEGALITY:

_____
TAMMI E. BACH
City Attorney

GROUND LEASE AGREEMENT FOR FHB Aircraft Hangars, LLC FOR PROPERTY LOCATED AT THE FERNANDINA BEACH MUNICIPAL AIRPORT

This GROUND LEASE AGREEMENT (hereinafter referred to as "Agreement"), made and entered into this 18th day of June, 2024, made by and between the **CITY OF FERNANDINA BEACH, FLORIDA**, a municipal corporation (hereinafter referred to as "LESSOR" or "City,") and **FHB AIRCRAFT HANGARS 3, LLC**, a limited liability company within the State of Florida, its successors and assigns (hereinafter referred to as "LESSEE".)

WHEREAS, LESSOR owns, controls and operates the Fernandina Beach Municipal Airport (hereinafter referred to as "Airport"), in the City of Fernandina Beach, County of Nassau, and State of Florida; and

WHEREAS, LESSEE has proposed to lease certain property from LESSOR at the LESSOR's municipal airport for aeronautical related activities; and

WHEREAS, LESSOR desires to make real property available to LESSEE at the Airport for the construction of a hangar with up to six shared wall box hangar units, auto parking and related infrastructure for storage of aircraft;

NOW THEREFORE, for and in consideration of the Premises and the mutual benefits and covenants contained in this Agreement, the parties hereby agree as follows:

1. Leased Premises. LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the following real property identified and shown on Exhibit "A" Lease Area, attached hereto (hereinafter referred to as the "Premises"), together with the right of ingress and egress for vehicles and aircraft. The Premises is located within an area of Airport property designated the east area.

The LESSEE is authorized to conduct the following non-exclusive uses at the Airport: All operations associated with the conduct of the LESSEE's flight operations including but not limited to general commercial aircraft storage, and other non-commercial related aviation operations to include minor maintenance and repairs on LESSEE's aircraft. Additionally, the LESSEE is permitted to provide the commercial storage of aircraft of others. Finally, the LESSEE is authorized to develop and create an aircraft hangar condominium association and sell and/or lease individual hangar units to third parties for private aircraft storage. Any other commercial aeronautical activity may be permitted in the future, however such activity would require express written consent by LESSOR and LESSEE, and the acquisition of necessary permits, as may be required. All LESSEE operations shall comply with all federal, state and local rules, regulations and ordinances.

For the purposes of this Agreement, the term "Premises" shall include the use of airspace above and in the vicinity of said Airport, which is being used for conducting airport operations by LESSEE.

2. Term. The term of this Agreement shall be for a period of twenty (20) years, commencing on the first day of the first month following the execution of this Agreement by both parties (the "Lease Commencement Date"), and continuing for said term, unless earlier termination under the provisions of this Agreement.

Provided the LESSEE is not in default of any terms and conditions of this Agreement, upon expiration of the initial Twenty (20) year term, the LESSEE shall have the right to extend the Lease for two (2) successive additional Ten (10) year terms on the same terms and conditions contained herein. Written notice by LESSEE to exercise these lease extensions must be given a minimum of 120 days and no more than 270 days before the end of each term. All options for extension of this Agreement term shall be subject to performance standards noted below and accompanying continued capital investment toward improvements and repair. Such performance standards include:

a. At the 10 year anniversary of the Agreement, and every five (5) years thereafter, the LESSOR may conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE within 180 days of receipt of written notice from LESSOR that such repairs are to be made by LESSEE. If such reasonable repairs are not completed, then LESSEE will be billed at 115% of cost for LESSOR to complete identified repairs.

b. If Lessee desires, at the expiration of the second 10 year renewal term, or if exercised at the expiration of any additional extensions, LESSEE may request a new lease. If LESSOR determines that the leased Premises are not required for other airport uses, the LESSEE has met its obligations under the term of the preceding lease, and the LESSOR finds that a new lease is appropriate, the LESSOR and LESSEE may negotiate a new lease at terms to be agreed upon at the time of the negotiations. The duration of the new lease shall be at the LESSOR'S option.

3. Rent. In consideration of the rights and privileges granted by this Agreement, LESSEE agrees to pay LESSOR the following ground rent to commence on the date that building permits are issued by the City building department for construction of the improvements authorized under this lease:

a. Rent for the use of real property on Airport property based on a total lease area of 42,532.84 square feet; at a lease rate of $0.20 dollars per square foot per year. Initial annual ground rent shall be $8,506.57 per year.

b. This annual ground rent shall be converted to equal monthly payments to be made at the rate of $708.88 per month, which also is subject to applicable sales tax, currently $21.27, for a total of $730.15 per month and shall commence on the date that building permits are issued by the City building department for construction of the improvements authorized under this lease. All payments shall be due and payable without notice on or before the first day of each month.

c. This ground rent rate shall be reviewed each year by the LESSOR and ground rent rates, plus all applicable taxes, shall be adjusted so as to maintain a fair rental rate based on change in the Consumer Price Index (CPI) – All Urban Consumers South Urban Region – All Items (base year 1982-84=100), as published by the United States Department of Labor-Bureau of Labor Statistics, an appraisal, market rent study or other method designated by LESSOR. Such CPI change will be computed each year after the completion of the month of July and any change will be implemented and effective with October rent payments of each year. An appraisal, market rent study or alternative method as designated by the LESSOR may be substituted periodically for the CPI adjustment and shall be at least four years apart and any such adjustment will also be implemented in October of the applicable year. In no event, however, shall the ground rent be less than the previous year's rental amount. The Tenant shall be solely responsible for the payment of all applicable ad valorem property taxes.

4. Delinquency Charge. Any payments received after the tenth (10th) day of the month are subject to a delinquency charge of one and one-half percent (1 ½%) per month beginning with the eleventh (11^{th}) day after payment is due.

5. Place of Payment. All payments due LESSOR from LESSEE shall be made payable to the City of Fernandina Beach, and mailed to P. O. Box 1146, Fernandina Beach, Florida 32035 or delivered to 1180 South 5^{th} St. Extension, Fernandina Beach, Florida 32034.

6. Non-Exclusive Right. It is not the intention of this Agreement to grant to LESSEE the exclusive right to provide any or all of the services described in this Agreement at any time during the term of this Agreement. LESSOR reserves the rights, at its sole discretion, to grant others certain rights and privileges, to grant others certain rights and privileges upon the Airport which are identical in part or in whole to those granted to LESSEE. However, LESSOR does covenant and agree that:

a. It shall enforce all Airport Minimum Standards for Commercial Aeronautical Activities as currently approved or requirements for all similar services and activities conducted at the Airport;

b. Any other provider of similar services or activities will not be permitted to operate on the Airport under rates, terms, or conditions which are more favorable than those set forth in this Agreement; and

c. It will not permit the conduct of any aeronautical endeavor or activity at the Airport, except under an approved lease or operating agreement, or as general aviation by the general public.

7. Appurtenant Privileges. LESSEE shall be entitled, in common with others so authorized, to the non-exclusive use of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including but not limited to, the use of rights-of-way, common area utilities, landing areas, runways, taxiways, navigational aids, terminal facilities and aircraft parking areas designated by LESSOR.

8. Construction and Use of Premise. LESSEE is hereby granted the non-exclusive privilege

to engage in, and LESSEE agrees to engage in, the construction and maintenance of a hangar with up to five (5) shared wall box hangar units as described below subject to change due to engineering and site requirements, ramp apron, auto parking and related infrastructure on the Premises for LESSEE'S business use, or for other commercial use as may be approved by LESSOR, built in accordance with plans and specifications contained in the Architecture and Building Design Standards for Development on the Airport and as approved by LESSOR and other aviation or aeronautical activities and services necessary or incidental thereto, such approval shall not be unreasonably withheld by LESSOR. If construction on the Premises has not begun within one (1) year of the date of this Agreement, and construction the hangar building is not completed within fifteen (15) months of the beginning of construction, this Agreement may be terminated by the LESSOR with thirty (30) days written notice to LESSEE. The parties agree that this Agreement shall be construed as an "Aeronautical Use Agreement" and LESSEE shall not engage in any business on the Premises other than that specified herein. Included as part of the LESSEE's Premises are:

a. Hangar Building: Subject to change due to engineering and site requirements, one hangar building with up to five shared wall box hangar units and other improvements on the Premises for the purpose of providing aircraft storage to aircraft owned or leased by the LESSOR or for the commercial storage of aircraft of others and for no other purpose. Such facility shall have a minimum of one restroom available for tenants of the hangar facility.

b. Suitable vehicle parking shall be installed and maintained by the LESSEE to allow the loading, unloading and parking of vehicles having business on the Premises.

c. All improvements, including the design thereof, on the Premises must be permitted by the LESSOR prior to installation or construction. The LESSEE is responsible for applying for and obtaining all necessary construction permits and licenses required by local, state and federal laws and regulations.

d. The LESSEE shall construct an aircraft ramp apron on the Premises as designated by the LESSOR, for the purpose of aircraft access to the LESSEE's Hangar facilities. No structures or fixtures will be allowed on the ramp apron. Any and all taxi-lanes and ramp aprons shall be constructed to adequately permit aircraft and vehicles access to the Premises. Pavement construction shall be of equal or greater strength than that of the existing airport taxi-lanes/taxiways/aprons to which it shall abut. The design and construction are subject to review and approval by the LESSOR's Engineer or designee.

e. Suitable pavement markings and lighting shall be installed and maintained by the LESSEE to provide for the orderly and safe movement of aircraft and vehicles on the Premises. Any lighting on the Premises must be approved by the LESSOR prior to installation, and not interfere with flight operations at the Airport.

f. All improvements shall be constructed, graded and drained so as to direct all storm water which may fall on the Premises into approved disposal devices. The LESSOR shall not contribute to storm water contamination and will take such steps and measures as are necessary to comply with the Airport's Storm Water Pollution Prevention Plan and all federal, state, and local regulations governing storm water discharge.

g. Any landscaping installed on the Premises is subject to approval by the LESSOR and shall be installed and maintained by the LESSEE.

9. Rights and Obligations of LESSEE.

a. Payments: LESSEE shall meet and pay all expenses and payments in connection with the use of the Premises and the rights and privileges herein granted, including taxes, ad valorem taxes, permit fees, impact fees, license fees and assessments lawfully levied or assessed upon the Premises or property situated hereon, as well as any and all utilities used or consumed by LESSEE on the Premises, including, but not limited to, water, gas, electricity, sewer, and refuse services.

b. Agreement to Pay Taxes and Obligations: LESSEE shall pay all lawful taxes and assessments, debts and obligations of every kind or nature which, during the term hereof, may become a lien upon or which may be levied by the state, county, city or any other tax levying body, upon any taxable interest of the LESSEE acquired in the Agreement or any taxable possessory right which LESSEE may have in or to the Premises or facilities hereby leased or the improvements thereon, or on the LESSOR'S fee simple interest therein, by reason of its use or occupancy thereof or otherwise as well as all taxes or taxable property, real or personal, owned by LESSEE in and about said Premises, whether said taxes are assessed in the name of LESSEE or LESSOR.

c. Premise Upkeep: The LESSEE shall, at its own expense, maintain and keep the Premises to include structural, roofs, and hangar doors as well as all improvements thereon including lighting, landscaping, drainage, signage, auto parking areas and aircraft parking ramp apron including all pavement and striping, in good condition and make all repairs, both interior and exterior, necessary to keep and maintain the Premises, including all improvements thereon in good condition. The Premises and all buildings, improvements, and property thereon must be maintained in a safe, clean and sanitary condition. The LESSOR shall require maintenance and needed repairs to be made in a timely manner.

d. Access: LESSEE shall have at all times the right of ingress to and egress from the rented Premises. To ensure this right the LESSOR shall make all reasonable efforts to keep adjacent areas to the rented Premises free and clear of all hazards and obstructions, natural and manmade.

e. Work in Hangar: It is clearly understood by the LESSEE that no right or privilege has been granted which would operate to prevent any person, firm or corporation operating aircraft on the Airport from performing any services on its own or leased aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform. However, City building code requirements and governmental regulations must be met for the type of work being conducted (examples – painting of aircraft or heavy maintenance of aircraft.)

f. Commercial Activity: LESSEE is permitted to operate commercial aeronautical activities as described in Section 1. LESSEE hereby agrees that it shall comply with the contents of Exhibit "D" - Minimum Operating Standards for Commercial Aeronautical Activities (Minimum Standards), attached hereto, as currently approved or as may be amended from time

to time. Should the Minimum Standards be updated, and any requirement become more restrictive than current Minimum Standards the LESSEE shall have eighteen (18) months from date of adoption to meet the revised Minimum Standards unless waived in writing by the LESSOR. Once updated, those Minimum Standards shall become a part of this Agreement.

g. Signs: During the term of this Agreement, LESSEE shall have the right, at its expense, to place in or on the Premises, a sign or signs. Said sign or signs shall be of a size, shape and design, and at a location or locations, approved by LESSOR and shall conform to the City's sign code. LESSEE shall be responsible for all permits. Notwithstanding any other provision of this Agreement, said sign(s) shall remain the property of LESSEE. LESSEE shall remove, at its expense, all lettering, signs and placards so erected on the Premises at the expiration of the term of this Agreement.

h. Compliance with Applicable Laws, Rules and Regulations: Notwithstanding other requirements contained herein, the LESSEE at its sole cost and expense hereby agrees to and shall comply with all applicable ordinances, laws, rules and regulations established by federal, state, and local government agency or by the City, and they may be amended from time to time, and conduct its operations or commercial business in accordance with all applicable regulations pertaining to airports, including Airport Rules and Regulations, attached hereto as Exhibit "E", promulgated by the LESSOR governing safe and efficient operation of Fernandina Beach Municipal Airport. The LESSOR may, from time to time, modify and/or update the Rules and Regulations. LESSOR will provide LESSEE with a copy of the updated Rules and Regulations, and once updated or revised, those Rules and Regulations shall become a part of this Agreement.

i. Compliance with Environmental Law, Rules and Regulations: LESSEE expressly represents, covenants, warrants, guarantees, and agrees that it shall fully comply with all federal, state and local laws, ordinances, rules and regulations protecting the environment. Any cost or expense to remain or to be compliant with applicable environmental rules and regulations shall be the responsibility of the LESSEE. LESSEE agrees to keep themselves informed of future changes in the existing environmental laws. Such compliance will be the responsibility of the LESSEE at its sole cost and expense.

j. Hazardous Materials and Toxic Waste: LESSEE shall not cause or permit to occur:

1. Any violation of any federal, state or local law, ordinance or regulation now or later enacted, related to environmental conditions on, under, or about the Premises, or arising from LESSEE'S use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or

2. The use, generation, release, manufacture, refining, production, processing or disposal of any hazardous substance on, under, over, or about the Premises.

3. LESSEE shall, at its sole and exclusive expense, comply with all laws and regulations regulating the storage or transportation of hazardous substances relating to the Premises, and shall further make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities under applicable federal, state and local laws and regulations; and the LESSOR is to be immediately notified by LESSEE of any

claim or allegation of non-compliance herewith.

4. If any authority demands that a clean-up plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge or other release of hazardous substances that occurs during the term hereof, or any renewals hereof, at or from the Premises, or which arises from LESSEE's use or occupancy of the Premises, then LESSEE shall, at LESSEE's expense, prepare and submit the required plans and all related bonds and other required financial assurances; and LESSEE shall carry out all work required by such clean-up plans at its sole and exclusive expense.

10. Continuing Obligation. LESSEE'S obligations under Section 9, subsection (j), and Section 11 and Section 15 of this Agreement shall survive the expiration or termination of this Agreement or any renewal thereof.

11. Indemnification for Toxic Wastes. LESSEE, for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to protect, defend, ensure and indemnify LESSOR, its officers, directors, elected and appointed officials and employees, for any manner of loss, damage, cost or assessment which may result from or in any manner be related to the deposit, spill, discharge or other release, and or the presence, use, distribution or disposition of any toxic substance, chemical, metal, petroleum product, or hazardous or toxic waste, or any other substance or derivative. This provision shall survive the expiration of this Agreement. This shall not apply to conditions which pre-exist the date of this Agreement.

12. Aerial Approaches. LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the opinion of the LESSOR, would limit the usefulness of the Airport or constitute a hazard to aircraft.

13. Leasehold Improvements.

a. LESSEE agrees to submit to LESSOR, for approval, detailed plans and specifications for any structural change, alteration, addition, improvement or removal from or to the Premises. LESSOR shall approve the plans and specifications as submitted, or transmit proposed revisions to LESSEE within sixty (60) days of receipt of the plans and specifications from LESSEE. In the event that LESSOR requires revisions of the original plans and specifications, LESSEE shall have thirty (30) calendar days from the date of receipt of the proposed revisions to resubmit the plans and specifications for LESSOR's approval. This initial review shall not constitute review for the purposes of obtaining City permits. LESSEE shall be required to obtain all permits from governmental agencies as may be required, including the City, and shall be solely responsible for all costs relating to permitting the proposed improvements.

b. Any such improvements made by LESSEE shall remain the property of the LESSEE until the expiration of this Agreement and any extensions or renewals thereof and which shall remain on the Premises until the expiration or termination of this Agreement, at which time such improvements shall become the property of LESSOR. LESSEE shall at all times maintain all improvements constructed on the property in good condition. Upon expiration

or termination of this Agreement, the LESSEE shall execute any and all documentation necessary to transfer clear title to the leasehold improvements, free of any lien or encumbrance, to LESSOR.

c. LESSEE shall not permit any mechanic's or other liens to be placed upon the Premises, at any time, except that LESSEE shall be permitted to mortgage its leasehold improvements to be constructed on the Premises by LESSEE. LESSOR shall not be required to subordinate its interest to such Leasehold Mortgage. All documentation regarding any leasehold mortgage must be reviewed and approved by the LESSOR prior to finalization of documents, to assure that no interest of the LESSOR is included in the documentation.

d. LESSEE shall provide payment and performance bonds in amounts and form as approved by LESSOR, prior to commencement of construction.

e. Within sixty (60) days of completion of construction, erection or any alteration of any improvements by the LESSEE, the LESSEE shall provide to the LESSOR a complete set of "as-built" plans and drawings.

14. Insurance. LESSEE shall obtain and maintain continuously in effect at all times during the term of this Agreement, at LESSEE's sole expense, the following insurance:

a. Comprehensive general liability insurance with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises, caused by or arising out of any negligent or wrongful act or omission of LESSEE;

b. LESSEE agrees that, should it desire to lease space for aircraft hangar storage, it shall obtain Hangar Keepers liability insurance protecting LESSOR against any and all liability by reason of LESSEE'S conduct incident to the use of the Premises, caused by or arising out of any negligent or wrongful act or omission of LESSEE, in the minimum amount of One Million ($1,000,000) Dollars;

c. All insurances as required under the applicable Airport Minimum Standards for Commercial Aeronautical Activities shall be provided to LESSOR;

d. Property insurance covering direct physical loss due to perils of fire, windstorm and extended coverage for full replacement value;

e. Copy of annual insurance certificate(s) to be attached hereto as Exhibit "C", Liability Insurance Certificate, and shall be provided to LESSOR annually; AND

f. All insurance requirements specified herein above shall name LESSOR as an additional insured with instructions that the insurance carrier will notify LESSOR if the LESSEE defaults on premium payments, and shall require that the insurance carrier notify LESSOR thirty (30) days prior to any event leading to the material modification or cancellation of the policy.

15. Indemnification. LESSEE agrees to assume liability for and indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys

of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSEE, its officers, employees, agents, and representatives. LESSEE'S liability hereunder shall include all attorney's fees and costs incurred by the LESSOR in the enforcement of this indemnification provision. This includes claims made by the employees of LESSEE against the LESSOR and LESSEE hereby waives its entitlement, if any, to immunity under Sections 440.11, Florida Statutes. The obligations contained in this provision shall survive termination of this Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under this Agreement. Nothing contained in the foregoing indemnification shall be construed to be a waiver of any immunity or limitation of liability the LESSOR may have under the doctrine of sovereign immunity of Section 768.28 Florida Statutes.

16. Assignment or Sublease. This Agreement, or any part thereof, may not be assigned, transferred or subleased by LESSEE, by process or operation of law or in any other manner whatsoever, without the prior written consent of LESSOR, which consent shall not be unreasonably withheld. Prior to issuing any written consent, LESSOR may demand such information it may require to adequately judge whether the proposed assignee, transferee or sub-lessee can adequately perform the duties of the LESSEE under this Agreement.

17. Independent Contractor. In its use of the Premises, LESSEE acts as an independent contractor and not as an agent of LESSOR. The selection, retention, assignment, direction and payment of LESSEE'S employees shall be the sole responsibility of LESSEE, and LESSOR shall not attempt to exercise any control over the daily performance of duties of LESSEE'S employees.

18. Non-Discrimination. Notwithstanding any other inconsistent provision of this Agreement, during the performance of this Agreement, LESSEE, for itself, its heirs, personal representatives, successors in interest and assigns, as part of the consideration for this Agreement, does hereby covenant and agree, as a covenant running with the land, that:

a. No person on the grounds of race, color, religion, sex, or national origin shall be excluded from participating in, denied the benefits of, or otherwise be subjected to discrimination, in the use of the Premises.

b. In the furnishing of services on, over or under the Premises, no person on the grounds of race, color, religion, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

c. LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, and as said regulations may be amended.

19. Maintenance of Airport Facilities. LESSOR shall maintain all public and common joint

use areas of the Airport, including the Air Operations Area, in good repair, and shall make such repairs, replacements or additions thereto, as in its opinion, are required and necessary for the safe and efficient operation of the Airport.

20. Termination. This Agreement shall be subject to termination by either party in the event of any one or more of the following:

a. The abandonment of the Airport as an airport or airfield;

b. The default by either party in the performance of any of the terms, covenants and conditions of this Agreement, and the failure of such defaulting party to remedy or to undertake to remedy to the other party's satisfaction such default for a period of thirty (30) days after receipt of notice from the non-defaulting party to the defaulting party to remedy same. This includes the failure of the LESSEE to complete the proposed improvements within the time frames as set forth herein;

c. Damage to or destruction of all or a material part of the Premises or Airport facilities necessary to the LESSEE'S operation;

d. LESSEE shall be entitled to terminate this Agreement in the event of the lawful assumption by the United States, or any authorized agency thereof, of the operation, control or use of the Airport, or any substantial part thereof, in such a manner as to restrict substantially LESSEE from conducting its operations for a period in excess of ninety (90) days.

e. LESSOR shall be entitled to terminate this Agreement upon the filing of a voluntary petition in bankruptcy by LESSEE, including a reorganization plan, a general or other assignment for the benefit of creditors, adjudication as a bankrupt, or if a receiver is appointed for the property or affairs of LESSEE and such receivership is not vacated within thirty (30) days after the appointment of such receiver;

f. LESSOR shall be entitled to terminate this Agreement upon the conviction of LESSEE or any of LESSEE's officers, managers or employees of any crime involving moral turpitude relating to this Agreement of LESSEE's operations hereunder;

g. LESSEE shall have the right to terminate this Agreement and its obligations hereunder, by providing sixty (60) days written notice to LESSOR and by conveying to LESSOR the title to the improvements constructed on the Premises, free and clear of any lien or encumbrance, provided that LESSEE has properly maintained said property and it is in as good condition as when originally constructed, ordinary wear and tear excepted, and provided, further, that the obligations regarding accumulated rent and indemnification shall specifically survive.

h. In the event of abandonment or closure of the Airport by the LESSOR, referenced in Paragraph 20(a) above, LESSOR shall reimburse LESSEE the difference between LESSEE's actual investment costs including preliminary engineering and design fees, permitting fees, contracting and building fees, insurance, utilities, maintenance fees and ground leasing fees incurred by LESSEE minus rents collected by LESSEE through the date of abandonment or closure of the Airport, plus recapture of all investment costs and interest to date including accumulated expense and investments. This reimbursement obligation by LESSOR to LESSEE

shall continue for a period of 20 years from the initial effective date of this Agreement.

21. Subordination. This Agreement shall be subordinate to the provisions of any existing or future agreement between LESSOR and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.

22. National Emergency. During the time of war or national emergency, the LESSOR shall have the right to lease the landing area or all or any part of the Premises upon demand to the United States Government, and if any such agreement is executed, the provisions of this Agreement with the LESSEE herein, and all obligations of LESSEE to make the payments as required in Section 3 above, shall be suspended for the length of time that the United States Government requires the use of the said landing area and/or Premises. This period of time during which the Agreement is so suspended will not count against the time provisions of the then existing Agreement.

23. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties, and as of its effective date supersedes all prior or independent contracts or agreements between the parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

24. Severability. If any substantive provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction and such declaration results in a substantial failure of consideration for either party, the entire Agreement shall be subject to termination by such party. Otherwise, such declaration shall not be cause for termination of this Agreement, but only such void or illegal provision shall be canceled or deemed to be of no effect.

25. Notice. Any notice given by one party to the other in connection with this Agreement shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid, addresses as follows:

If to LESSOR, address to:
City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

With a copy to Airport Manager at same address:

If to LESSEE, address to:
FHB Aircraft Hangars 3, LLC
Attn Brian Echard
680 Airport Road
Fernandina Beach, FL 32034

With a copy to:
Christopher Freeman, Attorney at Law
2841 Riviera Drive, STE 304

Fairlawn, OH 44333

Notices will be deemed to have been received on the date of receipt as shown on the return receipt.

It shall be the LESSEE's responsibility to keep the address contained in this Agreement up to date and accurate.

26. Governing Law, Venue and Attorney's Fees. This Agreement is to be construed in accordance with the laws of the State of Florida, with venue in Nassau County, Florida. In the event of any litigation between the parties regarding the breach and/or enforcement of this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and costs, including at the appellate court level, from the non-prevailing party as determined by a court of competent jurisdiction.

27. Re-Entry. It is further understood and agreed between the parties hereto that in the event of any breach of any covenant or agreement on the part of the LESSEE to be performed and provided, that if such breach is not remedied by the LESSEE after reasonable notice in writing to it by the LESSOR, the LESSOR may re-enter and terminate this tenancy by giving the LESSEE thirty (30) days written notice, to quit the Premises. LESSOR shall at all times be entitled to recover by all lawful means any and all damages, including reasonable attorney's fees and costs, sustained by it through the breach of any said covenants and agreements on part of the LESSEE to be performed.

28. Obligation Upon Termination. Upon termination of this Agreement, all obligations of either party hereunder to the other shall cease and terminate, except as specifically provided herein, and the LESSEE agrees it shall immediately quit, surrender and return peaceable and quiet possession of the Premises, including all improvements to include but not limited to buildings, parking areas, and fuel facility improvements, to the LESSOR in as good order and condition as existed at the time of the initial occupancy and only reasonable wear and tear being accepted. LESSEE shall be allowed to remove all LESSEE's equipment and trade fixtures from the Premises, including the fuel facility equipment.

29. Inspection. The LESSOR shall have the right to enter upon the Premises at reasonable intervals during regular business hours to inspect the Premises for compliance with the terms and conditions of the Agreement and federal, state and local laws and regulations. In case of emergencies, the LESSOR shall have the right to immediately enter the Premises.

30. Further Airport Development. LESSOR reserves the right to further develop or improve the remaining area of the Airport as it sees fit, regardless of the desires or view of the LESSEE, and without interference or hindrance.

31. Non-Waiver. The failure of the LESSOR to insist upon strict performance of any of the terms, conditions or covenants herein set forth shall not be deemed a waiver of any rights or remedies that it may have and shall not be deemed a waiver of any breach or default by the LESSEE of the terms, conditions or covenants contained herein.

32. Radon Gas Notice: Pursuant to Florida Statutes Section 404.056(8), LESSOR hereby

makes, and LESSEE hereby acknowledges, the following notification:

Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

LESSOR makes no representation or warranty with respect to the presence or absence of radon on the Premises, and LESSEE shall undertake such inspection or testing as it deems necessary or convenient to assure itself as to the presence or absence of radon.

33. Lease Commencement Date: The commencement date of this Agreement shall be the date set forth in Section 2 above.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

CITY OF FERNANDINA BEACH, FL

By: Jeremiah Glisson
Its: Interim City Manager

FHB Aircraft Hangars 3, LLC

By: Brian Echard
Managing Manager

ATTEST:

By: Caroline Best
Its: City Clerk

WITNESS:

By: Nathan Cogle
Its:

APPROVED AS TO FORM & LEGALITY:

By: Tammi E. Bach
Its: City Attorney

Attachments

Exhibit “A” Lease Area — Legal Description of LESSEE’S Property and Sketch or Drawing of Description

Exhibit “B” Overview of improvements to be provided at sole cost of LESSEE

Exhibit “C” Liability Insurance Certificate(s) as required under this lease and/or applicable Minimum Standards for Commercial Aeronautical Activities (Note: This certificate shall show that the City has been named as an additional insured on all policies.)

Exhibit “D” Minimum Standards for Commercial Aeronautical Activities

Exhibit “E” Airport Rules and Regulations

Exhibit B

Overview of Improvements

Hangar Building: Subject to change due to engineering and site requirements, one hangar building with up to five shared wall box hangar units and other improvements on the Premises for the purpose of providing aircraft storage to aircraft owned or leased by the LESSOR or for the commercial storage of aircraft of others. Estimated square footage of the entire hangar structure is 15,550 square feet. The hangar facility shall have a minimum of one restroom available for tenants.

Suitable vehicle parking and driveway access in accordance with the airport's architectural standards shall be installed and maintained by the LESSEE to allow the loading, unloading and parking of vehicles having business on the Premises.

MANZIE & DRAKE LAND SURVEYING

LEGAL DESCRIPTION
BENT WING FLIGHT SERVICES
LEASE PARCEL
May 22, 2024

A PARCEL OF LAND SITUATE IN THE FERNANDINA BEACH MUNICIPAL AIRPORT, SECTION 6, TOWNSHIP 2 NORTH, RANGE 28 EAST, NASSAU COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE COMMENCE AT A 1" SQUARE ROD LOCATED AT THE SOUTHWESTERLY CORNER OF LOT 22, AMELIA ISLAND INDUSTRIAL PARK SECTION THREE, ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 5, PAGE 59, OF THE PUBLIC RECORDS OF NASSAU COUNTY, FLORIDA, HAVING A COORDINATE OF 2282168.5011 (NORTH); 513158.1131 (EAST), BASED ON THE FLORIDA STATE PLANE COORDINATE SYSTEM (FLORIDA EAST ZONE) NORTH AMERICAN DATUM OF 1983/1990; THENCE SOUTH 57°42'07" WEST (GRID BEARING) A DISTANCE OF 311.03 FEET TO THE **POINT OF BEGINNING**; THENCE SOUTH 07°42'49" EAST A DISTANCE OF 16.91 FEET; THENCE SOUTH 54°08'26" EAST A DISTANCE OF 19.50 FEET; THENCE SOUTH 35°57'21" WEST A DISTANCE OF 356.81 FEET; THENCE NORTH 54°02'39" WEST A DISTANCE OF 127.50 FEET; THENCE NORTH 35°57'21" EAST A DISTANCE OF 290.50 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE TO THE NORTH HAVING A RADIUS OF 162.50 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 19°55'16", AN ARC DISTANCE OF 56.50 FEET AND BEING SUBTENDED BY A CHORD BEARING SOUTH 87°45'11" EAST A DISTANCE OF 56.22 FEET; THENCE NORTH 82°17'11" EAST A DISTANCE OF 68.52 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.98 ACRES MORE OR LESS.

MICHAEL A. MANZIE, P.L.S.
FLORIDA REGISTRATION NO. 4069
JOB NO. 14050

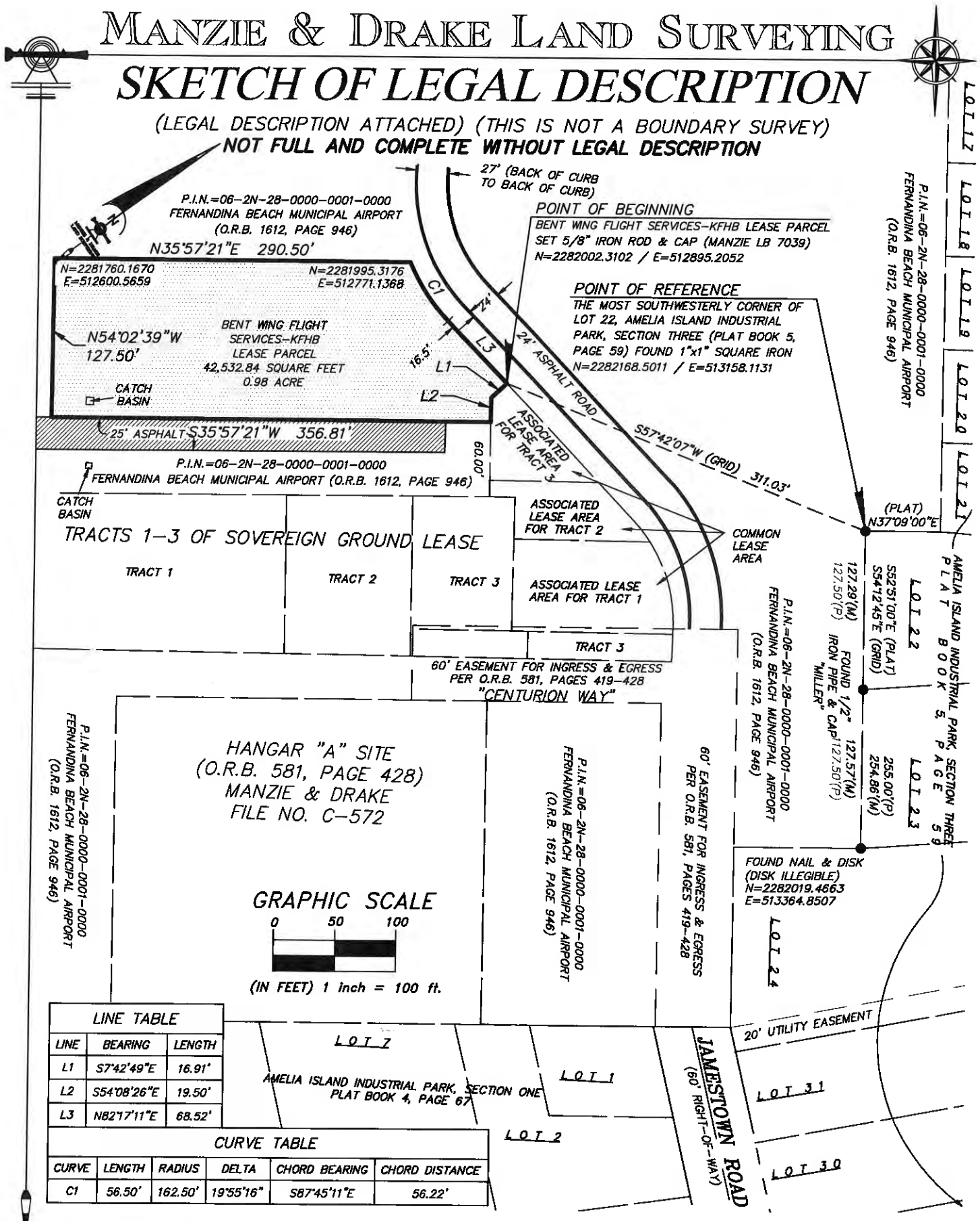
117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904) 491-5700 • FAX (904) 491-5777 • TOLL FREE (888) 832-7730
www.manzieanddrake.com

MANZIE & DRAKE LAND SURVEYING

SKETCH OF LEGAL DESCRIPTION

(LEGAL DESCRIPTION ATTACHED) (THIS IS NOT A BOUNDARY SURVEY)

NOT FULL AND COMPLETE WITHOUT LEGAL DESCRIPTION



LINE TABLE		
LINE	BEARING	LENGTH
L1	S7°42'49"E	16.91'
L2	S54°08'26"E	19.50'
L3	N82°17'11"E	68.52'

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C1	56.50'	162.50'	19°55'16"	S87°45'11"E	56.22'

JOB NO. 14050-BWFS

117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904)491-5700 WWW.MANZIEANDDRAKE.COM

LEGEND

O.R.B. = OFFICIAL RECORDS BOOK
P.I.N. = PARCEL IDENTIFICATION NUMBER

January 12, 2024
Mr. Sam Carver, Airport Director
Fernandina Beach Municipal Airport
700 Airport Rd
Fernandina Beach, FL 32034

Mr. Carver,

Please find enclosed an application for an airport commercial lease for aeronautical development on land at the Fernandina Beach Municipal Airport.

FHB Aircraft Hangars, LLC proposes to build a shared wall hangar with 6 box hangar units on approximately 1 acre of aeronautical designated land along Jamestown Rd. The proposed site is consistent with the Airport Master Plan and will be well received from those on the hangar waitlist who want something larger than a t-hangar.

A conceptual site plan and a draft land lease are attached to this letter. The land lease document and aeronautical lease rate are the same as what has been established in previous ground leases at the airport.

We respectfully request that this application be brought up for review and recommendation at the next Airport Advisory Commission and then forwarded to the City Commission for approval as laid out in the FHB minimum standards for commercial development.

If you have any questions, please do not hesitate to contact me or Nathan Coyle for additional information.

Best regards,

Brian Echard

Brian Echard
FHB Aircraft Hangars, LLC
Managing Member of FHB Aircraft Hangars, LLC
904.849.4321

Cc:
Nathan Coyle, General Manager Bent Wing Flight Services
Harry Giltz, FHB Aircraft Hangars, LLC
Charlie George, Interim City Manager

Application for
Airport Commercial Lease or Airport Operating Permit
Aeronautical or Non-Aeronautical

This submission is to assist the City of Fernandina Beach to make a meaningful assessment of the costs and the benefits of committing airport land or improvements to a potential lessee. Also helps to determine if the commercial activity proposed is consistent with the Master Plan, the Airport Layout Plan, the Airport Business Plan, other plans associated with the airport, and/or are deemed in the best interests of the City. Required information for commercial activity lease shall include:

1. The legal name of the entity submitting this application and its business name (if different):
   FHB Aircraft Hangars, LLC

2. The address and telephone number of the entity and primary contact person:
   Brian Echard, 680 Airport Rd, Fernandina Beach, FL 32024
   Contact Phone Number: 904-849-4321

3. The names, addresses, phone numbers and short resume all owners of five (5) per cent or more equity interest, management control, or debt in the entity:
   Brian Echard, 680 Airport Rd, Fernandina Beach, FL 32034 Phone Number: 904-849-4321
   Brian is the owner/operator of the FBO (Bent Wing Flight Services, LLC) at KFHB which owns 50% of FHB Aircraft Hangars, LLC. FHB Aircraft Hangars has an aeronautical land lease with the City of Fernandina Airport and owns aircraft hangars at the Airport. FHB Aircraft Hangars is currently building additional bulk aircraft hangars at FHB. Bent Wing is the management company that oversees all leases between FHB Aircraft Hangars and individual tenants.

   Harry Giltz, III, 4835 Munson Street, Canton, OH 44718 Phone Number: 330-418-2086
   Harry is the co-manager of FHB Aircraft Hangars, LLC and is also affiliated with SouthShore CRE, LLC which owns the other 50% of FHB Aircraft Hangars 3. Harry's expertise is in the development and construction of commercial, residential, and aeronautical properties. Harry oversees the construction side of FHB Aircraft Hangars, LLC.

4. A comprehensive listing of all activities proposed to be offered, along with copies of all applicable Federal, State, or local operating certificates and licenses held:
   FHB Aircraft Hangars, LLC is proposing a new Phase 3(A) construction project on aeronautical land at the Fernandina Beach Municipal Airport. The project will consist of aircraft hangar storage with access from Jamestown Road on the east side of the airport.

5. Evidence of past experience and technical ability to perform and/or develop the proposed services and facilities:
   FHB Aircraft Hangars, LLC completed construction of 5,400 square feet of aircraft storage units in 2021 and 27,000 in additional hangar development in 2023. To date, FHB Aircraft Hangars LLC has invested approximately $4 Million in improvements at the Fernandina Beach Municipal Airport.

6. Amount of land to lease: Estimated land lease is 40,000 square feet
Building space to lease or facilities to construct: 6 shared wall box hangar units
Will there be any subleasing of building space: Yes

7. The estimated cost of any structure or facilities to be constructed or furnished, proposed specifications, and the means and method of financing such construction.
Estimated cost of total project is approximately $1.5M. A conceptual drawing of the proposed construction is included with this proposal.

Financing – FHB Aircraft Hangars, LLC has a credit line and a working relationship with 1st Port City Bank in Fernandina Beach, which partially financed previous aircraft hangar units along with cash equity contributions from Brian Echard and Harry Giltz, III.

8. The dates for commencement and completion of proposed development or the proposed date for commencement of the intended activities and proposed term for conducting same:
Commencement date of construction is proposed for July of 2024 with completion in December 2024.

9. The equipment, any special tooling required, vehicles, and inventory proposed to be utilized in connection with the intended activities:
Standard construction equipment and vehicles will be utilized to construct the improvements. No special tooling or inventory will be required.

10. Will there be any hazardous materials located on site:
If yes describe:
No

11. The number of persons to be employed, including the names and qualifications of each management/supervisory person, and specifications as to whether the employees will be full- time, part-time, or seasonal: Existing staff of Bent Wing Flight Services will manage the property. Nathan Coyle is the General Manager of Bent Wing and will be the tenant point of contact to handle all matters pertaining to the hangar facility.

12. Periods (days and hours) of proposed operation: Operating Hours will be 7AM – 7PM, Seven Days a week.

13. The number of aircraft to be utilized in connection with the proposed activities and the make, model, passenger seating capacity, cargo capacity, aircraft registration number, and copies of applicable operating certificates for each aircraft: Not Applicable.

14. Amounts and types of insurance coverage to be maintained (no less than required under Minimum Standards): Property insurance sufficient to cover the property will be obtained. Tenant's will also

be required to have property insurance on aircraft or any other item that is stored on the property.

15. For proposed agreements for lease of unimproved or improved Airport areas, a layout (to scale) of the size, configuration, and location of the property proposed for occupancy and a preliminary drawing(s) of the building(s) and improvements to be constructed, together with the identification of vehicle parking areas (See Ground Leasehold Development Process): See Attached Conceptual Drawing.

16. For proposed agreements to lease existing structures or improvements, a description of the size, location, and proposed utilization of office, hangar, tie-downs, and vehicle parking areas to be utilized (See Ground Leasehold Development Process): Not Applicable.


Wingspan limited to 49’ or less
Roadway access; 1 parallel space per unit; 3 required by City
6 Units; 55’W (50’ door); 50’ deep; 16.5K sq/ft
330’
39’
39’
TOFA
2364
3991
A-Cent Aviatio
World Skydiving Center - Amelia Island
Beautiful Ocean Views - Amelia Isla...
Google
Imagery ©2024 Maxar Technologies, U.S. Geological Survey, Map data ©2024
United States
Terms
Privacy
Send Product

1. **Call to Order:** Chair Doug Geib called the meeting to order at 6:00 pm.

2. **Members Present:** Chair Geib, Vice Chair Chuck Colcord, Prudence Hostetter, Tom Piscitello, Bob Sell, Hugh Giggy, and Tom Lockie, **Staff Present:** Airport Director Sam Carver, Airport Operations Robert Kozakoff, and Staff Assistant Dave Broughton

3. **Pledge of Allegiance**

4. **Approval of Minutes:** The December 14, 2023, AAC meeting minutes were presented for approval.

   A motion was made by Member Hostetter, seconded by Member Colcord, to approve the December 14, 2023, AAC Regular Meeting Minutes. A vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.

5. **Old Business**:

   Director Carver discussed the Airport Budget with the AAC.

6. **New Business:**

   6.1 Jacksonville Class C Airspace Modification Proposal: Jacksonville Approach Control (TRACON) has proposed extending their Class C airspace to include airspace which overlies The Fernandina Beach Airport (FHB). The area of contention for users of FHB is the floor of the proposal would be 1200MSL. Many of the users of FHB believe that the proposal would complicate the use of FHB by compressing air traffic to lower altitudes over the island compared to what is used at present. Jacksonville Aviation Authority (JAA) has scheduled a meeting to discuss the proposal and to form an Ad Hoc committee on February 28, 2024. Several users of FHB plan on attending. Expect updates on this subject at the next AAC meeting.

   6.2 Bent Wing/FHB Aircraft Hangars Project Update: Nathan Coyle, Executive Manager of Bent Wing Flight Services, gave a briefing for their proposed hangar development on the Jamestown Road area, east side, of the airport.

   Chairman Geib asked about the size of the proposed hangars and the distance from the taxiway which gives access to the proposed hangars. Mr. Coyle stated the wingspan for accommodation is 49 feet or less. Member Sell asked how many aircraft this project would accommodate. Mr. Coyle stated that at least 6 aircraft. Member Sell also asked if the aircraft could be fueled by a fuel truck or would they have to taxi to the FBO or self-service. Mr. Coyle stated that a fuel truck would be able to service the aircraft. Director Carver stated that this project is aligned with the FHB Airport Master Plan.

A motion was made by Member Colcord, seconded by Member Giggy, to move forward with the recommendation to develop the Jamestown Road area as proposed by FHB Aircraft Hangars, LLC. A vote upon passage was taken by ayes and nays and all being ayes, carried.

7. **Airport Director and Staff Reports**

Airport Director Carver stated that the traffic count for the airport for the year 2023 was 57,150. This is an increase of over 10,000 operations compared to the year 2022. Director Carver gave an update on the Ybor Alvarez Sports Complex and the Federal/State Grant process that is associated with it.

Commissioner Ross, 210 North 3rd Street, briefed the AAC on the previous grants that were issued to the City that were applied to improvements to the Ybor Alvarez Sports Complex in years past.

Director Carver stated that the airport, FHB, has passed the FDOT inspection. He also stated that he is in negotiation with the FDOT to fund/grant an ARF (airport rescue and firefighting vehicle) at the new fire station at the airport. The new John Deere tractor, bush hog and zero turn are on property. The airport support/preparations for "The Amelia" have already started. The event is from February 27th thru March 4th. Another event is the "Run the Runway 5K" which supports a nonprofit organization on May 5th. Director Carver has also helped create another event called "Wheels and Wings" which is scheduled for August 17th at the airport on National Aviation Day. This event will open a part of the airport for the public to observe aircraft and cars, food trucks and other events. More information on this will be given as it becomes available. Director Carver also gave updates on the Airport Drainage, Hangar B and Taxiway A rehab projects and timelines.

8. **Commission Member Reports/Comments**

None

9. **Public Comment Regarding Items Not On The Agenda**

None

10. **Next Meeting Date: April 11th, 2024**

11. **Adjournment:** There being no further business to come before the Airport Advisory Commission, the meeting was adjourned at 6:38 p.m.

Secretary

Doug Geib, Chairperson

RESOLUTION 2024-80

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING ADDENDUM 2 TO THE FIXED BASED OPERATOR LEASE FOR CITY AIRPORT PROPERTY LOCATED ON THE NORTH SIDE OF THE AIRPORT AND AIRPORT TERMINAL FACILITY TO CORRECT GROUND RENT RATES AND APPLICABLE CONSUMER PRICE INDEX INCREASES; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, City of Fernandina Beach owns, controls, and operates the Fernandina Beach Municipal Airport in the City of Fernandina Beach, County of Nassau, and State of Florida; and

WHEREAS, Eight Flags Aviation, LLC ("LESSEE") and City amended certain provisions in the Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement originally approved by the City via Resolution 2015-139 and dated October 30, 2015 ("FBO Lease" or "Agreement) by approving Addendum 1 to the FBO Lease on December 19, 2023 via Resolution 2023-236, and Addendum 1 provided for additions and amendments to FBO Lease provisions, fuel farm provisions and provided for rented office space in the Airport Terminal Facility, hereinafter described and referred to as the "Rented Terminal Space"; and

WHEREAS, LESSEE and LESSOR wish to further amend the FBO Lease to correct Section 3.2 and Section 1.6 in Addendum 1 regarding ground rent because the language of Section 3.2 and Section 1.6, as amended by Addendum 1, does not accurately describe ground rent due and when consumer price index increases apply to ground rent due prior to January 1, 2024 and additional ground rent due after January 1, 2024.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the terms and conditions of Addendum 2 to the FBO Lease, attached hereto as Exhibit A.

SECTION 2. The City Clerk and Interim City Manager are hereby authorized to execute Addendum 2 to the FBO Lease, upon review and approval of the City Attorney.

SECTION 3. This Resolution shall be effective immediately upon passage.

ADOPTED this 7th day of May, 2024.

ATTEST:

Caroline Best

CAROLINE BEST
City Clerk

CITY OF FERNANDINA BEACH

Bradley M. Bean

BRADLEY M. BEAN
Commissioner-Mayor

APPROVED AS TO FORM & LEGALITY:

TAMMI E. BACH
City Attorney

ADDENDUM 2 TO FERNANDINA BEACH MUNICIPAL AIRPORT FIXED BASE OPERATOR LEASE

WHEREAS, City of Fernandina Beach ("City" or "LESSOR") owns, controls, and operates the Fernandina Beach Municipal Airport (hereinafter referred to as the "Airport"), in the City of Fernandina Beach, County of Nassau, and State of Florida; and

WHEREAS, Eight Flags Aviation, LLC ("LESSEE") and City amended certain provisions in the Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement originally approved by the City via Resolution 2015-139 and dated October 30, 2015 ("FBO Lease" or "Agreement) by approving Addendum 1 to the FBO Lease on December 19, 2023 via Resolution 2023-236, and Addendum 1 provided for additions and amendments to FBO Lease provisions, fuel farm provisions and provided for rented office space in the Airport Terminal Facility, hereinafter described and referred to as the "Rented Terminal Space"; and

WHEREAS, LESSEE and LESSOR wish to further amend the FBO Lease to correct Section 3.2 and Section 1.6 in Addendum 1 regarding ground rent because the language of Section 3.2 and Section 1.6, as amended by Addendum 1, does not accurately describe ground rent due and when consumer price index increases apply to ground rent due prior to January 1, 2024 and additional ground rent due after January 1, 2024.

NOW THEREFORE, based on mutual consideration, the sufficiency of which is agreed to between the parties, the parties hereby agree to amend the below referenced sections of the FBO Lease and Addendum 1 as follows:

SECTION 1. Article 2, Leased Premises, Section 1.6 of the FBO Lease is hereby amended as follows:

1.6 Fuel Storage Facility (Fuel Farm). LESSEE will not handle, store, dispense, nor sell aviation fuels at or from the Airport, unless that fuel is first stored in fuel storage tanks located on the Premises. Each device through which LESSEE dispenses aviation fuels on the Airport must be equipped with a flow meter calibrated and sealed by the Department of Agriculture of the State of Florida or other appropriate agency. These devices shall include without limitation any Avgas truck, Jet A truck, or self-service fuel facility owned or operated by LESSEE.

The City of Fernandina Beach completed construction of a new fuel tank system, at the City's expense, which is for the exclusive use of the LESSEE on the Premises for the initial term and any renewal terms of the FBO Lease. Effective 1 January, 2024, LESSEE will pay an additional use fee for use of this new fuel system at an initial rate of $4,250 per year, plus applicable sales tax (currently 5.5 percent), for an initial total of $4,483.75 per year (with sales tax) or $373.64 per month (with sales tax), payable in arrears within 15 days after City provides LESSEE an invoice therefor. This use fee shall be reviewed in accordance with the terms and provisions contained within Article 3 of the FBO Lease and within any other applicable sections of the Construction and Financing Agreement between the City and LESSEE. The use fee for any partial month shall be prorated based on the actual number of days in such month. The LESSEE has installed a QT pod (self-serve fueling terminal) at the existing Fuel Farm location at LESSEE's sole cost. LESSEE shall be responsible for and shall pay for the general maintenance and upkeep of the new fuel tank system in good, safe, clean and sanitary condition including the routine maintenance of fuel filters on an annual basis. To the extent the new

fuel tank system (not including the QT pod) requires repair or replacement of parts, equipment or other improvements, LESSEE shall notify City of the need for such repair or replacement and City shall either (i) promptly make such repairs or replacements, or (b) authorize LESSEE to undertake such repairs or replacements at City's cost and expense. At the expiration or termination of the FBO Lease, title to the QT pod shall transfer to the City and be owned solely by the City without compensation to LESSEE.

SECTION 2. Article 3, Rents, Fees, and Taxes, Section 3.2 is deleted in its entirety and replaced with the following:

Ground Rent. Beginning on the Commencement Date, rent for use of the ground leasehold portion of the Premises based on total ground lease area of 235,895 square feet more or less of the leasehold parcel as shown on Exhibit "1" attached hereto shall be at an initial lease rate of $0.20 dollars per square foot per year, as adjusted by CPI increases since the commencement date for leasehold occupancy (currently $51,694.28 per year) plus applicable sales tax (currently 5.5 percent). Beginning on January 1, 2024, rent for use of an additional ground leasehold portion of the Premises based on a total ground lease area of 20,237 square feet shall be at an initial lease rate of $0.20 dollars per square foot per year (initially $4,047.40) plus applicable sales tax (currently 5.5 percent). The two leasehold portions combined total 5.88 acres (256,132 square feet) of leasehold property as shown on Exhibit "1". The total initial annual lease payment for these two parcels in the amount of $55,741.68 (pre-tax) will be converted to equal monthly payments, plus applicable sales tax (currently 5.5 percent), for an initial monthly payment of $4,900.62 (including sales tax). This rental fee shall be reviewed and adjusted in accordance with the terms and provisions contained within Section 3 of the FBO Lease and any other applicable sections of the Construction and Financing Agreement between CITY and LESSEE.

SECTION 3. All other terms and provisions of the FBO Lease and Addendum 1 remain in full force and effect.

IN WITNESS WHEREOF, this Addendum 2 is effective on the date that this Addendum 2 is fully executed.

8 Flags Aviation, LLC

By:_____ Date: 5/7/24

Brian Echard, Member

City of Fernandina Beach, Florida

By:_____ Date: **5/7/24**

Charlie George, Interim City Manager

ATTEST:

By: Caroline Best
Caroline Best, City Clerk

APPROVED AS TO FORM AND LEGALITY:

By: TEBR
Tammi E. Bach, City Attorney

RESOLUTION 2015-139

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING LEASE TERMS AND AGREEMENT FORM WITH EIGHT FLAGS AVIATION, LLC FOR A FIXED BASED OPERATOR ON CITY AIRPORT PROPERTY LOCATED ON THE NORTH SIDE OF THE AIRPORT; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport; and

WHEREAS, the basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier; and

WHEREAS, the City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached as Exhibit "A" to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the terms and conditions of the attached Fixed Based Operator Lease Agreement and attached survey of the leasehold area, respectively attached hereto as Exhibit "1" and Exhibit "A".

SECTION 2. The City Manager and City Clerk are hereby authorized to execute the Fixed Based Operator Lease Agreement, upon review and approval of the City Attorney.

SECTION 3. This Resolution shall be effective immediately upon passage.

ADOPTED this 20th day of October, 2015.

ATTEST:

Caroline Best
Caroline Best
City Clerk

CITY OF FERNANDINA BEACH

Edward E. Boner
Commissioner-Mayor

APPROVED AS TO FORM & LEGALITY:

Tammi E. Bach
City Attorney

CITY COMMISSION AGENDA ITEM
CITY OF FERNANDINA BEACH

SUBJECT: Resolution 2015-139
Fixed Base Operator (FBO) Lease Agreement – 8 Flags Aviation, LLC

DEPARTMENT: City Manager's Office

ATTACHMENTS: ___ Ordinance _X_ Resolution
___ Support Documents ___ Other

RECOMMENDED ACTION: Approve Resolution 2015-139

SUMMARY: The City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport. The basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier.

The City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission. The details of design, construction and financing the Welcome Center and related improvements will be memorialized in formal written agreements approved by Eight Flags Aviation, LLC and the City Commission within the next 1-2 years.

At the October 13, 2015 Special Commission Meeting scheduled for McGill Aviation to present arguments regarding reconsideration of the award of RFP 15-101.2, the City Commission expressed an interest in seeing survey areas and sketches of current and proposed lease areas for McGill Aviation and Eight Flags Aviation in order to clarify where the new Welcome Center will be located as well as other facilities on the North Area of the Airport.

FISCAL IMPACT: The additional revenue to the Airport to be determined by the actual number of feet leased as reflected on the final survey (estimated to be a minimum of $35,000 per year).

CITY ATTORNEY COMMENTS: See above.

DEPARTMENT HEAD	Submitted by: Tammi E. Bach City Attorney	Date: 10/14/2015
	Requested Agenda	Date: 10/20/2015
FINANCE DEPARTMENT	Approved as to Budget Requirements PHC	Date: 10/14/2015
CITY ATTORNEY	Approved as to Form & Legality TEB	Date: 10/14/2015
CITY MANAGER	Approved Agenda Item for 10/20/2015	Date: 10/14/2015

COMMISSION ACTION:
✓ Approved As Recommended
___ Approved With Modification
___ Other
___ Disapproved
___ Postponed to Time Certain
___ Tabled

Approved at the City Commission Regular Meeting
Held on 10/20/15
Voted: 5-0 Initial: KB

* City Attorney made scrivener error corrections.

FERNANDINA BEACH MUNICIPAL AIRPORT
FIXED BASE OPERATOR LEASE AGREEMENT

This FIXED BASE OPERATOR AIRPORT USE AND LEASE AGREEMENT (hereinafter referred to as the "Agreement"), made and entered into this _____ day of September 2015, made by and between the **CITY OF FERNANDINA BEACH, FLORIDA**, municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 (hereinafter referred to as the "LESSOR" or "City,") and **8 Flags Aviation, LLC**, a Florida limited liability company (together with its successors and assigns, hereinafter referred to as the "LESSEE") whose address is 306 ½ Centre Street, Fernandina Beach, FL 32034.

WHEREAS, LESSOR owns, controls, and operates the Fernandina Beach Municipal Airport (hereinafter referred to as the "Airport"), in the City of Fernandina Beach, County of Nassau, State of Florida and is the Airport sponsor under Federal Aviation Administration ("FAA") regulations; and

WHEREAS, LESSEE has approved the lease of certain property by LESSOR at the LESSOR's municipal airport to operate upon the Airport as a Fixed Based Operator (hereinafter referred to as the "FBO") and provide related aeronautical related activities; and

WHEREAS, LESSOR desires to make real property available to LESSEE at the Airport to provide ground and facilities necessary to operate as a FBO and other commercial activities on the Airport and which are expressly set forth in the Agreement or contemplated hereby; and to grant the use of Airport to LESSEE for such purposes upon terms and conditions hereinafter stated; and

WHEREAS, LESSOR and LESSEE have agreed that LESSEE shall contribute to the cost of construction and improvements for the FBO and related areas in exchange for rent credits which shall be formalized in documentation to be finalized between the LESSOR and LESSEE contemporaneous with or subsequent to the execution of the Agreement (the "Construction and Financing Agreements").

NOW THEREFORE, for and in consideration of the real property and the mutual covenants and agreements contained herein to be performed by the respective parties, the parties hereby agree as follows:

ARTICLE 1 – DEFINITIONS

All words, terms and phrases when used herein shall have the meanings as described in the City's Definitions for Use regarding Fernandina Beach Municipal Airport. Words, terms and phrases which relate to aeronautical practices, processes and equipment, not defined therein, shall be construed according to the definitions in Title 14 of the Code of Federal Regulations, Florida Statutes Chapter 332 or, if not defined therein, according to their general usage in the aviation industry.

ARTICLE 2 – LEASED PREMISES

1.1 LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the following real property identified and shown on Exhibit "A" "Lease Area", attached hereto (hereinafter referred to as the "Premises"), together with the right of ingress and egress for vehicles and aircraft. The Premises is located within an area of Airport property designated the "North Area." The Premises shall be more specifically described in a legal description with a professional survey (the "Survey") to be furnished to the LESSOR by LESSEE after execution of the Agreement in a form reasonably acceptable to the LESSOR and when completed, will be deemed incorporated into this Agreement by a separate written addendum subsequently executed by the parties to this Agreement. It is possible that more than one surveyed leasehold area will be described in writing and attached to this Agreement as addenda based upon changes needed prior to final completion of constructed improvements.

1.2 The Construction and Financing Agreements will set forth the responsibility of LESSOR to make improvements to the Premises, the joint responsibility for designs and drawings and selection of contractors and otherwise but it being understood that LESSOR will have primary responsibility for the final decisions made regarding design, materials, timeline, contractors, construction and any other decisions required to finalize the improvements to its allocable portion of the Premises and LESSEE shall have primary responsibility with respect to its portion of the Premises. Upon issuance by the appropriate governmental entities of a "Certificate of Occupancy" for the FBO and the commencement of payment of rent and other fees in accordance with the Agreement, LESSEE will execute an acceptance certificate pursuant to which LESSEE will then acknowledge that it is accepting the Premises and the improvements located thereon "As is" and except as otherwise provided in a writing between LESSOR and LESSEE, the LESSOR has no obligation whatsoever to repair, maintain, renovate, or otherwise incur any cost or expense with respect to the Premises, any leasehold improvements, or fixtures, furnishings, or equipment installed in or used on the Premises except as otherwise provided herein.

1.3 Ground. The Premises consist of approximately **336,283** square feet as shown on the Survey.

1.4 Facility. The Construction and Financing Agreements will provide for a suitable FBO facility on ground leased from the LESSOR in conformance to the Airport's Minimum Standards for Commercial Aeronautical Activities (hereafter referred to as the "Minimum Standards") requirements.

1.5 Public Use Aircraft Parking Apron. The City maintains a federally funded public use Aircraft Parking apron which may be available for the LESSEE to manage on a non-exclusive basis in the future upon request by the LESSEE and under a separate written agreement and if LESSEE does so, it shall be responsible for the maintenance thereof and the costs of doing so as provided therein.

1.6 Fuel Storage Facility. The Construction and Financing Agreements will provide for the installation and maintenance of a fuel storage facility on ground leased from the LESSOR for the purpose of providing fuel to clients of the LESSEE and tenants of the Airport (location to be determined and included on a survey to be attached hereto). LESSEE will not handle, store, dispense, nor sell aviation fuels at or from the Airport, unless that fuel is first stored in fuel storage tanks located on the Premises. Each device through

which LESSEE dispenses aviation fuels on the Airport must be equipped with a flow meter calibrated and sealed by the Department of Agriculture of the State of Florida or other appropriate agency. These devices shall include without limitation any Avgas truck, Jet A truck, or self-service fuel facility owned or operated by LESSEE.

1.7 Future Expansion. Should LESSEE desire any additional land or facilities to be added to the leasehold during the interim term of this Agreement prior to the Commencement Date, and if such lands or facilities are available at the time of LESSEE's request the Agreement and/or the Construction and Financing Agreements may be amended to provide for such additions at then currently applicable rates and conditions or may be provided by a separate agreement developed and at then currently applicable rates and conditions and LESSOR and LESSEE shall execute all customary documentation to effect such agreed-upon expansion.

ARTICLE 2 – TERM

The term of the Agreement shall commence immediately and will be comprised of an interim term which shall run from the date of execution of the Agreement until the later of the time when a Certificate of Occupancy is issued and ~~or~~ LESSEE takes possession of the Premises (the "Commencement Date"). The base term will begin on the Commencement Date and be for an initial period of twenty (20) years, commencing on the ~~first~~ day of the ~~first~~ month following the end of the interim term that LESSEE shall occupy the Premises, and continuing for said term, unless earlier termination under the provisions of the Agreement. Provided the LESSEE is not then in default of any payment terms or other material terms and conditions of the Agreement, the LESSEE shall have the option to extend the Agreement for two additional five (5) year terms. LESSEE's written notice of exercise must be given a minimum of 90 days and no more than 365 days before the end of each term. Any option for extension of the Agreement shall be subject to material compliance with the performance standards noted below and accompanying continued required capital investment toward improvements and repair. Such performance standards include:

a. At the seven (7) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

b. At the fourteen (14) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas

including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

c. At the nineteen (19) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

d. At the four-year anniversary of any extension term of the Agreement, the LESSOR may conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

e. At the expiration of the initial 20 year term and any extension term, LESSEE may request a new lease on terms and conditions consistent with the Agreement and then – current rates and conditions.

ARTICLE 3 – RENT, FEES, AND TAXES

3.1 In consideration of the rights and privileges granted by the Agreement, LESSEE agrees to pay LESSOR the following rent and fees from the Commencement Date as noted in Article 2. All payments shall be due and payable without notice on or before the first day of each month.

3.2 Ground Rent. Rent for the use of real property on Airport property based on a total ground lease area of **7.72 Acres more or less** as shown on Exhibit "A" attached hereto; at an initial lease rate of $0.20 dollars per square foot per year, which when fully ascertainable will be converted to equal monthly payments per month, which also is subject to applicable sales tax (currently seven percent).

3.3 Overflow Parking. In the event that during special events that causes an overflow parking situation requiring use of the "abandoned runway" and if during such special event,

LESSEE is collecting parking fees for such abandoned runway, then LESSOR shall be entitled to 50% of such parking fees relating thereto.

3.4 Fuel Flowage Fee. In consideration for the right to store fuel on the Premises and dispense fuel to the public at the Airport, LESSEE agrees to pay LESSOR an amount equal to $0.08 cents per gallon delivered. The applicable fuel flowage fee to be paid by LESSEE to LESSOR will be forwarded directly from the fuel supplier contracted by the LESSEE to the City Controller upon purchase of fuel by LESSEE. Fuel flowage fees commence with the initial fuel supply and continue with each succeeding delivery. The method of payment of fuel flowage fees may be amended by mutual consent as may be required to conform to policies of the fuel supplier contracted by LESSEE. If the LESSOR reasonably determines that, due to external circumstances, the cost of operating the Airport has increased, LESSOR may add a reasonable surcharge to the fuel flowage fee only after it has attempted to mitigate its costs of operation and the surcharge shall only cover LESSEE's equitable allocation of the incremental costs..

3.5 Annual Rent, Fees, and Charge Adjustment. All rents and fees included in this Article shall be reviewed each year by the LESSOR and rent and fees, plus all applicable taxes, shall be adjusted so as to maintain a fair rental rate based on change in the Consumer Price Index (CPI) – All Urban Consumers South Urban Region – All Items (base year 1982-84=100), as published by the United States Department of Labor – Bureau of Labor Statistics, an appraisal, market rent study, or other method designated by LESSOR. Such CPI change will be computed each year after the completion of the month of July and any change will be implemented and effective with the October rent payment of each year. The fuel flowage fee or automobile rental percentage fee is not subject to annual review.

3.6 Delinquency Charge. Any undisputed payments received after the fifteenth (15^{th}) day of the month are subject to a delinquency charge of half percent (½%) per month beginning with the sixteenth (16^{th}) day after LESSEE receives notice from LESSOR that payment is overdue.

3.7 Place of Payment. All payments due LESSOR from LESSEE shall be made payable to the City of Fernandina Beach and mailed to P. O. Box 1146, Fernandina Beach, Florida 32035 or delivered to 1180 South 5^{th} St. Extension, Fernandina Beach, Florida 32034 or paid by ACH or other electronic means.

3.8 Payments. After the Commencement Date, LESSEE shall pay all expenses and payments in connection with the use of the Premises and the rights and privileges herein granted, including all taxes, ad valorem taxes, permit fees, impact fees, license fees, and assessments lawfully levied or assessed upon the Premises or property situated hereon, as well as any and all utilities used or consumed by LESSEE on the Premises, including, but not limited to, water, gas, electricity, sewer, telephone, security systems, janitorial, and refuse services.

3.9 Agreement to Pay Taxes and Obligations. After the Commencement Date, LESSEE shall pay all lawful taxes and assessments, applicable fees, debts, and obligations of every kind or nature which, during the term hereof, may become a lien upon or which may be levied by the state, county, city, or any other tax levying body, upon any taxable interest of

the LESSEE acquired in the Agreement or any taxable possessory right which LESSEE may have in or to the Premises or facilities hereby leased or the improvements thereon, or on the LESSOR'S fee simple interest therein, by reason of its use or occupancy thereof, or otherwise, as well as all taxes or taxable property, real or personal, owned by LESSEE in and about said Premises, whether said taxes are assessed in the name of LESSEE or LESSOR. LESSOR shall permit LESSEE to challenge or protest any of the foregoing in either LESSEE's or LESSOR's name.

3.10 Runway Closure. LESSEE shall be entitled to deduct from any payment required by this Agreement a *pro rata* amount for each day that all three runways are closed by the City after a 48 hour grace period.

ARTICLE 4 – CONSTRUCTION AND USE OF PREMISES

4.1 LESSEE is hereby granted the nonexclusive privilege to engage in, and LESSEE agrees to engage in, the business of a fixed based operator and for the renting and leasing of automobiles in connection therewith on the Premises, and other aviation and aeronautical activities that may be requested in writing by LESSEE and as approved in writing by LESSOR. LESSEE hereby agrees to conduct its business and operation at and upon the Airport in strict compliance with the provisions contained in the herein FBO lease and in compliance with rules and regulations of the Federal Aviation Administration (FAA) as well as all other aeronautical agencies having appropriate jurisdiction and that it will transact its business in such a manner as will develop and maintain the good will and active interest of those enjoying the use of the Airport, and who have or may have occasion to use Airport facilities.

4.2 LESSEE also hereby agrees to conduct its business operation in compliance with the contents of the LESSOR's Minimum Standards for Commercial Aeronautical Activities, attached hereto as Exhibit "D", as currently approved or as may be amended from time to time.

4.3 After the Commencement Date, LESSEE in connection to its business operation as a FBO on the Premises agrees to provide, at its sole cost and expense, for buildings, fuel storage facility, hangars, ramp apron (except as further described herein), apron lighting, auto parking, and related infrastructure on the Premises as may be required by LESSOR or as proposed by LESSEE, built or provided for in accordance with plans and specifications contained in the Architecture and Building Design Standards for Development on the Airport as may be amended from time to time and as also approved by LESSOR; comply with height and obstruction requirements under Federal Aviation Regulations Part 77; and other approvals required for other aviation or aeronautical activities and services necessary or incidental thereto. Additionally, except to the extent otherwise provided in the Construction and Financing Agreements which shall describe the allocation of financial and construction responsibility:

a. Paved vehicle parking, as may be required by City code, shall be installed and maintained by the LESSEE to allow the loading, unloading, and parking of vehicles having business on the Premises.

b. All improvements, including the design thereof, on the Premises must be approved by the LESSOR prior to installation or construction (such approval not to be unreasonably withheld or delayed). The LESSEE is responsible for applying for and obtaining all necessary construction permits and licenses required by local, state, and federal laws and regulations and LESSOR shall reasonably cooperate with all LESSEE requests for assistance in this regard.

c. In the event the LESSEE shall lease the public aircraft parking apron, LESSEE shall be responsible for the costs and maintenance therefor, for the purpose of aircraft access to the LESSEE's fixed based operator facility or fuel facility. No structures or fixtures will be allowed on the public aircraft parking apron except for apron lighting. In the event LESSEE shall not have entered into a lease therefor, LESSEE shall have access thereto to the same extent as all other users of the Airport.

d. Suitable pavement markings and lighting shall be installed and maintained by the LESSEE to provide for the orderly and safe movement of aircraft and vehicles on the Premises. Any lighting on the Premises must be approved by the LESSOR prior to installation and not interfere with flight operations at the Airport (any such approval shall not be unreasonably withheld or delayed).

e. All improvements shall be constructed, graded, and drained so as to direct all storm water which may fall and/or flow on the Premises into an approved storm water drainage system. The LESSEE shall not knowingly or if reasonably should have known contribute to storm water contamination and will take such steps and measures as are necessary to comply with the Airport's Storm Water Pollution Prevention Plan (SWPPP) and all applicable federal, state, and local regulations governing storm water discharge. LESSEE will not knowingly or if reasonably should have known permit any action on the Premises that would have an adverse effect, or interferes, with the proper function of any drainage system, sanitary sewer system, or any facility provided for the operation, or protection of Airport, or its surrounding areas, and will not pollute such in any way.

f. Any landscaping installed on the Premises is subject to the provisions contained within the City's Development Guidelines and Standards attached hereto as Exhibit "F", as currently approved or as may be amended from time to time. Approval of LESSEE's proposed improvements by the LESSOR shall not be unreasonably withheld or delayed and shall be maintained by the LESSEE.

g. The installation of a fuel storage facility for use by an FBO operation shall meet all applicable federal, state, and local government regulations regarding fuel facility installation and operation and will be included under the Airport's Spill Prevention, Control, and Countermeasures Plan (SPCC). Any fuel storage use must be in compliance with applicable Minimum Standards for Commercial Aeronautical Activities. LESSEE agrees that all regulated fuel storage tanks owned or operated by LESSEE and located on Premises shall be registered with the appropriate federal, state, and local authorities, shall be constructed of approved materials, and shall be made available for compliance inspection at all times during normal business hours. Further, LESSEE agrees to properly record, maintain, and reconcile all inventory records required by appropriate federal, state, and local regulations and to make such records available for inspection at the Premises at all times during normal business hours.

ARTICLE 5 – LESSEE MAINTENANCE AND REPAIR OF PREMISES

5.1 After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, the LESSEE shall, at its sole cost and expense, maintain and keep the Premises and all structures upon the Premises as well as all improvements thereon including, but not limited to, lighting, electrical, landscaping, drainage, signage, auto parking areas, and aircraft parking ramp apron including all pavement (except public aircraft parking apron) and striping, in good condition and make all repairs, both interior and exterior, necessary to keep and maintain the Premises, including all improvements thereon in good condition so as to present an attractive appearance in conformity with other Airport facilities. The Premises and all buildings, improvements, and property thereon must be maintained in a safe, clean, and sanitary condition. The LESSOR shall require maintenance and needed repairs to be made by LESSEE in a timely manner.

5.2 Land. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the grounds, landscaping, any pavement (except public aircraft parking apron), walkways, and non-paved parking on the Premises at its expense. The entrance drive from Airport Road to the public aircraft parking apron is a LESSOR responsibility; however, LESSEE may improve it with LESSOR approval (any such approval shall not be unreasonably withheld or delayed). LESSEE obligation shall include maintaining irrigation system (if installed), mowing, and trimming and keeping the same in clean, neat, and orderly condition and in good repair at its sole cost and expense.

5.3 Fixed Based Operator Building and Other Structures. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the FBO building, any not named structures on the Premises and their plumbing, electrical, heating, security system, ventilating and air conditioning equipment, and other equipment and keep such in clean, neat, orderly condition, and in good repair at its sole cost and expense.

5.4 Fuel Storage Facility. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any fuel storage facilities located on Premises in a clean, neat, and orderly condition, in good repair to meet National Fire Protection Association (NFPA) standards and government codes at its sole cost and expense including tanks, electrical service, electrical switches, all lighting, exterior painting, fencing, filters, fittings, gauges, hatches, hoses, lids, motors, plumbing, pumps, security, self-service equipment, signs (including required emergency designation signs), sumps, valves, and the like.

5.5 Hangar. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any hangars on the Premises in a clean, neat, and orderly condition and in good repair, including hangar doors, associated ramp apron, electrical, plumbing, heating, and ventilating and air conditioning equipment, structural, and roof maintenance, at its expense.

5.6 Pavement. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, any pavement located on the Premises, except public aircraft parking apron and entrance road, to include ramp aprons, parking areas, driveways, and walkways are LESSEE responsibility to keep clean, orderly, neat, free of debris, in good repair, and for removing all oil and other spillage therefrom at its expense.

5.7 Gates. LESSOR shall repair or replace and maintain in good working order the automatic opening system and industrial sliding gate to the aircraft parking ramp apron currently known as Gate 1 for so long as this lease is in force. LESSEE will have responsibility for controlling access to the public aircraft parking apron and no users may go beyond the public aircraft parking apron. LESSEE shall exercise exclusive care, custody and control over said Gate 1, however, the LESSOR reserves the right to use this gate for Airport staff use, city use, and emergency vehicle entrance. All costs and expenses associated with providing additional gates (which are mechanically operated, or operated by personnel) for Airport fences (including purchasing, installation, operation, maintenance, and staffing thereof); which are required to accommodate the needs of the LESSEE in the conduct of its business on Airport, including providing ingress and egress to and from the Premises; for LESSEE's employees, equipment, customers, suppliers, and invitees; will be paid by LESSOR and LESSEE equally (50/50). If personnel, or mechanical opening and closing devices, are required for such now existing, or replacement Airport gates, such will be provided at the cost and expense of LESSOR.

ARTICLE 6 – LESSEE RIGHTS AND OBLIGATIONS

6.1 Use of Airport. The reasonable use by LESSEE, its employees, passengers, guests, patrons, and invitees, in common with other duly authorized users of Airport and the appurtenant together with all other facilities and improvements which have been or may hereafter be provided for common or public use in connection with Airport. LESSOR will make every effort to minimize the disruption of normal airport usage during periods of repair or further airport development.

6.2 Fixed Based Operator. The following are LESSEE obligations regarding the operation of a FBO on Airport after the Commencement Date:

a. LESSEE shall not at any time use the Premises or any part thereof for any purposes other than the fixed based operation provided for and described herein, and such related activities as are herein expressly authorized, without advance written consent of LESSOR.

b. LESSEE shall provide all services as required of a FBO as set forth in the City's current Minimum Standards for Commercial Aeronautical Activities ~~and~~ as may be amended.

c. LESSEE shall furnish said goods and services on a fair, equal, and not unjustly discriminatory basis for all users thereof, and shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided that the LESSEE may be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

6.2.1 The LESSOR has entered into this Agreement with the understanding that the Services to be provided under this Agreement are subject to the personal supervision and management of persons who are experienced in the business of Fixed Base Operations and duly qualified under applicable governmental regulations. Therefore, LESSOR's has the right to consult with LESSEE in the event of any changes in control or management of the LESSEE to ensure that the public interest in availability of the Services is met. Accordingly, the LESSOR and LESSEE agree to the following limitations.

6.2.2 Assignment and Sublease. LESSEE shall not, at any time, assign, transfer, convey, mortgage, pledge, or encumber its interest under this Agreement, or any part of the leased space, to any party without prior written approval of LESSOR, such approval shall not be unreasonably withheld. Refusal by the LESSOR to approve assignment shall be based **solely** upon reasonable and verifiable concerns regarding the assignee's ability, based on experience and financial strength, to operate the FBO professionally. In no case will assignment be conditioned upon a renegotiation of the terms of the Agreement and any assignment shall allow the assignee to continue to operate under the terms and conditions described herein for the remainder of the term of the Agreement. Any attempted voluntary assignment, transfer, or subletting in violation of the provisions hereof shall be null and void and a default of this Agreement. No assignment, transfer, conveyance, or sublease by Operator shall relieve LESSEE of its primary responsibility for payment of rent and performance of all other obligations provided in this Agreement, without specific written consent by LESSOR to such relief. Any transfer of control of LESSEE or of LESSEE's operations, whether by merger or consolidation, or transfer of shares or membership interests shall constitute an assignment under this Section. The foregoing prohibition on assignment shall not be construed to limit LESSEE's rights to grant a Leasehold Mortgage as permitted in Section 6.8 herein.

6.3 Access. LESSEE, its employees, patrons, invitees, suppliers, agents, and contractors shall have at all times the right of ingress to and egress from the rented and managed Premises but this right does not relieve those named persons, firms, or corporations from the obligation to observe and obey all rules, regulations, or laws that may then currently be in effect in the operation of the Airport. To ensure this right the LESSOR shall make all reasonable efforts to keep adjacent areas to the rented Premises free and clear of all hazards and obstructions, natural and manmade.

6.4 Signs. During the term of the Agreement, LESSEE shall have the right, at its expense, to place on or at the Premises, a sign or signs identifying LESSEE. LESSEE shall be responsible for all permits for its own signage. Notwithstanding any other provision of the Agreement, said sign(s) shall remain the property of LESSEE. LESSEE shall remove, at its expense, all lettering, signs, and placards so erected on the Premises at the expiration of the term of the Agreement.

6.5 UNICOM. Notwithstanding that LESSOR owns the license for the aviation frequency associated with the "UNICOM", the LESSOR grants the LESSEE the non-exclusive right to use the UNICOM frequency to communicate with aircraft using the Airport. The acquisition, cost, installation, and maintenance of communication equipment for radio communication

with aircraft in flight or on the ground, or such substitute apparatus, for air safety as may be designated by the City or the FAA shall be for ~~the~~ responsibility of the LESSEE.

6.6 Aircraft Owner' Rights and Privileges. It is clearly understood by the LESSEE that no right or privilege has been granted which would prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own or leased aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform

6.7 Leasehold Improvements. The following pertains to leasehold improvements, which are governed by the Airport Development Guidelines and Standards, made by LESSEE on the Premises after the Commencement Date (prior to the Commencement Date, the following shall be subject to the Construction and Financing Agreements) and:

a. LESSEE agrees to submit to LESSOR, for approval, detailed plans and specifications for any structural change, alteration, addition, improvement, or removal from or to the Premises. LESSOR shall approve the plans and specifications as submitted, or transmit proposed revisions to LESSEE within thirty (30) days of receipt of the plans and specifications from LESSEE. In the event that LESSOR requires revisions of the original plans and specifications, LESSEE shall have thirty (30) calendar days from the date of receipt of the proposed revisions to resubmit the plans and specifications for LESSOR's approval. This initial review shall not constitute review for the purposes of obtaining City permits. LESSEE shall be required to obtain all permits from governmental agencies as may be required, including the City, and shall be solely responsible for all costs relating to permitting the proposed improvements.

b. Any such improvements made by LESSEE shall remain the property of the LESSEE until the expiration of the Agreement and any extensions or renewals thereof, and which shall remain on the Premises until the expiration or termination of the Agreement, at which time such improvements shall become the property of LESSOR. LESSEE shall at all times maintain all improvements constructed on the property in good condition. Upon expiration or termination of the Agreement, the LESSEE shall execute any and all documentation necessary to transfer clear title to the leasehold improvements, free of any lien or encumbrance, to LESSOR.

c. LESSEE shall not permit any mechanic's or other liens to be placed upon the Premises, at any time, except that LESSEE shall be permitted to mortgage its leasehold improvements to be constructed on the Premises by LESSEE in accordance with the provisions of Section 6.8 herein. LESSOR shall cooperate and provide customary assurances but shall not be required to subordinate its interest to such Leasehold Mortgage. All documentation regarding any leasehold mortgage must be reviewed and approved by the LESSOR prior to finalization of documents, to assure that no interest of the LESSOR is included in the documentation. Such review will be conducted promptly by LESSOR at its own expense.

d. LESSEE shall provide payment and performance bonds in amounts and form reasonably satisfactory to LESSOR, prior to commencement of construction.

e. Within sixty (60) days of completion of construction, erection, or any alteration of any improvements by the LESSEE, the LESSEE shall provide to the LESSOR a complete set without charge of "as-built" plans and drawings.

6.8 LESSEE may at any time and from time to time (and as many times as it desires) mortgage, hypothecate or pledge this Agreement and the leasehold estate created hereby and the interest of the LESSEE in and to this Agreement, together with LESSEE's right, title and interest in the improvements to the Premises and LESSEE's interest in any and all subleases and in and to all rents due or to become due thereunder (herein called a "Leasehold Mortgage"; and the holder of any such Leasehold Mortgage, whether or not the same is recorded of record, is herein called a "Leasehold Mortgagee").

LESSOR and LESSEE agree that so long as any such Leasehold Mortgage exists:

A. LESSOR will simultaneously mail to any Leasehold Mortgagee a copy of any notice given by LESSOR to LESSEE at the address given by such Leasehold Mortgagee to LESSOR for the receipt of such notice.

B. LESSOR and LESSEE acknowledge that the defaults or other events described in Section 10.1 herein may be classified as (i) "Curable Defaults" and (ii) "Non-Curable Defaults". The Non-Curable Defaults are any defaults which are by their nature not susceptible of being cured by a third person such as the Leasehold Mortgagee; and the Curable Defaults are all other defaults.

C. If a Curable Default occurs and if, prior to the expiration of the applicable grace period provided for in Section 10.1, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to undertake a curing of all Curable Defaults and within such grace period the Leasehold Mortgagee commences upon a curing and thereafter pursues to conclusion the curing of all Curable Defaults continuously and diligently in good faith, then LESSOR will not take action to effect a termination of this Ground Lease or to re-enter or take possession of the Ground Leased Premises as a consequence of such Curable Default. However, if (i) a Curable Default is of such a nature that the curing thereof cannot be effected by the Leasehold Mortgagee until it shall have obtained possession of the Premises and (ii) prior to the effective date of a termination of this Agreement by LESSOR or LESSOR's re-entering or taking possession of the Premises, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises and within such grace period takes action to institute such remedies, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Curable Default so long as such Leasehold Mortgagee shall continue to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all other Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure

such Curable Defaults within the period reasonably required to cure the same.

D. If a Non-Curable Default occurs and (i) the Leasehold Mortgagee shall then be in the process of curing all then existing Curable Defaults pursuant to the provisions of subsection (C) above and (ii) the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Non-Curable Default so long as such Leasehold Mortgagee shall continue diligently to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure such Curable Defaults within the period reasonably required to cure the same.

E. In the event a Leasehold Mortgagee or its designee designated for that purpose acquires the improvements and the leasehold estate pursuant to any proceedings for foreclosure of such Leasehold Mortgage, or by a voluntary assignment or transfer of this Agreement and the leasehold estate and the improvements in lieu of foreclosure or otherwise, the Leasehold Mortgagee or its designee or assignee as aforesaid shall be deemed an assignee of all the rights of LESSEE under this Agreement.

F. If this Agreement shall be rejected or disaffirmed pursuant to any bankruptcy law or other law affecting creditors' rights or if this Agreement is terminated for any other reason whatsoever, LESSOR will enter into a new lease of the Premises with the Leasehold Mortgagee or its designee not less than ten (10) nor more than thirty (30) days after the request of the Leasehold Mortgagee referred to below, for the remainder of the term of this Agreement effective as of the date of such rejection or disaffirmance or termination, upon all the terms and provisions contained in this Agreement; provided that (i) the Leasehold Mortgagee makes a written request to LESSOR for such new lease within ninety (90) days after the effective date of such rejection or disaffirmance or termination, as the case may be, and such written request is accompanied by a copy of such new lease, duly executed and acknowledged by the Leasehold Mortgagee or its designee and (ii) upon taking possession of the Premises the Leasehold Mortgagee cures any outstanding Curable Defaults within the period reasonably required to cure the same. Any new lease made pursuant to this paragraph shall have the same priority with respect to other interests in the Premises as this Agreement. The provisions of this paragraph shall survive the rejection or disaffirmance or termination of this Agreement and shall continue in full force and effect thereafter to the same extent as if this paragraph were a separate and independent contract made by LESSOR and the Leasehold Mortgagee.

G. So long as a Leasehold Mortgage is in effect (i) LESSOR will not accept a voluntary surrender of this Agreement, (ii) this Agreement shall not be modified in any material respect, and (iii) LESSOR and LESSEE shall not allow the fee interest in the Premises to merge with the leasehold estate created by this Agreement, without, in each case, the prior written consent of the Leasehold Mortgagee. Any violation of this paragraph shall be void.

The provisions of this Section 6.8 are for the benefit of any Leasehold Mortgagee and may be relied upon and shall be enforceable by any Leasehold Mortgagee. No Leasehold Mortgagee shall be liable upon the covenants, agreements or obligations of LESSEE contained in this Agreement, except as expressly provided herein.

LESSOR shall execute any instruments any such Leasehold Mortgagee may reasonably request or require from LESSOR, with respect to the provisions of this Section 6.8 excluding a subordination agreement or joinder of the Leasehold Mortgage.

6.9 Equipment and Trade Fixtures. LESSEE will retain title to all of its trade fixtures and equipment and any improvements and property installed by LESSEE during the term of the Agreement. Upon termination of the Agreement or upon removal of trade fixtures and equipment, the LESSEE shall restore the Premises to good condition at its sole cost and expense. Any LESSEE improvements or property installed not removed becomes the property of LESSOR.

6.10 Further Capital Improvement. LESSEE is granted right to make further capital improvement on the Premises within the scope of the Agreement at its sole cost and expense. In the event that any capital improvement, permanent improvement, fixture, new construction, or the like is proposed or made by LESSEE that requires a new paved surface for aircraft or automobile ingress or egress, including any associated new taxiway, taxi lane, or aircraft parking apron, or automobile parking lot, then LESSEE shall, at its sole cost and expense, install and maintain any such new private use paved surfaces during the term of the Agreement including providing for drainage requirements.

6.11 Airport Protection by LESSEE. LESSEE expressly agrees for itself, its successors, and assigns, to restrict the height of structures, objects of natural growth, and other obstructions on the Rented Premises to such a height so as to comply with City Building Code and Federal Aviation Regulations Part 77 and to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an airport hazard.

6.12 Fueling on Airport. LESSEE is granted the non-exclusive right ~~and obligation~~ to fuel aircraft from refueling vehicles and provide ancillary services at tenant hangars and approved locations by LESSOR located outside of the Premises and upon the Premises of others with their permission and upon their request.

6.13 Fire Extinguishers. LESSEE shall provide sufficient number of fire extinguishers as may be required under fire codes for the safe protection of aircraft, persons, and property on the Premises. Such fire extinguishers shall be properly inspected and certified annually.

6.14 Compliance with Applicable Laws, Rules, and Regulations. Notwithstanding other requirements contained herein, the LESSEE at its sole cost and expense, hereby agrees to and shall comply with all applicable laws, ordinances, rules, and regulations established by federal, state, local government agency, and by the City, as they may be amended from time to time, and conduct its operations and commercial business in accordance with all applicable regulations pertaining to airports, including Airport Rules and Regulations, attached hereto as Exhibit "E", promulgated by the LESSOR governing safe and efficient operation of Fernandina Beach Municipal Airport. The LESSOR may, from time to time, modify and/or update the Rules and Regulations. LESSOR will provide LESSEE with a copy of the updated Rules and Regulations, and once updated or revised, those Rules and Regulations shall become a part of the Agreement. The LESSOR and LESSEE agree that material violations of any of the conditions of the Agreement or any violations of the Airport's Rules and Regulations shall be sufficient cause for termination of the Agreement and eviction of LESSEE from said Premises, in accordance with Article 10 herein.

6.15 Airport Security. LESSEE has obligation to operate upon its Premises to not undermine the security of the Airport. LESSOR shall install and maintain adequate fences and gates to control unauthorized access on to the Airport. LESSEE shall provide to the Airport Manager a security plan at least once annually.

6.16 Compliance with Environmental Law, Rules, and Regulations. LESSEE expressly represents, covenants, warrants, guarantees, and agrees that it shall comply in all material respects with all federal, state, and local laws, ordinances, rules, and regulations protecting the environment. Any cost or expense to remain or to be compliant with applicable environmental rules and regulations shall be the responsibility of the LESSEE unless attributable to the grossly negligent acts or omissions of LESSOR. LESSEE agrees to keep themselves informed of future changes in the existing environmental laws.

6.17 Hazardous Materials and Toxic Waste. LESSEE shall not knowingly or if reasonably should have known cause or permit to occur:

a. Any violation of any federal, state, or local law, ordinance, or regulation now or later enacted, related to environmental conditions on, under, or about the Premises, or arising from LESSEE'S use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or

b. The use, generation, release, manufacture, refining, production, processing, or disposal of any hazardous substance on, under, over, or about the Premises.

c. LESSEE shall, at its sole and exclusive expense, comply with all laws and regulations regulating the storage or transportation of hazardous substances relating to the Premises, and shall further make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities under applicable federal, state, and local laws and regulations; and the LESSOR is to be immediately notified by LESSEE of any claim or allegation of non-compliance herewith.

d. If any authority demands that a clean-up plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of hazardous substances that occurs during the term hereof, or any renewals hereof, at, or from the

Premises, or which arises from LESSEE's use or occupancy of the Premises, then LESSEE shall, at LESSEE's expense, prepare and submit the required plans and all related bonds and other required financial assurances; and LESSEE shall carry out all work required by such clean-up plans at its sole and exclusive expense.

6.18 LESSOR's and LESSEE's Certificates. LESSOR and LESSEE, on written request from each other, shall execute and deliver to the other party or any Leasehold Mortgagee or prospective purchaser, if so requested, without charge, a certificate certifying that this Agreement is in full force and effect, and whether it has been modified (and if there have been modifications, stating them), and whether or not the party executing the certificate knows of any default, breach or violation by the other party under any of the terms of this Agreement, and such other matters as may reasonably be requested.

ARTICLE 7 – LESSOR TO MAINTAIN AND OPERATE AIRPORT

7.1 Operation as a Public Airport. LESSOR covenants and agrees that at all times it will operate and maintain the Airport as a public airport consistent with and pursuant to the Sponsor's Assurances given by City to the U.S. Government under the Federal Airport Act.

7.2 Maintenance of Airport Facilities. LESSOR shall operate, maintain, manage, and control Airport in an efficient, economical, and businesslike manner. Such operation, maintenance, management, and control shall substantially comply with all pertinent requirements of the Federal Aviation Administration, or its successor in duties related thereto, and shall include the adequate and proper operation and maintenance of the public land, runways, taxiways, navigation aids, non-leasehold aircraft parking ramp aprons, non-leasehold lighting, non-leasehold roads, non-leasehold vehicle parking areas, and all other public facilities and appurtenances within the boundaries of Airport. LESSOR shall maintain all public and common joint use areas of the Airport, including the Air Operations Area, in good repair, and shall make such repairs, replacements, or additions thereto, as in its opinion, are required and necessary for the safe and efficient operation of the Airport.

7.3 Further Airport Development. LESSOR reserves the right to further develop or improve the remaining area of the Airport as it sees fit.

7.4 Aerial Approaches. LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction and interference, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure, natural or manmade, on or adjacent to the Airport, which in the opinion of the LESSOR, would limit the usefulness of Airport or constitute a hazard to aircraft.

7.5 Inspection. The LESSOR shall have the right to enter upon the Premises at any time, however, normally during regular business hours and with prior notice to inspect the Premises for compliance with the terms and conditions of the Agreement and federal, state, and local laws and regulations. In case of emergencies, the LESSOR shall have the right to immediately enter the Premises.

7.6 Protection Clause. The LESSOR reserves unto itself, its successors, and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the

airspace above the surface of the real property herein described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from, or operating on the Airport.

ARTICLE 8 – INSURANCE AND INDEMNIFICATION

8.1 Insurance. LESSEE shall obtain and maintain continuously in effect at all times during the term of the Agreement, at LESSEE's sole expense, all insurance coverage as required under the, City's General Provisions for a fixed based operator as well as each additional activity or service provided as may be amended and shall include the following:

a. Comprehensive General Liability insurance with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

b. Property damage insurance covering direct physical loss due to perils of fire, windstorm, and extended perils for full replacement value for all facilities leased by the LESSEE.

c. Airport Liability insurance with a Combined Single Limit (CSL) of not less than Three Million ($3,000,000) Dollars per occurrence including Premises , protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

d. Aircraft Liability insurance, as may be applicable, with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence including a minimum sublimit of One Hundred Thousand ($100,000) per passenger, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

e. Hangar Keepers Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

f. Commercial Business Auto Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

g. Pollution Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors. Such coverage shall survive the expiration of the Agreement. This coverage shall not apply to conditions which pre-exist the date of the Agreement.

h. Workers Compensation insurance with a minimum of the Statutory Limits required by the State of Florida and Employers Liability insurance with a minimum of One Hundred Thousand ($100,000) per accident, One Hundred Thousand ($100,000) per disease each employee and Five Hundred Thousand ($500,000) disease per policy.

i. All insurance requirements specified herein above shall name LESSOR as an additional insured with instructions that the insurance carrier will notify LESSOR if the LESSEE defaults on premium payments, and shall require that the insurance carrier notify LESSOR thirty (30) days prior to any event leading to the material modification or cancellation of the policy. The additional insured status of the City must be primary and non-contributory. Waiver of Subrogation in favor of the LESSOR is to be included.

j. All insurance required to be carried by LESSEE hereunder shall be issued by responsible insurance companies qualified to do business in the State of Florida. LESSEE shall furnish copies of all insurance policies or certificates evidencing the existence and amounts of such insurance shall be delivered to LESSOR by LESSEE as required under the Agreement and under the Airport Minimum Standards for Commercial Aeronautical Activities for all activities provided by LESSEE. Such certificates are attached hereto as Exhibit "C", Liability Insurance Certificates. Copies of said certificates of insurance shall be provided to LESSOR with each annual renewal and at least ten (10) days prior to the expiration thereof for each activity offered by LESSEE.

k. It is the responsibility of LESSEE to keep required insurance in effect and provide such evidence to the City. Failure to provide proof of insurance at any time, to the satisfaction of the City, shall be grounds for termination of the Agreement.

l. LESSEE will require and receive certificate of insurance from any and all subcontractors, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, and as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its subcontractor coverage.

m. LESSEE will require and receive certificate of insurance from any and all subleases, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its sublease coverage.

n. LESSEE shall provide LESSOR evidence of appropriate insurance on any non-aeronautical activity, such as rental cars, that also provide rent to LESSOR.

o. The LESSOR may, upon giving the LESSEE ninety (90) days written notice, require the LESSEE to attempt to procure increased or expanded insurance coverage to the extent an independent insurance broker determines that it is necessary for adequate protection of the LESSOR or public and is readily available on commercially reasonable terms; provided however, the required increased or expanded coverage shall not exceed industry standards or the coverage generally required by the LESSOR from other similar leases.

8.2 Indemnification. LESSEE for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSEE, its officers, employees, agents, and representatives. LESSEE'S liability hereunder shall include all attorney's fees and costs incurred by the LESSOR in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement. Nothing contained in the foregoing indemnification shall be construed to be a waiver of any immunity or limitation of liability the LESSOR may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes. To the extent permitted by Florida law, the LESSOR for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSEE, its directors, members, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSOR, its officers, employees, agents, and representatives prior to the Commencement Date. LESSOR'S liability hereunder shall include all attorney's fees and costs incurred by the LESSEE in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement.

8.3 Indemnification for Toxic Wastes. LESSEE, for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to assume liability for and indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against loss, damage, cost, or assessment

which may result from or in any manner be related to the deposit, spill, discharge, or other release, and or the presence, use, distribution, or disposition of any toxic substance, chemical, metal, petroleum product, or hazardous or toxic waste, or any other substance or derivative. This provision shall survive the expiration of the Agreement. This shall not apply to conditions which pre-exist the date of the Agreement or to conditions that were not created by LESSEE and LESSOR shall indemnify and hold LESSEE harmless from any claims relating ~~thereto.~~ to pre-existing conditions.

ARTICLE 9 – PUBLIC USE, FEDERAL GRANTS, AND NON-DISCRIMINATION

9.1 Appurtenant Privileges. LESSEE shall be entitled, in common with others so authorized, to the nonexclusive use of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including but not limited to, the use of rights-of-way, common area utilities, landing areas, runways, taxiways, navigational aids, terminal facilities, and aircraft parking areas designated by LESSOR.

9.2 Nonexclusive Right. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right. It is not the intention of the Agreement to grant to LESSEE the exclusive right to provide any or all of the services described in the Agreement at any time during the term of the Agreement. LESSOR reserves the rights, at its sole discretion, to grant others certain rights and privileges upon the Airport which are identical in part or in whole to those granted to LESSEE. However, LESSOR does covenant and agree that:

a. It shall enforce the City's Minimum Standards for Commercial Aeronautical Activities and General Provisions as currently approved or as amended for all similar services and activities conducted at the Airport; and

b. It will not permit the conduct of any aeronautical endeavor or activity at the Airport, except under an approved lease, sub-lease, or operating agreement, or as general aviation by the general public; and

c. It is bound by all current and future interpretations and decisions by the FAA and National Transportation Safety Board ("NTSB") regarding grant assurances.

9.3 Non-Discrimination. Notwithstanding any other inconsistent provision of the Agreement, during the performance of the Agreement, LESSEE, for itself, its heirs, personal representatives, successors in interest, and assigns, as part of the consideration for the Agreement, does hereby covenant and agree, as a covenant running with the land, that:

a. No person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participating in, denied the benefits of, or otherwise be subjected to discrimination, in the use of the Premises;

b. In the furnishing of services on, over, or under the Premises, no person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

c. LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, and as said regulations may be amended.

ARTICLE 10 - TERMINATION

10.1 Termination. The Agreement shall be subject to termination by either party in the event of any one or more of the following:

a. The abandonment of the Airport as an airport or airfield;

b. Any default in the payment of the whole or any part of any rent or other payments such as properly imposed taxes, assessment, applicable fees and charges, or other governmental imposition required for a period of thirty (30) days after the time LESSOR provides LESSEE notice that such payments are due but only to the extent LESSEE has not disputed the payment in good faith;

c. The default by either party in the performance of any of the terms, covenants, and conditions of the Agreement (except rental payments), and the failure of such defaulting party to remedy or to undertake to remedy to the other party's satisfaction such default for a period of thirty (30) days after receipt of written notice from the non-defaulting party to the defaulting party to remedy same. This includes the failure of the LESSEE to complete proposed improvements within the time frames as set forth herein; provided that in the event performance cannot be reasonably cured within 30 days, no default shall exist if such party is diligently seeking to remedy such performance shortfall;

d. Abandonment of the Premises by the LESSEE or, LESSEE's failure or neglect to conduct or carry on the aforesaid fixed based operation upon the Premises for a space of thirty (30) days;

e. The lawful assumption by the United States, or any authorized agency thereof, of the operation, control, or use of the Airport, or any substantial part thereof, in such a manner as to restrict substantially LESSEE from conducting its business operation for a period in excess of 365 days;

f. LESSOR shall be entitled to terminate the Agreement upon the filing of a voluntary petition in bankruptcy by LESSEE, including a reorganization plan, a general or other assignment for the benefit of creditors, adjudication as a bankrupt, any levy against the leasehold interest of the LESSEE, or if a receiver is appointed for the property or affairs of LESSEE and such receivership is not vacated within sixty (60) days after the appointment of such receiver;

g. LESSEE shall have the right at any time to terminate the Agreement and its obligations hereunder, by providing sixty (60) days written notice to LESSOR and by conveying to LESSOR the title to the improvements constructed on the Premises, free and

clear of any lien or encumbrance, provided that LESSEE has properly maintained said property and it is in as good condition as when originally constructed, ordinary wear and tear excepted, and provided, further, that the obligations regarding accumulated rent and indemnification shall specifically survive.

10.2 Re-Entry. It is further understood and agreed between the parties hereto that in the event of any breach of any covenant or agreement on the part of the LESSEE to be performed and provided, that if such breach is not remedied by the LESSEE after reasonable notice in writing to it by the LESSOR, the LESSOR may re-enter and terminate this tenancy by giving the LESSEE sixty (60) days written notice, to quit the Premises. LESSOR shall at all times be entitled to recover by all lawful means any and all damages,

10.3 Obligation Upon Termination. Upon termination of the Agreement or occurrence of a termination event, all obligations of either party hereunder to the other shall cease and terminate, except as specifically provided herein, and the LESSEE agrees it shall immediately quit, surrender, and return peaceable and quiet possession of the Premises, including all improvements, to the LESSOR in as good order and condition as existed at the time of the initial occupancy and only reasonable wear and tear being accepted. LESSEE shall have the right at any time during said term, or any renewal, or extension thereof; to remove its trade fixtures and equipment situated on the Premises which were installed, or placed by it, at its expense, in, on, or about the Premises, subject, to any valid lien which LESSOR may have thereon for unpaid rents, fees, taxes, or charges. All moveable personal property shall be removed by the LESSEE on or before the expiration of the Agreement term and all property not so removed shall be deemed abandoned by the LESSEE.

10.4 Continuing Obligation. LESSEE'S obligations under Article 6.14 and Articles 8.2 and 8.3 of the Agreement shall survive the expiration or termination of the Agreement or any renewal thereof.

ARTICLE 11 – NOTICE

11.1 Any notice given by one party to the other in connection with the Agreement shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid, addresses as follows:

If to LESSOR, address to:

City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

With a copy to Airport Manager, address to:

Airport Manager
Fernandina Beach Municipal Airport
700 Airport Road
Fernandina Beach, FL 32034

If to LESSEE, address to:	Brian Echard 8 Flags Aviation, LLC 306 1/2 Centre St Fernandina Beach, Florida 32034
With a copy to	Attention: Jim Porter Smith, Gambrell & Russell, LLP Bank of America Tower 50 North Laura Street, Suite 2600 Jacksonville, Florida 32202

11.2 Notices will be deemed to have been received on the date of receipt as shown on the return receipt.

11.3 It shall be the LESSEE's responsibility to keep the address contained in the Agreement up to date and accurate.

ARTICLE 12 –EXPENSES FOR PUBLIC SERVICES

LESSEE recognizes that the Airport is not certificated by the Federal Aviation Administration pursuant to the requirements of Federal Air Regulations, 14 C.F.R. Part 139, and LESSEE will not conduct any operation on the Airport that will require Airport to be so certificated, without prior written approval of LESSOR. Certification of the Airport will require additional law enforcement and emergency services personnel and equipment to be present at the Airport at substantial expense. Fees associated with these expenses will be set in advance LESSEE will be responsible for any costs of activities authorized, contracted, or permitted by LESSEE for public services that would be required by FAA or other agencies.

ARTICLE 13 – MISCELLANEOUS PROVISIONS

13.1 [intentionally omitted]

13.2 Independent Contractor. In conducting its business hereunder, LESSEE acts as an independent contractor and not as an agent of LESSOR. The selection, retention, assignment, direction, and payment of LESSEE'S employees shall be the sole responsibility of LESSEE, and LESSOR shall not attempt to exercise any control over the daily performance of duties of LESSEE'S employees.

13.3 Subordination. The Agreement shall be subordinate to the provisions of any existing or future agreement between LESSOR and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.

13.4 Entire Agreement. The Agreement, RFP 2015-101.2 and LESSEE's proposal in response to RFP 2015-101.2 together constitute the entire agreement and understanding between the parties, and as of its effective date supersedes all prior or independent

contracts or agreements between the parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

13.5 Headings. Article titles and paragraph titles of the Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, augment, or describe the scope, content, or intent of any provision of the Agreement.

13.6 Severability. If any substantive provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction and such declaration results in a substantial failure of consideration for either party, the entire Agreement shall be subject to termination by such party. Otherwise, such declaration shall not be cause for termination of the Agreement, but only such void or illegal provision shall be canceled or deemed to be of no effect.

13.7 National Emergency. During the time of war or national emergency, the LESSOR shall have the right to lease the landing area or all or any part of the Premises upon demand to the United States Government, and if any such agreement is executed, the provisions of the Agreement with the LESSEE herein, and all obligations of LESSEE to make the payments as required herein, shall be suspended for the length of time that the United States Government requires the use of the said landing area and/or Premises. This period of time during which the Agreement is so suspended will not count against the time provisions of the then existing Agreement.

13.8 Force Majeure. Neither LESSOR, nor LESSEE, shall be deemed to be in violation to the Agreement if either is prevented from performing any of its obligations hereunder by reasons of strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellions, acts of sabotage, or any other circumstances for which it is not responsible, or which are not under its control, provided; however, that this section does not apply to failure by LESSEE to pay the rentals, fees, taxes, and charges set forth herein. In any such case a prompt written notice shall be given to the other party of the existence of such causes and of readiness to resume performance upon the removal, or non-existence thereof.

13.9 Governing Law, Venue and Attorney's Fees. The Agreement shall be construed in accordance with the laws of the State of Florida. Venue for any state law action brought hereunder shall be Nassau County, Florida. Should jurisdiction in state court not be available, then venue for any federal action brought hereunder shall be the U.S. District Court, Middle District of Florida, Jacksonville Division. In the event of any litigation between the parties regarding the breach and/or enforcement of the Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and costs, including at the appellate court level, from the non-prevailing party as determined by a court of competent jurisdiction.

13.10 Non-Waiver. The failure of the LESSOR to insist upon strict performance of any of the terms, conditions, or covenants herein set forth shall not be deemed a waiver of any rights or remedies that it may have and shall not be deemed a waiver of any breach or default by the LESSEE of the terms, conditions, or covenants contained herein.

13.11 Radon Gas Notice. Pursuant to Florida Statutes Section 404.056(8), LESSOR hereby makes, and LESSEE hereby acknowledges, the following notification:

a. Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

b. LESSOR makes no representation or warranty with respect to the presence or absence of radon on the Premises, and LESSEE shall undertake such inspection or testing as it deems necessary or convenient to assure itself as to the presence or absence of radon.

13.12 Additional Terms. The Lease is being executed in advance of the commencement of operation and prior to construction on the Premises. Accordingly, LESSOR and LESSEE each agrees that it will cooperate and act reasonably with the other in resolving issues consistent with the intent of the Agreement and to ensure timely construction and performance and a professional work product.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

8 FLAGS AVIATION, LLC

By: Brian Echard

Its: Managing Member

CITY OF FERNANDINA BEACH, FL

10/30/2006

By: Marshall McClary

Its: City Manager Pro Tem

ATTEST:

Caroline Best

By:
Its: City Clerk

By:

Its:

ATTEST:

By:
Its:

APPROVED AS TO FORM AND LEGALITY:

By:
Its: City Attorney

Attachments:

Exhibit "A" Professional Survey of Lease Area — Legal Description of LESSEE'S Property and Survey

Exhibit "B" Overview of Capital Improvements to be provided at sole expense and cost of LESSEE

Exhibit "C" Liability Insurance Certificate(s) as required under this lease and/or applicable Minimum Standards for Commercial Aeronautical Activities (Note: This certificate shall show that the City has been named as an additional insured on all policies.) Appropriate certificate(s) shall be presented upon completion of each facility and before occupancy.

Exhibit "D" - Minimum Standards for Commercial Aeronautical Activities

Exhibit "E" - Rules and Regulations for Fernandina Beach Municipal Airport

Exhibit "F" – Development Standards and Guidelines for Fernandina Beach Municipal Airport

Exhibit "G" – General Provisions for Fernandina Beach Municipal Airport

Exhibit "H" – Definitions for Use at Fernandina Beach Municipal Airport

CITY COMMISSION AGENDA ITEM
CITY OF FERNANDINA BEACH

SUBJECT: Resolution 2015-139
Fixed Base Operator (FBO) Lease Agreement – 8 Flags Aviation, LLC

DEPARTMENT: City Manager's Office

ATTACHMENTS: ___ Ordinance _X_ Resolution
___ Support Documents ___ Other

RECOMMENDED ACTION: Approve Resolution 2015-139

SUMMARY: The City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport. The basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier.

The City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission. The details of design, construction and financing the Welcome Center and related improvements will be memorialized in formal written agreements approved by Eight Flags Aviation, LLC and the City Commission within the next 1-2 years.

FISCAL IMPACT: The additional revenue to the Airport to be determined by the actual number of feet leased as reflected on the final survey (estimated to be a minimum of $35,000 per year).

CITY ATTORNEY COMMENTS: See above.

DEPARTMENT HEAD	Submitted by: Tammi E. Bach City Attorney	Date: 10/02/2015
	Requested Agenda	Date: 10/13/2015
FINANCE DEPARTMENT	Approved as to Budget Requirements PTC	Date: 10/05/2015
CITY ATTORNEY	Approved as to Form & Legality TEB	Date: 10/06/2015
CITY MANAGER	Approved Agenda Item for 10/13/2015	Date: 10/06/2015

COMMISSION ACTION:
___ Approved As Recommended ___ Disapproved
___ Approved With Modification _✓_ Postponed to Time Certain
___ Other ___ Tabled

10/20/15 CC RH

RESOLUTION 2015-139

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING LEASE TERMS AND AGREEMENT FORM WITH EIGHT FLAGS AVIATION, LLC FOR A FIXED BASED OPERATOR ON CITY AIRPORT PROPERTY LOCATED ON THE NORTH SIDE OF THE AIRPORT; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport; and

WHEREAS, the basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier; and

WHEREAS, the City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached as Exhibit "A" to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the terms and conditions of the attached Fixed Based Operator Lease Agreement and attached survey of the leasehold area, respectively attached hereto as Exhibit "1" and Exhibit "A".

SECTION 2. The City Manager and City Clerk are hereby authorized to execute the Fixed Based Operator Lease Agreement, upon review and approval of the City Attorney.

SECTION 3. This Resolution shall be effective immediately upon passage.

ADOPTED this 13th day of October, 2015.

ATTEST:

Caroline Best
City Clerk

CITY OF FERNANDINA BEACH

Edward E. Boner
Commissioner-Mayor

APPROVED AS TO FORM & LEGALITY:

Tammi E. Bach
City Attorney

FERNANDINA BEACH MUNICIPAL AIRPORT
FIXED BASE OPERATOR LEASE AGREEMENT

This FIXED BASE OPERATOR AIRPORT USE AND LEASE AGREEMENT (hereinafter referred to as the "Agreement"), made and entered into this _____ day of September 2015, made by and between the **CITY OF FERNANDINA BEACH, FLORIDA**, municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 (hereinafter referred to as the "LESSOR" or "City,") and **8 Flags Aviation, LLC**, a Florida limited liability company (together with its successors and assigns, hereinafter referred to as the "LESSEE") whose address is 306 ½ Centre Street, Fernandina Beach, FL 32034.

WHEREAS, LESSOR owns, controls, and operates the Fernandina Beach Municipal Airport (hereinafter referred to as the "Airport"), in the City of Fernandina Beach, County of Nassau, State of Florida and is the Airport sponsor under Federal Aviation Administration ("FAA") regulations; and

WHEREAS, LESSEE has approved the lease of certain property by LESSOR at the LESSOR's municipal airport to operate upon the Airport as a Fixed Based Operator (hereinafter referred to as the "FBO") and provide related aeronautical related activities; and

WHEREAS, LESSOR desires to make real property available to LESSEE at the Airport to provide ground and facilities necessary to operate as a FBO and other commercial activities on the Airport and which are expressly set forth in the Agreement or contemplated hereby; to grant the LESSEE a management agreement to manage and control the use of an existing City public aircraft parking apron; and to grant the use of Airport to LESSEE for such purposes upon terms and conditions hereinafter stated; and

WHEREAS, LESSOR and LESSEE have agreed that LESSEE shall contribute to the cost of construction and improvements for the FBO and related areas in exchange for rent credits which shall be formalized in documentation to be finalized between the LESSOR and LESSEE contemporaneous with or subsequent to the execution of the Agreement (the "Construction and Financing Agreements").

NOW THEREFORE, for and in consideration of the real property and the mutual covenants and agreements contained herein to be performed by the respective parties, the parties hereby agree as follows:

ARTICLE 1 – DEFINITIONS

All words, terms and phrases when used herein shall have the meanings as described in the City's Definitions for Use regarding Fernandina Beach Municipal Airport. Words, terms and phrases which relate to aeronautical practices, processes and equipment, not defined therein, shall be construed according to the definitions in Title 14 of the Code of Federal Regulations, Florida Statutes Chapter 332 or, if not defined therein, according to their general usage in the aviation industry.

ARTICLE 2 – LEASED PREMISES

1.1 LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the following real property identified and shown on Exhibit "A" "Lease Area", attached hereto (hereinafter referred to as the "Premises"), together with the right of ingress and egress for vehicles and aircraft. The Premises is located within an area of Airport property designated the "North Area." The Premises shall be more specifically described in a legal description with a professional survey (the "Survey") to be furnished to the LESSOR by LESSEE after execution of the Agreement in a form reasonably acceptable to the LESSOR and when completed, will be deemed incorporated into this Agreement by a separate written addendum subsequently executed by the parties to this Agreement. It is possible that more than one surveyed leasehold area will be described in writing and attached to this Agreement as addenda based upon changes needed prior to final completion of constructed improvements.

1.2 The Construction and Financing Agreements will set forth the responsibility of LESSOR to make improvements to the Premises, the joint responsibility for designs and drawings and selection of contractors and otherwise but it being understood that LESSOR will have primary responsibility for the final decisions made regarding design, materials, timeline, contractors, construction and any other decisions required to finalize the improvements to its allocable portion of the Premises and LESSEE shall have primary responsibility with respect to its portion of the Premises. Upon issuance by the appropriate governmental entities of a "Certificate of Occupancy" for the FBO and the commencement of payment of rent and other fees in accordance with the Agreement, LESSEE will execute an acceptance certificate pursuant to which LESSEE will then acknowledge that it is accepting the Premises and the improvements located thereon "As is" and except as otherwise provided in a writing between LESSOR and LESSEE, the LESSOR has no obligation whatsoever to repair, maintain, renovate, or otherwise incur any cost or expense with respect to the Premises, any leasehold improvements, or fixtures, furnishings, or equipment installed in or used on the Premises except as otherwise provided herein.

1.3 Ground. The Premises consist of approximately [TBD] square feet as shown on the Survey.

1.4 Facility. The Construction and Financing Agreements will provide for a suitable FBO facility on ground leased from the LESSOR in conformance to the Airport's Minimum Standards for Commercial Aeronautical Activities (hereafter referred to as the "Minimum Standards") requirements.

1.5 Public Use Aircraft Parking Apron. The City maintains a federally funded public use Aircraft Parking apron which may be available for the LESSEE to manage on a non-exclusive basis in the future upon request by the LESSEE and under a separate written agreement and if LESSEE does so, it shall be responsible for the maintenance thereof and the costs of doing so as provided therein.

1.6 Fuel Storage Facility. The Construction and Financing Agreements will provide for the installation and maintenance of a fuel storage facility on ground leased from the LESSOR for the purpose of providing fuel to clients of the LESSEE and tenants of the Airport (location to be determined and included on a survey to be attached hereto). LESSEE will not handle, store, dispense, nor sell aviation fuels at or from the Airport, unless

that fuel is first stored in fuel storage tanks located on the Premises. Each device through which LESSEE dispenses aviation fuels on the Airport must be equipped with a flow meter calibrated and sealed by the Department of Agriculture of the State of Florida or other appropriate agency. These devices shall include without limitation any Avgas truck, Jet A truck, or self-service fuel facility owned or operated by LESSEE.

1.7 Future Expansion. Should LESSEE desire any additional land or facilities to be added to the leasehold during the interim term of this Agreement prior to the Commencement Date, and if such lands or facilities are available at the time of LESSEE's request the Agreement and/or the Construction and Financing Agreements may be amended to provide for such additions at then currently applicable rates and conditions or may be provided by a separate agreement developed and at then currently applicable rates and conditions and LESSOR and LESSEE shall execute all customary documentation to effect such agreed-upon expansion.

ARTICLE 2 – TERM

The term of the Agreement shall commence immediately and will be comprised of an interim term which shall run from the date of execution of the Agreement until the later of the time when a Certificate of Occupancy is issued and ~~or~~ LESSEE takes possession of the Premises (the "Commencement Date"). The base term will begin on the Commencement Date and be for an initial period of twenty (20) years, commencing on the ~~first~~ day of the ~~first~~ month following the end of the interim term that LESSEE shall occupy the Premises, and continuing for said term, unless earlier termination under the provisions of the Agreement. Provided the LESSEE is not then in default of any payment terms or other material terms and conditions of the Agreement, the LESSEE shall have the option to extend the Agreement for two additional five (5) year terms. LESSEE's written notice of exercise must be given a minimum of 90 days and no more than 365 days before the end of each term. Any option for extension of the Agreement shall be subject to material compliance with the performance standards noted below and accompanying continued required capital investment toward improvements and repair. Such performance standards include:

a. At the seven (7) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

b. At the fourteen (14) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron

pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

c. At the nineteen (19) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

d. At the four-year anniversary of any extension term of the Agreement, the LESSOR may conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

e. At the expiration of the initial 20 year term and any extension term, LESSEE may request a new lease on terms and conditions consistent with the Agreement and then – current rates and conditions.

ARTICLE 3 – RENT, FEES, AND TAXES

3.1 In consideration of the rights and privileges granted by the Agreement, LESSEE agrees to pay LESSOR the following rent and fees from the Commencement Date as noted in Article 2. All payments shall be due and payable without notice on or before the first day of each month.

3.2 Ground Rent. Rent for the use of real property on Airport property based on a total ground lease area of [___] square feet as shown on Exhibit "A" attached hereto; at an initial lease rate of $0.20 dollars per square foot per year, which when fully ascertainable will be converted to equal monthly payments per month, which also is subject to applicable sales tax (currently seven percent).

3.3 Overflow Parking. In the event that during special events that causes an overflow parking situation requiring use of the "abandoned runway" and if during such special event, LESSEE is collecting parking fees for such abandoned runway, then LESSOR shall be entitled to 50% of such parking fees relating thereto.

3.4 Fuel Flowage Fee. In consideration for the right to store fuel on the Premises and dispense fuel to the public at the Airport, LESSEE agrees to pay LESSOR an amount equal to $0.08 cents per gallon delivered. The applicable fuel flowage fee to be paid by LESSEE to LESSOR will be forwarded directly from the fuel supplier contracted by the LESSEE to the City Controller upon purchase of fuel by LESSEE. Fuel flowage fees commence with the initial fuel supply and continue with each succeeding delivery. The method of payment of fuel flowage fees may be amended by mutual consent as may be required to conform to policies of the fuel supplier contracted by LESSEE. If the LESSOR reasonably determines that, due to external circumstances, the cost of operating the Airport has increased, LESSOR may add a reasonable surcharge to the fuel flowage fee only after it has attempted to mitigate its costs of operation and the surcharge shall only cover LESSEE's equitable allocation of the incremental costs..

3.4 Annual Rent, Fees, and Charge Adjustment. All rents and fees included in this Article shall be reviewed each year by the LESSOR and rent and fees, plus all applicable taxes, shall be adjusted so as to maintain a fair rental rate based on change in the Consumer Price Index (CPI) – All Urban Consumers South Urban Region – All Items (base year 1982-84=100), as published by the United States Department of Labor – Bureau of Labor Statistics, an appraisal, market rent study, or other method designated by LESSOR. Such CPI change will be computed each year after the completion of the month of July and any change will be implemented and effective with the October rent payment of each year. The fuel flowage fee or automobile rental percentage fee is not subject to annual review.

3.6 Delinquency Charge. Any undisputed payments received after the fifteenth (15^{th}) day of the month are subject to a delinquency charge of half percent (½%) per month beginning with the sixteenth (16^{th}) day after LESSEE receives notice from LESSOR that payment is overdue.

3.7 Place of Payment. All payments due LESSOR from LESSEE shall be made payable to the City of Fernandina Beach and mailed to P. O. Box 1146, Fernandina Beach, Florida 32035 or delivered to 1180 South 5^{th} St. Extension, Fernandina Beach, Florida 32034 or paid by ACH or other electronic means.

3.8 Payments. After the Commencement Date, LESSEE shall pay all expenses and payments in connection with the use of the Premises and the rights and privileges herein granted, including all taxes, ad valorem taxes, permit fees, impact fees, license fees, and assessments lawfully levied or assessed upon the Premises or property situated hereon, as well as any and all utilities used or consumed by LESSEE on the Premises, including, but not limited to, water, gas, electricity, sewer, telephone, security systems, janitorial, and refuse services.

3.9 Agreement to Pay Taxes and Obligations. After the Commencement Date, LESSEE shall pay all lawful taxes and assessments, applicable fees, debts, and obligations of every

kind or nature which, during the term hereof, may become a lien upon or which may be levied by the state, county, city, or any other tax levying body, upon any taxable interest of the LESSEE acquired in the Agreement or any taxable possessory right which LESSEE may have in or to the Premises or facilities hereby leased or the improvements thereon, or on the LESSOR'S fee simple interest therein, by reason of its use or occupancy thereof, or otherwise, as well as all taxes or taxable property, real or personal, owned by LESSEE in and about said Premises, whether said taxes are assessed in the name of LESSEE or LESSOR. LESSOR shall permit LESSEE to challenge or protest any of the foregoing in either LESSEE's or LESSOR's name.

3.10 Runway Closure. LESSEE shall be entitled to deduct from any payment required by this Agreement a *pro rata* amount for each day that all three runways are closed by the City after a 48 hour grace period.

ARTICLE 4 – CONSTRUCTION AND USE OF PREMISES

4.1 LESSEE is hereby granted the nonexclusive privilege to engage in, and LESSEE agrees to engage in, the business of a fixed based operator and for the renting and leasing of automobiles in connection therewith on the Premises, and other aviation and aeronautical activities that may be requested in writing by LESSEE and as approved in writing by LESSOR. LESSEE hereby agrees to conduct its business and operation at and upon the Airport in strict compliance with the provisions contained in the herein FBO lease and in compliance with rules and regulations of the Federal Aviation Administration (FAA) as well as all other aeronautical agencies having appropriate jurisdiction and that it will transact its business in such a manner as will develop and maintain the good will and active interest of those enjoying the use of the Airport, and who have or may have occasion to use Airport facilities.

4.2 LESSEE also hereby agrees to conduct its business operation in compliance with the contents of the LESSOR's Minimum Standards for Commercial Aeronautical Activities, attached hereto as Exhibit "D", as currently approved or as may be amended from time to time.

4.3 After the Commencement Date, LESSEE in connection to its business operation as a FBO on the Premises agrees to provide, at its sole cost and expense, for buildings, fuel storage facility, hangars, ramp apron (except as further described herein), apron lighting, auto parking, and related infrastructure on the Premises as may be required by LESSOR or as proposed by LESSEE, built or provided for in accordance with plans and specifications contained in the Architecture and Building Design Standards for Development on the Airport as may be amended from time to time and as also approved by LESSOR; comply with height and obstruction requirements under Federal Aviation Regulations Part 77; and other approvals required for other aviation or aeronautical activities and services necessary or incidental thereto. Additionally, except to the extent otherwise provided in the Construction and Financing Agreements which shall describe the allocation of financial and construction responsibility:

a. Paved vehicle parking, as may be required by City code, shall be installed and maintained by the LESSEE to allow the loading, unloading, and parking of vehicles having business on the Premises.

b. All improvements, including the design thereof, on the Premises must be approved by the LESSOR prior to installation or construction (such approval not to be unreasonably withheld or delayed). The LESSEE is responsible for applying for and obtaining all necessary construction permits and licenses required by local, state, and federal laws and regulations and LESSOR shall reasonably cooperate with all LESSEE requests for assistance in this regard.

c. In the event the LESSEE shall lease the public aircraft parking apron, LESSEE shall be responsible for the costs and maintenance therefor, for the purpose of aircraft access to the LESSEE's fixed based operator facility or fuel facility. No structures or fixtures will be allowed on the public aircraft parking apron except for apron lighting. In the event LESSEE shall not have entered into a lease therefor, LESSEE shall have access thereto to the same extent as all other users of the Airport.

d. Suitable pavement markings and lighting shall be installed and maintained by the LESSEE to provide for the orderly and safe movement of aircraft and vehicles on the Premises. Any lighting on the Premises must be approved by the LESSOR prior to installation and not interfere with flight operations at the Airport (any such approval shall not be unreasonably withheld or delayed).

e. All improvements shall be constructed, graded, and drained so as to direct all storm water which may fall and/or flow on the Premises into an approved storm water drainage system. The LESSEE shall not knowingly or if reasonably should have known contribute to storm water contamination and will take such steps and measures as are necessary to comply with the Airport's Storm Water Pollution Prevention Plan (SWPPP)_and all applicable federal, state, and local regulations governing storm water discharge. LESSEE will not knowingly or if reasonably should have known permit any action on the Premises that would have an adverse effect, or interferes, with the proper function of any drainage system, sanitary sewer system, or any facility provided for the operation, or protection of Airport, or its surrounding areas, and will not pollute such in any way.

f. Any landscaping installed on the Premises is subject to the provisions contained within the City's Development Guidelines and Standards attached hereto as Exhibit "F", as currently approved or as may be amended from time to time. Approval of LESSEE's proposed improvements by the LESSOR shall not be unreasonably withheld or delayed and shall be maintained by the LESSEE.

g. The installation of a fuel storage facility for use by an FBO operation shall meet all applicable federal, state, and local government regulations regarding fuel facility installation and operation and will be included under the Airport's Spill Prevention, Control, and Countermeasures Plan (SPCC). Any fuel storage use must be in compliance with applicable Minimum Standards for Commercial Aeronautical Activities. LESSEE agrees that all regulated fuel storage tanks owned or operated by LESSEE and located on Premises shall be registered with the appropriate federal, state, and local authorities, shall be constructed of approved materials, and shall be made available for compliance inspection at all times during normal business hours. Further, LESSEE agrees to properly record, maintain, and reconcile all inventory records required by appropriate federal, state,

and local regulations and to make such records available for inspection at the Premises at all times during normal business hours.

ARTICLE 5 – LESSEE MAINTENANCE AND REPAIR OF PREMISES

5.1 After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, the LESSEE shall, at its sole cost and expense, maintain and keep the Premises and all structures upon the Premises as well as all improvements thereon including, but not limited to, lighting, electrical, landscaping, drainage, signage, auto parking areas, and aircraft parking ramp apron including all pavement (except public aircraft parking apron) and striping, in good condition and make all repairs, both interior and exterior, necessary to keep and maintain the Premises, including all improvements thereon in good condition so as to present an attractive appearance in conformity with other Airport facilities. The Premises and all buildings, improvements, and property thereon must be maintained in a safe, clean, and sanitary condition. The LESSOR shall require maintenance and needed repairs to be made by LESSEE in a timely manner.

5.2 Land. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the grounds, landscaping, any pavement (except public aircraft parking apron), walkways, and non-paved parking on the Premises at its expense. The entrance drive from Airport Road to the public aircraft parking apron is a LESSOR responsibility; however, LESSEE may improve it with LESSOR approval (any such approval shall not be unreasonably withheld or delayed). LESSEE obligation shall include maintaining irrigation system (if installed), mowing, and trimming and keeping the same in clean, neat, and orderly condition and in good repair at its sole cost and expense.

5.4 Fixed Based Operator Building and Other Structures. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the FBO building, any not named structures on the Premises and their plumbing, electrical, heating, security system, ventilating and air conditioning equipment, and other equipment and keep such in clean, neat, orderly condition, and in good repair at its sole cost and expense.

5.5 Fuel Storage Facility. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any fuel storage facilities located on Premises in a clean, neat, and orderly condition, in good repair to meet National Fire Protection Association (NFPA) standards and government codes at its sole cost and expense including tanks, electrical service, electrical switches, all lighting, exterior painting, fencing, filters, fittings, gauges, hatches, hoses, lids, motors, plumbing, pumps, security, self-service equipment, signs (including required emergency designation signs), sumps, valves, and the like.

5.6 Hangar. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any hangars on the Premises in a clean, neat, and orderly condition and in good repair, including hangar doors, associated ramp apron, electrical, plumbing, heating, and ventilating and air conditioning equipment, structural, and roof maintenance, at its expense.

5.7 Pavement. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, any pavement located on the Premises, except public aircraft parking apron and entrance road, to include ramp aprons, parking areas, driveways, and walkways are LESSEE responsibility to keep clean, orderly, neat, free of debris, in good repair, and for removing all oil and other spillage therefrom at its expense.

5.8 Gates. LESSOR shall repair or replace and maintain in good working order the automatic opening system and industrial sliding gate to the aircraft parking ramp apron currently known as Gate 1 for so long as this lease is in force. LESSEE will have responsibility for controlling access to the public aircraft parking apron and no users may go beyond the public aircraft parking apron. LESSEE shall exercise exclusive care, custody and control over said Gate 1, however, the LESSOR reserves the right to use this gate for Airport staff use, city use, and emergency vehicle entrance. All costs and expenses associated with providing additional gates (which are mechanically operated, or operated by personnel) for Airport fences (including purchasing, installation, operation, maintenance, and staffing thereof); which are required to accommodate the needs of the LESSEE in the conduct of its business on Airport, including providing ingress and egress to and from the Premises; for LESSEE's employees, equipment, customers, suppliers, and invitees; will be paid by LESSOR and LESSEE equally (50/50). If personnel, or mechanical opening and closing devices, are required for such now existing, or replacement Airport gates, such will be provided at the cost and expense of LESSOR.

ARTICLE 6 – LESSEE RIGHTS AND OBLIGATIONS

6.1 Use of Airport. The reasonable use by LESSEE, its employees, passengers, guests, patrons, and invitees, in common with other duly authorized users of Airport and the appurtenant together with all other facilities and improvements which have been or may hereafter be provided for common or public use in connection with Airport. LESSOR will make every effort to minimize the disruption of normal airport usage during periods of repair or further airport development.

6.2 Fixed Based Operator. The following are LESSEE obligations regarding the operation of a FBO on Airport after the Commencement Date:

a. LESSEE shall not at any time use the Premises or any part thereof for any purposes other than the fixed based operation provided for and described herein, and such related activities as are herein expressly authorized, without advance written consent of LESSOR.

b. LESSEE shall provide all services as required of a FBO as set forth in the City's current Minimum Standards for Commercial Aeronautical Activities ~~and~~ as may be amended.

c. LESSEE shall furnish said goods and services on a fair, equal, and not unjustly discriminatory basis for all users thereof, and shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided that the LESSEE may be allowed to

make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

6.2.1 The LESSOR has entered into this Agreement with the understanding that the Services to be provided under this Agreement are subject to the personal supervision and management of persons who are experienced in the business of Fixed Base Operations and duly qualified under applicable governmental regulations. Therefore, LESSOR's has the right to consult with LESSEE in the event of any changes in control or management of the LESSEE to ensure that the public interest in availability of the Services is met. Accordingly, the LESSOR and LESSEE agree to the following limitations.

6.2.2 Assignment and Sublease. LESSEE shall not, at any time, assign, transfer, convey, mortgage, pledge, or encumber its interest under this Agreement, or any part of the leased space, to any party without prior written approval of LESSOR, such approval shall not be unreasonably withheld. Refusal by the LESSOR to approve assignment shall be based **solely** upon reasonable and verifiable concerns regarding the assignee's ability, based on experience and financial strength, to operate the FBO professionally. In no case will assignment be conditioned upon a renegotiation of the terms of the Agreement and any assignment shall allow the assignee to continue to operate under the terms and conditions described herein for the remainder of the term of the Agreement. Any attempted voluntary assignment, transfer, or subletting in violation of the provisions hereof shall be null and void and a default of this Agreement. No assignment, transfer, conveyance, or sublease by Operator shall relieve LESSEE of its primary responsibility for payment of rent and performance of all other obligations provided in this Agreement, without specific written consent by LESSOR to such relief. Any transfer of control of LESSEE or of LESSEE's operations, whether by merger or consolidation, or transfer of shares or membership interests shall constitute an assignment under this Section. The foregoing prohibition on assignment shall not be construed to limit LESSEE's rights to grant a Leasehold Mortgage as permitted in Section 6.8 herein.

6.3 Access. LESSEE, its employees, patrons, invitees, suppliers, agents, and contractors shall have at all times the right of ingress to and egress from the rented and managed Premises but this right does not relieve those named persons, firms, or corporations from the obligation to observe and obey all rules, regulations, or laws that may then currently be in effect in the operation of the Airport. To ensure this right the LESSOR shall make all reasonable efforts to keep adjacent areas to the rented Premises free and clear of all hazards and obstructions, natural and manmade.

6.4 Signs. During the term of the Agreement, LESSEE shall have the right, at its expense, to place on or at the Premises, a sign or signs identifying LESSEE. LESSEE shall be responsible for all permits for its own signage. Notwithstanding any other provision of the Agreement, said sign(s) shall remain the property of LESSEE. LESSEE shall remove, at its expense, all lettering, signs, and placards so erected on the Premises at the expiration of the term of the Agreement.

6.5 UNICOM. Notwithstanding that LESSOR owns the license for the aviation frequency associated with the "UNICOM", the LESSOR grants the LESSEE the non-exclusive right to use the UNICOM frequency to communicate with aircraft using the Airport. The acquisition,

cost, installation, and maintenance of communication equipment for radio communication with aircraft in flight or on the ground, or such substitute apparatus, for air safety as may be designated by the City or the FAA shall be for ~~the~~ responsibility of the LESSEE.

6.6 Aircraft Owner' Rights and Privileges. It is clearly understood by the LESSEE that no right or privilege has been granted which would prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own or leased aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform

6.7 Leasehold Improvements. The following pertains to leasehold improvements, which are governed by the Airport Development Guidelines and Standards, made by LESSEE on the Premises after the Commencement Date (prior to the Commencement Date, the following shall be subject to the Construction and Financing Agreements) and:

a. LESSEE agrees to submit to LESSOR, for approval, detailed plans and specifications for any structural change, alteration, addition, improvement, or removal from or to the Premises. LESSOR shall approve the plans and specifications as submitted, or transmit proposed revisions to LESSEE within thirty (30) days of receipt of the plans and specifications from LESSEE. In the event that LESSOR requires revisions of the original plans and specifications, LESSEE shall have thirty (30) calendar days from the date of receipt of the proposed revisions to resubmit the plans and specifications for LESSOR's approval. This initial review shall not constitute review for the purposes of obtaining City permits. LESSEE shall be required to obtain all permits from governmental agencies as may be required, including the City, and shall be solely responsible for all costs relating to permitting the proposed improvements.

b. Any such improvements made by LESSEE shall remain the property of the LESSEE until the expiration of the Agreement and any extensions or renewals thereof, and which shall remain on the Premises until the expiration or termination of the Agreement, at which time such improvements shall become the property of LESSOR. LESSEE shall at all times maintain all improvements constructed on the property in good condition. Upon expiration or termination of the Agreement, the LESSEE shall execute any and all documentation necessary to transfer clear title to the leasehold improvements, free of any lien or encumbrance, to LESSOR.

c. LESSEE shall not permit any mechanic's or other liens to be placed upon the Premises, at any time, except that LESSEE shall be permitted to mortgage its leasehold improvements to be constructed on the Premises by LESSEE in accordance with the provisions of Section 6.8 herein. LESSOR shall cooperate and provide customary assurances but shall not be required to subordinate its interest to such Leasehold Mortgage. All documentation regarding any leasehold mortgage must be reviewed and approved by the LESSOR prior to finalization of documents, to assure that no interest of the LESSOR is included in the documentation. Such review will be conducted promptly by LESSOR at its own expense.

d. LESSEE shall provide payment and performance bonds in amounts and form reasonably satisfactory to LESSOR, prior to commencement of construction.

e. Within sixty (60) days of completion of construction, erection, or any alteration of any improvements by the LESSEE, the LESSEE shall provide to the LESSOR a complete set without charge of "as-built" plans and drawings.

6.8 LESSEE may at any time and from time to time (and as many times as it desires) mortgage, hypothecate or pledge this Agreement and the leasehold estate created hereby and the interest of the LESSEE in and to this Agreement, together with LESSEE's right, title and interest in the improvements to the Premises and LESSEE's interest in any and all subleases and in and to all rents due or to become due thereunder (herein called a "Leasehold Mortgage"; and the holder of any such Leasehold Mortgage, whether or not the same is recorded of record, is herein called a "Leasehold Mortgagee").

LESSOR and LESSEE agree that so long as any such Leasehold Mortgage exists:

A. LESSOR will simultaneously mail to any Leasehold Mortgagee a copy of any notice given by LESSOR to LESSEE at the address given by such Leasehold Mortgagee to LESSOR for the receipt of such notice.

B. LESSOR and LESSEE acknowledge that the defaults or other events described in Section 10.1 herein may be classified as (i) "Curable Defaults" and (ii) "Non-Curable Defaults". The Non-Curable Defaults are any defaults which are by their nature not susceptible of being cured by a third person such as the Leasehold Mortgagee; and the Curable Defaults are all other defaults.

C. If a Curable Default occurs and if, prior to the expiration of the applicable grace period provided for in Section 10.1, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to undertake a curing of all Curable Defaults and within such grace period the Leasehold Mortgagee commences upon a curing and thereafter pursues to conclusion the curing of all Curable Defaults continuously and diligently in good faith, then LESSOR will not take action to effect a termination of this Ground Lease or to re-enter or take possession of the Ground Leased Premises as a consequence of such Curable Default. However, if (i) a Curable Default is of such a nature that the curing thereof cannot be effected by the Leasehold Mortgagee until it shall have obtained possession of the Premises and (ii) prior to the effective date of a termination of this Agreement by LESSOR or LESSOR's re-entering or taking possession of the Premises, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises and within such grace period takes action to institute such remedies, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Curable Default so long as such Leasehold Mortgagee shall continue to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all other Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure

such Curable Defaults within the period reasonably required to cure the same.

D. If a Non-Curable Default occurs and (i) the Leasehold Mortgagee shall then be in the process of curing all then existing Curable Defaults pursuant to the provisions of subsection (C) above and (ii) the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Non-Curable Default so long as such Leasehold Mortgagee shall continue diligently to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure such Curable Defaults within the period reasonably required to cure the same.

E. In the event a Leasehold Mortgagee or its designee designated for that purpose acquires the improvements and the leasehold estate pursuant to any proceedings for foreclosure of such Leasehold Mortgage, or by a voluntary assignment or transfer of this Agreement and the leasehold estate and the improvements in lieu of foreclosure or otherwise, the Leasehold Mortgagee or its designee or assignee as aforesaid shall be deemed an assignee of all the rights of LESSEE under this Agreement.

F. If this Agreement shall be rejected or disaffirmed pursuant to any bankruptcy law or other law affecting creditors' rights or if this Agreement is terminated for any other reason whatsoever, LESSOR will enter into a new lease of the Premises with the Leasehold Mortgagee or its designee not less than ten (10) nor more than thirty (30) days after the request of the Leasehold Mortgagee referred to below, for the remainder of the term of this Agreement effective as of the date of such rejection or disaffirmance or termination, upon all the terms and provisions contained in this Agreement; provided that (i) the Leasehold Mortgagee makes a written request to LESSOR for such new lease within ninety (90) days after the effective date of such rejection or disaffirmance or termination, as the case may be, and such written request is accompanied by a copy of such new lease, duly executed and acknowledged by the Leasehold Mortgagee or its designee and (ii) upon taking possession of the Premises the Leasehold Mortgagee cures any outstanding Curable Defaults within the period reasonably required to cure the same. Any new lease made pursuant to this paragraph shall have the same priority with respect to other interests in the Premises as this Agreement. The provisions of this paragraph shall survive the rejection or disaffirmance or termination of this Agreement and shall continue in full force and effect thereafter to the same extent as if this paragraph were a separate and independent contract made by LESSOR and the Leasehold Mortgagee.

G. So long as a Leasehold Mortgage is in effect (i) LESSOR will not accept a voluntary surrender of this Agreement, (ii) this Agreement shall not be modified in any material respect, and (iii) LESSOR and LESSEE shall not allow the fee interest in the Premises to merge with the leasehold estate created by this Agreement, without, in each case, the prior written consent of the Leasehold Mortgagee. Any violation of this paragraph shall be void.

The provisions of this Section 6.8 are for the benefit of any Leasehold Mortgagee and may be relied upon and shall be enforceable by any Leasehold Mortgagee. No Leasehold Mortgagee shall be liable upon the covenants, agreements or obligations of LESSEE contained in this Agreement, except as expressly provided herein.

LESSOR shall execute any instruments any such Leasehold Mortgagee may reasonably request or require from LESSOR, with respect to the provisions of this Section 6.8 excluding a subordination agreement or joinder of the Leasehold Mortgage.

6.9 Equipment and Trade Fixtures. LESSEE will retain title to all of its trade fixtures and equipment and any improvements and property installed by LESSEE during the term of the Agreement. Upon termination of the Agreement or upon removal of trade fixtures and equipment, the LESSEE shall restore the Premises to good condition at its sole cost and expense. Any LESSEE improvements or property installed not removed becomes the property of LESSOR.

6.10 Further Capital Improvement. LESSEE is granted right to make further capital improvement on the Premises within the scope of the Agreement at its sole cost and expense. In the event that any capital improvement, permanent improvement, fixture, new construction, or the like is proposed or made by LESSEE that requires a new paved surface for aircraft or automobile ingress or egress, including any associated new taxiway, taxi lane, or aircraft parking apron, or automobile parking lot, then LESSEE shall, at its sole cost and expense, install and maintain any such new private use paved surfaces during the term of the Agreement including providing for drainage requirements.

6.11 Airport Protection by LESSEE. LESSEE expressly agrees for itself, its successors, and assigns, to restrict the height of structures, objects of natural growth, and other obstructions on the Rented Premises to such a height so as to comply with City Building Code and Federal Aviation Regulations Part 77 and to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an airport hazard.

6.12 Fueling on Airport. LESSEE is granted the non-exclusive right ~~and obligation~~ to fuel aircraft from refueling vehicles and provide ancillary services at tenant hangars and approved locations by LESSOR located outside of the Premises and upon the Premises of others with their permission and upon their request.

6.13 Fire Extinguishers. LESSEE shall provide sufficient number of fire extinguishers as may be required under fire codes for the safe protection of aircraft, persons, and property on the Premises. Such fire extinguishers shall be properly inspected and certified annually.

6.14 Compliance with Applicable Laws, Rules, and Regulations. Notwithstanding other requirements contained herein, the LESSEE at its sole cost and expense, hereby agrees to and shall comply with all applicable laws, ordinances, rules, and regulations established by federal, state, local government agency, and by the City, as they may be amended from time to time, and conduct its operations and commercial business in accordance with all applicable regulations pertaining to airports, including Airport Rules and Regulations, attached hereto as Exhibit "E", promulgated by the LESSOR governing safe and efficient operation of Fernandina Beach Municipal Airport. The LESSOR may, from time to time, modify and/or update the Rules and Regulations. LESSOR will provide LESSEE with a copy of the updated Rules and Regulations, and once updated or revised, those Rules and Regulations shall become a part of the Agreement. The LESSOR and LESSEE agree that material violations of any of the conditions of the Agreement or any violations of the Airport's Rules and Regulations shall be sufficient cause for termination of the Agreement and eviction of LESSEE from said Premises, in accordance with Article 10 herein.

6.15 Airport Security. LESSEE has obligation to operate upon its Premises to not undermine the security of the Airport. LESSOR shall install and maintain adequate fences and gates to control unauthorized access on to the Airport. LESSEE shall provide to the Airport Manager a security plan at least once annually.

6.16 Compliance with Environmental Law, Rules, and Regulations. LESSEE expressly represents, covenants, warrants, guarantees, and agrees that it shall comply in all material respects with all federal, state, and local laws, ordinances, rules, and regulations protecting the environment. Any cost or expense to remain or to be compliant with applicable environmental rules and regulations shall be the responsibility of the LESSEE unless attributable to the grossly negligent acts or omissions of LESSOR. LESSEE agrees to keep themselves informed of future changes in the existing environmental laws.

6.17 Hazardous Materials and Toxic Waste. LESSEE shall not knowingly or if reasonably should have known cause or permit to occur:

a. Any violation of any federal, state, or local law, ordinance, or regulation now or later enacted, related to environmental conditions on, under, or about the Premises, or arising from LESSEE'S use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or

b. The use, generation, release, manufacture, refining, production, processing, or disposal of any hazardous substance on, under, over, or about the Premises.

c. LESSEE shall, at its sole and exclusive expense, comply with all laws and regulations regulating the storage or transportation of hazardous substances relating to the Premises, and shall further make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities under applicable federal, state, and local laws and regulations; and the LESSOR is to be immediately notified by LESSEE of any claim or allegation of non-compliance herewith.

d. If any authority demands that a clean-up plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of hazardous substances that occurs during the term hereof, or any renewals hereof, at, or from the

Premises, or which arises from LESSEE's use or occupancy of the Premises, then LESSEE shall, at LESSEE's expense, prepare and submit the required plans and all related bonds and other required financial assurances; and LESSEE shall carry out all work required by such clean-up plans at its sole and exclusive expense.

6.18 LESSOR's and LESSEE's Certificates. LESSOR and LESSEE, on written request from each other, shall execute and deliver to the other party or any Leasehold Mortgagee or prospective purchaser, if so requested, without charge, a certificate certifying that this Agreement is in full force and effect, and whether it has been modified (and if there have been modifications, stating them), and whether or not the party executing the certificate knows of any default, breach or violation by the other party under any of the terms of this Agreement, and such other matters as may reasonably be requested.

ARTICLE 7 – LESSOR TO MAINTAIN AND OPERATE AIRPORT

7.1 Operation as a Public Airport. LESSOR covenants and agrees that at all times it will operate and maintain the Airport as a public airport consistent with and pursuant to the Sponsor's Assurances given by City to the U.S. Government under the Federal Airport Act.

7.2 Maintenance of Airport Facilities. LESSOR shall operate, maintain, manage, and control Airport in an efficient, economical, and businesslike manner. Such operation, maintenance, management, and control shall substantially comply with all pertinent requirements of the Federal Aviation Administration, or its successor in duties related thereto, and shall include the adequate and proper operation and maintenance of the public land, runways, taxiways, navigation aids, non-leasehold aircraft parking ramp aprons, non-leasehold lighting, non-leasehold roads, non-leasehold vehicle parking areas, and all other public facilities and appurtenances within the boundaries of Airport. LESSOR shall maintain all public and common joint use areas of the Airport, including the Air Operations Area, in good repair, and shall make such repairs, replacements, or additions thereto, as in its opinion, are required and necessary for the safe and efficient operation of the Airport.

7.3 Further Airport Development. LESSOR reserves the right to further develop or improve the remaining area of the Airport as it sees fit.

7.4 Aerial Approaches. LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction and interference, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure, natural or manmade, on or adjacent to the Airport, which in the opinion of the LESSOR, would limit the usefulness of Airport or constitute a hazard to aircraft.

7.5 Inspection. The LESSOR shall have the right to enter upon the Premises at any time, however, normally during regular business hours and with prior notice to inspect the Premises for compliance with the terms and conditions of the Agreement and federal, state, and local laws and regulations. In case of emergencies, the LESSOR shall have the right to immediately enter the Premises.

7.6 Protection Clause. The LESSOR reserves unto itself, its successors, and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the

airspace above the surface of the real property herein described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from, or operating on the Airport.

ARTICLE 8 – INSURANCE AND INDEMNIFICATION

8.1 Insurance. LESSEE shall obtain and maintain continuously in effect at all times during the term of the Agreement, at LESSEE's sole expense, all insurance coverage as required under the, City's General Provisions for a fixed based operator as well as each additional activity or service provided as may be amended and shall include the following:

a. Comprehensive General Liability insurance with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

b. Property damage insurance covering direct physical loss due to perils of fire, windstorm, and extended perils for full replacement value for all facilities leased by the LESSEE.

c. Airport Liability insurance with a Combined Single Limit (CSL) of not less than Three Million ($3,000,000) Dollars per occurrence including Premises , protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

d. Aircraft Liability insurance, as may be applicable, with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence including a minimum sublimit of One Hundred Thousand ($100,000) per passenger, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

e. Hangar Keepers Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

f. Commercial Business Auto Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

g. Pollution Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors. Such coverage shall survive the expiration of the Agreement. This coverage shall not apply to conditions which pre-exist the date of the Agreement.

h. Workers Compensation insurance with a minimum of the Statutory Limits required by the State of Florida and Employers Liability insurance with a minimum of One Hundred Thousand ($100,000) per accident, One Hundred Thousand ($100,000) per disease each employee and Five Hundred Thousand ($500,000) disease per policy.

i. All insurance requirements specified herein above shall name LESSOR as an additional insured with instructions that the insurance carrier will notify LESSOR if the LESSEE defaults on premium payments, and shall require that the insurance carrier notify LESSOR thirty (30) days prior to any event leading to the material modification or cancellation of the policy. The additional insured status of the City must be primary and non-contributory. Waiver of Subrogation in favor of the LESSOR is to be included.

j. All insurance required to be carried by LESSEE hereunder shall be issued by responsible insurance companies qualified to do business in the State of Florida. LESSEE shall furnish copies of all insurance policies or certificates evidencing the existence and amounts of such insurance shall be delivered to LESSOR by LESSEE as required under the Agreement and under the Airport Minimum Standards for Commercial Aeronautical Activities for all activities provided by LESSEE. Such certificates are attached hereto as Exhibit "C", Liability Insurance Certificates. Copies of said certificates of insurance shall be provided to LESSOR with each annual renewal and at least ten (10) days prior to the expiration thereof for each activity offered by LESSEE.

k. It is the responsibility of LESSEE to keep required insurance in effect and provide such evidence to the City. Failure to provide proof of insurance at any time, to the satisfaction of the City, shall be grounds for termination of the Agreement.

l. LESSEE will require and receive certificate of insurance from any and all subcontractors, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, and as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its subcontractor coverage.

m. LESSEE will require and receive certificate of insurance from any and all subleases, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its sublease coverage.

n. LESSEE shall provide LESSOR evidence of appropriate insurance on any non-aeronautical activity, such as rental cars, that also provide rent to LESSOR.

o. The LESSOR may, upon giving the LESSEE ninety (90) days written notice, require the LESSEE to attempt to procure increased or expanded insurance coverage to the extent an independent insurance broker determines that it is necessary for adequate protection of the LESSOR or public and is readily available on commercially reasonable terms; provided however, the required increased or expanded coverage shall not exceed industry standards or the coverage generally required by the LESSOR from other similar leases.

8.2 Indemnification. LESSEE for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSEE, its officers, employees, agents, and representatives. LESSEE'S liability hereunder shall include all attorney's fees and costs incurred by the LESSOR in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement. Nothing contained in the foregoing indemnification shall be construed to be a waiver of any immunity or limitation of liability the LESSOR may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes. To the extent permitted by Florida law, the LESSOR for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSEE, its directors, members, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSOR, its officers, employees, agents, and representatives prior to the Commencement Date. LESSOR'S liability hereunder shall include all attorney's fees and costs incurred by the LESSEE in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement.

8.3 Indemnification for Toxic Wastes. LESSEE, for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to assume liability for and indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against loss, damage, cost, or assessment

which may result from or in any manner be related to the deposit, spill, discharge, or other release, and or the presence, use, distribution, or disposition of any toxic substance, chemical, metal, petroleum product, or hazardous or toxic waste, or any other substance or derivative. This provision shall survive the expiration of the Agreement. This shall not apply to conditions which pre-exist the date of the Agreement or to conditions that were not created by LESSEE and LESSOR shall indemnify and hold LESSEE harmless from any claims relating ~~thereto.~~ to pre-existing conditions.

ARTICLE 9 – PUBLIC USE, FEDERAL GRANTS, AND NON-DISCRIMINATION

9.1 Appurtenant Privileges. LESSEE shall be entitled, in common with others so authorized, to the nonexclusive use of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including but not limited to, the use of rights-of-way, common area utilities, landing areas, runways, taxiways, navigational aids, terminal facilities, and aircraft parking areas designated by LESSOR.

9.2 Nonexclusive Right. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right. It is not the intention of the Agreement to grant to LESSEE the exclusive right to provide any or all of the services described in the Agreement at any time during the term of the Agreement. LESSOR reserves the rights, at its sole discretion, to grant others certain rights and privileges upon the Airport which are identical in part or in whole to those granted to LESSEE. However, LESSOR does covenant and agree that:

a. It shall enforce the City's Minimum Standards for Commercial Aeronautical Activities and General Provisions as currently approved or as amended for all similar services and activities conducted at the Airport; and

b. It will not permit the conduct of any aeronautical endeavor or activity at the Airport, except under an approved lease, sub-lease, or operating agreement, or as general aviation by the general public; and

c. It is bound by all current and future interpretations and decisions by the FAA and National Transportation Safety Board ("NTSB") regarding grant assurances.

9.3 Non-Discrimination. Notwithstanding any other inconsistent provision of the Agreement, during the performance of the Agreement, LESSEE, for itself, its heirs, personal representatives, successors in interest, and assigns, as part of the consideration for the Agreement, does hereby covenant and agree, as a covenant running with the land, that:

a. No person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participating in, denied the benefits of, or otherwise be subjected to discrimination, in the use of the Premises;

b. In the furnishing of services on, over, or under the Premises, no person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

c. LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, and as said regulations may be amended.

ARTICLE 10 - TERMINATION

10.1 Termination. The Agreement shall be subject to termination by either party in the event of any one or more of the following:

a. The abandonment of the Airport as an airport or airfield;

b. Any default in the payment of the whole or any part of any rent or other payments such as properly imposed taxes, assessment, applicable fees and charges, or other governmental imposition required for a period of thirty (30) days after the time LESSOR provides LESSEE notice that such payments are due but only to the extent LESSEE has not disputed the payment in good faith;

c. The default by either party in the performance of any of the terms, covenants, and conditions of the Agreement (except rental payments), and the failure of such defaulting party to remedy or to undertake to remedy to the other party's satisfaction such default for a period of thirty (30) days after receipt of written notice from the non-defaulting party to the defaulting party to remedy same. This includes the failure of the LESSEE to complete proposed improvements within the time frames as set forth herein; provided that in the event performance cannot be reasonably cured within 30 days, no default shall exist if such party is diligently seeking to remedy such performance shortfall;

d. Abandonment of the Premises by the LESSEE or, LESSEE's failure or neglect to conduct or carry on the aforesaid fixed based operation upon the Premises for a space of thirty (30) days;

e. The lawful assumption by the United States, or any authorized agency thereof, of the operation, control, or use of the Airport, or any substantial part thereof, in such a manner as to restrict substantially LESSEE from conducting its business operation for a period in excess of 365 days;

f. LESSOR shall be entitled to terminate the Agreement upon the filing of a voluntary petition in bankruptcy by LESSEE, including a reorganization plan, a general or other assignment for the benefit of creditors, adjudication as a bankrupt, any levy against the leasehold interest of the LESSEE, or if a receiver is appointed for the property or affairs of LESSEE and such receivership is not vacated within sixty (60) days after the appointment of such receiver;

g. LESSEE shall have the right at any time to terminate the Agreement and its obligations hereunder, by providing sixty (60) days written notice to LESSOR and by conveying to LESSOR the title to the improvements constructed on the Premises, free and

clear of any lien or encumbrance, provided that LESSEE has properly maintained said property and it is in as good condition as when originally constructed, ordinary wear and tear excepted, and provided, further, that the obligations regarding accumulated rent and indemnification shall specifically survive.

10.2 Re-Entry. It is further understood and agreed between the parties hereto that in the event of any breach of any covenant or agreement on the part of the LESSEE to be performed and provided, that if such breach is not remedied by the LESSEE after reasonable notice in writing to it by the LESSOR, the LESSOR may re-enter and terminate this tenancy by giving the LESSEE sixty (60) days written notice, to quit the Premises. LESSOR shall at all times be entitled to recover by all lawful means any and all damages,

10.3 Obligation Upon Termination. Upon termination of the Agreement or occurrence of a termination event, all obligations of either party hereunder to the other shall cease and terminate, except as specifically provided herein, and the LESSEE agrees it shall immediately quit, surrender, and return peaceable and quiet possession of the Premises, including all improvements, to the LESSOR in as good order and condition as existed at the time of the initial occupancy and only reasonable wear and tear being accepted. LESSEE shall have the right at any time during said term, or any renewal, or extension thereof; to remove its trade fixtures and equipment situated on the Premises which were installed, or placed by it, at its expense, in, on, or about the Premises, subject, to any valid lien which LESSOR may have thereon for unpaid rents, fees, taxes, or charges. All moveable personal property shall be removed by the LESSEE on or before the expiration of the Agreement term and all property not so removed shall be deemed abandoned by the LESSEE.

10.4 Continuing Obligation. LESSEE'S obligations under Article 6.14 and Articles 8.2 and 8.3 of the Agreement shall survive the expiration or termination of the Agreement or any renewal thereof.

ARTICLE 11 – NOTICE

11.1 Any notice given by one party to the other in connection with the Agreement shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid, addresses as follows:

If to LESSOR, address to:

City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

With a copy to Airport Manager, address to:

Airport Manager
Fernandina Beach Municipal Airport
700 Airport Road
Fernandina Beach, FL 32034

If to LESSEE, address to:

Brian Echard
8 Flags Aviation, LLC
306 1/2 Centre St
Fernandina Beach, Florida 32034

With a copy to

Attention: Jim Porter
Smith, Gambrell & Russell, LLP
Bank of America Tower
50 North Laura Street, Suite 2600
Jacksonville, Florida 32202

11.2 Notices will be deemed to have been received on the date of receipt as shown on the return receipt.

11.3 It shall be the LESSEE's responsibility to keep the address contained in the Agreement up to date and accurate.

ARTICLE 12 –EXPENSES FOR PUBLIC SERVICES

LESSEE recognizes that the Airport is not certificated by the Federal Aviation Administration pursuant to the requirements of Federal Air Regulations, 14 C.F.R. Part 139, and LESSEE will not conduct any operation on the Airport that will require Airport to be so certificated, without prior written approval of LESSOR. Certification of the Airport will require additional law enforcement and emergency services personnel and equipment to be present at the Airport at substantial expense. Fees associated with these expenses will be set in advance LESSEE will be responsible for any costs of activities authorized, contracted, or permitted by LESSEE for public services that would be required by FAA or other agencies.

ARTICLE 13 – MISCELLANEOUS PROVISIONS

13.1 [intentionally omitted]

13.2 Independent Contractor. In conducting its business hereunder, LESSEE acts as an independent contractor and not as an agent of LESSOR. The selection, retention, assignment, direction, and payment of LESSEE'S employees shall be the sole responsibility of LESSEE, and LESSOR shall not attempt to exercise any control over the daily performance of duties of LESSEE'S employees.

13.3 Subordination. The Agreement shall be subordinate to the provisions of any existing or future agreement between LESSOR and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.

13.4 Entire Agreement. The Agreement, RFP 2015-101.2 and LESSEE's proposal in response to RFP 2015-101.2 together constitute the entire agreement and understanding between the parties, and as of its effective date supersedes all prior or independent

contracts or agreements between the parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

13.5 Headings. Article titles and paragraph titles of the Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, augment, or describe the scope, content, or intent of any provision of the Agreement.

13.6 Severability. If any substantive provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction and such declaration results in a substantial failure of consideration for either party, the entire Agreement shall be subject to termination by such party. Otherwise, such declaration shall not be cause for termination of the Agreement, but only such void or illegal provision shall be canceled or deemed to be of no effect.

13.7 National Emergency. During the time of war or national emergency, the LESSOR shall have the right to lease the landing area or all or any part of the Premises upon demand to the United States Government, and if any such agreement is executed, the provisions of the Agreement with the LESSEE herein, and all obligations of LESSEE to make the payments as required herein, shall be suspended for the length of time that the United States Government requires the use of the said landing area and/or Premises. This period of time during which the Agreement is so suspended will not count against the time provisions of the then existing Agreement.

13.8 Force Majeure. Neither LESSOR, nor LESSEE, shall be deemed to be in violation to the Agreement if either is prevented from performing any of its obligations hereunder by reasons of strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellions, acts of sabotage, or any other circumstances for which it is not responsible, or which are not under its control, provided; however, that this section does not apply to failure by LESSEE to pay the rentals, fees, taxes, and charges set forth herein. In any such case a prompt written notice shall be given to the other party of the existence of such causes and of readiness to resume performance upon the removal, or non-existence thereof.

13.9 Governing Law, Venue and Attorney's Fees. The Agreement shall be construed in accordance with the laws of the State of Florida. Venue for any state law action brought hereunder shall be Nassau County, Florida. Should jurisdiction in state court not be available, then venue for any federal action brought hereunder shall be the U.S. District Court, Middle District of Florida, Jacksonville Division. In the event of any litigation between the parties regarding the breach and/or enforcement of the Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and costs, including at the appellate court level, from the non-prevailing party as determined by a court of competent jurisdiction.

13.10 Non-Waiver. The failure of the LESSOR to insist upon strict performance of any of the terms, conditions, or covenants herein set forth shall not be deemed a waiver of any rights or remedies that it may have and shall not be deemed a waiver of any breach or default by the LESSEE of the terms, conditions, or covenants contained herein.

13.11 Radon Gas Notice. Pursuant to Florida Statutes Section 404.056(8), LESSOR hereby makes, and LESSEE hereby acknowledges, the following notification:

a. Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

b. LESSOR makes no representation or warranty with respect to the presence or absence of radon on the Premises, and LESSEE shall undertake such inspection or testing as it deems necessary or convenient to assure itself as to the presence or absence of radon.

13.12 Additional Terms. The Lease is being executed in advance of the commencement of operation and prior to construction on the Premises. Accordingly, LESSOR and LESSEE each agrees that it will cooperate and act reasonably with the other in resolving issues consistent with the intent of the Agreement and to ensure timely construction and performance and a professional work product.

Attachments:

Exhibit "1" Fernandina Beach Municipal Airport – FBO Lease Agreement

Exhibit "A" Professional Survey of Lease Area — Legal Description of LESSEE'S Property and Survey

Exhibit "B" Overview of Capital Improvements to be provided at sole expense and cost of LESSEE

Exhibit "C" Liability Insurance Certificate(s) as required under this lease and/or applicable Minimum Standards for Commercial Aeronautical Activities (Note: This certificate shall show that the City has been named as an additional insured on all policies.) Appropriate certificate(s) shall be presented upon completion of each facility and before occupancy.

Exhibit "D" - Minimum Standards for Commercial Aeronautical Activities

Exhibit "E" - Rules and Regulations for Fernandina Beach Municipal Airport

Exhibit "F" – Development Standards and Guidelines for Fernandina Beach Municipal Airport

Exhibit "G" – General Provisions for Fernandina Beach Municipal Airport

Exhibit "H" – Definitions for Use at Fernandina Beach Municipal Airport

MANZIE & DRAKE LAND SURVEYING

LEGAL DESCRIPTION
FBO LEASE AREA
SEPTEMBER 16, 2015

FOR A POINT OF REFERENCE COMMENCE AT NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT"; THENCE NORTH 36°38'24" EAST, ALONG A GRID BEARING, A DISTANCE OF 2,394.00 FEET TO NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT AZIMUTH MARK"; THENCE NORTH 07°55'33" EAST A DISTANCE OF 1,114.78 FEET TO THE **POINT OF BEGINNING**; THENCE NORTH 09°05'25" WEST A DISTANCE OF 457.90 FEET TO INTERSECT THE SOUTHERLY RIGHT-OF-WAY LINE OF AIRPORT ROAD (CESNA DRIVE) A 60 FOOT RIGHT-OF-WAY; THENCE SOUTH 80°41'30" WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 194.16 FEET; THENCE SOUTH 09°21'03" EAST A DISTANCE OF 163.81 FEET; THENCE SOUTH 80°38'08" WEST A DISTANCE OF 114.57 FEET; THENCE NORTH 09°21'03" WEST A DISTANCE OF 163.92 FEET TO INTERSECT THE SOUTHERLY RIGHT-OF-WAY LINE OF AIRPORT ROAD (CESNA DRIVE) A 60 FOOT RIGHT-OF-WAY; THENCE SOUTH 81°20'44" WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 340.53 FEET; THENCE SOUTH 09°47'04" EAST A DISTANCE OF 214.61 FEET; THENCE SOUTH 80°55'43" WEST A DISTANCE OF 169.25 FEET; THENCE SOUTH 08°54'52" EAST A DISTANCE OF 244.97 FEET TO INTERSECT THE NORTHERLY EDGE OF THE TAXIWAY "A" OBJECT FREE AREA; THENCE NORTH 80°53'46" EAST, ALONG SAID NORTHERLY EDGE OF THE TAXIWAY "A" OBJECT FREE AREA, A DISTANCE OF 816.66 FEET TO THE POINT OF BEGINNING.

CONTAINING 7.32 ACRES MORE OR LESS.

MICHAEL A. MANZIE, P.L.S
FLORIDA REGISTRATION NO. 4069
JOB NO. 14050 9-16-15

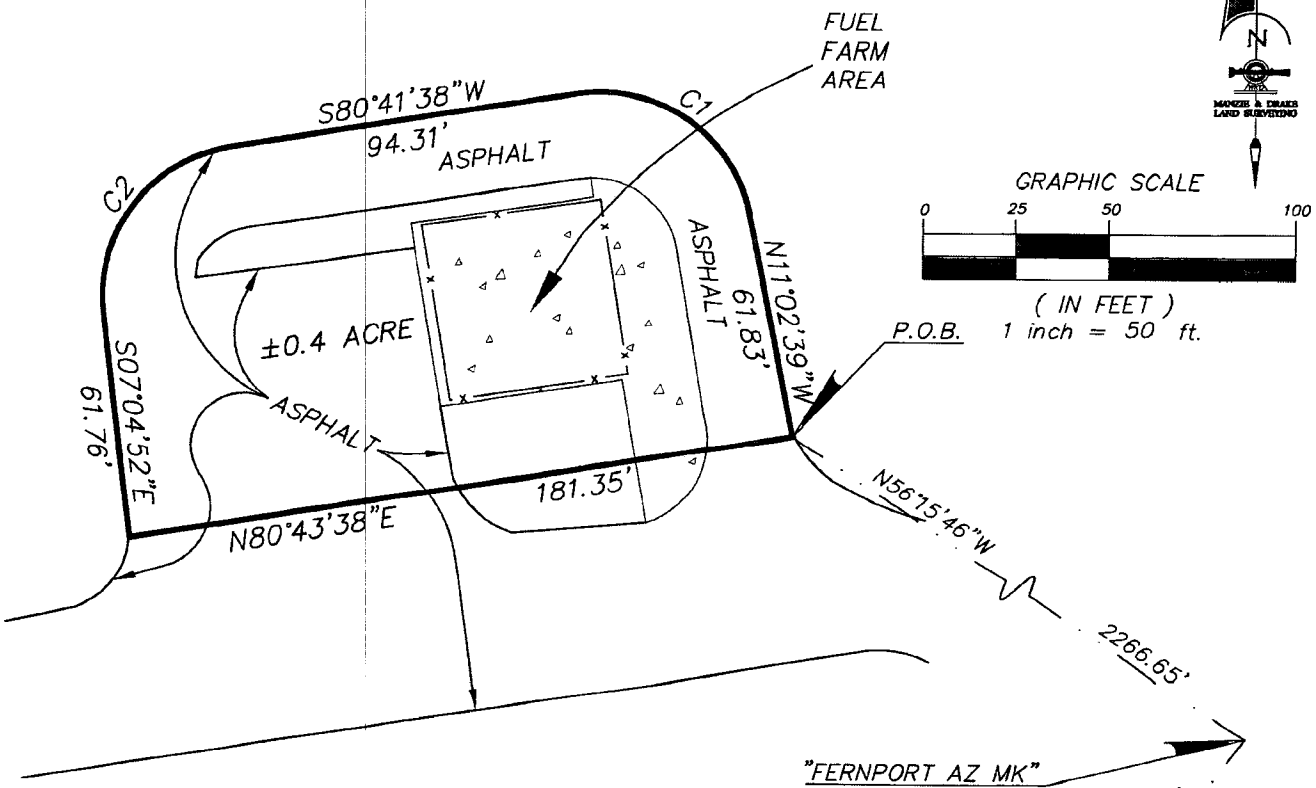
117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904) 491-5700 • FAX (904) 491-5777 • TOLL FREE (888) 832-7730
www.manzieanddrake.com

MANZIE & DRAKE LAND SURVEYING

SKETCH OF LEGAL DESCRIPTION

(LEGAL DESCRIPTION ATTACHED)
(THIS IS NOT A BOUNDARY SURVEY)

CURVE TABLE					
CURVE	DELTA	RADIUS	LENGTH	CHORD BEARING	CHORD DISTANCE
C1	88°15'43"	41.23'	63.51'	N55°10'30"W	57.42'
C2	87°46'30"	41.58'	63.70'	S36°48'23"W	57.66'



"FERNPORT AZ MK"
GRID NORTH=2283125.94
GRID EAST=511163.69
NAVD 88 ELEVATION=12.00'

LEGEND:
AZ MK:=AZIMUTH MARK
P.O.B.=POINT OF BEGINNING
P.O.R.=POINT OF REFERENCE
NAVD=NORTH AMERICAN VERTICAL DATUM

BY: Michael A. Manzie

MICHAEL A. MANZIE, PROFESSIONAL SURVEYOR AND MAPPER
FLORIDA REGISTRATION NO. 4069
JOB NO. 14050 9.16.15

P.O.R.
"FERNPORT"
GRID NORTH=2281204.99
GRID EAST=509734.99
NAVD 88 ELEVATION=10.49'

117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904)491-5700 * FAX (904)491-5777
WWW.MANZIEANDDRAKE.COM

City of Fernandina Beach

OFFICE OF THE CITY CLERK

November 2, 2015

Brian Echard
8 Flags Aviation, LLC
P.O. Box 511
Fernandina Beach, Fla. 32035

RE: Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement

Dear Mr. Echard,

The Fernandina Beach City Commission at their Regular Meeting on October 20, 2015, approved Resolution 2015-139 approving a Airport Fixed Base Operator Lease Agreement between the City of Fernandina Beach and 8 Flags Aviation, LLC. Attached is a copy of Resolution 2015-139 and an original executed Lease Agreement for your files.

If you have any questions, please let us know.

Sincerely,
City of Fernandina Beach

Caroline Best
Caroline Best
City Clerk

ADDENDUM 1 TO FERNANDINA BEACH MUNICIPAL AIRPORT FIXED BASE OPERATOR LEASE

WHEREAS, City of Fernandina Beach ("City" or "LESSOR") owns, controls, and operates the Fernandina Beach Municipal Airport (hereinafter referred to as the "Airport"), in the City of Fernandina Beach, County of Nassau, and State of Florida; and

WHEREAS, LESSEE and City wish to amend certain provisions in the Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement approved by the City via Resolution 2015-139 and dated October 30, 2015 ("FBO Lease" or "Agreement") to provide for additions and amendments to ground lease provisions, fuel farm provisions and providing for rented office space in the Airport Terminal Facility, hereinafter described and referred to as the "Rented Terminal Space".

NOW THEREFORE, based on mutual consideration, the sufficiency of which is agreed to between the parties, the parties hereby agree to amend the below referenced sections of the FBO Lease and add new sections as follows:

It is fully understood by the parties that Article 2, Leased Premises, of the FBO Lease has subsections numbered 1.1-1.7 and Article 2, Term, of the FBO Lease has subsections numbered (a-e). This Addendum only amends and adds to Article 2, Leased Premises, of the FBO Lease.

Article 2, Leased Premises, Section 1.1 of the FBO Lease is hereby deleted in its entirety and replaced with the following:

1.1 Ground. LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the following real property (land) identified and shown on Exhibit "1" attached hereto (hereinafter referred to as the "Premises"), together with the right of ingress and egress for vehicles and aircraft.

Article 2, Leased Premises, Section 1.3 of the FBO Lease is hereby deleted in its entirety and replaced with the following:

1.3 Rented Terminal Space.

(a) Rented Terminal Space. In addition to the Premises (land), City hereby leases to LESSEE, and LESSEE hereby leases from City, certain commercial office space within the Fernandina Beach Municipal Airport Terminal Facility (such leased space hereinafter referred to as the "Rented Terminal Space") to also include non-exclusive use of its associated public parking lot for vehicle parking, together with the right of ingress and egress to the Rented Terminal Space and non-exclusive use of any common area. The Rented Terminal Space includes approximately 5,356 square feet of space identified on Exhibit "2" hereto as the "FBO Areas", Notwithstanding anything herein or in the FBO Lease to the contrary, City shall designate a total of ten (10) exclusive parking spaces for Hertz or other car rental agencies working with the LESSEE in the southwest corner of the paved Terminal parking area designated by car rental agency signage only, and a total of eight (8) exclusive automobile parking spaces at the Terminal Facility reserved for use by FBO customers, officers, employees, vendors and others, at LESSEE's sole discretion, and shall have the right to place signs complying with the City's sign codes, at

LESSEE's cost, notifying others that such spaces are so reserved. LESSEE shall manage and enforce use of these designated parking spaces, to include towing of unauthorized vehicles, at its sole expense. All vehicles owned or operated by LESSEE utilizing non-exclusive parking spaces within the Terminal Facility parking area shall adhere to signed parking restrictions for the Terminal Facility parking area. The LESSEE is authorized to conduct operations on the Premises as outlined in the FBO Lease.

(b) Condition of Rented Terminal Space. LESSEE shall accept the Rented Terminal Space to include public use areas and the vehicle parking area in its present condition without any liability or obligation on the part of the City to make any alterations, improvements, or repairs of any kind on or about said Rented Terminal Space, except as specifically set forth herein.

Article 2, Leased Premises, Section 1.6 of the FBO Lease is hereby amended as follows:

1.6 Fuel Storage Facility (Fuel Farm). LESSEE will not handle, store, dispense, nor sell aviation fuels at or from the Airport, unless that fuel is first stored in fuel storage tanks located on the Premises. Each device through which LESSEE dispenses aviation fuels on the Airport must be equipped with a flow meter calibrated and sealed by the Department of Agriculture of the State of Florida or other appropriate agency. These devices shall include without limitation any Avgas truck, Jet A truck, or self-service fuel facility owned or operated by LESSEE.

The City of Fernandina Beach completed construction of a new fuel tank system, at the City's expense, which is for the exclusive use of the LESSEE on the Premises for the initial term and any renewal terms of the FBO Lease. LESSEE will pay an additional use fee for use of this new fuel system at an initial rate of $4,250 per year, plus applicable sales tax (currently 6.5 percent), for an initial total of $4,534.75 per year (with sales tax) or $377.90 per month (with sales tax), payable in arrears within 15 days after City provides LESSEE an invoice therefor. This use fee shall be reviewed in accordance with the terms and provisions contained within Article 3 of the FBO Lease and within any other applicable sections of the Construction and Financing Agreement between the City and LESSEE. The use fee for any partial month shall be prorated based on the actual number of days in such month. The LESSEE has installed a QT pod (self-serve fueling terminal) at the existing Fuel Farm location at LESSEE's sole cost. LESSEE shall be responsible for and shall pay for the general maintenance and upkeep of the new fuel tank system in good, safe, clean and sanitary condition including the routine maintenance of fuel filters on an annual basis. To the extent the new fuel tank system (not including the QT pod) requires repair or replacement of parts, equipment or other improvements, LESSEE shall notify City of the need for such repair or replacement and City shall either (i) promptly make such repairs or replacements, or (b) authorize LESSEE to undertake such repairs or replacements at City's cost and expense. At the expiration or termination of the FBO Lease, title to the QT pod shall transfer to the City and be owned solely by the City without compensation to LESSEE.

Article 3, Rents, Fees, and Taxes, Section 3.2 is deleted in its entirety and replaced with the following:

(a) Ground Rent. Beginning on the Commencement Date, rent for use of the ground leasehold portion of the Premises based on total ground lease area of 5.88 acres (256,132 square feet) more or less as shown on Exhibit "1" attached hereto shall be at an initial lease rate of $0.20 dollars per square foot per year, as adjusted by CPI increases consistent with other airport lease and rental agreements on October 1 of 2019 through 2023 for leasehold occupancy

($56,129.03) which will be converted to equal monthly payments per month, plus applicable sales tax (currently 6.7 percent), for an initial total of $59,777.42 per year (including sales tax) or $4,981.45 per month (including sales tax). This rental fee shall be reviewed and adjusted in accordance with the terms and provisions contained within Section 3 of the FBO Lease and any other applicable sections of the Construction and Financing Agreement between CITY and LESSEE.

Article 5, Lessee Maintenance and Repair of Premises and Rented Terminal Space, Section 5.3 is amended and restated as follows:

Rented Terminal Space and Premises Maintenance. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall maintain the Premises (ground lease area described in Exhibit "1" and the interior of the office/storage space in Airport Terminal Facility described in Exhibit "2" shown as "FBO areas", also referred to as Rented Terminal Space in this FBO Lease) in a neat and orderly condition, and shall keep the floor and wall space clean and clear of oil, grease, and/or toxic chemicals. No hazardous or flammable materials shall be stored within or about the Premises or Rented Terminal Space unless stored within an Environment Protection Agency (EPA), National Fire Protection Association (NFPA), or local Fire Marshal approved container/cabinet. No boxes, crates, rubbish, paper, or other litter that could cause or support combustion shall be permitted to accumulate within or about the Premises or Rented Terminal Space. LESSEE shall not commit, nor allow to be committed, any waste on the Premises or Rented Terminal Space, create or allow any nuisance to exist on the Premises or Rented Terminal Space, or use or allow the Premises or Rented Terminal Space to be used for any unlawful purpose or unsafe purpose. The LESSEE shall, at its sole cost and expense, conduct routine maintenance of the Premises and Rented Terminal Space, including, but not limited to, office/storage space shown as "FBO areas" on Exhibit "2", electrical, security system, HVAC systems and plumbing of Rented Terminal Space and keep and maintain such office/storage space, including all improvements thereon, in good condition so as to present an attractive appearance in conformity with other Airport facilities. Notwithstanding the foregoing, the CITY shall be responsible for all other maintenance, repair, and replacements, at its sole cost and expense, of the Rented Terminal Space, including but not limited to the exterior of the building and all structural elements of the Rented Terminal Space such as, but not limited to, slab, roof, HVAC, plumbing, windows, elevator, and fire sprinkler system.

Article 5, Lessee Maintenance and Repair of Premises and Rented Terminal Space, Section 5.6 is amended and restated as follows:

Pavement. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements:

a. Any pavement located on the Premises (except entrance roads, public aircraft parking aprons, common use vehicle parking areas and common use walkways), including non-public aircraft parking aprons, LESSEE's exclusive vehicle parking areas, driveways, and LESSEE's exclusive walkways located within the Premises, are LESSEE's responsibility to keep clean, orderly, neat, free of debris, and for removing all oil and other spillage therefrom at its expense.

b. The City shall be responsible for repair, replacement and/or rehabilitation (when necessary as determined by pavement condition reports) of the paved areas on the Premises that were originally constructed by the City.

c. The City shall not be responsible for repair, replacement, or rehabilitation of any paved areas constructed by LESSEE, as approved by the City, on the Premises.

Article 5, Lessee Maintenance and Repair of Premises, Section 5.7 is amended and restated as follows:

Gates. CITY/LESSOR shall repair or replace and maintain in good working order the automatic opening system and industrial sliding gate to the aircraft parking ramp apron currently known as Gates 1 and 2 for so long as this FBO Lease is in force. LESSEE will have responsibility for controlling access to the public aircraft parking apron in accordance with the Airport's Rules and Regulations. LESSEE shall exercise exclusive care, custody and control over Gates 1 and 2, however, the CITY/LESSOR reserves the right to use these gates for Airport staff use, city use, and emergency vehicle entrance. All costs and expenses associated with providing additional gates (which are mechanically operated, or operated by personnel) for Airport fences (including purchasing, installation, operation, maintenance, and staffing thereof); which are required to accommodate the needs of the LESSEE in the conduct of its business on Airport, including providing ingress and egress to and from the Premises; for LESSEE's employees, equipment, customers, suppliers, and invitees; will be paid by CITY/LESSOR and LESSEE equally (50/50). If personnel, or mechanical opening and closing devices, are required for such now existing, or replacement Airport gates, such will be provided at the cost and expense of CITY/LESSOR.

Article 6, Lessee Rights and Obligations, Section 6.15 of the FBO Lease is deleted in its entirety and replaced as follows:

6.15. Airport Security and Security of Personal Property. LESSEE shall operate upon the Airport and its Rented Terminal Space in compliance with all Department of Homeland Security and Transportation Security Administration regulations, State of Florida security regulations applicable to airports and all requirements of local law enforcement agencies. LESSEE is responsible for providing City's Airport Manager or City Manager with contact information for LESSEE's security alarm monitoring company. City shall not be responsible for the storage or security of LESSEE's personal property, including but not limited to deliveries made to LESSEE.

Article 6, Sections 6.16-6.18 are hereby incorporated into this Addendum from the FBO Lease and fully and completely apply to the Rented Terminal Space and the Premises (land) in and around the City Airport Terminal Facility.

Article 8, Insurance and Indemnification, Section 8.1 of the FBO Lease, subsection (b) is hereby deleted in its entirety and replaced with the following:

8.1 Insurance.

(b) City shall keep and maintain, during the term of this Lease, a Special Form Causes of Loss insurance policy, or its equivalent, insuring the Rented Terminal Space at full replacement value. City shall deliver to LESSEE an insurance certificate evidencing such insurance on not less than an annual

basis, when requested in writing by LESSEE. All of LESSEE's sublessees and subtenants who are providing commercial aeronautical services are required to carry liability insurance in accordance with the insurance limits required under the Airport Minimum Standards, as they may be amended from time to time.

All other terms and provisions of the FBO Lease and Exhibits not amended by this Addendum 1 shall remain in full force and effect.

NOW, THEREFORE, for and in consideration of the mutual agreements contained herein to be performed by the respective parties, and in consideration of the rent hereinafter designated to be paid, City hereby leases space and use as described below to the LESSEE, and the LESSEE does hereby lease the below described space, known as the Rented Terminal Space. The below provisions are in addition to the above amended provisions of the FBO Lease, including Exhibits and are fully incorporated into the FBO Lease by this reference which means all ground space, office/storage space, parking areas, ramp aprons, hangars and pavement leased by LESSEE are covered by the terms and conditions of the FBO Lease and this Addendum 1

Add to end of Article 3, Rent, Fees, and Taxes, Section 3.1 in the FBO Lease and number as subsection (b):

(b) 2.1 Rent Computation. For the use of the Rented Premises, LESSEE shall pay the City the initial rental amount of $10.00 per square foot per year as adjusted by CPI increases consistent with other airport lease and rental agreements on October 1 of 2019 through 2023 ($58,685.97) for use of the office space, plus applicable sales tax (currently 6.7 percent), for an initial total of $62,500.56 per year (with sales tax) or $5,208.38 per month (with sales tax), payable in arrears within 15 days after City provides to LESSEE an invoice therefor. This rental fee shall continue to be reviewed and adjusted in accordance with the terms and provisions contained within Section 3 of this agreement and within any other applicable sections of the Construction and Financing Agreement between the City and LESSEE. Rental for any partial month shall be prorated based on the actual number of days in such month.

Article 4, Construction and Use of Rented Terminal Space and Premises (land), Section 4.3 in the FBO Lease, add the following subsections:

(h) Alterations. LESSEE covenants and agrees not to install any fixtures or make any alterations, additions, or improvements to the Premises and Rented Terminal Space without the express written consent of the City, which consent shall not be unreasonably withheld; provided, however, LESSEE shall have the right to make non-structural alterations that are primarily cosmetic in nature without the City's consent. LESSEE shall make no structural, electrical, plumbing, HVAC, mechanical or other modification to the Rented Terminal Space or Premises without first obtaining City's written permission. Any and all repairs, maintenance, or improvements made by LESSEE shall be accomplished in accordance with all requirements and specifications of the City Building/Fire Codes and obtaining permit(s), if required. Any improvements, alterations, or additions that may be approved shall be at the sole expense of the LESSEE. Any and all fixtures installed, improvements, alterations, or additions made shall become the property of the City upon vacating the Rented Terminal Space and/or Premises, as applicable, without compensation or payment to LESSEE. Other applicable guidance is contained in

NFPA 409 Standard on Aircraft Hangars and the Florida Building Codes which can be viewed in the office of the Airport Manager or their designated representative.

(i) Damage to Property. Except to the extent covered by insurance maintained, or required to be maintained, under this Lease, LESSEE shall be responsible for all damage to property, real or personal, located on, in, or about the Rented Terminal Space and Premises including the associated vehicle parking area, or public use areas damaged as a result of the LESSEE's negligence, misuse, or abuse. In the event the LESSEE does not promptly repair any damaged Rented Terminal Space or Premises, for which the LESSEE is responsible, the City reserves the right to make such repairs at LESSEE's expense, which shall become due and payable as part of the LESSEE's next monthly rental payment. Such repairs shall be charged to LESSEE at 115% of cost to City. LESSEE shall promptly report any damage to the Airport Manager or City Manager.

(j) Equipment and Trade Fixtures. LESSEE will retain title to all of its trade fixtures and equipment and any improvements and property installed by LESSEE to the Rented Terminal Space during the term of the FBO Lease, and LESSEE shall have the right to remove such personal property upon expiration of the tenancy. Upon termination of the FBO Lease or upon removal of trade fixtures and equipment, the LESSEE shall restore the Rented Terminal Space to good condition which includes but is not limited to no exposed wiring, plumbing, mechanical components or unpainted/unfinished walls, flooring or ceiling, at LESSEE's sole cost and expense. Any LESSEE improvements or property installed and not removed in the Rented Terminal Space and on the Premises become the property of City.

(k) Fire Extinguisher. The City shall maintain at all times, in the Rented Terminal Space, a minimum of three approved ten-pound dry chemical fire extinguishers suitable for use on Type A, B, and C fires with current inspection certificate from an approved fire equipment company or the local Fire Inspector affixed. LESSOR shall have the right to enter the Rented Terminal Space with 24-hour prior written notice to inspect, maintain and/or replace fire extinguishers.

(l) LESSEE shall not cause or permit to occur: the use, generation, release, manufacture, refining, production, processing, or disposal of any hazardous substance on, under, over, or about the Rented Terminal Space.

(m) LESSEE shall, at its sole and exclusive expense, comply with all laws and regulations regulating the storage or transportation of hazardous substances relating to the Rented Terminal Space and Premises and shall further make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities under applicable federal, state, and local laws and regulations; and the City is to be immediately notified by LESSEE of any claim or allegation of non-compliance herewith.

(n) If any authority demands that a clean-up plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of hazardous substances that occurs during the term hereof, or any renewals hereof, at, or from the Rented Terminal Space or Premises, or which arises from LESSEE's use or occupancy of the Rented Terminal Space or Premises, then LESSEE shall, at LESSEE's expense, prepare and submit the required plans and all related bonds and other required financial assurances; and LESSEE shall carry out all work required by such clean-up plans at its sole and exclusive expense.

Article 5, Lessee Maintenance and Repair of Rented Terminal Space and Premises in the FBO Lease, add the following subsections:

5.8 City will maintain the structural components of the Rented Terminal Space. Repair and replacement required as a result of the negligent or willful conduct of LESSEE, its employee's, agents, or invitees shall be the responsibility of LESSEE, except to the extent any such replacement or repair is covered by insurance.

5.9 LESSEE shall pay directly for all telephone, internet, security, and cleaning services supplied to the Rented Terminal Space, and shall be responsible for maintenance of the Rented Terminal Space as outlined within Paragraph 5.3 of the FBO Lease. For any such utility fees or services that are not billed or metered separately to LESSEE, including without limitation, water, sewer, and electricity, the LESSEE shall pay to City LESSEE's share of these expenses as outlined below. If, in the initial term or any renewal terms of this agreement, LESSEE or City determines that the cost share outlined below is no longer equitable, either party may request review of this cost share through provision of a written request to re-evaluate cost share. Any such revisions to cost share must be agreed upon, in writing, by both parties.

a. Water and Sewer Services – Water and sewer charges will be assessed monthly under a single meter for the entire Terminal Facility, which is comprised of the Rented Terminal Space and City-portion of the structure. City will pay this monthly fee directly to the service provider and LESSEE shall remit fifty percent (50%) of the total monthly fee to City of services rendered; and

b. Electricity – Electricity will be assessed monthly under a single meter for the Terminal Facility. City shall pay this monthly fee directly to the service provider and LESSEE shall remit sixty percent (60%), LESSEE's percentage of rented space in the entire Terminal Facility, of the total monthly fee to City of services rendered.

c. Landscaping Services – City shall be responsible for all landscaping work, including but not limited to mowing, edging, trimming, tree trimming and weed spraying. City shall keep the grounds adjacent to or serving the Rented Terminal Space and the Premises in a condition determined to be acceptable at the sole discretion of the City. LESSEE shall have the right, at its own expense and in its reasonable discretion, to provide supplemental landscaping or grounds maintenance work.

5.10 Inspection. It is understood and agreed that CITY shall have the right to enter upon the Rented Terminal Space and Premises upon not less than 24 hours advance notice to Brian Echard or his designee, and, at any time during an emergency without notice to Brian Echard, to ensure maintenance, security, and safety of the Rented Terminal Space. If any deficiency in compliance with the FBO Lease is found, including any fire or accident hazard, LESSEE shall be so informed, and shall within fifteen (15) days of written notice rectify the hazard.

5.11 Self-Help by LESSEE. In the event City breaches any of its maintenance, repair or replacement obligations to be performed by it under this Lease, LESSEE shall have the right, after not less than 10 days' notice to City and opportunity to cure (except in an emergency, when no notice shall be required), to perform such of City's obligations as may be reasonably necessary or convenient for the continued operation of LESSEE's business, and City shall be responsible for paying LESSEE's costs and expenses

incurred, plus a 10% management fee; provided, however, if such maintenance, repair or replacement obligation is not reasonably capable of cure within such 10 day period, and City begins to cure within such 10 day period, LESSEE's right of self-help shall not commence so long as City is making diligent and good faith efforts to cure the required maintenance, repair or replacement obligation.

Add the following subsection to Article 13, Miscellaneous Provisions, in the FBO Lease:

13.13 Quiet Enjoyment. It is agreed that, at all times while LESSEE is not in material default under this Lease (beyond any applicable cure period), LESSEE shall peaceably and quietly have, hold and enjoy the Premises and Rented Terminal Space with all appurtenances during the term of this Lease and without any manner of hindrance or interference with its quiet enjoyment, possession and use, except to the extent otherwise set forth in this Lease.

[remainder of page left blank intentionally]

IN WITNESS WHEREOF, this Addendum 1 is effective on the date that this Addendum is fully executed.

8 Flags Aviation, LLC

By:_____ Date: 12/1/23
Brian Echard, Member

City of Fernandina Beach, Florida

By:_____
Ty Ross, City Manager

ATTEST:

By:_____ Date:_____
Caroline Best, City Clerk

APPROVED AS TO FORM AND LEGALITY:

By:_____
Tammi E. Bach, City Attorney

RESOLUTION 2023-236

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING ADDENDUM 1 TO THE FIXED BASED OPERATOR LEASE FOR CITY AIRPORT PROPERTY LOCATED ON THE NORTH SIDE OF THE AIRPORT AND AIRPORT TERMINAL FACILITY; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, City of Fernandina Beach owns, controls, and operates the Fernandina Beach Municipal Airport in the City of Fernandina Beach, County of Nassau, and State of Florida; and

WHEREAS, Eight Flags Aviation, LLC and the City wish to amend certain provisions in the Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement approved by the City Commission via Resolution 2015-139 and dated October 30, 2015, to provide for additions and amendments to ground lease provisions, fuel farm provisions and providing for rented office space in the Airport Terminal Facility.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the terms and conditions of Addendum 1 to the Fixed Based Operator Lease Agreement, attached hereto as Exhibit A.

SECTION 2. The City Clerk and City Manager are hereby authorized to execute Addendum 1 to Fixed Based Operator Lease Agreement, upon review and approval of the City Attorney.

SECTION 3. This Resolution shall be effective immediately upon passage.

ADOPTED this 19th day of December, 2023.

ATTEST:

Caroline Best

CAROLINE BEST
City Clerk

CITY OF FERNANDINA BEACH

Bradley M. Bean

BRADLEY M. BEAN
Commissioner-Mayor

APPROVED AS TO FORM & LEGALITY:

TAMMI E. BACH
City Attorney

ADDENDUM 1 TO FERNANDINA BEACH MUNICIPAL AIRPORT FIXED BASE OPERATOR LEASE

WHEREAS, City of Fernandina Beach ("City" or "LESSOR") owns, controls, and operates the Fernandina Beach Municipal Airport (hereinafter referred to as the "Airport"), in the City of Fernandina Beach, County of Nassau, and State of Florida; and

WHEREAS, LESSEE and City wish to amend certain provisions in the Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement approved by the City via Resolution 2015-139 and dated October 30, 2015 ("FBO Lease" or "Agreement") to provide for additions and amendments to ground lease provisions, fuel farm provisions and providing for rented office space in the Airport Terminal Facility, hereinafter described and referred to as the "Rented Terminal Space".

NOW THEREFORE, based on mutual consideration, the sufficiency of which is agreed to between the parties, the parties hereby agree to amend the below referenced sections of the FBO Lease and add new sections as follows:

It is fully understood by the parties that Article 2, Leased Premises, of the FBO Lease has subsections numbered 1.1-1.7 and Article 2, Term, of the FBO Lease has subsections numbered (a-e). This Addendum only amends and adds to Article 2, Leased Premises, of the FBO Lease.

Article 2, Leased Premises, Section 1.1 of the FBO Lease is hereby deleted in its entirety and replaced with the following:

1.1 Ground. LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the following real property (land) identified and shown on Exhibit "1" attached hereto (hereinafter referred to as the "Premises"), together with the right of ingress and egress for vehicles and aircraft.

Article 2, Leased Premises, Section 1.3 of the FBO Lease is hereby deleted in its entirety and replaced with the following:

1.3 Rented Terminal Space.

(a) Rented Terminal Space. In addition to the Premises (land), City hereby leases to LESSEE, and LESSEE hereby leases from City, certain commercial office space within the Fernandina Beach Municipal Airport Terminal Facility (such leased space hereinafter referred to as the "Rented Terminal Space") to also include non-exclusive use of its associated public parking lot for vehicle parking, together with the right of ingress and egress to the Rented Terminal Space and non-exclusive use of any common area. The Rented Terminal Space includes approximately 5,356 square feet of space identified on Exhibit "2" hereto as the "FBO Areas", Notwithstanding anything herein or in the FBO Lease to the contrary, City shall designate a total of ten (10) exclusive parking spaces for Hertz or other car rental agencies working with the LESSEE in the southwest corner of the paved Terminal parking area designated by car rental agency signage only, and a total of eight (8) exclusive automobile parking spaces at the Terminal Facility reserved for use by FBO customers, officers, employees, vendors and others, at LESSEE's sole discretion, and shall have the right to place signs complying with the City's sign codes, at

LESSEE's cost, notifying others that such spaces are so reserved. LESSEE shall manage and enforce use of these designated parking spaces, to include towing of unauthorized vehicles, at its sole expense. All vehicles owned or operated by LESSEE utilizing non-exclusive parking spaces within the Terminal Facility parking area shall adhere to signed parking restrictions for the Terminal Facility parking area. The LESSEE is authorized to conduct operations on the Premises as outlined in the FBO Lease.

(b) Condition of Rented Terminal Space. LESSEE shall accept the Rented Terminal Space to include public use areas and the vehicle parking area in its present condition without any liability or obligation on the part of the City to make any alterations, improvements, or repairs of any kind on or about said Rented Terminal Space, except as specifically set forth herein.

Article 2, Leased Premises, Section 1.6 of the FBO Lease is hereby amended as follows:

1.6 Fuel Storage Facility (Fuel Farm). LESSEE will not handle, store, dispense, nor sell aviation fuels at or from the Airport, unless that fuel is first stored in fuel storage tanks located on the Premises. Each device through which LESSEE dispenses aviation fuels on the Airport must be equipped with a flow meter calibrated and sealed by the Department of Agriculture of the State of Florida or other appropriate agency. These devices shall include without limitation any Avgas truck, Jet A truck, or self-service fuel facility owned or operated by LESSEE.

The City of Fernandina Beach completed construction of a new fuel tank system, at the City's expense, which is for the exclusive use of the LESSEE on the Premises for the initial term and any renewal terms of the FBO Lease. LESSEE will pay an additional use fee for use of this new fuel system at an initial rate of $4,250 per year, plus applicable sales tax (currently 6.5 percent), for an initial total of $4,534.75 per year (with sales tax) or $377.90 per month (with sales tax), payable in arrears within 15 days after City provides LESSEE an invoice therefor. This use fee shall be reviewed in accordance with the terms and provisions contained within Article 3 of the FBO Lease and within any other applicable sections of the Construction and Financing Agreement between the City and LESSEE. The use fee for any partial month shall be prorated based on the actual number of days in such month. The LESSEE has installed a QT pod (self-serve fueling terminal) at the existing Fuel Farm location at LESSEE's sole cost. LESSEE shall be responsible for and shall pay for the general maintenance and upkeep of the new fuel tank system in good, safe, clean and sanitary condition including the routine maintenance of fuel filters on an annual basis. To the extent the new fuel tank system (not including the QT pod) requires repair or replacement of parts, equipment or other improvements, LESSEE shall notify City of the need for such repair or replacement and City shall either (i) promptly make such repairs or replacements, or (b) authorize LESSEE to undertake such repairs or replacements at City's cost and expense. At the expiration or termination of the FBO Lease, title to the QT pod shall transfer to the City and be owned solely by the City without compensation to LESSEE.

Article 3, Rents, Fees, and Taxes, Section 3.2 is deleted in its entirety and replaced with the following:

(a) Ground Rent. Beginning on the Commencement Date, rent for use of the ground leasehold portion of the Premises based on total ground lease area of 5.88 acres (256,132 square feet) more or less as shown on Exhibit "1" attached hereto shall be at an initial lease rate of $0.20 dollars per square foot per year, as adjusted by CPI increases consistent with other airport lease and rental agreements on October 1 of 2019 through 2023 for leasehold occupancy

($56,129.03) which will be converted to equal monthly payments per month, plus applicable sales tax (currently 6.7 percent), for an initial total of $59,777.42 per year (including sales tax) or $4,981.45 per month (including sales tax). This rental fee shall be reviewed and adjusted in accordance with the terms and provisions contained within Section 3 of the FBO Lease and any other applicable sections of the Construction and Financing Agreement between CITY and LESSEE.

Article 5, Lessee Maintenance and Repair of Premises and Rented Terminal Space, Section 5.3 is amended and restated as follows:

Rented Terminal Space and Premises Maintenance. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall maintain the Premises (ground lease area described in Exhibit "1" and the interior of the office/storage space in Airport Terminal Facility described in Exhibit "2" shown as "FBO areas", also referred to as Rented Terminal Space in this FBO Lease) in a neat and orderly condition, and shall keep the floor and wall space clean and clear of oil, grease, and/or toxic chemicals. No hazardous or flammable materials shall be stored within or about the Premises or Rented Terminal Space unless stored within an Environment Protection Agency (EPA), National Fire Protection Association (NFPA), or local Fire Marshal approved container/cabinet. No boxes, crates, rubbish, paper, or other litter that could cause or support combustion shall be permitted to accumulate within or about the Premises or Rented Terminal Space. LESSEE shall not commit, nor allow to be committed, any waste on the Premises or Rented Terminal Space, create or allow any nuisance to exist on the Premises or Rented Terminal Space, or use or allow the Premises or Rented Terminal Space to be used for any unlawful purpose or unsafe purpose. The LESSEE shall, at its sole cost and expense, conduct routine maintenance of the Premises and Rented Terminal Space, including, but not limited to, office/storage space shown as "FBO areas" on Exhibit "2", electrical, security system, HVAC systems and plumbing of Rented Terminal Space and keep and maintain such office/storage space, including all improvements thereon, in good condition so as to present an attractive appearance in conformity with other Airport facilities. Notwithstanding the foregoing, the CITY shall be responsible for all other maintenance, repair, and replacements, at its sole cost and expense, of the Rented Terminal Space, including but not limited to the exterior of the building and all structural elements of the Rented Terminal Space such as, but not limited to, slab, roof, HVAC, plumbing, windows, elevator, and fire sprinkler system.

Article 5, Lessee Maintenance and Repair of Premises and Rented Terminal Space, Section 5.6 is amended and restated as follows:

Pavement. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements:

a. Any pavement located on the Premises (except entrance roads, public aircraft parking aprons, common use vehicle parking areas and common use walkways), including non-public aircraft parking aprons, LESSEE's exclusive vehicle parking areas, driveways, and LESSEE's exclusive walkways located within the Premises, are LESSEE's responsibility to keep clean, orderly, neat, free of debris, and for removing all oil and other spillage therefrom at its expense.

b. The City shall be responsible for repair, replacement and/or rehabilitation (when necessary as determined by pavement condition reports) of the paved areas on the Premises that were originally constructed by the City.

c. The City shall not be responsible for repair, replacement, or rehabilitation of any paved areas constructed by LESSEE, as approved by the City, on the Premises.

Article 5, Lessee Maintenance and Repair of Premises, Section 5.7 is amended and restated as follows:

Gates. CITY/LESSOR shall repair or replace and maintain in good working order the automatic opening system and industrial sliding gate to the aircraft parking ramp apron currently known as Gates 1 and 2 for so long as this FBO Lease is in force. LESSEE will have responsibility for controlling access to the public aircraft parking apron in accordance with the Airport's Rules and Regulations. LESSEE shall exercise exclusive care, custody and control over Gates 1 and 2, however, the CITY/LESSOR reserves the right to use these gates for Airport staff use, city use, and emergency vehicle entrance. All costs and expenses associated with providing additional gates (which are mechanically operated, or operated by personnel) for Airport fences (including purchasing, installation, operation, maintenance, and staffing thereof); which are required to accommodate the needs of the LESSEE in the conduct of its business on Airport, including providing ingress and egress to and from the Premises; for LESSEE's employees, equipment, customers, suppliers, and invitees; will be paid by CITY/LESSOR and LESSEE equally (50/50). If personnel, or mechanical opening and closing devices, are required for such now existing, or replacement Airport gates, such will be provided at the cost and expense of CITY/LESSOR.

Article 6, Lessee Rights and Obligations, Section 6.15 of the FBO Lease is deleted in its entirety and replaced as follows:

6.15. Airport Security and Security of Personal Property. LESSEE shall operate upon the Airport and its Rented Terminal Space in compliance with all Department of Homeland Security and Transportation Security Administration regulations, State of Florida security regulations applicable to airports and all requirements of local law enforcement agencies. LESSEE is responsible for providing City's Airport Manager or City Manager with contact information for LESSEE's security alarm monitoring company. City shall not be responsible for the storage or security of LESSEE's personal property, including but not limited to deliveries made to LESSEE.

Article 6, Sections 6.16-6.18 are hereby incorporated into this Addendum from the FBO Lease and fully and completely apply to the Rented Terminal Space and the Premises (land) in and around the City Airport Terminal Facility.

Article 8, Insurance and Indemnification, Section 8.1 of the FBO Lease, subsection (b) is hereby deleted in its entirety and replaced with the following:

8.1 Insurance.

(b) City shall keep and maintain, during the term of this Lease, a Special Form Causes of Loss insurance policy, or its equivalent, insuring the Rented Terminal Space at full replacement value. City shall deliver to LESSEE an insurance certificate evidencing such insurance on not less than an annual

basis, when requested in writing by LESSEE. All of LESSEE's sublessees and subtenants who are providing commercial aeronautical services are required to carry liability insurance in accordance with the insurance limits required under the Airport Minimum Standards, as they may be amended from time to time.

All other terms and provisions of the FBO Lease and Exhibits not amended by this Addendum 1 shall remain in full force and effect.

NOW, THEREFORE, for and in consideration of the mutual agreements contained herein to be performed by the respective parties, and in consideration of the rent hereinafter designated to be paid, City hereby leases space and use as described below to the LESSEE, and the LESSEE does hereby lease the below described space, known as the Rented Terminal Space. The below provisions are in addition to the above amended provisions of the FBO Lease, including Exhibits and are fully incorporated into the FBO Lease by this reference which means all ground space, office/storage space, parking areas, ramp aprons, hangars and pavement leased by LESSEE are covered by the terms and conditions of the FBO Lease and this Addendum 1

Add to end of Article 3, Rent, Fees, and Taxes, Section 3.1 in the FBO Lease and number as subsection (b):

(b) 2.1 Rent Computation. For the use of the Rented Premises, LESSEE shall pay the City the initial rental amount of $10.00 per square foot per year as adjusted by CPI increases consistent with other airport lease and rental agreements on October 1 of 2019 through 2023 ($58,685.97) for use of the office space, plus applicable sales tax (currently 6.7 percent), for an initial total of $62,500.56 per year (with sales tax) or $5,208.38 per month (with sales tax), payable in arrears within 15 days after City provides to LESSEE an invoice therefor. This rental fee shall continue to be reviewed and adjusted in accordance with the terms and provisions contained within Section 3 of this agreement and within any other applicable sections of the Construction and Financing Agreement between the City and LESSEE. Rental for any partial month shall be prorated based on the actual number of days in such month.

Article 4, Construction and Use of Rented Terminal Space and Premises (land), Section 4.3 in the FBO Lease, add the following subsections:

(h) Alterations. LESSEE covenants and agrees not to install any fixtures or make any alterations, additions, or improvements to the Premises and Rented Terminal Space without the express written consent of the City, which consent shall not be unreasonably withheld; provided, however, LESSEE shall have the right to make non-structural alterations that are primarily cosmetic in nature without the City's consent. LESSEE shall make no structural, electrical, plumbing, HVAC, mechanical or other modification to the Rented Terminal Space or Premises without first obtaining City's written permission. Any and all repairs, maintenance, or improvements made by LESSEE shall be accomplished in accordance with all requirements and specifications of the City Building/Fire Codes and obtaining permit(s), if required. Any improvements, alterations, or additions that may be approved shall be at the sole expense of the LESSEE. Any and all fixtures installed, improvements, alterations, or additions made shall become the property of the City upon vacating the Rented Terminal Space and/or Premises, as applicable, without compensation or payment to LESSEE. Other applicable guidance is contained in

NFPA 409 Standard on Aircraft Hangars and the Florida Building Codes which can be viewed in the office of the Airport Manager or their designated representative.

(i) Damage to Property. Except to the extent covered by insurance maintained, or required to be maintained, under this Lease, LESSEE shall be responsible for all damage to property, real or personal, located on, in, or about the Rented Terminal Space and Premises including the associated vehicle parking area, or public use areas damaged as a result of the LESSEE's negligence, misuse, or abuse. In the event the LESSEE does not promptly repair any damaged Rented Terminal Space or Premises, for which the LESSEE is responsible, the City reserves the right to make such repairs at LESSEE's expense, which shall become due and payable as part of the LESSEE's next monthly rental payment. Such repairs shall be charged to LESSEE at 115% of cost to City. LESSEE shall promptly report any damage to the Airport Manager or City Manager.

(j) Equipment and Trade Fixtures. LESSEE will retain title to all of its trade fixtures and equipment and any improvements and property installed by LESSEE to the Rented Terminal Space during the term of the FBO Lease, and LESSEE shall have the right to remove such personal property upon expiration of the tenancy. Upon termination of the FBO Lease or upon removal of trade fixtures and equipment, the LESSEE shall restore the Rented Terminal Space to good condition which includes but is not limited to no exposed wiring, plumbing, mechanical components or unpainted/unfinished walls, flooring or ceiling, at LESSEE's sole cost and expense. Any LESSEE improvements or property installed and not removed in the Rented Terminal Space and on the Premises become the property of City.

(k) Fire Extinguisher. The City shall maintain at all times, in the Rented Terminal Space, a minimum of three approved ten-pound dry chemical fire extinguishers suitable for use on Type A, B, and C fires with current inspection certificate from an approved fire equipment company or the local Fire Inspector affixed. LESSOR shall have the right to enter the Rented Terminal Space with 24-hour prior written notice to inspect, maintain and/or replace fire extinguishers.

(l) LESSEE shall not cause or permit to occur: the use, generation, release, manufacture, refining, production, processing, or disposal of any hazardous substance on, under, over, or about the Rented Terminal Space.

(m) LESSEE shall, at its sole and exclusive expense, comply with all laws and regulations regulating the storage or transportation of hazardous substances relating to the Rented Terminal Space and Premises and shall further make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities under applicable federal, state, and local laws and regulations; and the City is to be immediately notified by LESSEE of any claim or allegation of non-compliance herewith.

(n) If any authority demands that a clean-up plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of hazardous substances that occurs during the term hereof, or any renewals hereof, at, or from the Rented Terminal Space or Premises, or which arises from LESSEE's use or occupancy of the Rented Terminal Space or Premises, then LESSEE shall, at LESSEE's expense, prepare and submit the required plans and all related bonds and other required financial assurances; and LESSEE shall carry out all work required by such clean-up plans at its sole and exclusive expense.

Article 5, Lessee Maintenance and Repair of Rented Terminal Space and Premises in the FBO Lease, add the following subsections:

5.8 City will maintain the structural components of the Rented Terminal Space. Repair and replacement required as a result of the negligent or willful conduct of LESSEE, its employee's, agents, or invitees shall be the responsibility of LESSEE, except to the extent any such replacement or repair is covered by insurance.

5.9 LESSEE shall pay directly for all telephone, internet, security, and cleaning services supplied to the Rented Terminal Space, and shall be responsible for maintenance of the Rented Terminal Space as outlined within Paragraph 5.3 of the FBO Lease. For any such utility fees or services that are not billed or metered separately to LESSEE, including without limitation, water, sewer, and electricity, the LESSEE shall pay to City LESSEE's share of these expenses as outlined below. If, in the initial term or any renewal terms of this agreement, LESSEE or City determines that the cost share outlined below is no longer equitable, either party may request review of this cost share through provision of a written request to re-evaluate cost share. Any such revisions to cost share must be agreed upon, in writing, by both parties.

a. Water and Sewer Services – Water and sewer charges will be assessed monthly under a single meter for the entire Terminal Facility, which is comprised of the Rented Terminal Space and City-portion of the structure. City will pay this monthly fee directly to the service provider and LESSEE shall remit fifty percent (50%) of the total monthly fee to City of services rendered; and

b. Electricity – Electricity will be assessed monthly under a single meter for the Terminal Facility. City shall pay this monthly fee directly to the service provider and LESSEE shall remit sixty percent (60%), LESSEE's percentage of rented space in the entire Terminal Facility, of the total monthly fee to City of services rendered.

c. Landscaping Services – City shall be responsible for all landscaping work, including but not limited to mowing, edging, trimming, tree trimming and weed spraying. City shall keep the grounds adjacent to or serving the Rented Terminal Space and the Premises in a condition determined to be acceptable at the sole discretion of the City. LESSEE shall have the right, at its own expense and in its reasonable discretion, to provide supplemental landscaping or grounds maintenance work.

5.10 Inspection. It is understood and agreed that CITY shall have the right to enter upon the Rented Terminal Space and Premises upon not less than 24 hours advance notice to Brian Echard or his designee, and, at any time during an emergency without notice to Brian Echard, to ensure maintenance, security, and safety of the Rented Terminal Space. If any deficiency in compliance with the FBO Lease is found, including any fire or accident hazard, LESSEE shall be so informed, and shall within fifteen (15) days of written notice rectify the hazard.

5.11 Self-Help by LESSEE. In the event City breaches any of its maintenance, repair or replacement obligations to be performed by it under this Lease, LESSEE shall have the right, after not less than 10 days' notice to City and opportunity to cure (except in an emergency, when no notice shall be required), to perform such of City's obligations as may be reasonably necessary or convenient for the continued operation of LESSEE's business, and City shall be responsible for paying LESSEE's costs and expenses

incurred, plus a 10% management fee; provided, however, if such maintenance, repair or replacement obligation is not reasonably capable of cure within such 10 day period, and City begins to cure within such 10 day period, LESSEE's right of self-help shall not commence so long as City is making diligent and good faith efforts to cure the required maintenance, repair or replacement obligation.

Add the following subsection to Article 13, Miscellaneous Provisions, in the FBO Lease:

13.13 Quiet Enjoyment. It is agreed that, at all times while LESSEE is not in material default under this Lease (beyond any applicable cure period), LESSEE shall peaceably and quietly have, hold and enjoy the Premises and Rented Terminal Space with all appurtenances during the term of this Lease and without any manner of hindrance or interference with its quiet enjoyment, possession and use, except to the extent otherwise set forth in this Lease.

[remainder of page left blank intentionally]

IN WITNESS WHEREOF, this Addendum 1 is effective on the date that this Addendum is fully executed.

8 Flags Aviation, LLC

By:_____ Date: 12/1/23
Brian Echard, Member

City of Fernandina Beach, Florida

By:_____ 12/19/23
Charles L. George, Interim City Manager

ATTEST:

By: Caroline Best Date: 12/19/23
Caroline Best, City Clerk

APPROVED AS TO FORM AND LEGALITY:

By:_____
Tammi E. Bach, City Attorney

MANZIE & DRAKE LAND SURVEYING

LEGAL DESCRIPTION
BRIAN ECHARD LEASE AREA
SEPTEMBER 26, 2019

FOR A POINT OF REFERENCE, COMMENCE AT NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT"; THENCE NORTH 36°38'24" EAST, ALONG A GRID BEARING, A DISTANCE OF 2394.00 FEET TO NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT AZIMUTH MARK"; THENCE NORTH 07°03'40" EAST A DISTANCE OF 1161.05 FEET TO THE **POINT OF BEGINNING**; THENCE NORTH 09°10'44" WEST A DISTANCE OF 196.40 FEET; THENCE NORTH 81°05'15" EAST, A DISTANCE OF 2.02 FEET; THENCE NORTH 09°06'14" WEST, A DISTANCE OF 61.40 FEET; THENCE SOUTH 80°38'08" WEST A DISTANCE OF 124.99 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 10.00 FEET; THENCE WESTERLY AND NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 91°04'13", AN ARC DISTANCE OF 15.89 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 53°49'45" WEST A DISTANCE OF 14.27 FEET; THENCE NORTH 08°17'39" WEST A DISTANCE OF 36.30 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 10.00 FEET; THENCE NORTHERLY AND EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 89°14'54", AN ARC DISTANCE OF 15.58 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 36°19'48" EAST A DISTANCE OF 14.05 FEET; THENCE NORTH 09°02'45" WEST A DISTANCE OF 40.00 FEET; THENCE SOUTH 80°57'15" WEST A DISTANCE OF 47.51 FEET; THENCE SOUTH 09°02'45" EAST A DISTANCE OF 40.00 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 10.00 FEET; THENCE EASTERLY AND SOUTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°45'06", AN ARC DISTANCE OF 15.84 FEET AND BEING SUBTENDED BY A CHORD BEARING SOUTH 53°40'12" EAST A DISTANCE OF 14.23 FEET; THENCE SOUTH 08°17'39" EAST A DISTANCE OF 36.52 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 10.00 FEET; THENCE SOUTHERLY AND WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 88°55'47", AN ARC DISTANCE OF 15.52 FEET AND BEING SUBTENDED BY A CHORD BEARING SOUTH 36°10'15" WEST A DISTANCE OF 14.01 FEET; THENCE SOUTH 80°38'08" WEST A DISTANCE OF 77.92 FEET TO THE BEGINNING OF A CURVE OF A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 18.00 FEET; THENCE WESTERLY AND NORTHERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°00'00", AN ARC DISTANCE OF 28.27 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 54°21'52" WEST, A DISTANCE OF 25.46 FEET; THENCE NORTH 09°21'52" WEST A DISTANCE OF 18.47 FEET; THENCE SOUTH 80°38'08" WEST A DISTANCE OF 44.84 FEET; THENCE NORTH 09°21'03" WEST A DISTANCE OF 156.25 FEET TO A POINT OF THE SOUTHERLY RIGHT-OF-WAY LINE OF AIRPORT ROAD, HAVING A 60-FOOT RIGHT-OF-WAY, AS NOW ESTABLISHED; THENCE SOUTH 80°41'30" WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 340.42 FEET; THENCE SOUTH 09°47'04" EAST, DEPARTING SAID RIGHT-OF-WAY LINE, A DISTANCE OF 160.59 FEET; THENCE SOUTH 61°20'44" EAST A DISTANCE OF 51.06 FEET; THENCE SOUTH 09°06'14" EAST A DISTANCE OF 114.17 FEET; THENCE SOUTH 80°53'46" WEST A DISTANCE OF 179.59 FEET; THENCE SOUTH 07°54'09" EAST A DISTANCE OF 141.93 FEET TO INTERSECT THE NORTHERLY EDGE OF TAXIWAY "A" (OBJECT FREE ZONE); THENCE NORTH 80°53'46" EAST, ALONG THE NORTHERLY EDGE OF SAID TAXIWAY "A", A DISTANCE OF 786.04 FEET TO THE POINT OF BEGINNING.

CONTAINING 5.744 ACRES, MORE OR LESS.

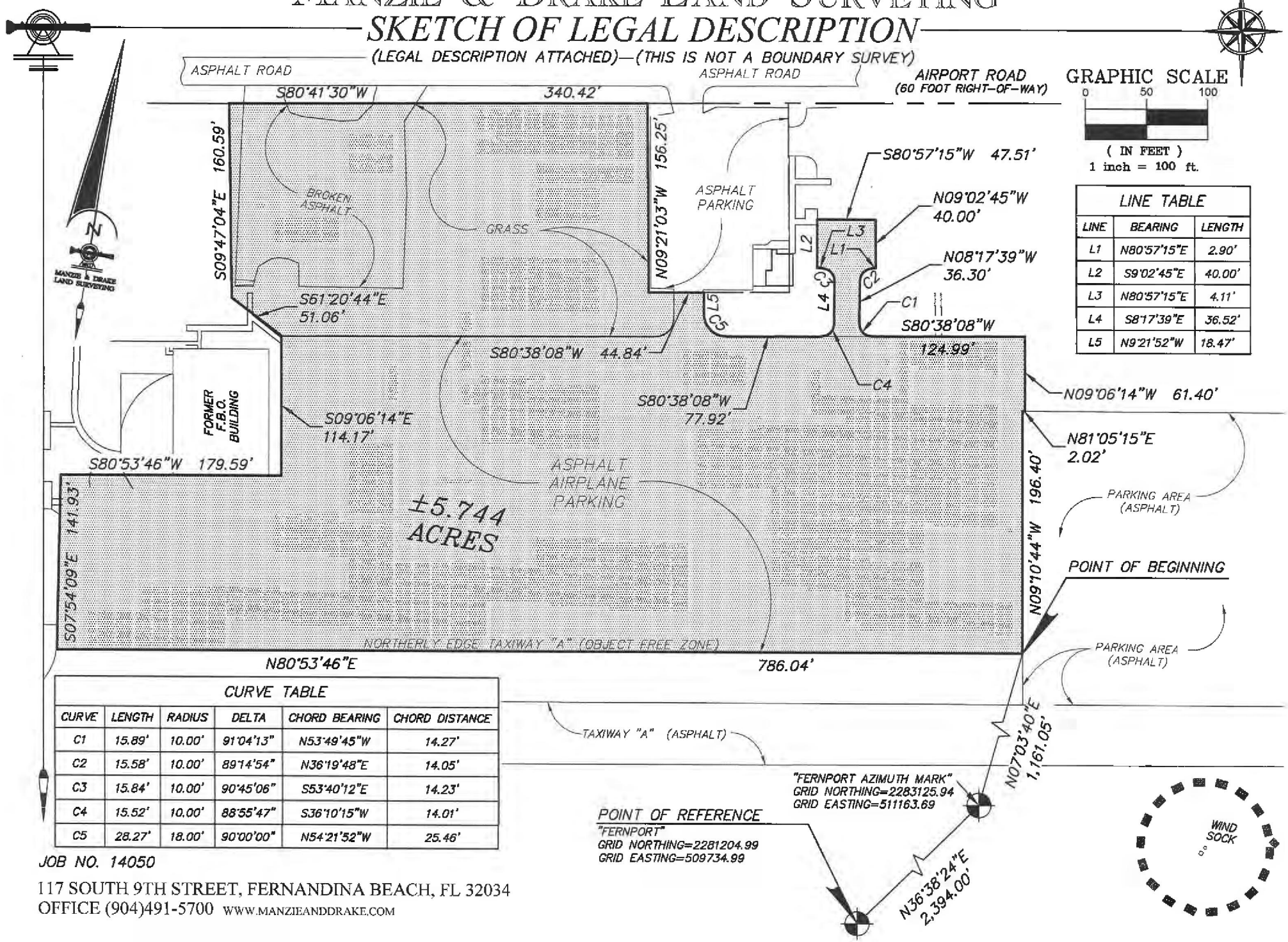
MICHAEL A. MANZIE, P.L.S
FLORIDA REGISTRATION NO. 4069
JOB NO. 14050 10/2/19

117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904) 491-5700 • FAX (904) 491-5777 • TOLL FREE (888) 832-7730
www.manzieanddrake.com

MANZIE & DRAKE LAND SURVEYING

SKETCH OF LEGAL DESCRIPTION

(LEGAL DESCRIPTION ATTACHED)—(THIS IS NOT A BOUNDARY SURVEY)



LINE TABLE		
LINE	BEARING	LENGTH
L1	N80°57'15"E	2.90'
L2	S9°02'45"E	40.00'
L3	N80°57'15"E	4.11'
L4	S8°17'39"E	36.52'
L5	N9°21'52"W	18.47'

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C1	15.89'	10.00'	91°04'13"	N53°49'45"W	14.27'
C2	15.58'	10.00'	89°14'54"	N36°19'48"E	14.05'
C3	15.84'	10.00'	90°45'06"	S53°40'12"E	14.23'
C4	15.52'	10.00'	88°55'47"	S36°10'15"W	14.01'
C5	28.27'	18.00'	90°00'00"	N54°21'52"W	25.46'

JOB NO. 14050

117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904)491-5700 WWW.MANZIEANDDRAKE.COM

LEGAL DESCRIPTION
FERNANDINA BEACH MUNICIPAL AIRPORT
FUEL FARM
OCTOBER 2, 2019

FOR A POINT OF REFERENCE COMMENCE AT NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT"; THENCE NORTH 36°38'24" EAST, ALONG A GRID BEARING, A DISTANCE OF 2,394.00 FEET TO NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT AZIMUTH MARK"; THENCE NORTH 56°29'41" WEST A DISTANCE OF 2,288.98 FEET TO THE **POINT OF BEGINNING**; THENCE NORTH 09°37'08" WEST A DISTANCE OF 47.43 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 23.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 50°28'09", AN ARC DISTANCE OF 20.26 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 34°51'12" WEST A DISTANCE OF 19.61 FEET; THENCE SOUTH 80°53'46" WEST A DISTANCE OF 60.72 FEET; THENCE SOUTH 09°06'14" EAST A DISTANCE OF 68.54 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 20.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 85°50'44", AN ARC DISTANCE OF 29.97 FEET AND BEING SUBTENDED BY A CHORD BEARING SOUTH 52°01'36" EAST A DISTANCE OF 27.24 FEET; THENCE NORTH 85°03'02" EAST A DISTANCE OF 24.36 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 25.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 94°40'10", AN ARC DISTANCE OF 41.31 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 37°42'57" EAST A DISTANCE OF 36.77 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.136 ACRES MORE OR LESS.

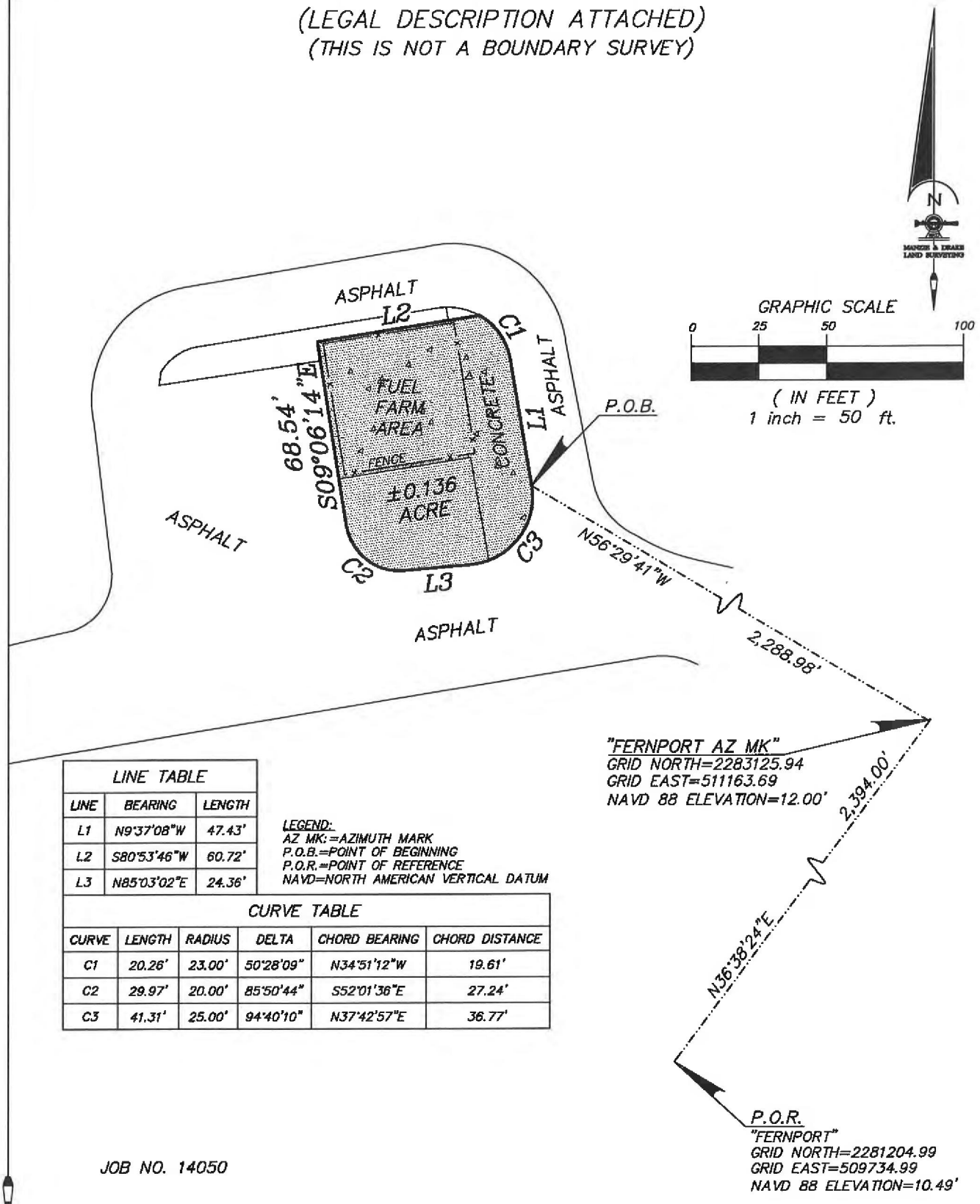
MICHAEL A. MANZIE, P.L.S.
FLORIDA REGISTRATION NO. 4069
JOB NO. 14050 10/2/19

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MANZIE & DRAKE LAND SURVEYING

SKETCH OF LEGAL DESCRIPTION

(LEGAL DESCRIPTION ATTACHED)
(THIS IS NOT A BOUNDARY SURVEY)



LINE TABLE		
LINE	BEARING	LENGTH
L1	N9°37'08"W	47.43'
L2	S80°53'46"W	60.72'
L3	N85°03'02"E	24.36'

LEGEND:
AZ MK:=AZIMUTH MARK
P.O.B.=POINT OF BEGINNING
P.O.R.=POINT OF REFERENCE
NAVD=NORTH AMERICAN VERTICAL DATUM

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C1	20.26'	23.00'	50°28'09"	N34°51'12"W	19.61'
C2	29.97'	20.00'	85°50'44"	S52°01'36"E	27.24'
C3	41.31'	25.00'	94°40'10"	N37°42'57"E	36.77'

JOB NO. 14050

117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
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Resolution 2023-236
Exhibit "2"



1 FIRST FLOOR LEASE PLAN

0" 4" 8" 16" 32"

FIRST FLOOR		
1ST FLOOR FBO AREAS	=	3,885 sf
1ST FLOOR AIRPORT AREAS	=	1,720 sf
1ST FLOOR COMMON AREAS	=	132 sf
1ST FLOOR FBO SHADE HANGAR	=	2,169 sf
SECOND FLOOR		
2ND FLOOR FBO AREAS	=	1,471 sf
2ND FLOOR AIRPORT AREAS	=	2,806 sf
2ND FLOOR COMMON AREAS	=	342 sf

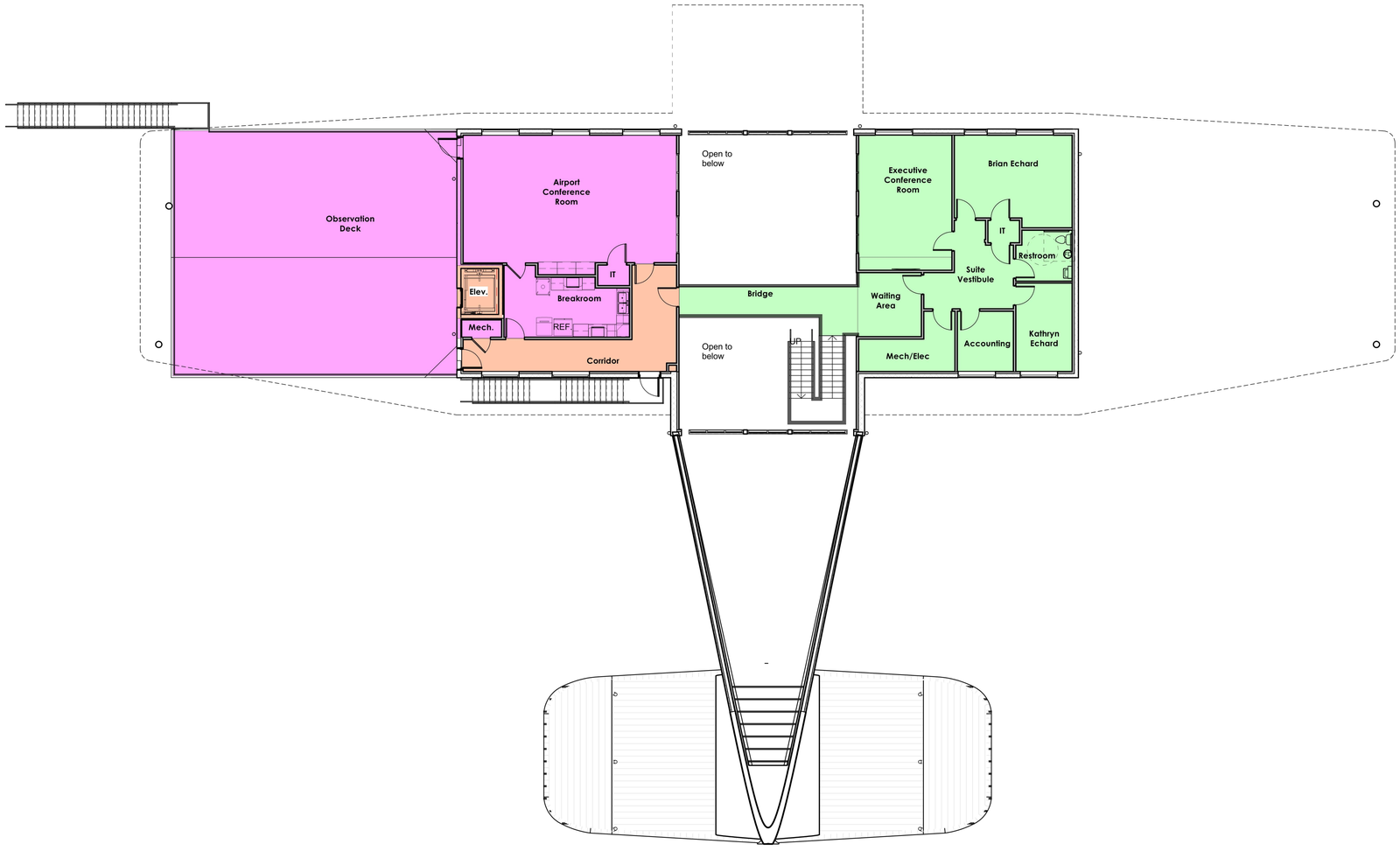
TOTAL		
FBO AREAS	=	5,356 sf
AIRPORT AREAS	=	4,526 sf
COMMON AREAS	=	474 sf
SHADE HANGAR	=	2,169 sf
TOTAL	**=**	**12,525 sf**

PERCENTAGES		
FBO AREAS	=	43%
AIRPORT AREAS	=	36%
COMMON AREAS	=	4%
SHADE HANGAR	=	17%

FEBRUARY 28, 2018

GA TERMINAL FIRST FLOOR LEASE AREAS

PASSERO ASSOCIATES
engineering architecture



1 SECOND FLOOR LEASE PLAN

0" 4' 8' 16' 32'

FIRST FLOOR

1ST FLOOR FBO AREAS	=	3,885 sf
1ST FLOOR AIRPORT AREAS	=	1,720 sf
1ST FLOOR COMMON AREAS	=	132 sf
1ST FLOOR FBO SHADE HANGAR	=	2,169 sf

SECOND FLOOR

2ND FLOOR FBO AREAS	=	1,471 sf
2ND FLOOR AIRPORT AREAS	=	2,806 sf
2ND FLOOR COMMON AREAS	=	342 sf

TOTAL

FBO AREAS	=	5,356 sf
AIRPORT AREAS	=	4,526 sf
COMMON AREAS	=	474 sf
SHADE HANGAR	=	2,169 sf
TOTAL	=	**12,525 sf**

PERCENTAGES

FBO AREAS	=	43%
AIRPORT AREAS	=	36%
COMMON AREAS	=	4%
SHADE HANGAR	=	17%

FEBRUARY 28, 2018

GA TERMINAL SECOND FLOOR LEASE AREAS

PASSERO ASSOCIATES
engineering architecture

RESOLUTION 2015-139

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING LEASE TERMS AND AGREEMENT FORM WITH EIGHT FLAGS AVIATION, LLC FOR A FIXED BASED OPERATOR ON CITY AIRPORT PROPERTY LOCATED ON THE NORTH SIDE OF THE AIRPORT; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport; and

WHEREAS, the basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier; and

WHEREAS, the City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached as Exhibit "A" to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the terms and conditions of the attached Fixed Based Operator Lease Agreement and attached survey of the leasehold area, respectively attached hereto as Exhibit "1" and Exhibit "A".

SECTION 2. The City Manager and City Clerk are hereby authorized to execute the Fixed Based Operator Lease Agreement, upon review and approval of the City Attorney.

SECTION 3. This Resolution shall be effective immediately upon passage.

ADOPTED this 20th day of October, 2015.

ATTEST:

Caroline Best
Caroline Best
City Clerk

CITY OF FERNANDINA BEACH

Edward E. Boner
Commissioner-Mayor

APPROVED AS TO FORM & LEGALITY:

Tammi E. Bach
City Attorney

CITY COMMISSION AGENDA ITEM
CITY OF FERNANDINA BEACH

SUBJECT: Resolution 2015-139
Fixed Base Operator (FBO) Lease Agreement – 8 Flags Aviation, LLC

DEPARTMENT: City Manager's Office

ATTACHMENTS: ___ Ordinance _X_ Resolution
___ Support Documents ___ Other

RECOMMENDED ACTION: Approve Resolution 2015-139

SUMMARY: The City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport. The basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier.

The City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission. The details of design, construction and financing the Welcome Center and related improvements will be memorialized in formal written agreements approved by Eight Flags Aviation, LLC and the City Commission within the next 1-2 years.

At the October 13, 2015 Special Commission Meeting scheduled for McGill Aviation to present arguments regarding reconsideration of the award of RFP 15-101.2, the City Commission expressed an interest in seeing survey areas and sketches of current and proposed lease areas for McGill Aviation and Eight Flags Aviation in order to clarify where the new Welcome Center will be located as well as other facilities on the North Area of the Airport.

FISCAL IMPACT: The additional revenue to the Airport to be determined by the actual number of feet leased as reflected on the final survey (estimated to be a minimum of $35,000 per year).

CITY ATTORNEY COMMENTS: See above.

DEPARTMENT HEAD	Submitted by: Tammi E. Bach City Attorney	Date: 10/14/2015
	Requested Agenda	Date: 10/20/2015
FINANCE DEPARTMENT	Approved as to Budget Requirements PHC	Date: 10/14/2015
CITY ATTORNEY	Approved as to Form & Legality TEB	Date: 10/14/2015
CITY MANAGER	Approved Agenda Item for 10/20/2015	Date: 10/14/2015

COMMISSION ACTION:
✓ Approved As Recommended
___ Approved With Modification
___ Other
___ Disapproved
___ Postponed to Time Certain
___ Tabled

Approved at the City Commission Regular Meeting
Held on 10/20/15
Voted: 5-0 Initial: KB

* City Attorney made scrivener error corrections.

FERNANDINA BEACH MUNICIPAL AIRPORT
FIXED BASE OPERATOR LEASE AGREEMENT

This FIXED BASE OPERATOR AIRPORT USE AND LEASE AGREEMENT (hereinafter referred to as the "Agreement"), made and entered into this _____ day of September 2015, made by and between the **CITY OF FERNANDINA BEACH, FLORIDA**, municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 (hereinafter referred to as the "LESSOR" or "City,") and **8 Flags Aviation, LLC**, a Florida limited liability company (together with its successors and assigns, hereinafter referred to as the "LESSEE") whose address is 306 ½ Centre Street, Fernandina Beach, FL 32034.

WHEREAS, LESSOR owns, controls, and operates the Fernandina Beach Municipal Airport (hereinafter referred to as the "Airport"), in the City of Fernandina Beach, County of Nassau, State of Florida and is the Airport sponsor under Federal Aviation Administration ("FAA") regulations; and

WHEREAS, LESSEE has approved the lease of certain property by LESSOR at the LESSOR's municipal airport to operate upon the Airport as a Fixed Based Operator (hereinafter referred to as the "FBO") and provide related aeronautical related activities; and

WHEREAS, LESSOR desires to make real property available to LESSEE at the Airport to provide ground and facilities necessary to operate as a FBO and other commercial activities on the Airport and which are expressly set forth in the Agreement or contemplated hereby; and to grant the use of Airport to LESSEE for such purposes upon terms and conditions hereinafter stated; and

WHEREAS, LESSOR and LESSEE have agreed that LESSEE shall contribute to the cost of construction and improvements for the FBO and related areas in exchange for rent credits which shall be formalized in documentation to be finalized between the LESSOR and LESSEE contemporaneous with or subsequent to the execution of the Agreement (the "Construction and Financing Agreements").

NOW THEREFORE, for and in consideration of the real property and the mutual covenants and agreements contained herein to be performed by the respective parties, the parties hereby agree as follows:

ARTICLE 1 – DEFINITIONS

All words, terms and phrases when used herein shall have the meanings as described in the City's Definitions for Use regarding Fernandina Beach Municipal Airport. Words, terms and phrases which relate to aeronautical practices, processes and equipment, not defined therein, shall be construed according to the definitions in Title 14 of the Code of Federal Regulations, Florida Statutes Chapter 332 or, if not defined therein, according to their general usage in the aviation industry.

ARTICLE 2 – LEASED PREMISES

1.1 LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the following real property identified and shown on Exhibit "A" "Lease Area", attached hereto (hereinafter referred to as the "Premises"), together with the right of ingress and egress for vehicles and aircraft. The Premises is located within an area of Airport property designated the "North Area." The Premises shall be more specifically described in a legal description with a professional survey (the "Survey") to be furnished to the LESSOR by LESSEE after execution of the Agreement in a form reasonably acceptable to the LESSOR and when completed, will be deemed incorporated into this Agreement by a separate written addendum subsequently executed by the parties to this Agreement. It is possible that more than one surveyed leasehold area will be described in writing and attached to this Agreement as addenda based upon changes needed prior to final completion of constructed improvements.

1.2 The Construction and Financing Agreements will set forth the responsibility of LESSOR to make improvements to the Premises, the joint responsibility for designs and drawings and selection of contractors and otherwise but it being understood that LESSOR will have primary responsibility for the final decisions made regarding design, materials, timeline, contractors, construction and any other decisions required to finalize the improvements to its allocable portion of the Premises and LESSEE shall have primary responsibility with respect to its portion of the Premises. Upon issuance by the appropriate governmental entities of a "Certificate of Occupancy" for the FBO and the commencement of payment of rent and other fees in accordance with the Agreement, LESSEE will execute an acceptance certificate pursuant to which LESSEE will then acknowledge that it is accepting the Premises and the improvements located thereon "As is" and except as otherwise provided in a writing between LESSOR and LESSEE, the LESSOR has no obligation whatsoever to repair, maintain, renovate, or otherwise incur any cost or expense with respect to the Premises, any leasehold improvements, or fixtures, furnishings, or equipment installed in or used on the Premises except as otherwise provided herein.

1.3 Ground. The Premises consist of approximately **336,283** square feet as shown on the Survey.

1.4 Facility. The Construction and Financing Agreements will provide for a suitable FBO facility on ground leased from the LESSOR in conformance to the Airport's Minimum Standards for Commercial Aeronautical Activities (hereafter referred to as the "Minimum Standards") requirements.

1.5 Public Use Aircraft Parking Apron. The City maintains a federally funded public use Aircraft Parking apron which may be available for the LESSEE to manage on a non-exclusive basis in the future upon request by the LESSEE and under a separate written agreement and if LESSEE does so, it shall be responsible for the maintenance thereof and the costs of doing so as provided therein.

1.6 Fuel Storage Facility. The Construction and Financing Agreements will provide for the installation and maintenance of a fuel storage facility on ground leased from the LESSOR for the purpose of providing fuel to clients of the LESSEE and tenants of the Airport (location to be determined and included on a survey to be attached hereto). LESSEE will not handle, store, dispense, nor sell aviation fuels at or from the Airport, unless that fuel is first stored in fuel storage tanks located on the Premises. Each device through

which LESSEE dispenses aviation fuels on the Airport must be equipped with a flow meter calibrated and sealed by the Department of Agriculture of the State of Florida or other appropriate agency. These devices shall include without limitation any Avgas truck, Jet A truck, or self-service fuel facility owned or operated by LESSEE.

1.7 Future Expansion. Should LESSEE desire any additional land or facilities to be added to the leasehold during the interim term of this Agreement prior to the Commencement Date, and if such lands or facilities are available at the time of LESSEE's request the Agreement and/or the Construction and Financing Agreements may be amended to provide for such additions at then currently applicable rates and conditions or may be provided by a separate agreement developed and at then currently applicable rates and conditions and LESSOR and LESSEE shall execute all customary documentation to effect such agreed-upon expansion.

ARTICLE 2 – TERM

The term of the Agreement shall commence immediately and will be comprised of an interim term which shall run from the date of execution of the Agreement until the later of the time when a Certificate of Occupancy is issued and ~~or~~ LESSEE takes possession of the Premises (the "Commencement Date"). The base term will begin on the Commencement Date and be for an initial period of twenty (20) years, commencing on the ~~first~~ day of the ~~first~~ month following the end of the interim term that LESSEE shall occupy the Premises, and continuing for said term, unless earlier termination under the provisions of the Agreement. Provided the LESSEE is not then in default of any payment terms or other material terms and conditions of the Agreement, the LESSEE shall have the option to extend the Agreement for two additional five (5) year terms. LESSEE's written notice of exercise must be given a minimum of 90 days and no more than 365 days before the end of each term. Any option for extension of the Agreement shall be subject to material compliance with the performance standards noted below and accompanying continued required capital investment toward improvements and repair. Such performance standards include:

a. At the seven (7) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

b. At the fourteen (14) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas

including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

c. At the nineteen (19) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

d. At the four-year anniversary of any extension term of the Agreement, the LESSOR may conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

e. At the expiration of the initial 20 year term and any extension term, LESSEE may request a new lease on terms and conditions consistent with the Agreement and then – current rates and conditions.

ARTICLE 3 – RENT, FEES, AND TAXES

3.1 In consideration of the rights and privileges granted by the Agreement, LESSEE agrees to pay LESSOR the following rent and fees from the Commencement Date as noted in Article 2. All payments shall be due and payable without notice on or before the first day of each month.

3.2 Ground Rent. Rent for the use of real property on Airport property based on a total ground lease area of **7.72 Acres more or less** as shown on Exhibit "A" attached hereto; at an initial lease rate of $0.20 dollars per square foot per year, which when fully ascertainable will be converted to equal monthly payments per month, which also is subject to applicable sales tax (currently seven percent).

3.3 Overflow Parking. In the event that during special events that causes an overflow parking situation requiring use of the "abandoned runway" and if during such special event,

LESSEE is collecting parking fees for such abandoned runway, then LESSOR shall be entitled to 50% of such parking fees relating thereto.

3.4 Fuel Flowage Fee. In consideration for the right to store fuel on the Premises and dispense fuel to the public at the Airport, LESSEE agrees to pay LESSOR an amount equal to $0.08 cents per gallon delivered. The applicable fuel flowage fee to be paid by LESSEE to LESSOR will be forwarded directly from the fuel supplier contracted by the LESSEE to the City Controller upon purchase of fuel by LESSEE. Fuel flowage fees commence with the initial fuel supply and continue with each succeeding delivery. The method of payment of fuel flowage fees may be amended by mutual consent as may be required to conform to policies of the fuel supplier contracted by LESSEE. If the LESSOR reasonably determines that, due to external circumstances, the cost of operating the Airport has increased, LESSOR may add a reasonable surcharge to the fuel flowage fee only after it has attempted to mitigate its costs of operation and the surcharge shall only cover LESSEE's equitable allocation of the incremental costs..

3.5 Annual Rent, Fees, and Charge Adjustment. All rents and fees included in this Article shall be reviewed each year by the LESSOR and rent and fees, plus all applicable taxes, shall be adjusted so as to maintain a fair rental rate based on change in the Consumer Price Index (CPI) – All Urban Consumers South Urban Region – All Items (base year 1982-84=100), as published by the United States Department of Labor – Bureau of Labor Statistics, an appraisal, market rent study, or other method designated by LESSOR. Such CPI change will be computed each year after the completion of the month of July and any change will be implemented and effective with the October rent payment of each year. The fuel flowage fee or automobile rental percentage fee is not subject to annual review.

3.6 Delinquency Charge. Any undisputed payments received after the fifteenth (15^{th}) day of the month are subject to a delinquency charge of half percent (½%) per month beginning with the sixteenth (16^{th}) day after LESSEE receives notice from LESSOR that payment is overdue.

3.7 Place of Payment. All payments due LESSOR from LESSEE shall be made payable to the City of Fernandina Beach and mailed to P. O. Box 1146, Fernandina Beach, Florida 32035 or delivered to 1180 South 5^{th} St. Extension, Fernandina Beach, Florida 32034 or paid by ACH or other electronic means.

3.8 Payments. After the Commencement Date, LESSEE shall pay all expenses and payments in connection with the use of the Premises and the rights and privileges herein granted, including all taxes, ad valorem taxes, permit fees, impact fees, license fees, and assessments lawfully levied or assessed upon the Premises or property situated hereon, as well as any and all utilities used or consumed by LESSEE on the Premises, including, but not limited to, water, gas, electricity, sewer, telephone, security systems, janitorial, and refuse services.

3.9 Agreement to Pay Taxes and Obligations. After the Commencement Date, LESSEE shall pay all lawful taxes and assessments, applicable fees, debts, and obligations of every kind or nature which, during the term hereof, may become a lien upon or which may be levied by the state, county, city, or any other tax levying body, upon any taxable interest of

the LESSEE acquired in the Agreement or any taxable possessory right which LESSEE may have in or to the Premises or facilities hereby leased or the improvements thereon, or on the LESSOR'S fee simple interest therein, by reason of its use or occupancy thereof, or otherwise, as well as all taxes or taxable property, real or personal, owned by LESSEE in and about said Premises, whether said taxes are assessed in the name of LESSEE or LESSOR. LESSOR shall permit LESSEE to challenge or protest any of the foregoing in either LESSEE's or LESSOR's name.

3.10 Runway Closure. LESSEE shall be entitled to deduct from any payment required by this Agreement a *pro rata* amount for each day that all three runways are closed by the City after a 48 hour grace period.

ARTICLE 4 – CONSTRUCTION AND USE OF PREMISES

4.1 LESSEE is hereby granted the nonexclusive privilege to engage in, and LESSEE agrees to engage in, the business of a fixed based operator and for the renting and leasing of automobiles in connection therewith on the Premises, and other aviation and aeronautical activities that may be requested in writing by LESSEE and as approved in writing by LESSOR. LESSEE hereby agrees to conduct its business and operation at and upon the Airport in strict compliance with the provisions contained in the herein FBO lease and in compliance with rules and regulations of the Federal Aviation Administration (FAA) as well as all other aeronautical agencies having appropriate jurisdiction and that it will transact its business in such a manner as will develop and maintain the good will and active interest of those enjoying the use of the Airport, and who have or may have occasion to use Airport facilities.

4.2 LESSEE also hereby agrees to conduct its business operation in compliance with the contents of the LESSOR's Minimum Standards for Commercial Aeronautical Activities, attached hereto as Exhibit "D", as currently approved or as may be amended from time to time.

4.3 After the Commencement Date, LESSEE in connection to its business operation as a FBO on the Premises agrees to provide, at its sole cost and expense, for buildings, fuel storage facility, hangars, ramp apron (except as further described herein), apron lighting, auto parking, and related infrastructure on the Premises as may be required by LESSOR or as proposed by LESSEE, built or provided for in accordance with plans and specifications contained in the Architecture and Building Design Standards for Development on the Airport as may be amended from time to time and as also approved by LESSOR; comply with height and obstruction requirements under Federal Aviation Regulations Part 77; and other approvals required for other aviation or aeronautical activities and services necessary or incidental thereto. Additionally, except to the extent otherwise provided in the Construction and Financing Agreements which shall describe the allocation of financial and construction responsibility:

a. Paved vehicle parking, as may be required by City code, shall be installed and maintained by the LESSEE to allow the loading, unloading, and parking of vehicles having business on the Premises.

b. All improvements, including the design thereof, on the Premises must be approved by the LESSOR prior to installation or construction (such approval not to be unreasonably withheld or delayed). The LESSEE is responsible for applying for and obtaining all necessary construction permits and licenses required by local, state, and federal laws and regulations and LESSOR shall reasonably cooperate with all LESSEE requests for assistance in this regard.

c. In the event the LESSEE shall lease the public aircraft parking apron, LESSEE shall be responsible for the costs and maintenance therefor, for the purpose of aircraft access to the LESSEE's fixed based operator facility or fuel facility. No structures or fixtures will be allowed on the public aircraft parking apron except for apron lighting. In the event LESSEE shall not have entered into a lease therefor, LESSEE shall have access thereto to the same extent as all other users of the Airport.

d. Suitable pavement markings and lighting shall be installed and maintained by the LESSEE to provide for the orderly and safe movement of aircraft and vehicles on the Premises. Any lighting on the Premises must be approved by the LESSOR prior to installation and not interfere with flight operations at the Airport (any such approval shall not be unreasonably withheld or delayed).

e. All improvements shall be constructed, graded, and drained so as to direct all storm water which may fall and/or flow on the Premises into an approved storm water drainage system. The LESSEE shall not knowingly or if reasonably should have known contribute to storm water contamination and will take such steps and measures as are necessary to comply with the Airport's Storm Water Pollution Prevention Plan (SWPPP) and all applicable federal, state, and local regulations governing storm water discharge. LESSEE will not knowingly or if reasonably should have known permit any action on the Premises that would have an adverse effect, or interferes, with the proper function of any drainage system, sanitary sewer system, or any facility provided for the operation, or protection of Airport, or its surrounding areas, and will not pollute such in any way.

f. Any landscaping installed on the Premises is subject to the provisions contained within the City's Development Guidelines and Standards attached hereto as Exhibit "F", as currently approved or as may be amended from time to time. Approval of LESSEE's proposed improvements by the LESSOR shall not be unreasonably withheld or delayed and shall be maintained by the LESSEE.

g. The installation of a fuel storage facility for use by an FBO operation shall meet all applicable federal, state, and local government regulations regarding fuel facility installation and operation and will be included under the Airport's Spill Prevention, Control, and Countermeasures Plan (SPCC). Any fuel storage use must be in compliance with applicable Minimum Standards for Commercial Aeronautical Activities. LESSEE agrees that all regulated fuel storage tanks owned or operated by LESSEE and located on Premises shall be registered with the appropriate federal, state, and local authorities, shall be constructed of approved materials, and shall be made available for compliance inspection at all times during normal business hours. Further, LESSEE agrees to properly record, maintain, and reconcile all inventory records required by appropriate federal, state, and local regulations and to make such records available for inspection at the Premises at all times during normal business hours.

ARTICLE 5 – LESSEE MAINTENANCE AND REPAIR OF PREMISES

5.1 After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, the LESSEE shall, at its sole cost and expense, maintain and keep the Premises and all structures upon the Premises as well as all improvements thereon including, but not limited to, lighting, electrical, landscaping, drainage, signage, auto parking areas, and aircraft parking ramp apron including all pavement (except public aircraft parking apron) and striping, in good condition and make all repairs, both interior and exterior, necessary to keep and maintain the Premises, including all improvements thereon in good condition so as to present an attractive appearance in conformity with other Airport facilities. The Premises and all buildings, improvements, and property thereon must be maintained in a safe, clean, and sanitary condition. The LESSOR shall require maintenance and needed repairs to be made by LESSEE in a timely manner.

5.2 Land. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the grounds, landscaping, any pavement (except public aircraft parking apron), walkways, and non-paved parking on the Premises at its expense. The entrance drive from Airport Road to the public aircraft parking apron is a LESSOR responsibility; however, LESSEE may improve it with LESSOR approval (any such approval shall not be unreasonably withheld or delayed). LESSEE obligation shall include maintaining irrigation system (if installed), mowing, and trimming and keeping the same in clean, neat, and orderly condition and in good repair at its sole cost and expense.

5.3 Fixed Based Operator Building and Other Structures. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the FBO building, any not named structures on the Premises and their plumbing, electrical, heating, security system, ventilating and air conditioning equipment, and other equipment and keep such in clean, neat, orderly condition, and in good repair at its sole cost and expense.

5.4 Fuel Storage Facility. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any fuel storage facilities located on Premises in a clean, neat, and orderly condition, in good repair to meet National Fire Protection Association (NFPA) standards and government codes at its sole cost and expense including tanks, electrical service, electrical switches, all lighting, exterior painting, fencing, filters, fittings, gauges, hatches, hoses, lids, motors, plumbing, pumps, security, self-service equipment, signs (including required emergency designation signs), sumps, valves, and the like.

5.5 Hangar. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any hangars on the Premises in a clean, neat, and orderly condition and in good repair, including hangar doors, associated ramp apron, electrical, plumbing, heating, and ventilating and air conditioning equipment, structural, and roof maintenance, at its expense.

5.6 Pavement. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, any pavement located on the Premises, except public aircraft parking apron and entrance road, to include ramp aprons, parking areas, driveways, and walkways are LESSEE responsibility to keep clean, orderly, neat, free of debris, in good repair, and for removing all oil and other spillage therefrom at its expense.

5.7 Gates. LESSOR shall repair or replace and maintain in good working order the automatic opening system and industrial sliding gate to the aircraft parking ramp apron currently known as Gate 1 for so long as this lease is in force. LESSEE will have responsibility for controlling access to the public aircraft parking apron and no users may go beyond the public aircraft parking apron. LESSEE shall exercise exclusive care, custody and control over said Gate 1, however, the LESSOR reserves the right to use this gate for Airport staff use, city use, and emergency vehicle entrance. All costs and expenses associated with providing additional gates (which are mechanically operated, or operated by personnel) for Airport fences (including purchasing, installation, operation, maintenance, and staffing thereof); which are required to accommodate the needs of the LESSEE in the conduct of its business on Airport, including providing ingress and egress to and from the Premises; for LESSEE's employees, equipment, customers, suppliers, and invitees; will be paid by LESSOR and LESSEE equally (50/50). If personnel, or mechanical opening and closing devices, are required for such now existing, or replacement Airport gates, such will be provided at the cost and expense of LESSOR.

ARTICLE 6 – LESSEE RIGHTS AND OBLIGATIONS

6.1 Use of Airport. The reasonable use by LESSEE, its employees, passengers, guests, patrons, and invitees, in common with other duly authorized users of Airport and the appurtenant together with all other facilities and improvements which have been or may hereafter be provided for common or public use in connection with Airport. LESSOR will make every effort to minimize the disruption of normal airport usage during periods of repair or further airport development.

6.2 Fixed Based Operator. The following are LESSEE obligations regarding the operation of a FBO on Airport after the Commencement Date:

a. LESSEE shall not at any time use the Premises or any part thereof for any purposes other than the fixed based operation provided for and described herein, and such related activities as are herein expressly authorized, without advance written consent of LESSOR.

b. LESSEE shall provide all services as required of a FBO as set forth in the City's current Minimum Standards for Commercial Aeronautical Activities ~~and~~ as may be amended.

c. LESSEE shall furnish said goods and services on a fair, equal, and not unjustly discriminatory basis for all users thereof, and shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided that the LESSEE may be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

6.2.1 The LESSOR has entered into this Agreement with the understanding that the Services to be provided under this Agreement are subject to the personal supervision and management of persons who are experienced in the business of Fixed Base Operations and duly qualified under applicable governmental regulations. Therefore, LESSOR's has the right to consult with LESSEE in the event of any changes in control or management of the LESSEE to ensure that the public interest in availability of the Services is met. Accordingly, the LESSOR and LESSEE agree to the following limitations.

6.2.2 Assignment and Sublease. LESSEE shall not, at any time, assign, transfer, convey, mortgage, pledge, or encumber its interest under this Agreement, or any part of the leased space, to any party without prior written approval of LESSOR, such approval shall not be unreasonably withheld. Refusal by the LESSOR to approve assignment shall be based **solely** upon reasonable and verifiable concerns regarding the assignee's ability, based on experience and financial strength, to operate the FBO professionally. In no case will assignment be conditioned upon a renegotiation of the terms of the Agreement and any assignment shall allow the assignee to continue to operate under the terms and conditions described herein for the remainder of the term of the Agreement. Any attempted voluntary assignment, transfer, or subletting in violation of the provisions hereof shall be null and void and a default of this Agreement. No assignment, transfer, conveyance, or sublease by Operator shall relieve LESSEE of its primary responsibility for payment of rent and performance of all other obligations provided in this Agreement, without specific written consent by LESSOR to such relief. Any transfer of control of LESSEE or of LESSEE's operations, whether by merger or consolidation, or transfer of shares or membership interests shall constitute an assignment under this Section. The foregoing prohibition on assignment shall not be construed to limit LESSEE's rights to grant a Leasehold Mortgage as permitted in Section 6.8 herein.

6.3 Access. LESSEE, its employees, patrons, invitees, suppliers, agents, and contractors shall have at all times the right of ingress to and egress from the rented and managed Premises but this right does not relieve those named persons, firms, or corporations from the obligation to observe and obey all rules, regulations, or laws that may then currently be in effect in the operation of the Airport. To ensure this right the LESSOR shall make all reasonable efforts to keep adjacent areas to the rented Premises free and clear of all hazards and obstructions, natural and manmade.

6.4 Signs. During the term of the Agreement, LESSEE shall have the right, at its expense, to place on or at the Premises, a sign or signs identifying LESSEE. LESSEE shall be responsible for all permits for its own signage. Notwithstanding any other provision of the Agreement, said sign(s) shall remain the property of LESSEE. LESSEE shall remove, at its expense, all lettering, signs, and placards so erected on the Premises at the expiration of the term of the Agreement.

6.5 UNICOM. Notwithstanding that LESSOR owns the license for the aviation frequency associated with the "UNICOM", the LESSOR grants the LESSEE the non-exclusive right to use the UNICOM frequency to communicate with aircraft using the Airport. The acquisition, cost, installation, and maintenance of communication equipment for radio communication

with aircraft in flight or on the ground, or such substitute apparatus, for air safety as may be designated by the City or the FAA shall be for ~~the~~ responsibility of the LESSEE.

6.6 Aircraft Owner' Rights and Privileges. It is clearly understood by the LESSEE that no right or privilege has been granted which would prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own or leased aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform

6.7 Leasehold Improvements. The following pertains to leasehold improvements, which are governed by the Airport Development Guidelines and Standards, made by LESSEE on the Premises after the Commencement Date (prior to the Commencement Date, the following shall be subject to the Construction and Financing Agreements) and:

a. LESSEE agrees to submit to LESSOR, for approval, detailed plans and specifications for any structural change, alteration, addition, improvement, or removal from or to the Premises. LESSOR shall approve the plans and specifications as submitted, or transmit proposed revisions to LESSEE within thirty (30) days of receipt of the plans and specifications from LESSEE. In the event that LESSOR requires revisions of the original plans and specifications, LESSEE shall have thirty (30) calendar days from the date of receipt of the proposed revisions to resubmit the plans and specifications for LESSOR's approval. This initial review shall not constitute review for the purposes of obtaining City permits. LESSEE shall be required to obtain all permits from governmental agencies as may be required, including the City, and shall be solely responsible for all costs relating to permitting the proposed improvements.

b. Any such improvements made by LESSEE shall remain the property of the LESSEE until the expiration of the Agreement and any extensions or renewals thereof, and which shall remain on the Premises until the expiration or termination of the Agreement, at which time such improvements shall become the property of LESSOR. LESSEE shall at all times maintain all improvements constructed on the property in good condition. Upon expiration or termination of the Agreement, the LESSEE shall execute any and all documentation necessary to transfer clear title to the leasehold improvements, free of any lien or encumbrance, to LESSOR.

c. LESSEE shall not permit any mechanic's or other liens to be placed upon the Premises, at any time, except that LESSEE shall be permitted to mortgage its leasehold improvements to be constructed on the Premises by LESSEE in accordance with the provisions of Section 6.8 herein. LESSOR shall cooperate and provide customary assurances but shall not be required to subordinate its interest to such Leasehold Mortgage. All documentation regarding any leasehold mortgage must be reviewed and approved by the LESSOR prior to finalization of documents, to assure that no interest of the LESSOR is included in the documentation. Such review will be conducted promptly by LESSOR at its own expense.

d. LESSEE shall provide payment and performance bonds in amounts and form reasonably satisfactory to LESSOR, prior to commencement of construction.

e. Within sixty (60) days of completion of construction, erection, or any alteration of any improvements by the LESSEE, the LESSEE shall provide to the LESSOR a complete set without charge of "as-built" plans and drawings.

6.8 LESSEE may at any time and from time to time (and as many times as it desires) mortgage, hypothecate or pledge this Agreement and the leasehold estate created hereby and the interest of the LESSEE in and to this Agreement, together with LESSEE's right, title and interest in the improvements to the Premises and LESSEE's interest in any and all subleases and in and to all rents due or to become due thereunder (herein called a "Leasehold Mortgage"; and the holder of any such Leasehold Mortgage, whether or not the same is recorded of record, is herein called a "Leasehold Mortgagee").

LESSOR and LESSEE agree that so long as any such Leasehold Mortgage exists:

A. LESSOR will simultaneously mail to any Leasehold Mortgagee a copy of any notice given by LESSOR to LESSEE at the address given by such Leasehold Mortgagee to LESSOR for the receipt of such notice.

B. LESSOR and LESSEE acknowledge that the defaults or other events described in Section 10.1 herein may be classified as (i) "Curable Defaults" and (ii) "Non-Curable Defaults". The Non-Curable Defaults are any defaults which are by their nature not susceptible of being cured by a third person such as the Leasehold Mortgagee; and the Curable Defaults are all other defaults.

C. If a Curable Default occurs and if, prior to the expiration of the applicable grace period provided for in Section 10.1, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to undertake a curing of all Curable Defaults and within such grace period the Leasehold Mortgagee commences upon a curing and thereafter pursues to conclusion the curing of all Curable Defaults continuously and diligently in good faith, then LESSOR will not take action to effect a termination of this Ground Lease or to re-enter or take possession of the Ground Leased Premises as a consequence of such Curable Default. However, if (i) a Curable Default is of such a nature that the curing thereof cannot be effected by the Leasehold Mortgagee until it shall have obtained possession of the Premises and (ii) prior to the effective date of a termination of this Agreement by LESSOR or LESSOR's re-entering or taking possession of the Premises, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises and within such grace period takes action to institute such remedies, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Curable Default so long as such Leasehold Mortgagee shall continue to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all other Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure

such Curable Defaults within the period reasonably required to cure the same.

D. If a Non-Curable Default occurs and (i) the Leasehold Mortgagee shall then be in the process of curing all then existing Curable Defaults pursuant to the provisions of subsection (C) above and (ii) the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Non-Curable Default so long as such Leasehold Mortgagee shall continue diligently to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure such Curable Defaults within the period reasonably required to cure the same.

E. In the event a Leasehold Mortgagee or its designee designated for that purpose acquires the improvements and the leasehold estate pursuant to any proceedings for foreclosure of such Leasehold Mortgage, or by a voluntary assignment or transfer of this Agreement and the leasehold estate and the improvements in lieu of foreclosure or otherwise, the Leasehold Mortgagee or its designee or assignee as aforesaid shall be deemed an assignee of all the rights of LESSEE under this Agreement.

F. If this Agreement shall be rejected or disaffirmed pursuant to any bankruptcy law or other law affecting creditors' rights or if this Agreement is terminated for any other reason whatsoever, LESSOR will enter into a new lease of the Premises with the Leasehold Mortgagee or its designee not less than ten (10) nor more than thirty (30) days after the request of the Leasehold Mortgagee referred to below, for the remainder of the term of this Agreement effective as of the date of such rejection or disaffirmance or termination, upon all the terms and provisions contained in this Agreement; provided that (i) the Leasehold Mortgagee makes a written request to LESSOR for such new lease within ninety (90) days after the effective date of such rejection or disaffirmance or termination, as the case may be, and such written request is accompanied by a copy of such new lease, duly executed and acknowledged by the Leasehold Mortgagee or its designee and (ii) upon taking possession of the Premises the Leasehold Mortgagee cures any outstanding Curable Defaults within the period reasonably required to cure the same. Any new lease made pursuant to this paragraph shall have the same priority with respect to other interests in the Premises as this Agreement. The provisions of this paragraph shall survive the rejection or disaffirmance or termination of this Agreement and shall continue in full force and effect thereafter to the same extent as if this paragraph were a separate and independent contract made by LESSOR and the Leasehold Mortgagee.

G. So long as a Leasehold Mortgage is in effect (i) LESSOR will not accept a voluntary surrender of this Agreement, (ii) this Agreement shall not be modified in any material respect, and (iii) LESSOR and LESSEE shall not allow the fee interest in the Premises to merge with the leasehold estate created by this Agreement, without, in each case, the prior written consent of the Leasehold Mortgagee. Any violation of this paragraph shall be void.

The provisions of this Section 6.8 are for the benefit of any Leasehold Mortgagee and may be relied upon and shall be enforceable by any Leasehold Mortgagee. No Leasehold Mortgagee shall be liable upon the covenants, agreements or obligations of LESSEE contained in this Agreement, except as expressly provided herein.

LESSOR shall execute any instruments any such Leasehold Mortgagee may reasonably request or require from LESSOR, with respect to the provisions of this Section 6.8 excluding a subordination agreement or joinder of the Leasehold Mortgage.

6.9 Equipment and Trade Fixtures. LESSEE will retain title to all of its trade fixtures and equipment and any improvements and property installed by LESSEE during the term of the Agreement. Upon termination of the Agreement or upon removal of trade fixtures and equipment, the LESSEE shall restore the Premises to good condition at its sole cost and expense. Any LESSEE improvements or property installed not removed becomes the property of LESSOR.

6.10 Further Capital Improvement. LESSEE is granted right to make further capital improvement on the Premises within the scope of the Agreement at its sole cost and expense. In the event that any capital improvement, permanent improvement, fixture, new construction, or the like is proposed or made by LESSEE that requires a new paved surface for aircraft or automobile ingress or egress, including any associated new taxiway, taxi lane, or aircraft parking apron, or automobile parking lot, then LESSEE shall, at its sole cost and expense, install and maintain any such new private use paved surfaces during the term of the Agreement including providing for drainage requirements.

6.11 Airport Protection by LESSEE. LESSEE expressly agrees for itself, its successors, and assigns, to restrict the height of structures, objects of natural growth, and other obstructions on the Rented Premises to such a height so as to comply with City Building Code and Federal Aviation Regulations Part 77 and to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an airport hazard.

6.12 Fueling on Airport. LESSEE is granted the non-exclusive right ~~and obligation~~ to fuel aircraft from refueling vehicles and provide ancillary services at tenant hangars and approved locations by LESSOR located outside of the Premises and upon the Premises of others with their permission and upon their request.

6.13 Fire Extinguishers. LESSEE shall provide sufficient number of fire extinguishers as may be required under fire codes for the safe protection of aircraft, persons, and property on the Premises. Such fire extinguishers shall be properly inspected and certified annually.

6.14 Compliance with Applicable Laws, Rules, and Regulations. Notwithstanding other requirements contained herein, the LESSEE at its sole cost and expense, hereby agrees to and shall comply with all applicable laws, ordinances, rules, and regulations established by federal, state, local government agency, and by the City, as they may be amended from time to time, and conduct its operations and commercial business in accordance with all applicable regulations pertaining to airports, including Airport Rules and Regulations, attached hereto as Exhibit "E", promulgated by the LESSOR governing safe and efficient operation of Fernandina Beach Municipal Airport. The LESSOR may, from time to time, modify and/or update the Rules and Regulations. LESSOR will provide LESSEE with a copy of the updated Rules and Regulations, and once updated or revised, those Rules and Regulations shall become a part of the Agreement. The LESSOR and LESSEE agree that material violations of any of the conditions of the Agreement or any violations of the Airport's Rules and Regulations shall be sufficient cause for termination of the Agreement and eviction of LESSEE from said Premises, in accordance with Article 10 herein.

6.15 Airport Security. LESSEE has obligation to operate upon its Premises to not undermine the security of the Airport. LESSOR shall install and maintain adequate fences and gates to control unauthorized access on to the Airport. LESSEE shall provide to the Airport Manager a security plan at least once annually.

6.16 Compliance with Environmental Law, Rules, and Regulations. LESSEE expressly represents, covenants, warrants, guarantees, and agrees that it shall comply in all material respects with all federal, state, and local laws, ordinances, rules, and regulations protecting the environment. Any cost or expense to remain or to be compliant with applicable environmental rules and regulations shall be the responsibility of the LESSEE unless attributable to the grossly negligent acts or omissions of LESSOR. LESSEE agrees to keep themselves informed of future changes in the existing environmental laws.

6.17 Hazardous Materials and Toxic Waste. LESSEE shall not knowingly or if reasonably should have known cause or permit to occur:

a. Any violation of any federal, state, or local law, ordinance, or regulation now or later enacted, related to environmental conditions on, under, or about the Premises, or arising from LESSEE'S use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or

b. The use, generation, release, manufacture, refining, production, processing, or disposal of any hazardous substance on, under, over, or about the Premises.

c. LESSEE shall, at its sole and exclusive expense, comply with all laws and regulations regulating the storage or transportation of hazardous substances relating to the Premises, and shall further make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities under applicable federal, state, and local laws and regulations; and the LESSOR is to be immediately notified by LESSEE of any claim or allegation of non-compliance herewith.

d. If any authority demands that a clean-up plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of hazardous substances that occurs during the term hereof, or any renewals hereof, at, or from the

Premises, or which arises from LESSEE's use or occupancy of the Premises, then LESSEE shall, at LESSEE's expense, prepare and submit the required plans and all related bonds and other required financial assurances; and LESSEE shall carry out all work required by such clean-up plans at its sole and exclusive expense.

6.18 LESSOR's and LESSEE's Certificates. LESSOR and LESSEE, on written request from each other, shall execute and deliver to the other party or any Leasehold Mortgagee or prospective purchaser, if so requested, without charge, a certificate certifying that this Agreement is in full force and effect, and whether it has been modified (and if there have been modifications, stating them), and whether or not the party executing the certificate knows of any default, breach or violation by the other party under any of the terms of this Agreement, and such other matters as may reasonably be requested.

ARTICLE 7 – LESSOR TO MAINTAIN AND OPERATE AIRPORT

7.1 Operation as a Public Airport. LESSOR covenants and agrees that at all times it will operate and maintain the Airport as a public airport consistent with and pursuant to the Sponsor's Assurances given by City to the U.S. Government under the Federal Airport Act.

7.2 Maintenance of Airport Facilities. LESSOR shall operate, maintain, manage, and control Airport in an efficient, economical, and businesslike manner. Such operation, maintenance, management, and control shall substantially comply with all pertinent requirements of the Federal Aviation Administration, or its successor in duties related thereto, and shall include the adequate and proper operation and maintenance of the public land, runways, taxiways, navigation aids, non-leasehold aircraft parking ramp aprons, non-leasehold lighting, non-leasehold roads, non-leasehold vehicle parking areas, and all other public facilities and appurtenances within the boundaries of Airport. LESSOR shall maintain all public and common joint use areas of the Airport, including the Air Operations Area, in good repair, and shall make such repairs, replacements, or additions thereto, as in its opinion, are required and necessary for the safe and efficient operation of the Airport.

7.3 Further Airport Development. LESSOR reserves the right to further develop or improve the remaining area of the Airport as it sees fit.

7.4 Aerial Approaches. LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction and interference, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure, natural or manmade, on or adjacent to the Airport, which in the opinion of the LESSOR, would limit the usefulness of Airport or constitute a hazard to aircraft.

7.5 Inspection. The LESSOR shall have the right to enter upon the Premises at any time, however, normally during regular business hours and with prior notice to inspect the Premises for compliance with the terms and conditions of the Agreement and federal, state, and local laws and regulations. In case of emergencies, the LESSOR shall have the right to immediately enter the Premises.

7.6 Protection Clause. The LESSOR reserves unto itself, its successors, and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the

airspace above the surface of the real property herein described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from, or operating on the Airport.

ARTICLE 8 – INSURANCE AND INDEMNIFICATION

8.1 Insurance. LESSEE shall obtain and maintain continuously in effect at all times during the term of the Agreement, at LESSEE's sole expense, all insurance coverage as required under the, City's General Provisions for a fixed based operator as well as each additional activity or service provided as may be amended and shall include the following:

a. Comprehensive General Liability insurance with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

b. Property damage insurance covering direct physical loss due to perils of fire, windstorm, and extended perils for full replacement value for all facilities leased by the LESSEE.

c. Airport Liability insurance with a Combined Single Limit (CSL) of not less than Three Million ($3,000,000) Dollars per occurrence including Premises , protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

d. Aircraft Liability insurance, as may be applicable, with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence including a minimum sublimit of One Hundred Thousand ($100,000) per passenger, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

e. Hangar Keepers Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

f. Commercial Business Auto Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

g. Pollution Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors. Such coverage shall survive the expiration of the Agreement. This coverage shall not apply to conditions which pre-exist the date of the Agreement.

h. Workers Compensation insurance with a minimum of the Statutory Limits required by the State of Florida and Employers Liability insurance with a minimum of One Hundred Thousand ($100,000) per accident, One Hundred Thousand ($100,000) per disease each employee and Five Hundred Thousand ($500,000) disease per policy.

i. All insurance requirements specified herein above shall name LESSOR as an additional insured with instructions that the insurance carrier will notify LESSOR if the LESSEE defaults on premium payments, and shall require that the insurance carrier notify LESSOR thirty (30) days prior to any event leading to the material modification or cancellation of the policy. The additional insured status of the City must be primary and non-contributory. Waiver of Subrogation in favor of the LESSOR is to be included.

j. All insurance required to be carried by LESSEE hereunder shall be issued by responsible insurance companies qualified to do business in the State of Florida. LESSEE shall furnish copies of all insurance policies or certificates evidencing the existence and amounts of such insurance shall be delivered to LESSOR by LESSEE as required under the Agreement and under the Airport Minimum Standards for Commercial Aeronautical Activities for all activities provided by LESSEE. Such certificates are attached hereto as Exhibit "C", Liability Insurance Certificates. Copies of said certificates of insurance shall be provided to LESSOR with each annual renewal and at least ten (10) days prior to the expiration thereof for each activity offered by LESSEE.

k. It is the responsibility of LESSEE to keep required insurance in effect and provide such evidence to the City. Failure to provide proof of insurance at any time, to the satisfaction of the City, shall be grounds for termination of the Agreement.

l. LESSEE will require and receive certificate of insurance from any and all subcontractors, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, and as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its subcontractor coverage.

m. LESSEE will require and receive certificate of insurance from any and all subleases, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its sublease coverage.

n. LESSEE shall provide LESSOR evidence of appropriate insurance on any non-aeronautical activity, such as rental cars, that also provide rent to LESSOR.

o. The LESSOR may, upon giving the LESSEE ninety (90) days written notice, require the LESSEE to attempt to procure increased or expanded insurance coverage to the extent an independent insurance broker determines that it is necessary for adequate protection of the LESSOR or public and is readily available on commercially reasonable terms; provided however, the required increased or expanded coverage shall not exceed industry standards or the coverage generally required by the LESSOR from other similar leases.

8.2 Indemnification. LESSEE for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSEE, its officers, employees, agents, and representatives. LESSEE'S liability hereunder shall include all attorney's fees and costs incurred by the LESSOR in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement. Nothing contained in the foregoing indemnification shall be construed to be a waiver of any immunity or limitation of liability the LESSOR may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes. To the extent permitted by Florida law, the LESSOR for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSEE, its directors, members, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSOR, its officers, employees, agents, and representatives prior to the Commencement Date. LESSOR'S liability hereunder shall include all attorney's fees and costs incurred by the LESSEE in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement.

8.3 Indemnification for Toxic Wastes. LESSEE, for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to assume liability for and indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against loss, damage, cost, or assessment

which may result from or in any manner be related to the deposit, spill, discharge, or other release, and or the presence, use, distribution, or disposition of any toxic substance, chemical, metal, petroleum product, or hazardous or toxic waste, or any other substance or derivative. This provision shall survive the expiration of the Agreement. This shall not apply to conditions which pre-exist the date of the Agreement or to conditions that were not created by LESSEE and LESSOR shall indemnify and hold LESSEE harmless from any claims relating ~~thereto.~~ to pre-existing conditions.

ARTICLE 9 – PUBLIC USE, FEDERAL GRANTS, AND NON-DISCRIMINATION

9.1 Appurtenant Privileges. LESSEE shall be entitled, in common with others so authorized, to the nonexclusive use of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including but not limited to, the use of rights-of-way, common area utilities, landing areas, runways, taxiways, navigational aids, terminal facilities, and aircraft parking areas designated by LESSOR.

9.2 Nonexclusive Right. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right. It is not the intention of the Agreement to grant to LESSEE the exclusive right to provide any or all of the services described in the Agreement at any time during the term of the Agreement. LESSOR reserves the rights, at its sole discretion, to grant others certain rights and privileges upon the Airport which are identical in part or in whole to those granted to LESSEE. However, LESSOR does covenant and agree that:

a. It shall enforce the City's Minimum Standards for Commercial Aeronautical Activities and General Provisions as currently approved or as amended for all similar services and activities conducted at the Airport; and

b. It will not permit the conduct of any aeronautical endeavor or activity at the Airport, except under an approved lease, sub-lease, or operating agreement, or as general aviation by the general public; and

c. It is bound by all current and future interpretations and decisions by the FAA and National Transportation Safety Board ("NTSB") regarding grant assurances.

9.3 Non-Discrimination. Notwithstanding any other inconsistent provision of the Agreement, during the performance of the Agreement, LESSEE, for itself, its heirs, personal representatives, successors in interest, and assigns, as part of the consideration for the Agreement, does hereby covenant and agree, as a covenant running with the land, that:

a. No person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participating in, denied the benefits of, or otherwise be subjected to discrimination, in the use of the Premises;

b. In the furnishing of services on, over, or under the Premises, no person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

c. LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, and as said regulations may be amended.

ARTICLE 10 - TERMINATION

10.1 Termination. The Agreement shall be subject to termination by either party in the event of any one or more of the following:

a. The abandonment of the Airport as an airport or airfield;

b. Any default in the payment of the whole or any part of any rent or other payments such as properly imposed taxes, assessment, applicable fees and charges, or other governmental imposition required for a period of thirty (30) days after the time LESSOR provides LESSEE notice that such payments are due but only to the extent LESSEE has not disputed the payment in good faith;

c. The default by either party in the performance of any of the terms, covenants, and conditions of the Agreement (except rental payments), and the failure of such defaulting party to remedy or to undertake to remedy to the other party's satisfaction such default for a period of thirty (30) days after receipt of written notice from the non-defaulting party to the defaulting party to remedy same. This includes the failure of the LESSEE to complete proposed improvements within the time frames as set forth herein; provided that in the event performance cannot be reasonably cured within 30 days, no default shall exist if such party is diligently seeking to remedy such performance shortfall;

d. Abandonment of the Premises by the LESSEE or, LESSEE's failure or neglect to conduct or carry on the aforesaid fixed based operation upon the Premises for a space of thirty (30) days;

e. The lawful assumption by the United States, or any authorized agency thereof, of the operation, control, or use of the Airport, or any substantial part thereof, in such a manner as to restrict substantially LESSEE from conducting its business operation for a period in excess of 365 days;

f. LESSOR shall be entitled to terminate the Agreement upon the filing of a voluntary petition in bankruptcy by LESSEE, including a reorganization plan, a general or other assignment for the benefit of creditors, adjudication as a bankrupt, any levy against the leasehold interest of the LESSEE, or if a receiver is appointed for the property or affairs of LESSEE and such receivership is not vacated within sixty (60) days after the appointment of such receiver;

g. LESSEE shall have the right at any time to terminate the Agreement and its obligations hereunder, by providing sixty (60) days written notice to LESSOR and by conveying to LESSOR the title to the improvements constructed on the Premises, free and

clear of any lien or encumbrance, provided that LESSEE has properly maintained said property and it is in as good condition as when originally constructed, ordinary wear and tear excepted, and provided, further, that the obligations regarding accumulated rent and indemnification shall specifically survive.

10.2 Re-Entry. It is further understood and agreed between the parties hereto that in the event of any breach of any covenant or agreement on the part of the LESSEE to be performed and provided, that if such breach is not remedied by the LESSEE after reasonable notice in writing to it by the LESSOR, the LESSOR may re-enter and terminate this tenancy by giving the LESSEE sixty (60) days written notice, to quit the Premises. LESSOR shall at all times be entitled to recover by all lawful means any and all damages,

10.3 Obligation Upon Termination. Upon termination of the Agreement or occurrence of a termination event, all obligations of either party hereunder to the other shall cease and terminate, except as specifically provided herein, and the LESSEE agrees it shall immediately quit, surrender, and return peaceable and quiet possession of the Premises, including all improvements, to the LESSOR in as good order and condition as existed at the time of the initial occupancy and only reasonable wear and tear being accepted. LESSEE shall have the right at any time during said term, or any renewal, or extension thereof; to remove its trade fixtures and equipment situated on the Premises which were installed, or placed by it, at its expense, in, on, or about the Premises, subject, to any valid lien which LESSOR may have thereon for unpaid rents, fees, taxes, or charges. All moveable personal property shall be removed by the LESSEE on or before the expiration of the Agreement term and all property not so removed shall be deemed abandoned by the LESSEE.

10.4 Continuing Obligation. LESSEE'S obligations under Article 6.14 and Articles 8.2 and 8.3 of the Agreement shall survive the expiration or termination of the Agreement or any renewal thereof.

ARTICLE 11 – NOTICE

11.1 Any notice given by one party to the other in connection with the Agreement shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid, addresses as follows:

If to LESSOR, address to:

City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

With a copy to Airport Manager, address to:

Airport Manager
Fernandina Beach Municipal Airport
700 Airport Road
Fernandina Beach, FL 32034

If to LESSEE, address to:	Brian Echard 8 Flags Aviation, LLC 306 1/2 Centre St Fernandina Beach, Florida 32034
With a copy to	Attention: Jim Porter Smith, Gambrell & Russell, LLP Bank of America Tower 50 North Laura Street, Suite 2600 Jacksonville, Florida 32202

11.2 Notices will be deemed to have been received on the date of receipt as shown on the return receipt.

11.3 It shall be the LESSEE's responsibility to keep the address contained in the Agreement up to date and accurate.

ARTICLE 12 –EXPENSES FOR PUBLIC SERVICES

LESSEE recognizes that the Airport is not certificated by the Federal Aviation Administration pursuant to the requirements of Federal Air Regulations, 14 C.F.R. Part 139, and LESSEE will not conduct any operation on the Airport that will require Airport to be so certificated, without prior written approval of LESSOR. Certification of the Airport will require additional law enforcement and emergency services personnel and equipment to be present at the Airport at substantial expense. Fees associated with these expenses will be set in advance LESSEE will be responsible for any costs of activities authorized, contracted, or permitted by LESSEE for public services that would be required by FAA or other agencies.

ARTICLE 13 – MISCELLANEOUS PROVISIONS

13.1 [intentionally omitted]

13.2 Independent Contractor. In conducting its business hereunder, LESSEE acts as an independent contractor and not as an agent of LESSOR. The selection, retention, assignment, direction, and payment of LESSEE'S employees shall be the sole responsibility of LESSEE, and LESSOR shall not attempt to exercise any control over the daily performance of duties of LESSEE'S employees.

13.3 Subordination. The Agreement shall be subordinate to the provisions of any existing or future agreement between LESSOR and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.

13.4 Entire Agreement. The Agreement, RFP 2015-101.2 and LESSEE's proposal in response to RFP 2015-101.2 together constitute the entire agreement and understanding between the parties, and as of its effective date supersedes all prior or independent

contracts or agreements between the parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

13.5 Headings. Article titles and paragraph titles of the Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, augment, or describe the scope, content, or intent of any provision of the Agreement.

13.6 Severability. If any substantive provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction and such declaration results in a substantial failure of consideration for either party, the entire Agreement shall be subject to termination by such party. Otherwise, such declaration shall not be cause for termination of the Agreement, but only such void or illegal provision shall be canceled or deemed to be of no effect.

13.7 National Emergency. During the time of war or national emergency, the LESSOR shall have the right to lease the landing area or all or any part of the Premises upon demand to the United States Government, and if any such agreement is executed, the provisions of the Agreement with the LESSEE herein, and all obligations of LESSEE to make the payments as required herein, shall be suspended for the length of time that the United States Government requires the use of the said landing area and/or Premises. This period of time during which the Agreement is so suspended will not count against the time provisions of the then existing Agreement.

13.8 Force Majeure. Neither LESSOR, nor LESSEE, shall be deemed to be in violation to the Agreement if either is prevented from performing any of its obligations hereunder by reasons of strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellions, acts of sabotage, or any other circumstances for which it is not responsible, or which are not under its control, provided; however, that this section does not apply to failure by LESSEE to pay the rentals, fees, taxes, and charges set forth herein. In any such case a prompt written notice shall be given to the other party of the existence of such causes and of readiness to resume performance upon the removal, or non-existence thereof.

13.9 Governing Law, Venue and Attorney's Fees. The Agreement shall be construed in accordance with the laws of the State of Florida. Venue for any state law action brought hereunder shall be Nassau County, Florida. Should jurisdiction in state court not be available, then venue for any federal action brought hereunder shall be the U.S. District Court, Middle District of Florida, Jacksonville Division. In the event of any litigation between the parties regarding the breach and/or enforcement of the Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and costs, including at the appellate court level, from the non-prevailing party as determined by a court of competent jurisdiction.

13.10 Non-Waiver. The failure of the LESSOR to insist upon strict performance of any of the terms, conditions, or covenants herein set forth shall not be deemed a waiver of any rights or remedies that it may have and shall not be deemed a waiver of any breach or default by the LESSEE of the terms, conditions, or covenants contained herein.

13.11 Radon Gas Notice. Pursuant to Florida Statutes Section 404.056(8), LESSOR hereby makes, and LESSEE hereby acknowledges, the following notification:

a. Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

b. LESSOR makes no representation or warranty with respect to the presence or absence of radon on the Premises, and LESSEE shall undertake such inspection or testing as it deems necessary or convenient to assure itself as to the presence or absence of radon.

13.12 Additional Terms. The Lease is being executed in advance of the commencement of operation and prior to construction on the Premises. Accordingly, LESSOR and LESSEE each agrees that it will cooperate and act reasonably with the other in resolving issues consistent with the intent of the Agreement and to ensure timely construction and performance and a professional work product.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

8 FLAGS AVIATION, LLC

By: Brian Echard

Its: Managing Member

CITY OF FERNANDINA BEACH, FL

10/30/2006

By: Marshall McClary

Its: City Manager Pro Tem

By:

Its:

ATTEST:

Caroline Best

By:
Its: City Clerk

ATTEST:

By:
Its:

APPROVED AS TO FORM AND LEGALITY:

By:
Its: City Attorney

Attachments:

Exhibit "A" Professional Survey of Lease Area — Legal Description of LESSEE'S Property and Survey

Exhibit "B" Overview of Capital Improvements to be provided at sole expense and cost of LESSEE

Exhibit "C" Liability Insurance Certificate(s) as required under this lease and/or applicable Minimum Standards for Commercial Aeronautical Activities (Note: This certificate shall show that the City has been named as an additional insured on all policies.) Appropriate certificate(s) shall be presented upon completion of each facility and before occupancy.

Exhibit "D" - Minimum Standards for Commercial Aeronautical Activities

Exhibit "E" - Rules and Regulations for Fernandina Beach Municipal Airport

Exhibit "F" – Development Standards and Guidelines for Fernandina Beach Municipal Airport

Exhibit "G" – General Provisions for Fernandina Beach Municipal Airport

Exhibit "H" – Definitions for Use at Fernandina Beach Municipal Airport

CITY COMMISSION AGENDA ITEM
CITY OF FERNANDINA BEACH

SUBJECT: Resolution 2015-139
Fixed Base Operator (FBO) Lease Agreement – 8 Flags Aviation, LLC

DEPARTMENT: City Manager's Office

ATTACHMENTS: ___ Ordinance _X_ Resolution
___ Support Documents ___ Other

RECOMMENDED ACTION: Approve Resolution 2015-139

SUMMARY: The City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport. The basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier.

The City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission. The details of design, construction and financing the Welcome Center and related improvements will be memorialized in formal written agreements approved by Eight Flags Aviation, LLC and the City Commission within the next 1-2 years.

FISCAL IMPACT: The additional revenue to the Airport to be determined by the actual number of feet leased as reflected on the final survey (estimated to be a minimum of $35,000 per year).

CITY ATTORNEY COMMENTS: See above.

DEPARTMENT HEAD	Submitted by: Tammi E. Bach City Attorney	Date: 10/02/2015
	Requested Agenda	Date: 10/13/2015
FINANCE DEPARTMENT	Approved as to Budget Requirements PTC	Date: 10/05/2015
CITY ATTORNEY	Approved as to Form & Legality TEB	Date: 10/06/2015
CITY MANAGER	Approved Agenda Item for 10/13/2015	Date: 10/06/2015

COMMISSION ACTION:
___ Approved As Recommended
___ Approved With Modification
___ Other
___ Disapproved
_✓_ Postponed to Time Certain
___ Tabled

10/20/15 CC RM

RESOLUTION 2015-139

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING LEASE TERMS AND AGREEMENT FORM WITH EIGHT FLAGS AVIATION, LLC FOR A FIXED BASED OPERATOR ON CITY AIRPORT PROPERTY LOCATED ON THE NORTH SIDE OF THE AIRPORT; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport; and

WHEREAS, the basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier; and

WHEREAS, the City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached as Exhibit "A" to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the terms and conditions of the attached Fixed Based Operator Lease Agreement and attached survey of the leasehold area, respectively attached hereto as Exhibit "1" and Exhibit "A".

SECTION 2. The City Manager and City Clerk are hereby authorized to execute the Fixed Based Operator Lease Agreement, upon review and approval of the City Attorney.

SECTION 3. This Resolution shall be effective immediately upon passage.

ADOPTED this 13th day of October, 2015.

ATTEST:

Caroline Best
City Clerk

CITY OF FERNANDINA BEACH

Edward E. Boner
Commissioner-Mayor

APPROVED AS TO FORM & LEGALITY:

Tammi E. Bach
City Attorney

FERNANDINA BEACH MUNICIPAL AIRPORT
FIXED BASE OPERATOR LEASE AGREEMENT

This FIXED BASE OPERATOR AIRPORT USE AND LEASE AGREEMENT (hereinafter referred to as the "Agreement"), made and entered into this _____ day of September 2015, made by and between the **CITY OF FERNANDINA BEACH, FLORIDA**, municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 (hereinafter referred to as the "LESSOR" or "City,") and **8 Flags Aviation, LLC**, a Florida limited liability company (together with its successors and assigns, hereinafter referred to as the "LESSEE") whose address is 306 ½ Centre Street, Fernandina Beach, FL 32034.

WHEREAS, LESSOR owns, controls, and operates the Fernandina Beach Municipal Airport (hereinafter referred to as the "Airport"), in the City of Fernandina Beach, County of Nassau, State of Florida and is the Airport sponsor under Federal Aviation Administration ("FAA") regulations; and

WHEREAS, LESSEE has approved the lease of certain property by LESSOR at the LESSOR's municipal airport to operate upon the Airport as a Fixed Based Operator (hereinafter referred to as the "FBO") and provide related aeronautical related activities; and

WHEREAS, LESSOR desires to make real property available to LESSEE at the Airport to provide ground and facilities necessary to operate as a FBO and other commercial activities on the Airport and which are expressly set forth in the Agreement or contemplated hereby; to grant the LESSEE a management agreement to manage and control the use of an existing City public aircraft parking apron; and to grant the use of Airport to LESSEE for such purposes upon terms and conditions hereinafter stated; and

WHEREAS, LESSOR and LESSEE have agreed that LESSEE shall contribute to the cost of construction and improvements for the FBO and related areas in exchange for rent credits which shall be formalized in documentation to be finalized between the LESSOR and LESSEE contemporaneous with or subsequent to the execution of the Agreement (the "Construction and Financing Agreements").

NOW THEREFORE, for and in consideration of the real property and the mutual covenants and agreements contained herein to be performed by the respective parties, the parties hereby agree as follows:

ARTICLE 1 – DEFINITIONS

All words, terms and phrases when used herein shall have the meanings as described in the City's Definitions for Use regarding Fernandina Beach Municipal Airport. Words, terms and phrases which relate to aeronautical practices, processes and equipment, not defined therein, shall be construed according to the definitions in Title 14 of the Code of Federal Regulations, Florida Statutes Chapter 332 or, if not defined therein, according to their general usage in the aviation industry.

ARTICLE 2 – LEASED PREMISES

1.1 LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the following real property identified and shown on Exhibit "A" "Lease Area", attached hereto (hereinafter referred to as the "Premises"), together with the right of ingress and egress for vehicles and aircraft. The Premises is located within an area of Airport property designated the "North Area." The Premises shall be more specifically described in a legal description with a professional survey (the "Survey") to be furnished to the LESSOR by LESSEE after execution of the Agreement in a form reasonably acceptable to the LESSOR and when completed, will be deemed incorporated into this Agreement by a separate written addendum subsequently executed by the parties to this Agreement. It is possible that more than one surveyed leasehold area will be described in writing and attached to this Agreement as addenda based upon changes needed prior to final completion of constructed improvements.

1.2 The Construction and Financing Agreements will set forth the responsibility of LESSOR to make improvements to the Premises, the joint responsibility for designs and drawings and selection of contractors and otherwise but it being understood that LESSOR will have primary responsibility for the final decisions made regarding design, materials, timeline, contractors, construction and any other decisions required to finalize the improvements to its allocable portion of the Premises and LESSEE shall have primary responsibility with respect to its portion of the Premises. Upon issuance by the appropriate governmental entities of a "Certificate of Occupancy" for the FBO and the commencement of payment of rent and other fees in accordance with the Agreement, LESSEE will execute an acceptance certificate pursuant to which LESSEE will then acknowledge that it is accepting the Premises and the improvements located thereon "As is" and except as otherwise provided in a writing between LESSOR and LESSEE, the LESSOR has no obligation whatsoever to repair, maintain, renovate, or otherwise incur any cost or expense with respect to the Premises, any leasehold improvements, or fixtures, furnishings, or equipment installed in or used on the Premises except as otherwise provided herein.

1.3 Ground. The Premises consist of approximately [TBD] square feet as shown on the Survey.

1.4 Facility. The Construction and Financing Agreements will provide for a suitable FBO facility on ground leased from the LESSOR in conformance to the Airport's Minimum Standards for Commercial Aeronautical Activities (hereafter referred to as the "Minimum Standards") requirements.

1.5 Public Use Aircraft Parking Apron. The City maintains a federally funded public use Aircraft Parking apron which may be available for the LESSEE to manage on a non-exclusive basis in the future upon request by the LESSEE and under a separate written agreement and if LESSEE does so, it shall be responsible for the maintenance thereof and the costs of doing so as provided therein.

1.6 Fuel Storage Facility. The Construction and Financing Agreements will provide for the installation and maintenance of a fuel storage facility on ground leased from the LESSOR for the purpose of providing fuel to clients of the LESSEE and tenants of the Airport (location to be determined and included on a survey to be attached hereto). LESSEE will not handle, store, dispense, nor sell aviation fuels at or from the Airport, unless

that fuel is first stored in fuel storage tanks located on the Premises. Each device through which LESSEE dispenses aviation fuels on the Airport must be equipped with a flow meter calibrated and sealed by the Department of Agriculture of the State of Florida or other appropriate agency. These devices shall include without limitation any Avgas truck, Jet A truck, or self-service fuel facility owned or operated by LESSEE.

1.7 Future Expansion. Should LESSEE desire any additional land or facilities to be added to the leasehold during the interim term of this Agreement prior to the Commencement Date, and if such lands or facilities are available at the time of LESSEE's request the Agreement and/or the Construction and Financing Agreements may be amended to provide for such additions at then currently applicable rates and conditions or may be provided by a separate agreement developed and at then currently applicable rates and conditions and LESSOR and LESSEE shall execute all customary documentation to effect such agreed-upon expansion.

ARTICLE 2 – TERM

The term of the Agreement shall commence immediately and will be comprised of an interim term which shall run from the date of execution of the Agreement until the later of the time when a Certificate of Occupancy is issued and ~~or~~ LESSEE takes possession of the Premises (the "Commencement Date"). The base term will begin on the Commencement Date and be for an initial period of twenty (20) years, commencing on the ~~first~~ day of the ~~first~~ month following the end of the interim term that LESSEE shall occupy the Premises, and continuing for said term, unless earlier termination under the provisions of the Agreement. Provided the LESSEE is not then in default of any payment terms or other material terms and conditions of the Agreement, the LESSEE shall have the option to extend the Agreement for two additional five (5) year terms. LESSEE's written notice of exercise must be given a minimum of 90 days and no more than 365 days before the end of each term. Any option for extension of the Agreement shall be subject to material compliance with the performance standards noted below and accompanying continued required capital investment toward improvements and repair. Such performance standards include:

a. At the seven (7) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

b. At the fourteen (14) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron

pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

c. At the nineteen (19) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

d. At the four-year anniversary of any extension term of the Agreement, the LESSOR may conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

e. At the expiration of the initial 20 year term and any extension term, LESSEE may request a new lease on terms and conditions consistent with the Agreement and then – current rates and conditions.

ARTICLE 3 – RENT, FEES, AND TAXES

3.1 In consideration of the rights and privileges granted by the Agreement, LESSEE agrees to pay LESSOR the following rent and fees from the Commencement Date as noted in Article 2. All payments shall be due and payable without notice on or before the first day of each month.

3.2 Ground Rent. Rent for the use of real property on Airport property based on a total ground lease area of [___] square feet as shown on Exhibit "A" attached hereto; at an initial lease rate of $0.20 dollars per square foot per year, which when fully ascertainable will be converted to equal monthly payments per month, which also is subject to applicable sales tax (currently seven percent).

3.3 Overflow Parking. In the event that during special events that causes an overflow parking situation requiring use of the "abandoned runway" and if during such special event, LESSEE is collecting parking fees for such abandoned runway, then LESSOR shall be entitled to 50% of such parking fees relating thereto.

3.4 Fuel Flowage Fee. In consideration for the right to store fuel on the Premises and dispense fuel to the public at the Airport, LESSEE agrees to pay LESSOR an amount equal to $0.08 cents per gallon delivered. The applicable fuel flowage fee to be paid by LESSEE to LESSOR will be forwarded directly from the fuel supplier contracted by the LESSEE to the City Controller upon purchase of fuel by LESSEE. Fuel flowage fees commence with the initial fuel supply and continue with each succeeding delivery. The method of payment of fuel flowage fees may be amended by mutual consent as may be required to conform to policies of the fuel supplier contracted by LESSEE. If the LESSOR reasonably determines that, due to external circumstances, the cost of operating the Airport has increased, LESSOR may add a reasonable surcharge to the fuel flowage fee only after it has attempted to mitigate its costs of operation and the surcharge shall only cover LESSEE's equitable allocation of the incremental costs..

3.4 Annual Rent, Fees, and Charge Adjustment. All rents and fees included in this Article shall be reviewed each year by the LESSOR and rent and fees, plus all applicable taxes, shall be adjusted so as to maintain a fair rental rate based on change in the Consumer Price Index (CPI) – All Urban Consumers South Urban Region – All Items (base year 1982-84=100), as published by the United States Department of Labor – Bureau of Labor Statistics, an appraisal, market rent study, or other method designated by LESSOR. Such CPI change will be computed each year after the completion of the month of July and any change will be implemented and effective with the October rent payment of each year. The fuel flowage fee or automobile rental percentage fee is not subject to annual review.

3.6 Delinquency Charge. Any undisputed payments received after the fifteenth (15^{th}) day of the month are subject to a delinquency charge of half percent (½%) per month beginning with the sixteenth (16^{th}) day after LESSEE receives notice from LESSOR that payment is overdue.

3.7 Place of Payment. All payments due LESSOR from LESSEE shall be made payable to the City of Fernandina Beach and mailed to P. O. Box 1146, Fernandina Beach, Florida 32035 or delivered to 1180 South 5^{th} St. Extension, Fernandina Beach, Florida 32034 or paid by ACH or other electronic means.

3.8 Payments. After the Commencement Date, LESSEE shall pay all expenses and payments in connection with the use of the Premises and the rights and privileges herein granted, including all taxes, ad valorem taxes, permit fees, impact fees, license fees, and assessments lawfully levied or assessed upon the Premises or property situated hereon, as well as any and all utilities used or consumed by LESSEE on the Premises, including, but not limited to, water, gas, electricity, sewer, telephone, security systems, janitorial, and refuse services.

3.9 Agreement to Pay Taxes and Obligations. After the Commencement Date, LESSEE shall pay all lawful taxes and assessments, applicable fees, debts, and obligations of every

kind or nature which, during the term hereof, may become a lien upon or which may be levied by the state, county, city, or any other tax levying body, upon any taxable interest of the LESSEE acquired in the Agreement or any taxable possessory right which LESSEE may have in or to the Premises or facilities hereby leased or the improvements thereon, or on the LESSOR'S fee simple interest therein, by reason of its use or occupancy thereof, or otherwise, as well as all taxes or taxable property, real or personal, owned by LESSEE in and about said Premises, whether said taxes are assessed in the name of LESSEE or LESSOR. LESSOR shall permit LESSEE to challenge or protest any of the foregoing in either LESSEE's or LESSOR's name.

3.10 Runway Closure. LESSEE shall be entitled to deduct from any payment required by this Agreement a *pro rata* amount for each day that all three runways are closed by the City after a 48 hour grace period.

ARTICLE 4 – CONSTRUCTION AND USE OF PREMISES

4.1 LESSEE is hereby granted the nonexclusive privilege to engage in, and LESSEE agrees to engage in, the business of a fixed based operator and for the renting and leasing of automobiles in connection therewith on the Premises, and other aviation and aeronautical activities that may be requested in writing by LESSEE and as approved in writing by LESSOR. LESSEE hereby agrees to conduct its business and operation at and upon the Airport in strict compliance with the provisions contained in the herein FBO lease and in compliance with rules and regulations of the Federal Aviation Administration (FAA) as well as all other aeronautical agencies having appropriate jurisdiction and that it will transact its business in such a manner as will develop and maintain the good will and active interest of those enjoying the use of the Airport, and who have or may have occasion to use Airport facilities.

4.2 LESSEE also hereby agrees to conduct its business operation in compliance with the contents of the LESSOR's Minimum Standards for Commercial Aeronautical Activities, attached hereto as Exhibit "D", as currently approved or as may be amended from time to time.

4.3 After the Commencement Date, LESSEE in connection to its business operation as a FBO on the Premises agrees to provide, at its sole cost and expense, for buildings, fuel storage facility, hangars, ramp apron (except as further described herein), apron lighting, auto parking, and related infrastructure on the Premises as may be required by LESSOR or as proposed by LESSEE, built or provided for in accordance with plans and specifications contained in the Architecture and Building Design Standards for Development on the Airport as may be amended from time to time and as also approved by LESSOR; comply with height and obstruction requirements under Federal Aviation Regulations Part 77; and other approvals required for other aviation or aeronautical activities and services necessary or incidental thereto. Additionally, except to the extent otherwise provided in the Construction and Financing Agreements which shall describe the allocation of financial and construction responsibility:

a. Paved vehicle parking, as may be required by City code, shall be installed and maintained by the LESSEE to allow the loading, unloading, and parking of vehicles having business on the Premises.

b. All improvements, including the design thereof, on the Premises must be approved by the LESSOR prior to installation or construction (such approval not to be unreasonably withheld or delayed). The LESSEE is responsible for applying for and obtaining all necessary construction permits and licenses required by local, state, and federal laws and regulations and LESSOR shall reasonably cooperate with all LESSEE requests for assistance in this regard.

c. In the event the LESSEE shall lease the public aircraft parking apron, LESSEE shall be responsible for the costs and maintenance therefor, for the purpose of aircraft access to the LESSEE's fixed based operator facility or fuel facility. No structures or fixtures will be allowed on the public aircraft parking apron except for apron lighting. In the event LESSEE shall not have entered into a lease therefor, LESSEE shall have access thereto to the same extent as all other users of the Airport.

d. Suitable pavement markings and lighting shall be installed and maintained by the LESSEE to provide for the orderly and safe movement of aircraft and vehicles on the Premises. Any lighting on the Premises must be approved by the LESSOR prior to installation and not interfere with flight operations at the Airport (any such approval shall not be unreasonably withheld or delayed).

e. All improvements shall be constructed, graded, and drained so as to direct all storm water which may fall and/or flow on the Premises into an approved storm water drainage system. The LESSEE shall not knowingly or if reasonably should have known contribute to storm water contamination and will take such steps and measures as are necessary to comply with the Airport's Storm Water Pollution Prevention Plan (SWPPP)_and all applicable federal, state, and local regulations governing storm water discharge. LESSEE will not knowingly or if reasonably should have known permit any action on the Premises that would have an adverse effect, or interferes, with the proper function of any drainage system, sanitary sewer system, or any facility provided for the operation, or protection of Airport, or its surrounding areas, and will not pollute such in any way.

f. Any landscaping installed on the Premises is subject to the provisions contained within the City's Development Guidelines and Standards attached hereto as Exhibit "F", as currently approved or as may be amended from time to time. Approval of LESSEE's proposed improvements by the LESSOR shall not be unreasonably withheld or delayed and shall be maintained by the LESSEE.

g. The installation of a fuel storage facility for use by an FBO operation shall meet all applicable federal, state, and local government regulations regarding fuel facility installation and operation and will be included under the Airport's Spill Prevention, Control, and Countermeasures Plan (SPCC). Any fuel storage use must be in compliance with applicable Minimum Standards for Commercial Aeronautical Activities. LESSEE agrees that all regulated fuel storage tanks owned or operated by LESSEE and located on Premises shall be registered with the appropriate federal, state, and local authorities, shall be constructed of approved materials, and shall be made available for compliance inspection at all times during normal business hours. Further, LESSEE agrees to properly record, maintain, and reconcile all inventory records required by appropriate federal, state,

and local regulations and to make such records available for inspection at the Premises at all times during normal business hours.

ARTICLE 5 – LESSEE MAINTENANCE AND REPAIR OF PREMISES

5.1 After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, the LESSEE shall, at its sole cost and expense, maintain and keep the Premises and all structures upon the Premises as well as all improvements thereon including, but not limited to, lighting, electrical, landscaping, drainage, signage, auto parking areas, and aircraft parking ramp apron including all pavement (except public aircraft parking apron) and striping, in good condition and make all repairs, both interior and exterior, necessary to keep and maintain the Premises, including all improvements thereon in good condition so as to present an attractive appearance in conformity with other Airport facilities. The Premises and all buildings, improvements, and property thereon must be maintained in a safe, clean, and sanitary condition. The LESSOR shall require maintenance and needed repairs to be made by LESSEE in a timely manner.

5.2 Land. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the grounds, landscaping, any pavement (except public aircraft parking apron), walkways, and non-paved parking on the Premises at its expense. The entrance drive from Airport Road to the public aircraft parking apron is a LESSOR responsibility; however, LESSEE may improve it with LESSOR approval (any such approval shall not be unreasonably withheld or delayed). LESSEE obligation shall include maintaining irrigation system (if installed), mowing, and trimming and keeping the same in clean, neat, and orderly condition and in good repair at its sole cost and expense.

5.4 Fixed Based Operator Building and Other Structures. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the FBO building, any not named structures on the Premises and their plumbing, electrical, heating, security system, ventilating and air conditioning equipment, and other equipment and keep such in clean, neat, orderly condition, and in good repair at its sole cost and expense.

5.5 Fuel Storage Facility. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any fuel storage facilities located on Premises in a clean, neat, and orderly condition, in good repair to meet National Fire Protection Association (NFPA) standards and government codes at its sole cost and expense including tanks, electrical service, electrical switches, all lighting, exterior painting, fencing, filters, fittings, gauges, hatches, hoses, lids, motors, plumbing, pumps, security, self-service equipment, signs (including required emergency designation signs), sumps, valves, and the like.

5.6 Hangar. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any hangars on the Premises in a clean, neat, and orderly condition and in good repair, including hangar doors, associated ramp apron, electrical, plumbing, heating, and ventilating and air conditioning equipment, structural, and roof maintenance, at its expense.

5.7 Pavement. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, any pavement located on the Premises, except public aircraft parking apron and entrance road, to include ramp aprons, parking areas, driveways, and walkways are LESSEE responsibility to keep clean, orderly, neat, free of debris, in good repair, and for removing all oil and other spillage therefrom at its expense.

5.8 Gates. LESSOR shall repair or replace and maintain in good working order the automatic opening system and industrial sliding gate to the aircraft parking ramp apron currently known as Gate 1 for so long as this lease is in force. LESSEE will have responsibility for controlling access to the public aircraft parking apron and no users may go beyond the public aircraft parking apron. LESSEE shall exercise exclusive care, custody and control over said Gate 1, however, the LESSOR reserves the right to use this gate for Airport staff use, city use, and emergency vehicle entrance. All costs and expenses associated with providing additional gates (which are mechanically operated, or operated by personnel) for Airport fences (including purchasing, installation, operation, maintenance, and staffing thereof); which are required to accommodate the needs of the LESSEE in the conduct of its business on Airport, including providing ingress and egress to and from the Premises; for LESSEE's employees, equipment, customers, suppliers, and invitees; will be paid by LESSOR and LESSEE equally (50/50). If personnel, or mechanical opening and closing devices, are required for such now existing, or replacement Airport gates, such will be provided at the cost and expense of LESSOR.

ARTICLE 6 – LESSEE RIGHTS AND OBLIGATIONS

6.1 Use of Airport. The reasonable use by LESSEE, its employees, passengers, guests, patrons, and invitees, in common with other duly authorized users of Airport and the appurtenant together with all other facilities and improvements which have been or may hereafter be provided for common or public use in connection with Airport. LESSOR will make every effort to minimize the disruption of normal airport usage during periods of repair or further airport development.

6.2 Fixed Based Operator. The following are LESSEE obligations regarding the operation of a FBO on Airport after the Commencement Date:

a. LESSEE shall not at any time use the Premises or any part thereof for any purposes other than the fixed based operation provided for and described herein, and such related activities as are herein expressly authorized, without advance written consent of LESSOR.

b. LESSEE shall provide all services as required of a FBO as set forth in the City's current Minimum Standards for Commercial Aeronautical Activities ~~and~~ as may be amended.

c. LESSEE shall furnish said goods and services on a fair, equal, and not unjustly discriminatory basis for all users thereof, and shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided that the LESSEE may be allowed to

make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

6.2.1 The LESSOR has entered into this Agreement with the understanding that the Services to be provided under this Agreement are subject to the personal supervision and management of persons who are experienced in the business of Fixed Base Operations and duly qualified under applicable governmental regulations. Therefore, LESSOR's has the right to consult with LESSEE in the event of any changes in control or management of the LESSEE to ensure that the public interest in availability of the Services is met. Accordingly, the LESSOR and LESSEE agree to the following limitations.

6.2.2 Assignment and Sublease. LESSEE shall not, at any time, assign, transfer, convey, mortgage, pledge, or encumber its interest under this Agreement, or any part of the leased space, to any party without prior written approval of LESSOR, such approval shall not be unreasonably withheld. Refusal by the LESSOR to approve assignment shall be based **solely** upon reasonable and verifiable concerns regarding the assignee's ability, based on experience and financial strength, to operate the FBO professionally. In no case will assignment be conditioned upon a renegotiation of the terms of the Agreement and any assignment shall allow the assignee to continue to operate under the terms and conditions described herein for the remainder of the term of the Agreement. Any attempted voluntary assignment, transfer, or subletting in violation of the provisions hereof shall be null and void and a default of this Agreement. No assignment, transfer, conveyance, or sublease by Operator shall relieve LESSEE of its primary responsibility for payment of rent and performance of all other obligations provided in this Agreement, without specific written consent by LESSOR to such relief. Any transfer of control of LESSEE or of LESSEE's operations, whether by merger or consolidation, or transfer of shares or membership interests shall constitute an assignment under this Section. The foregoing prohibition on assignment shall not be construed to limit LESSEE's rights to grant a Leasehold Mortgage as permitted in Section 6.8 herein.

6.3 Access. LESSEE, its employees, patrons, invitees, suppliers, agents, and contractors shall have at all times the right of ingress to and egress from the rented and managed Premises but this right does not relieve those named persons, firms, or corporations from the obligation to observe and obey all rules, regulations, or laws that may then currently be in effect in the operation of the Airport. To ensure this right the LESSOR shall make all reasonable efforts to keep adjacent areas to the rented Premises free and clear of all hazards and obstructions, natural and manmade.

6.4 Signs. During the term of the Agreement, LESSEE shall have the right, at its expense, to place on or at the Premises, a sign or signs identifying LESSEE. LESSEE shall be responsible for all permits for its own signage. Notwithstanding any other provision of the Agreement, said sign(s) shall remain the property of LESSEE. LESSEE shall remove, at its expense, all lettering, signs, and placards so erected on the Premises at the expiration of the term of the Agreement.

6.5 UNICOM. Notwithstanding that LESSOR owns the license for the aviation frequency associated with the "UNICOM", the LESSOR grants the LESSEE the non-exclusive right to use the UNICOM frequency to communicate with aircraft using the Airport. The acquisition,

cost, installation, and maintenance of communication equipment for radio communication with aircraft in flight or on the ground, or such substitute apparatus, for air safety as may be designated by the City or the FAA shall be for ~~the~~ responsibility of the LESSEE.

6.6 Aircraft Owner' Rights and Privileges. It is clearly understood by the LESSEE that no right or privilege has been granted which would prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own or leased aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform

6.7 Leasehold Improvements. The following pertains to leasehold improvements, which are governed by the Airport Development Guidelines and Standards, made by LESSEE on the Premises after the Commencement Date (prior to the Commencement Date, the following shall be subject to the Construction and Financing Agreements) and:

a. LESSEE agrees to submit to LESSOR, for approval, detailed plans and specifications for any structural change, alteration, addition, improvement, or removal from or to the Premises. LESSOR shall approve the plans and specifications as submitted, or transmit proposed revisions to LESSEE within thirty (30) days of receipt of the plans and specifications from LESSEE. In the event that LESSOR requires revisions of the original plans and specifications, LESSEE shall have thirty (30) calendar days from the date of receipt of the proposed revisions to resubmit the plans and specifications for LESSOR's approval. This initial review shall not constitute review for the purposes of obtaining City permits. LESSEE shall be required to obtain all permits from governmental agencies as may be required, including the City, and shall be solely responsible for all costs relating to permitting the proposed improvements.

b. Any such improvements made by LESSEE shall remain the property of the LESSEE until the expiration of the Agreement and any extensions or renewals thereof, and which shall remain on the Premises until the expiration or termination of the Agreement, at which time such improvements shall become the property of LESSOR. LESSEE shall at all times maintain all improvements constructed on the property in good condition. Upon expiration or termination of the Agreement, the LESSEE shall execute any and all documentation necessary to transfer clear title to the leasehold improvements, free of any lien or encumbrance, to LESSOR.

c. LESSEE shall not permit any mechanic's or other liens to be placed upon the Premises, at any time, except that LESSEE shall be permitted to mortgage its leasehold improvements to be constructed on the Premises by LESSEE in accordance with the provisions of Section 6.8 herein. LESSOR shall cooperate and provide customary assurances but shall not be required to subordinate its interest to such Leasehold Mortgage. All documentation regarding any leasehold mortgage must be reviewed and approved by the LESSOR prior to finalization of documents, to assure that no interest of the LESSOR is included in the documentation. Such review will be conducted promptly by LESSOR at its own expense.

d. LESSEE shall provide payment and performance bonds in amounts and form reasonably satisfactory to LESSOR, prior to commencement of construction.

e. Within sixty (60) days of completion of construction, erection, or any alteration of any improvements by the LESSEE, the LESSEE shall provide to the LESSOR a complete set without charge of "as-built" plans and drawings.

6.8 LESSEE may at any time and from time to time (and as many times as it desires) mortgage, hypothecate or pledge this Agreement and the leasehold estate created hereby and the interest of the LESSEE in and to this Agreement, together with LESSEE's right, title and interest in the improvements to the Premises and LESSEE's interest in any and all subleases and in and to all rents due or to become due thereunder (herein called a "Leasehold Mortgage"; and the holder of any such Leasehold Mortgage, whether or not the same is recorded of record, is herein called a "Leasehold Mortgagee").

LESSOR and LESSEE agree that so long as any such Leasehold Mortgage exists:

A. LESSOR will simultaneously mail to any Leasehold Mortgagee a copy of any notice given by LESSOR to LESSEE at the address given by such Leasehold Mortgagee to LESSOR for the receipt of such notice.

B. LESSOR and LESSEE acknowledge that the defaults or other events described in Section 10.1 herein may be classified as (i) "Curable Defaults" and (ii) "Non-Curable Defaults". The Non-Curable Defaults are any defaults which are by their nature not susceptible of being cured by a third person such as the Leasehold Mortgagee; and the Curable Defaults are all other defaults.

C. If a Curable Default occurs and if, prior to the expiration of the applicable grace period provided for in Section 10.1, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to undertake a curing of all Curable Defaults and within such grace period the Leasehold Mortgagee commences upon a curing and thereafter pursues to conclusion the curing of all Curable Defaults continuously and diligently in good faith, then LESSOR will not take action to effect a termination of this Ground Lease or to re-enter or take possession of the Ground Leased Premises as a consequence of such Curable Default. However, if (i) a Curable Default is of such a nature that the curing thereof cannot be effected by the Leasehold Mortgagee until it shall have obtained possession of the Premises and (ii) prior to the effective date of a termination of this Agreement by LESSOR or LESSOR's re-entering or taking possession of the Premises, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises and within such grace period takes action to institute such remedies, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Curable Default so long as such Leasehold Mortgagee shall continue to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all other Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure

such Curable Defaults within the period reasonably required to cure the same.

D. If a Non-Curable Default occurs and (i) the Leasehold Mortgagee shall then be in the process of curing all then existing Curable Defaults pursuant to the provisions of subsection (C) above and (ii) the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Non-Curable Default so long as such Leasehold Mortgagee shall continue diligently to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure such Curable Defaults within the period reasonably required to cure the same.

E. In the event a Leasehold Mortgagee or its designee designated for that purpose acquires the improvements and the leasehold estate pursuant to any proceedings for foreclosure of such Leasehold Mortgage, or by a voluntary assignment or transfer of this Agreement and the leasehold estate and the improvements in lieu of foreclosure or otherwise, the Leasehold Mortgagee or its designee or assignee as aforesaid shall be deemed an assignee of all the rights of LESSEE under this Agreement.

F. If this Agreement shall be rejected or disaffirmed pursuant to any bankruptcy law or other law affecting creditors' rights or if this Agreement is terminated for any other reason whatsoever, LESSOR will enter into a new lease of the Premises with the Leasehold Mortgagee or its designee not less than ten (10) nor more than thirty (30) days after the request of the Leasehold Mortgagee referred to below, for the remainder of the term of this Agreement effective as of the date of such rejection or disaffirmance or termination, upon all the terms and provisions contained in this Agreement; provided that (i) the Leasehold Mortgagee makes a written request to LESSOR for such new lease within ninety (90) days after the effective date of such rejection or disaffirmance or termination, as the case may be, and such written request is accompanied by a copy of such new lease, duly executed and acknowledged by the Leasehold Mortgagee or its designee and (ii) upon taking possession of the Premises the Leasehold Mortgagee cures any outstanding Curable Defaults within the period reasonably required to cure the same. Any new lease made pursuant to this paragraph shall have the same priority with respect to other interests in the Premises as this Agreement. The provisions of this paragraph shall survive the rejection or disaffirmance or termination of this Agreement and shall continue in full force and effect thereafter to the same extent as if this paragraph were a separate and independent contract made by LESSOR and the Leasehold Mortgagee.

G. So long as a Leasehold Mortgage is in effect (i) LESSOR will not accept a voluntary surrender of this Agreement, (ii) this Agreement shall not be modified in any material respect, and (iii) LESSOR and LESSEE shall not allow the fee interest in the Premises to merge with the leasehold estate created by this Agreement, without, in each case, the prior written consent of the Leasehold Mortgagee. Any violation of this paragraph shall be void.

The provisions of this Section 6.8 are for the benefit of any Leasehold Mortgagee and may be relied upon and shall be enforceable by any Leasehold Mortgagee. No Leasehold Mortgagee shall be liable upon the covenants, agreements or obligations of LESSEE contained in this Agreement, except as expressly provided herein.

LESSOR shall execute any instruments any such Leasehold Mortgagee may reasonably request or require from LESSOR, with respect to the provisions of this Section 6.8 excluding a subordination agreement or joinder of the Leasehold Mortgage.

6.9 Equipment and Trade Fixtures. LESSEE will retain title to all of its trade fixtures and equipment and any improvements and property installed by LESSEE during the term of the Agreement. Upon termination of the Agreement or upon removal of trade fixtures and equipment, the LESSEE shall restore the Premises to good condition at its sole cost and expense. Any LESSEE improvements or property installed not removed becomes the property of LESSOR.

6.10 Further Capital Improvement. LESSEE is granted right to make further capital improvement on the Premises within the scope of the Agreement at its sole cost and expense. In the event that any capital improvement, permanent improvement, fixture, new construction, or the like is proposed or made by LESSEE that requires a new paved surface for aircraft or automobile ingress or egress, including any associated new taxiway, taxi lane, or aircraft parking apron, or automobile parking lot, then LESSEE shall, at its sole cost and expense, install and maintain any such new private use paved surfaces during the term of the Agreement including providing for drainage requirements.

6.11 Airport Protection by LESSEE. LESSEE expressly agrees for itself, its successors, and assigns, to restrict the height of structures, objects of natural growth, and other obstructions on the Rented Premises to such a height so as to comply with City Building Code and Federal Aviation Regulations Part 77 and to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an airport hazard.

6.12 Fueling on Airport. LESSEE is granted the non-exclusive right ~~and obligation~~ to fuel aircraft from refueling vehicles and provide ancillary services at tenant hangars and approved locations by LESSOR located outside of the Premises and upon the Premises of others with their permission and upon their request.

6.13 Fire Extinguishers. LESSEE shall provide sufficient number of fire extinguishers as may be required under fire codes for the safe protection of aircraft, persons, and property on the Premises. Such fire extinguishers shall be properly inspected and certified annually.

6.14 Compliance with Applicable Laws, Rules, and Regulations. Notwithstanding other requirements contained herein, the LESSEE at its sole cost and expense, hereby agrees to and shall comply with all applicable laws, ordinances, rules, and regulations established by federal, state, local government agency, and by the City, as they may be amended from time to time, and conduct its operations and commercial business in accordance with all applicable regulations pertaining to airports, including Airport Rules and Regulations, attached hereto as Exhibit "E", promulgated by the LESSOR governing safe and efficient operation of Fernandina Beach Municipal Airport. The LESSOR may, from time to time, modify and/or update the Rules and Regulations. LESSOR will provide LESSEE with a copy of the updated Rules and Regulations, and once updated or revised, those Rules and Regulations shall become a part of the Agreement. The LESSOR and LESSEE agree that material violations of any of the conditions of the Agreement or any violations of the Airport's Rules and Regulations shall be sufficient cause for termination of the Agreement and eviction of LESSEE from said Premises, in accordance with Article 10 herein.

6.15 Airport Security. LESSEE has obligation to operate upon its Premises to not undermine the security of the Airport. LESSOR shall install and maintain adequate fences and gates to control unauthorized access on to the Airport. LESSEE shall provide to the Airport Manager a security plan at least once annually.

6.16 Compliance with Environmental Law, Rules, and Regulations. LESSEE expressly represents, covenants, warrants, guarantees, and agrees that it shall comply in all material respects with all federal, state, and local laws, ordinances, rules, and regulations protecting the environment. Any cost or expense to remain or to be compliant with applicable environmental rules and regulations shall be the responsibility of the LESSEE unless attributable to the grossly negligent acts or omissions of LESSOR. LESSEE agrees to keep themselves informed of future changes in the existing environmental laws.

6.17 Hazardous Materials and Toxic Waste. LESSEE shall not knowingly or if reasonably should have known cause or permit to occur:

a. Any violation of any federal, state, or local law, ordinance, or regulation now or later enacted, related to environmental conditions on, under, or about the Premises, or arising from LESSEE'S use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or

b. The use, generation, release, manufacture, refining, production, processing, or disposal of any hazardous substance on, under, over, or about the Premises.

c. LESSEE shall, at its sole and exclusive expense, comply with all laws and regulations regulating the storage or transportation of hazardous substances relating to the Premises, and shall further make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities under applicable federal, state, and local laws and regulations; and the LESSOR is to be immediately notified by LESSEE of any claim or allegation of non-compliance herewith.

d. If any authority demands that a clean-up plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of hazardous substances that occurs during the term hereof, or any renewals hereof, at, or from the

Premises, or which arises from LESSEE's use or occupancy of the Premises, then LESSEE shall, at LESSEE's expense, prepare and submit the required plans and all related bonds and other required financial assurances; and LESSEE shall carry out all work required by such clean-up plans at its sole and exclusive expense.

6.18 LESSOR's and LESSEE's Certificates. LESSOR and LESSEE, on written request from each other, shall execute and deliver to the other party or any Leasehold Mortgagee or prospective purchaser, if so requested, without charge, a certificate certifying that this Agreement is in full force and effect, and whether it has been modified (and if there have been modifications, stating them), and whether or not the party executing the certificate knows of any default, breach or violation by the other party under any of the terms of this Agreement, and such other matters as may reasonably be requested.

ARTICLE 7 – LESSOR TO MAINTAIN AND OPERATE AIRPORT

7.1 Operation as a Public Airport. LESSOR covenants and agrees that at all times it will operate and maintain the Airport as a public airport consistent with and pursuant to the Sponsor's Assurances given by City to the U.S. Government under the Federal Airport Act.

7.2 Maintenance of Airport Facilities. LESSOR shall operate, maintain, manage, and control Airport in an efficient, economical, and businesslike manner. Such operation, maintenance, management, and control shall substantially comply with all pertinent requirements of the Federal Aviation Administration, or its successor in duties related thereto, and shall include the adequate and proper operation and maintenance of the public land, runways, taxiways, navigation aids, non-leasehold aircraft parking ramp aprons, non-leasehold lighting, non-leasehold roads, non-leasehold vehicle parking areas, and all other public facilities and appurtenances within the boundaries of Airport. LESSOR shall maintain all public and common joint use areas of the Airport, including the Air Operations Area, in good repair, and shall make such repairs, replacements, or additions thereto, as in its opinion, are required and necessary for the safe and efficient operation of the Airport.

7.3 Further Airport Development. LESSOR reserves the right to further develop or improve the remaining area of the Airport as it sees fit.

7.4 Aerial Approaches. LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction and interference, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure, natural or manmade, on or adjacent to the Airport, which in the opinion of the LESSOR, would limit the usefulness of Airport or constitute a hazard to aircraft.

7.5 Inspection. The LESSOR shall have the right to enter upon the Premises at any time, however, normally during regular business hours and with prior notice to inspect the Premises for compliance with the terms and conditions of the Agreement and federal, state, and local laws and regulations. In case of emergencies, the LESSOR shall have the right to immediately enter the Premises.

7.6 Protection Clause. The LESSOR reserves unto itself, its successors, and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the

airspace above the surface of the real property herein described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from, or operating on the Airport.

ARTICLE 8 – INSURANCE AND INDEMNIFICATION

8.1 Insurance. LESSEE shall obtain and maintain continuously in effect at all times during the term of the Agreement, at LESSEE's sole expense, all insurance coverage as required under the, City's General Provisions for a fixed based operator as well as each additional activity or service provided as may be amended and shall include the following:

a. Comprehensive General Liability insurance with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

b. Property damage insurance covering direct physical loss due to perils of fire, windstorm, and extended perils for full replacement value for all facilities leased by the LESSEE.

c. Airport Liability insurance with a Combined Single Limit (CSL) of not less than Three Million ($3,000,000) Dollars per occurrence including Premises , protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

d. Aircraft Liability insurance, as may be applicable, with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence including a minimum sublimit of One Hundred Thousand ($100,000) per passenger, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

e. Hangar Keepers Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

f. Commercial Business Auto Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

g. Pollution Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors. Such coverage shall survive the expiration of the Agreement. This coverage shall not apply to conditions which pre-exist the date of the Agreement.

h. Workers Compensation insurance with a minimum of the Statutory Limits required by the State of Florida and Employers Liability insurance with a minimum of One Hundred Thousand ($100,000) per accident, One Hundred Thousand ($100,000) per disease each employee and Five Hundred Thousand ($500,000) disease per policy.

i. All insurance requirements specified herein above shall name LESSOR as an additional insured with instructions that the insurance carrier will notify LESSOR if the LESSEE defaults on premium payments, and shall require that the insurance carrier notify LESSOR thirty (30) days prior to any event leading to the material modification or cancellation of the policy. The additional insured status of the City must be primary and non-contributory. Waiver of Subrogation in favor of the LESSOR is to be included.

j. All insurance required to be carried by LESSEE hereunder shall be issued by responsible insurance companies qualified to do business in the State of Florida. LESSEE shall furnish copies of all insurance policies or certificates evidencing the existence and amounts of such insurance shall be delivered to LESSOR by LESSEE as required under the Agreement and under the Airport Minimum Standards for Commercial Aeronautical Activities for all activities provided by LESSEE. Such certificates are attached hereto as Exhibit "C", Liability Insurance Certificates. Copies of said certificates of insurance shall be provided to LESSOR with each annual renewal and at least ten (10) days prior to the expiration thereof for each activity offered by LESSEE.

k. It is the responsibility of LESSEE to keep required insurance in effect and provide such evidence to the City. Failure to provide proof of insurance at any time, to the satisfaction of the City, shall be grounds for termination of the Agreement.

l. LESSEE will require and receive certificate of insurance from any and all subcontractors, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, and as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its subcontractor coverage.

m. LESSEE will require and receive certificate of insurance from any and all subleases, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its sublease coverage.

n. LESSEE shall provide LESSOR evidence of appropriate insurance on any non-aeronautical activity, such as rental cars, that also provide rent to LESSOR.

o. The LESSOR may, upon giving the LESSEE ninety (90) days written notice, require the LESSEE to attempt to procure increased or expanded insurance coverage to the extent an independent insurance broker determines that it is necessary for adequate protection of the LESSOR or public and is readily available on commercially reasonable terms; provided however, the required increased or expanded coverage shall not exceed industry standards or the coverage generally required by the LESSOR from other similar leases.

8.2 Indemnification. LESSEE for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSEE, its officers, employees, agents, and representatives. LESSEE'S liability hereunder shall include all attorney's fees and costs incurred by the LESSOR in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement. Nothing contained in the foregoing indemnification shall be construed to be a waiver of any immunity or limitation of liability the LESSOR may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes. To the extent permitted by Florida law, the LESSOR for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSEE, its directors, members, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSOR, its officers, employees, agents, and representatives prior to the Commencement Date. LESSOR'S liability hereunder shall include all attorney's fees and costs incurred by the LESSEE in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement.

8.3 Indemnification for Toxic Wastes. LESSEE, for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to assume liability for and indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against loss, damage, cost, or assessment

which may result from or in any manner be related to the deposit, spill, discharge, or other release, and or the presence, use, distribution, or disposition of any toxic substance, chemical, metal, petroleum product, or hazardous or toxic waste, or any other substance or derivative. This provision shall survive the expiration of the Agreement. This shall not apply to conditions which pre-exist the date of the Agreement or to conditions that were not created by LESSEE and LESSOR shall indemnify and hold LESSEE harmless from any claims relating ~~thereto.~~ to pre-existing conditions.

ARTICLE 9 – PUBLIC USE, FEDERAL GRANTS, AND NON-DISCRIMINATION

9.1 Appurtenant Privileges. LESSEE shall be entitled, in common with others so authorized, to the nonexclusive use of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including but not limited to, the use of rights-of-way, common area utilities, landing areas, runways, taxiways, navigational aids, terminal facilities, and aircraft parking areas designated by LESSOR.

9.2 Nonexclusive Right. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right. It is not the intention of the Agreement to grant to LESSEE the exclusive right to provide any or all of the services described in the Agreement at any time during the term of the Agreement. LESSOR reserves the rights, at its sole discretion, to grant others certain rights and privileges upon the Airport which are identical in part or in whole to those granted to LESSEE. However, LESSOR does covenant and agree that:

a. It shall enforce the City's Minimum Standards for Commercial Aeronautical Activities and General Provisions as currently approved or as amended for all similar services and activities conducted at the Airport; and

b. It will not permit the conduct of any aeronautical endeavor or activity at the Airport, except under an approved lease, sub-lease, or operating agreement, or as general aviation by the general public; and

c. It is bound by all current and future interpretations and decisions by the FAA and National Transportation Safety Board ("NTSB") regarding grant assurances.

9.3 Non-Discrimination. Notwithstanding any other inconsistent provision of the Agreement, during the performance of the Agreement, LESSEE, for itself, its heirs, personal representatives, successors in interest, and assigns, as part of the consideration for the Agreement, does hereby covenant and agree, as a covenant running with the land, that:

a. No person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participating in, denied the benefits of, or otherwise be subjected to discrimination, in the use of the Premises;

b. In the furnishing of services on, over, or under the Premises, no person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

c. LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, and as said regulations may be amended.

ARTICLE 10 - TERMINATION

10.1 Termination. The Agreement shall be subject to termination by either party in the event of any one or more of the following:

a. The abandonment of the Airport as an airport or airfield;

b. Any default in the payment of the whole or any part of any rent or other payments such as properly imposed taxes, assessment, applicable fees and charges, or other governmental imposition required for a period of thirty (30) days after the time LESSOR provides LESSEE notice that such payments are due but only to the extent LESSEE has not disputed the payment in good faith;

c. The default by either party in the performance of any of the terms, covenants, and conditions of the Agreement (except rental payments), and the failure of such defaulting party to remedy or to undertake to remedy to the other party's satisfaction such default for a period of thirty (30) days after receipt of written notice from the non-defaulting party to the defaulting party to remedy same. This includes the failure of the LESSEE to complete proposed improvements within the time frames as set forth herein; provided that in the event performance cannot be reasonably cured within 30 days, no default shall exist if such party is diligently seeking to remedy such performance shortfall;

d. Abandonment of the Premises by the LESSEE or, LESSEE's failure or neglect to conduct or carry on the aforesaid fixed based operation upon the Premises for a space of thirty (30) days;

e. The lawful assumption by the United States, or any authorized agency thereof, of the operation, control, or use of the Airport, or any substantial part thereof, in such a manner as to restrict substantially LESSEE from conducting its business operation for a period in excess of 365 days;

f. LESSOR shall be entitled to terminate the Agreement upon the filing of a voluntary petition in bankruptcy by LESSEE, including a reorganization plan, a general or other assignment for the benefit of creditors, adjudication as a bankrupt, any levy against the leasehold interest of the LESSEE, or if a receiver is appointed for the property or affairs of LESSEE and such receivership is not vacated within sixty (60) days after the appointment of such receiver;

g. LESSEE shall have the right at any time to terminate the Agreement and its obligations hereunder, by providing sixty (60) days written notice to LESSOR and by conveying to LESSOR the title to the improvements constructed on the Premises, free and

clear of any lien or encumbrance, provided that LESSEE has properly maintained said property and it is in as good condition as when originally constructed, ordinary wear and tear excepted, and provided, further, that the obligations regarding accumulated rent and indemnification shall specifically survive.

10.2 Re-Entry. It is further understood and agreed between the parties hereto that in the event of any breach of any covenant or agreement on the part of the LESSEE to be performed and provided, that if such breach is not remedied by the LESSEE after reasonable notice in writing to it by the LESSOR, the LESSOR may re-enter and terminate this tenancy by giving the LESSEE sixty (60) days written notice, to quit the Premises. LESSOR shall at all times be entitled to recover by all lawful means any and all damages,

10.3 Obligation Upon Termination. Upon termination of the Agreement or occurrence of a termination event, all obligations of either party hereunder to the other shall cease and terminate, except as specifically provided herein, and the LESSEE agrees it shall immediately quit, surrender, and return peaceable and quiet possession of the Premises, including all improvements, to the LESSOR in as good order and condition as existed at the time of the initial occupancy and only reasonable wear and tear being accepted. LESSEE shall have the right at any time during said term, or any renewal, or extension thereof; to remove its trade fixtures and equipment situated on the Premises which were installed, or placed by it, at its expense, in, on, or about the Premises, subject, to any valid lien which LESSOR may have thereon for unpaid rents, fees, taxes, or charges. All moveable personal property shall be removed by the LESSEE on or before the expiration of the Agreement term and all property not so removed shall be deemed abandoned by the LESSEE.

10.4 Continuing Obligation. LESSEE'S obligations under Article 6.14 and Articles 8.2 and 8.3 of the Agreement shall survive the expiration or termination of the Agreement or any renewal thereof.

ARTICLE 11 – NOTICE

11.1 Any notice given by one party to the other in connection with the Agreement shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid, addresses as follows:

If to LESSOR, address to:

City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

With a copy to Airport Manager, address to:

Airport Manager
Fernandina Beach Municipal Airport
700 Airport Road
Fernandina Beach, FL 32034

If to LESSEE, address to:

Brian Echard
8 Flags Aviation, LLC
306 1/2 Centre St
Fernandina Beach, Florida 32034

With a copy to

Attention: Jim Porter
Smith, Gambrell & Russell, LLP
Bank of America Tower
50 North Laura Street, Suite 2600
Jacksonville, Florida 32202

11.2 Notices will be deemed to have been received on the date of receipt as shown on the return receipt.

11.3 It shall be the LESSEE's responsibility to keep the address contained in the Agreement up to date and accurate.

ARTICLE 12 –EXPENSES FOR PUBLIC SERVICES

LESSEE recognizes that the Airport is not certificated by the Federal Aviation Administration pursuant to the requirements of Federal Air Regulations, 14 C.F.R. Part 139, and LESSEE will not conduct any operation on the Airport that will require Airport to be so certificated, without prior written approval of LESSOR. Certification of the Airport will require additional law enforcement and emergency services personnel and equipment to be present at the Airport at substantial expense. Fees associated with these expenses will be set in advance LESSEE will be responsible for any costs of activities authorized, contracted, or permitted by LESSEE for public services that would be required by FAA or other agencies.

ARTICLE 13 – MISCELLANEOUS PROVISIONS

13.1 [intentionally omitted]

13.2 Independent Contractor. In conducting its business hereunder, LESSEE acts as an independent contractor and not as an agent of LESSOR. The selection, retention, assignment, direction, and payment of LESSEE'S employees shall be the sole responsibility of LESSEE, and LESSOR shall not attempt to exercise any control over the daily performance of duties of LESSEE'S employees.

13.3 Subordination. The Agreement shall be subordinate to the provisions of any existing or future agreement between LESSOR and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.

13.4 Entire Agreement. The Agreement, RFP 2015-101.2 and LESSEE's proposal in response to RFP 2015-101.2 together constitute the entire agreement and understanding between the parties, and as of its effective date supersedes all prior or independent

contracts or agreements between the parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

13.5 Headings. Article titles and paragraph titles of the Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, augment, or describe the scope, content, or intent of any provision of the Agreement.

13.6 Severability. If any substantive provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction and such declaration results in a substantial failure of consideration for either party, the entire Agreement shall be subject to termination by such party. Otherwise, such declaration shall not be cause for termination of the Agreement, but only such void or illegal provision shall be canceled or deemed to be of no effect.

13.7 National Emergency. During the time of war or national emergency, the LESSOR shall have the right to lease the landing area or all or any part of the Premises upon demand to the United States Government, and if any such agreement is executed, the provisions of the Agreement with the LESSEE herein, and all obligations of LESSEE to make the payments as required herein, shall be suspended for the length of time that the United States Government requires the use of the said landing area and/or Premises. This period of time during which the Agreement is so suspended will not count against the time provisions of the then existing Agreement.

13.8 Force Majeure. Neither LESSOR, nor LESSEE, shall be deemed to be in violation to the Agreement if either is prevented from performing any of its obligations hereunder by reasons of strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellions, acts of sabotage, or any other circumstances for which it is not responsible, or which are not under its control, provided; however, that this section does not apply to failure by LESSEE to pay the rentals, fees, taxes, and charges set forth herein. In any such case a prompt written notice shall be given to the other party of the existence of such causes and of readiness to resume performance upon the removal, or non-existence thereof.

13.9 Governing Law, Venue and Attorney's Fees. The Agreement shall be construed in accordance with the laws of the State of Florida. Venue for any state law action brought hereunder shall be Nassau County, Florida. Should jurisdiction in state court not be available, then venue for any federal action brought hereunder shall be the U.S. District Court, Middle District of Florida, Jacksonville Division. In the event of any litigation between the parties regarding the breach and/or enforcement of the Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and costs, including at the appellate court level, from the non-prevailing party as determined by a court of competent jurisdiction.

13.10 Non-Waiver. The failure of the LESSOR to insist upon strict performance of any of the terms, conditions, or covenants herein set forth shall not be deemed a waiver of any rights or remedies that it may have and shall not be deemed a waiver of any breach or default by the LESSEE of the terms, conditions, or covenants contained herein.

13.11 Radon Gas Notice. Pursuant to Florida Statutes Section 404.056(8), LESSOR hereby makes, and LESSEE hereby acknowledges, the following notification:

a. Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

b. LESSOR makes no representation or warranty with respect to the presence or absence of radon on the Premises, and LESSEE shall undertake such inspection or testing as it deems necessary or convenient to assure itself as to the presence or absence of radon.

13.12 Additional Terms. The Lease is being executed in advance of the commencement of operation and prior to construction on the Premises. Accordingly, LESSOR and LESSEE each agrees that it will cooperate and act reasonably with the other in resolving issues consistent with the intent of the Agreement and to ensure timely construction and performance and a professional work product.

Attachments:

Exhibit "1" Fernandina Beach Municipal Airport – FBO Lease Agreement

Exhibit "A" Professional Survey of Lease Area — Legal Description of LESSEE'S Property and Survey

Exhibit "B" Overview of Capital Improvements to be provided at sole expense and cost of LESSEE

Exhibit "C" Liability Insurance Certificate(s) as required under this lease and/or applicable Minimum Standards for Commercial Aeronautical Activities (Note: This certificate shall show that the City has been named as an additional insured on all policies.) Appropriate certificate(s) shall be presented upon completion of each facility and before occupancy.

Exhibit "D" - Minimum Standards for Commercial Aeronautical Activities

Exhibit "E" - Rules and Regulations for Fernandina Beach Municipal Airport

Exhibit "F" – Development Standards and Guidelines for Fernandina Beach Municipal Airport

Exhibit "G" – General Provisions for Fernandina Beach Municipal Airport

Exhibit "H" – Definitions for Use at Fernandina Beach Municipal Airport

MANZIE & DRAKE LAND SURVEYING

LEGAL DESCRIPTION
FBO LEASE AREA
SEPTEMBER 16, 2015

FOR A POINT OF REFERENCE COMMENCE AT NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT"; THENCE NORTH 36°38'24" EAST, ALONG A GRID BEARING, A DISTANCE OF 2,394.00 FEET TO NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT AZIMUTH MARK"; THENCE NORTH 07°55'33" EAST A DISTANCE OF 1,114.78 FEET TO THE **POINT OF BEGINNING**; THENCE NORTH 09°05'25" WEST A DISTANCE OF 457.90 FEET TO INTERSECT THE SOUTHERLY RIGHT-OF-WAY LINE OF AIRPORT ROAD (CESNA DRIVE) A 60 FOOT RIGHT-OF-WAY; THENCE SOUTH 80°41'30" WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 194.16 FEET; THENCE SOUTH 09°21'03" EAST A DISTANCE OF 163.81 FEET; THENCE SOUTH 80°38'08" WEST A DISTANCE OF 114.57 FEET; THENCE NORTH 09°21'03" WEST A DISTANCE OF 163.92 FEET TO INTERSECT THE SOUTHERLY RIGHT-OF-WAY LINE OF AIRPORT ROAD (CESNA DRIVE) A 60 FOOT RIGHT-OF-WAY; THENCE SOUTH 81°20'44" WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 340.53 FEET; THENCE SOUTH 09°47'04" EAST A DISTANCE OF 214.61 FEET; THENCE SOUTH 80°55'43" WEST A DISTANCE OF 169.25 FEET; THENCE SOUTH 08°54'52" EAST A DISTANCE OF 244.97 FEET TO INTERSECT THE NORTHERLY EDGE OF THE TAXIWAY "A" OBJECT FREE AREA; THENCE NORTH 80°53'46" EAST, ALONG SAID NORTHERLY EDGE OF THE TAXIWAY "A" OBJECT FREE AREA, A DISTANCE OF 816.66 FEET TO THE POINT OF BEGINNING.

CONTAINING 7.32 ACRES MORE OR LESS.

MICHAEL A. MANZIE, P.L.S
FLORIDA REGISTRATION NO. 4069
JOB NO. 14050 9-16-15

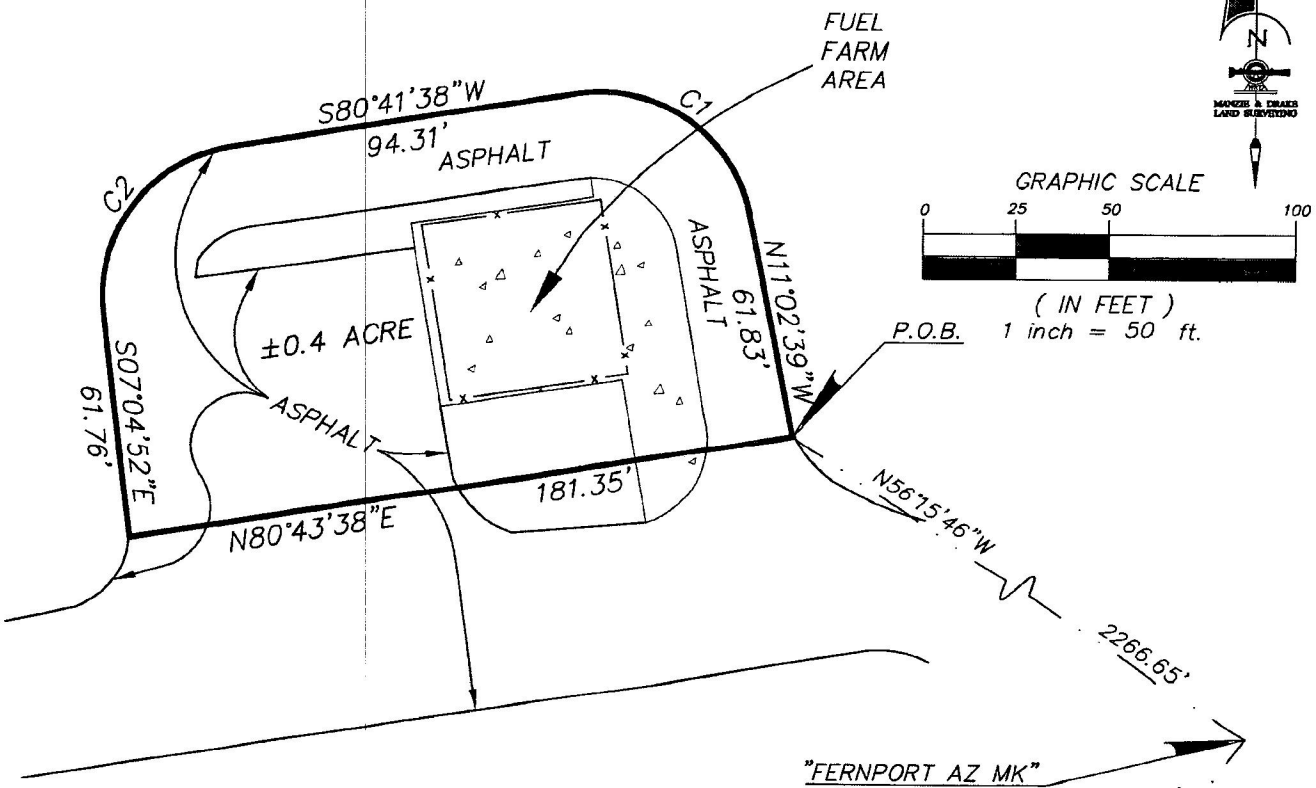
117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904) 491-5700 • FAX (904) 491-5777 • TOLL FREE (888) 832-7730
www.manzieanddrake.com

MANZIE & DRAKE LAND SURVEYING

SKETCH OF LEGAL DESCRIPTION

(LEGAL DESCRIPTION ATTACHED)
(THIS IS NOT A BOUNDARY SURVEY)

CURVE TABLE					
CURVE	DELTA	RADIUS	LENGTH	CHORD BEARING	CHORD DISTANCE
C1	88°15'43"	41.23'	63.51'	N55°10'30"W	57.42'
C2	87°46'30"	41.58'	63.70'	S36°48'23"W	57.66'



"FERNPORT AZ MK"
GRID NORTH=2283125.94
GRID EAST=511163.69
NAVD 88 ELEVATION=12.00'

LEGEND:
AZ MK:=AZIMUTH MARK
P.O.B.=POINT OF BEGINNING
P.O.R.=POINT OF REFERENCE
NAVD=NORTH AMERICAN VERTICAL DATUM

BY: Michael A. Manzie

MICHAEL A. MANZIE, PROFESSIONAL SURVEYOR AND MAPPER
FLORIDA REGISTRATION NO. 4069
JOB NO. 14050 9.16.15

P.O.R.
"FERNPORT"
GRID NORTH=2281204.99
GRID EAST=509734.99
NAVD 88 ELEVATION=10.49'

117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904)491-5700 * FAX (904)491-5777
WWW.MANZIEANDDRAKE.COM

City of Fernandina Beach

OFFICE OF THE CITY CLERK

November 2, 2015

Brian Echard
8 Flags Aviation, LLC
P.O. Box 511
Fernandina Beach, Fla. 32035

RE: Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement

Dear Mr. Echard,

The Fernandina Beach City Commission at their Regular Meeting on October 20, 2015, approved Resolution 2015-139 approving a Airport Fixed Base Operator Lease Agreement between the City of Fernandina Beach and 8 Flags Aviation, LLC. Attached is a copy of Resolution 2015-139 and an original executed Lease Agreement for your files.

If you have any questions, please let us know.

Sincerely,
City of Fernandina Beach

Caroline Best
Caroline Best
City Clerk

RESOLUTION 2021-62

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, CONSENTING TO THE AMENDMENT, ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT FOR PROPERTY OWNED BY THE FERNANDINA BEACH MUNICIPAL AIRPORT, CURRENTLY LEASED TO SOUTHSHORE CRE, INC., TO BE AMENDED AND ASSIGNED TO FHB AIRCRAFT HANGARS LLC; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City entered into a ground lease with Southshore CRE, Inc. on February 4, 2020 authorizing construction of hangars for lease at the Fernandina Beach Municipal Airport; and

WHEREAS, Southshore CRE, Inc. has requested an amendment of this ground lease to authorize the formation of a condo association and sale of individual hangars and/or hangar units; and

WHEREAS, Southshore CRE, Inc. also wishes to assign all terms and conditions of the Lease to FHB Aircraft Hangars LLC; and

WHEREAS, amendment of the ground lease requires approval of the City Commission and the ground lease permits assignment upon approval of the City Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby consents to the Amendment, Assignment and Assumption of Lease with Southshore CRE, Inc. to be amended and assigned to FHB Aircraft Hangars LLC. In accordance with the terms and conditions attached hereto as Exhibit "1".

SECTION 2. This Resolution shall become effective immediately upon passage.

ADOPTED this 4th day of May, 2021.

CITY OF FERNANDINA BEACH

Michael A. Lednovich
Commissioner – Mayor

ATTEST:

Caroline Best
City Clerk

APPROVED AS TO FORM & LEGALITY:

Tammi E. Bach
City Attorney

AMENDMENT TO LEASE

May 4, 2021

THIS AMENDMENT TO LEASE is made and dated March ___, 2021 (the "Effective Date"), by and between **CITY OF FERNANDINA BEACH, FLORIDA**, a municipal corporation ("Lessor"), and **SOUTHSHORE CRE, INC.**, an Ohio corporation ("Lessee").

In consideration of the mutual benefits and covenants contained in this Amendment, and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), Lessor and Lessee acknowledge and agree as follows:

1. Lessee and Lessor had entered into a dated February 4, 2020, a copy of which is attached hereto as Exhibit "A" (hereinafter the "Lease"), and now desire to modify and amend the Lease.

2. Paragraph 1 of the Lease is deleted in its entirety and replaced with the following:

> Leased Premises. LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the following real property identified and shown on Exhibit "A" and Exhibit "B" Lease Areas, attached hereto (hereinafter referred to as the "Premises"), together with the right of ingress and egress for vehicles and aircraft. The Premises is located within an area of Airport property designated the east area.
>
> The LESSEE is authorized to develop and create an aircraft hangar condominium association and sell and/or lease individual hangar units to third parties for private aircraft storage (subject to and within the rules and regulations set forth in the Lease). Any other commercial aeronautical activity may be permitted in the future, however such activity would require expressed written consent by LESSOR and LESSEE obtaining necessary permits, as may be required. All LESSEE operations shall comply with all federal, state and local rules, regulations and ordinances.

3. Except as modified by this Amendment, the Lease and all of the terms, covenants and conditions thereof (except those which by their terms are no longer applicable) shall remain in full force and effect and are hereby in all respects ratified and confirmed. All references in the Lease to "this Lease" (or similar phrase) shall hereafter be deemed to refer to the Lease as amended by this Amendment.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Amendment as of the date set forth above.

LESSOR
CITY OF FERNANDINA BEACH, FLORIDA

By: Dale Martin, its City Manager

APPROVED AS TO FORM AND LEGALITY:
CITY ATTORNEY

ATTEST:
By: Caroline Best
Printed Name: Caroline Best
Title: City Clerk

LESSEE
SOUTHSHORE CRE, INC.

By: Harry W. Giltz, III, its President

ASSIGNMENT & ASSUMPTION OF LEASE

THIS AGREEMENT, made on May 4, 2021, is by between **SOUTHSHORE CRE, INC.**, an Ohio corporation (hereinafter referred to as "Assignor"), **FHB AIRCRAFT HANGARS LLC**, a Florida limited liability company (hereinafter referred to as "Assignee"), and **CITY OF FERNANDINA BEACH, FLORIDA**, a municipal corporation (hereinafter referred to as "Lessor").

WHEREAS, Lessor and Assignor are parties to a Lease agreement dated February 4, 2020 (hereinafter the "Lease"); and

WHEREAS, Assignor now desires to assign the Lease to the Assignee, and Assignee desires to accept the assignment thereof; and

WHEREAS, Lessor agrees and consents to the assignment of the Lease pursuant to the terms of this Agreement and Assignment.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree for themselves, their successors and permitted assigns as follows:

1. Assignor does hereby sell, assign, transfer and set over unto Assignee, all its right, title and interest in and to the Lease.

2 Assignee assumes and agrees to observe and perform all of the obligations, duties, covenants and conditions in connection with the Lease Agreement assigned by Assignor to Assignee (collectively "Obligations").

3. Lessor agrees and consents to the assignment set forth herein and to observe and perform all of the obligations, duties, covenants and conditions in connection with the Lease Agreement assigned to Assignee.

LESSOR
CITY OF FERNANDINA BEACH, FLORIDA

By: Dale Martin, its City Manager

APPROVED AS TO FORM AND LEGALITY:

CITY ATTORNEY

ATTEST:
By:
Printed Name: Caroline Best
Title: City Clerk

ASSIGNOR
SOUTHSHORE CRE, INC.

By: Harry W. Giltz, III, its President

ASSIGNEE
FHB AIRCRAFT HANGARS LLC

By: Harry W. Giltz, III, its Member

RESOLUTION 2020-09

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING THE LEASE AGREEMENT WITH SOUTHSHORE CRE, INC. FOR AN AERONAUTICAL GROUND LEASE AT THE FERNANDINA BEACH MUNICIPAL AIRPORT; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Fernandina Beach Municipal Airport is engaged in leasing ground to tenants for aeronautical use; and

WHEREAS, Southshore CRE, Inc., a private entity, wishes to lease ground at the Fernandina Beach Municipal Airport for construction of hangars, ramp apron, automobile parking and related infrastructure which consists of approximately 97,914 square feet; and

WHEREAS, the City has published rates for the lease of ground at the Airport and allows for such use; and

WHEREAS, the parties have agreed to the rates and terms for a twenty-year ground lease with options for renewal beyond the initial term.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the lease agreement with Southshore CRE, Inc., attached hereto as Exhibit "1".

SECTION 2. The City Manager and City Clerk are hereby authorized to execute the Lease Agreement, upon review and approval of the City Attorney.

SECTION 3. This Resolution shall become effective immediately upon passage.

ADOPTED this 4th day of February, 2020.

CITY OF FERNANDINA BEACH



John A. Miller
Commissioner – Mayor

ATTEST:



Caroline Best
City Clerk

APPROVED AS TO FORM & LEGALITY:



Tammi E. Bach
City Attorney

GROUND LEASE AGREEMENT FOR Southshore CRE, Inc. FOR PROPERTY LOCATED AT THE FERNANDINA BEACH MUNICIPAL AIRPORT

This GROUND LEASE AGREEMENT (hereinafter referred to as "Agreement"), made and entered into this 4th day of February, 2019, made by and between the **CITY OF FERNANDINA BEACH, FLORIDA**, a municipal corporation (hereinafter referred to as "LESSOR" or "City,") and **Southshore CRE Incorporated**, an OHIO For-Profit Corporation, its successors and assigns (hereinafter referred to as "LESSEE".)

WHEREAS, LESSOR owns, controls and operates the Fernandina Beach Municipal Airport (hereinafter referred to as "Airport"), in the City of Fernandina Beach, County of Nassau, and State of Florida; and

WHEREAS, LESSEE has proposed to lease certain property from LESSOR at the LESSOR's municipal airport for aeronautical related activities; and

WHEREAS, LESSOR desires to make real property available to LESSEE at the Airport for the construction of aircraft storage hangars, ramp apron, auto parking and related infrastructure for business use and storage of aircraft;

NOW THEREFORE, for and in consideration of the Premises and the mutual benefits and covenants contained in this Agreement, the parties hereby agree as follows:

1. Leased Premises. LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the following real property identified and shown on Exhibit "A" and Exhibit "B" Lease Areas, attached hereto (hereinafter referred to as the "Premises"), together with the right of ingress and egress for vehicles and aircraft. The Premises is located within an area of Airport property designated the east area.

The LESSEE is authorized to conduct the following non-exclusive use at the Airport: All operations associated with the conduct of the LESSEE's flight operations including but not limited to general commercial aircraft storage, and other non-commercial related aviation operations to include minor maintenance and repairs on LESSEE's aircraft. Additionally, the LESSEE is permitted to provide the commercial storage of aircraft of others. Any other commercial aeronautical activity may be permitted in the future, however such activity would require expressed written consent by LESSOR and LESSEE obtaining necessary permits, as may be required. All LESSEE operations shall comply with all federal, state and local rules, regulations and ordinances.

For the purposes of this Agreement, the term "Premises" shall include the use of airspace above and in the vicinity of said Airport, which is being used for conducting airport operations by LESSEE.

2. Term. The term of this Agreement shall be for a period of twenty (20) years,

commencing on the first day of the first month following the execution of this Agreement by both parties (the "Lease Commencement Date"), and continuing for said term, unless earlier termination under the provisions of this Agreement.

Provided the LESSEE is not in default of any terms and conditions of this Agreement, upon expiration of the initial Twenty (20) year term, the LESSEE shall have the right to extend the Lease for an additional Ten (10) year term on the same terms and conditions contained herein. Furthermore, if the LESSEE is not in default of any terms and conditions of this Agreement, the LESSEE may request to extend this Agreement for an additional Ten (10) years. This renewal option shall be based on a renegotiation and mutual agreement of both parties. Such written notice must be given a minimum of 120 days and no more than 270 days before the end of each term. All options for extension of this Agreement term shall be subject to performance standards noted below and accompanying continued capital investment toward improvements and repair. Such performance standards include:

a. At the 10 year anniversary of the Agreement, and every five (5) years thereafter, the LESSOR may conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE within 180 days of receipt of written notice from LESSOR that such repairs are to be made by LESSEE. If such reasonable repairs are not completed, then LESSEE will be billed at 115% of cost for LESSOR to complete identified repairs.

b. If Lessee desires, at the expiration of the 10 year renewal term, or if exercised at the expiration of any additional extensions, LESSEE may request a new lease. If LESSOR determines that the leased Premises are not required for other airport uses, the LESSEE has met its obligations under the term of the preceding lease, and the LESSOR finds that a new lease is appropriate, the LESSOR and LESSEE may negotiate a new lease at terms to be agreed upon at the time of the negotiations. The duration of the new lease shall be at the LESSOR'S option.

3. Rent. In consideration of the rights and privileges granted by this Agreement, LESSEE agrees to pay LESSOR the following ground rent from the date of commencement of this Agreement for two separate parcels.

a. Rent for the use of real property on Airport property within the area further described in Section 8 as the **Phase 1 Development Parcel** is based on a total lease area of 11,109 square feet; at a lease rate of $0.20 dollars per square foot per year. Initial annual ground rent for the Phase 1 Development Parcel shall be $2,221.80 per year.

b. Rent for the use of real property on Airport property within the area further described in Section 8 as the **Phase 2 Development Parcel** is based on a total lease area of 86,805 square feet; at a lease rate of $0.20 dollars per square foot per year. Initial annual ground rent for the Phase 2 Development Parcel shall be $17,361.00 per year.

c. This annual ground rent shall be converted to equal monthly payments to be made at the rate of $1,631.90 per month, which also is subject to applicable sales tax currently $106.07 per month or a total of $1,737.97 per month, and shall commence on the first day of the first month following the execution of this Agreement. All payments shall be due and payable without notice on or before the first day of each month. This rental rate shall be reduced in the event that the LESSEE or LESSOR provides notice to eliminate lease of the Phase 2 Development Parcel in accordance with the terms and conditions of Section 8 of this lease agreement below.

d. This ground rent rate shall be reviewed each year by the LESSOR and ground rent rates, plus all applicable taxes, shall be adjusted so as to maintain a fair rental rate based on change in the Consumer Price Index (CPI) – All Urban Consumers South Urban Region – All Items (base year 1982-84=100), as published by the United States Department of Labor-Bureau of Labor Statistics, an appraisal, market rent study or other method designated by LESSOR. Such CPI change will be computed each year after the completion of the month of July and any change will be implemented and effective with October rent payments of each year. An appraisal, market rent study or alternative method as designated by the LESSOR may be substituted periodically for the CPI adjustment and shall be at least four years apart and any such adjustment will also be implemented in October of the applicable year. In no event, however, shall the ground rent be less than the previous year's rental amount. The Tenant shall be solely responsible for the payment of all applicable ad valorem property taxes.

4. Delinquency Charge. Any payments received after the tenth (10th) day of the month are subject to a delinquency charge of one and one-half percent (1 ½%) per month beginning with the eleventh (11^{th}) day after payment is due.

5. Place of Payment. All payments due LESSOR from LESSEE shall be made payable to the City of Fernandina Beach, and mailed to P. O. Box 1146, Fernandina Beach, Florida 32035 or delivered to 1180 South 5^{th} St. Extension, Fernandina Beach, Florida 32034.

6. Non-Exclusive Right. It is not the intention of this Agreement to grant to LESSEE the exclusive right to provide any or all of the services described in this Agreement at any time during the term of this Agreement. LESSOR reserves the rights, at its sole discretion, to grant others certain rights and privileges, to grant others certain rights and privileges upon the Airport which are identical in part or in whole to those granted to LESSEE. However, LESSOR does covenant and agree that:

a. It shall enforce all Airport Minimum Standards for Commercial Aeronautical Activities as currently approved or requirements for all similar services and activities conducted at the Airport;

b. Any other provider of similar services or activities will not be permitted to operate on the Airport under rates, terms, or conditions which are more favorable than those set forth in this Agreement; and

c. It will not permit the conduct of any aeronautical endeavor or activity at the Airport, except under an approved lease or operating agreement, or as general aviation by the general public.

7. Appurtenant Privileges. LESSEE shall be entitled, in common with others so authorized, to the non-exclusive use of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including but not limited to, the use of rights-of-way, common area utilities, landing areas, runways, taxiways, navigational aids, terminal facilities and aircraft parking areas designated by LESSOR.

8. Construction and Use of Premise. LESSEE is hereby granted the non-exclusive privilege to engage in, and LESSEE agrees to engage in development which includes construction and maintenance of up to three (3) shared wall row hangars, ramp apron, auto parking and related infrastructure on the Premises for LESSEE'S business use, or for other commercial use as may be approved by LESSOR, built in accordance with plans and specifications contained in the Architecture and Building Design Standards for Development on the Airport and as approved by LESSOR and other aviation or aeronautical activities and services necessary or incidental thereto, such approval shall not be unreasonably withheld by LESSOR. The construction of three (3) shared wall row hangars shall be referred to as the **Phase 1 Development** and will take place on the Phase 1 Development parcel on the sketch and description found at Exhibit "A" to this lease agreement. If Phase 1 Development construction on the Premises has not begun within one (1) year of the date of this Agreement, and construction of three (3) shared wall row hangars is not completed within fifteen (15) months of the beginning of construction, this Agreement may be terminated by the LESSOR with thirty (30) days written notice to LESSEE.

LESSEE shall lease additional airport property for potential future aircraft hangar development, referred to herein as **Phase 2 Development**. A description and sketch of Phase 2 property can be found at Exhibit "B" to this lease. LESSEE shall have fifteen (15) months from commencement of this lease to provide written notice to LESSEE of intent to develop additional hangars on the Phase 2 Development parcel and shall also submit all required documents for design review by the City of Fernandina Beach Technical Review Committee. If written notice of intent and submittal of all required documents to the City of Fernandina Beach Technical Review Committee is not completed on or before fifteen (15) months from commencement of this lease, LESSOR may, at its sole discretion, terminate the lease of Phase 2 Development parcel upon thirty (30) days written notice. If LESSEE provides notice that it does not intend to build Phase 2, the Parties shall consider this lease to be amended thirty (30) days following receipt of the date of written notice to remove the Phase 2 Development parcel. The lease of the Phase 1 Development parcel shall be unaffected by this notice. LESSEE may request an amendment of the Phase 2 parcel boundaries if proposed development on this parcel will only utilize a portion of the leasehold area, and this amendment will be contingent upon approval of the LESSOR.

The parties agree that this Agreement shall be construed as an "Aeronautical Use Agreement" and LESSEE shall not engage in any business on the Premises other than that specified herein. Included as part of the LESSEE's Phase 1 development are:

a. Three shared wall row hangars with the approximate dimensions of 40'x35', 40'x35', and 45'x35' with a single unisex shared restroom to be used for the commercial storage of aircraft of others and for no other purpose.

b. Suitable vehicle parking shall be installed and maintained by the LESSEE to allow the loading, unloading and parking of vehicles having business on the Premises.

c. All Phase 1 Development and Phase 2 Development improvements, including the design thereof, on the Premises must be permitted by the LESSOR prior to installation or construction. The LESSEE is responsible for applying for and obtaining all necessary construction permits and licenses required by local, state and federal laws and regulations.

d. The LESSEE shall construct an aircraft ramp apron on the Premises as designated by the LESSOR, for the purpose of aircraft access to the LESSEE's Hangar facilities. No structures or fixtures will be allowed on the ramp apron. Any and all taxi-lanes and ramp aprons shall be constructed to adequately permit aircraft and vehicles access to the Premises. Pavement construction shall be of equal or greater strength than that of the existing airport taxi-lanes/taxiways/aprons to which it shall abut. The design and construction are subject to review and approval by the LESSOR's Engineer or designee. Maintenance and repair or replacement of this aircraft ramp apron shall be the responsibility of the LESSOR during the term of this lease, and shall be at the sole cost and expense of the LESSOR.

e. Suitable pavement markings and lighting shall be installed and maintained by the LESSEE to provide for the orderly and safe movement of aircraft and vehicles on the Premises. Any lighting on the Premises must be approved by the LESSOR prior to installation, and not interfere with flight operations at the Airport.

f. All improvements shall be constructed, graded and drained so as to direct all storm water which may fall on the Premises into approved disposal devices. The LESSOR shall not contribute to storm water contamination and will take such steps and measures as are necessary to comply with the Airport's Storm Water Pollution Prevention Plan and all federal, state, and local regulations governing storm water discharge.

g. Any landscaping installed on the Premises is subject to approval by the LESSOR and shall be installed and maintained by the LESSEE.

9. Rights and Obligations of LESSEE.

a. Payments: LESSEE shall meet and pay all expenses and payments in connection with the use of the Premises and the rights and privileges herein granted, including taxes, ad valorem taxes, permit fees, impact fees, license fees and assessments lawfully levied or assessed upon the Premises or property situated hereon, as well as any and all utilities used or consumed by LESSEE on the Premises, including, but not limited to, water, gas, electricity, sewer, and refuse services.

b. Agreement to Pay Taxes and Obligations: LESSEE shall pay all lawful taxes and assessments, debts and obligations of every kind or nature which, during the term hereof, may become a lien upon or which may be levied by the state, county, city or any other tax levying body, upon any taxable interest of the LESSEE acquired in the Agreement or any taxable possessory right which LESSEE may have in or to the Premises or facilities hereby leased or the improvements thereon, or on the LESSOR'S fee simple interest therein, by reason of its use or occupancy thereof or otherwise as well as all taxes or taxable property, real or personal, owned by LESSEE in and about said Premises, whether said taxes are assessed in the name of LESSEE or LESSOR.

c. Premise Upkeep: The LESSEE shall, at its own expense, maintain and keep the Premises to include structural, roofs, and hangar doors as well as all improvements thereon including lighting, landscaping, drainage, signage, auto parking areas and aircraft parking ramp apron including all pavement and striping, in good condition and make all repairs, both interior and exterior, necessary to keep and maintain the Premises, including all improvements thereon in good condition. The Premises and all buildings, improvements, and property thereon must be maintained in a safe, clean and sanitary condition. The LESSOR shall require maintenance and needed repairs to be made in a timely manner.

d. Access: LESSEE shall have at all times the right of ingress to and egress from the rented Premises. To ensure this right the LESSOR shall make all reasonable efforts to keep adjacent areas to the rented Premises free and clear of all hazards and obstructions, natural and manmade.

e. Work in Hangar: It is clearly understood by the LESSEE that no right or privilege has been granted which would operate to prevent any person, firm or corporation operating aircraft on the Airport from performing any services on its own or leased aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform. However, City building code requirements and governmental regulations must be met for the type of work being conducted (examples – painting of aircraft or heavy maintenance of aircraft.)

f. Commercial Activity: LESSEE is permitted to operate commercial aeronautical activities as described in Section 1. LESSEE hereby agrees that it shall comply with the contents of Exhibit "D" - Minimum Operating Standards for Commercial Aeronautical Activities (Minimum Standards), attached hereto, as currently approved or as may be amended from time to time. Should the Minimum Standards be updated, and any requirement become more restrictive than current Minimum Standards the LESSEE shall have eighteen (18) months from date of adoption to meet the revised Minimum Standards unless waived in writing by the LESSOR. Once updated, those Minimum Standards shall become a part of this Agreement.

g. Signs: During the term of this Agreement, LESSEE shall have the right, at its expense, to place in or on the Premises, a sign or signs. Said sign or signs shall be of a size, shape and design, and at a location or locations, approved by LESSOR and shall conform to the City's sign code. LESSEE shall be responsible for all permits. Notwithstanding any other provision of this Agreement, said sign(s) shall remain the property of LESSEE. LESSEE shall remove, at its expense, all lettering, signs and placards so erected on the Premises at the expiration of the term of this Agreement.

h. Compliance with Applicable Laws, Rules and Regulations: Notwithstanding other requirements contained herein, the LESSEE at its sole cost and expense hereby agrees to and shall comply with all applicable ordinances, laws, rules and regulations established by federal, state, and local government agency or by the City, and they may be amended from time to time, and conduct its operations or commercial business in accordance with all applicable regulations pertaining to airports, including Airport Rules and Regulations, attached hereto as Exhibit "E", promulgated by the LESSOR governing safe and efficient operation of Fernandina Beach Municipal Airport. The LESSOR may, from time to time, modify and/or update the Rules and

Regulations. LESSOR will provide LESSEE with a copy of the updated Rules and Regulations, and once updated or revised, those Rules and Regulations shall become a part of this Agreement.

i. Compliance with Environmental Law, Rules and Regulations: LESSEE expressly represents, covenants, warrants, guarantees, and agrees that it shall fully comply with all federal, state and local laws, ordinances, rules and regulations protecting the environment. Any cost or expense to remain or to be compliant with applicable environmental rules and regulations shall be the responsibility of the LESSEE. LESSEE agrees to keep themselves informed of future changes in the existing environmental laws. Such compliance will be responsibility of the LESSEE at its sole cost and expense.

j. Hazardous Materials and Toxic Waste: LESSEE shall not cause or permit to occur:

1. Any violation of any federal, state or local law, ordinance or regulation now or later enacted, related to environmental conditions on, under, or about the Premises, or arising from LESSEE'S use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or

2. The use, generation, release, manufacture, refining, production, processing or disposal of any hazardous substance on, under, over, or about the Premises.

3. LESSEE shall, at its sole and exclusive expense, comply with all laws and regulations regulating the storage or transportation of hazardous substances relating to the Premises, and shall further make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities under applicable federal, state and local laws and regulations; and the LESSOR is to be immediately notified by LESSEE of any claim or allegation of non-compliance herewith.

4. If any authority demands that a clean-up plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge or other release of hazardous substances that occurs during the term hereof, or any renewals hereof, at or from the Premises, or which arises from LESSEE's use or occupancy of the Premises, then LESSEE shall, at LESSEE's expense, prepare and submit the required plans and all related bonds and other required financial assurances; and LESSEE shall carry out all work required by such clean-up plans at its sole and exclusive expense.

10. Continuing Obligation. LESSEE'S obligations under Section 9, subsection (j), and Section 11 and Section 15 of this Agreement shall survive the expiration or termination of this Agreement or any renewal thereof.

11. Indemnification for Toxic Wastes. LESSEE, for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to protect, defend, ensure and indemnify LESSOR, its officers, directors, elected and appointed officials and employees, for any manner of loss, damage, cost or assessment which may result from or in any manner be related to the deposit, spill, discharge or other release, and or the presence, use, distribution or disposition of any toxic substance, chemical, metal, petroleum product, or hazardous or toxic waste, or any

other substance or derivative. This provision shall survive the expiration of this Agreement. This shall not apply to conditions which pre-exist the date of this Agreement.

12. Aerial Approaches. LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the opinion of the LESSOR, would limit the usefulness of the Airport or constitute a hazard to aircraft.

13. Leasehold Improvements.

a. LESSEE agrees to submit to LESSOR, for approval, detailed plans and specifications for any structural change, alteration, addition, improvement or removal from or to the Premises. LESSOR shall approve the plans and specifications as submitted, or transmit proposed revisions to LESSEE within sixty (60) days of receipt of the plans and specifications from LESSEE. In the event that LESSOR requires revisions of the original plans and specifications, LESSEE shall have thirty (30) calendar days from the date of receipt of the proposed revisions to resubmit the plans and specifications for LESSOR's approval. This initial review shall not constitute review for the purposes of obtaining City permits. LESSEE shall be required to obtain all permits from governmental agencies as may be required, including the City, and shall be solely responsible for all costs relating to permitting the proposed improvements.

b. Any such improvements made by LESSEE shall remain the property of the LESSEE until the expiration of this Agreement and any extensions or renewals thereof and which shall remain on the Premises until the expiration or termination of this Agreement, at which time such improvements shall become the property of LESSOR. LESSEE shall at all times maintain all improvements constructed on the property in good condition. Upon expiration or termination of this Agreement, the LESSEE shall execute any and all documentation necessary to transfer clear title to the leasehold improvements, free of any lien or encumbrance, to LESSOR.

c. LESSEE shall not permit any mechanic's or other liens to be placed upon the Premises, at any time, except that LESSEE shall be permitted to mortgage its leasehold improvements to be constructed on the Premises by LESSEE. LESSOR shall not be required to subordinate its interest to such Leasehold Mortgage. All documentation regarding any leasehold mortgage must be reviewed and approved by the LESSOR prior to finalization of documents, to assure that no interest of the LESSOR is included in the documentation.

d. LESSEE shall provide payment and performance bonds in amounts and form as approved by LESSOR, prior to commencement of construction.

e. Within sixty (60) days of completion of construction, erection or any alteration of any improvements by the LESSEE, the LESSEE shall provide to the LESSOR a complete set of "as-built" plans and drawings.

14. Insurance. LESSEE shall obtain and maintain continuously in effect at all times during the term of this Agreement, at LESSEE's sole expense, the following insurance:

a. Comprehensive general liability insurance with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises, caused by or arising out of any negligent or wrongful act or omission of LESSEE;

b. LESSEE agrees that, should it desire to lease space for aircraft hangar storage, it shall obtain Hangar Keepers liability insurance protecting LESSOR against any and all liability by reason of LESSEE'S conduct incident to the use of the Premises, caused by or arising out of any negligent or wrongful act or omission of LESSEE, in the minimum amount of Five Hundred Thousand ($500,000) Dollars;

c. All insurances as required under the applicable Airport Minimum Standards for Commercial Aeronautical Activities shall be provided to LESSOR;

d. Property insurance covering direct physical loss due to perils of fire, windstorm and extended coverage for full replacement value;

e. Copy of annual insurance certificate(s) to be attached hereto as Exhibit "C", Liability Insurance Certificate, and shall be provided to LESSOR annually; AND

f. All insurance requirements specified herein above shall name LESSOR as an additional insured with instructions that the insurance carrier will notify LESSOR if the LESSEE defaults on premium payments, and shall require that the insurance carrier notify LESSOR thirty (30) days prior to any event leading to the material modification or cancellation of the policy.

15. Indemnification. LESSEE agrees to assume liability for and indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSEE, its officers, employees, agents, and representatives. LESSEE'S liability hereunder shall include all attorney's fees and costs incurred by the LESSOR in the enforcement of this indemnification provision. This includes claims made by the employees of LESSEE against the LESSOR and LESSEE hereby waives its entitlement, if any, to immunity under Sections 440.11, Florida Statutes. The obligations contained in this provision shall survive termination of this Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under this Agreement. Nothing contained in the foregoing indemnification shall be construed to be a waiver of any immunity or limitation of liability the LESSOR may have under the doctrine of sovereign immunity of Section 768.28 Florida Statutes.

16. Assignment or Sublease. This Agreement, or any part thereof, may not be assigned, transferred or subleased by LESSEE, by process or operation of law or in any other manner whatsoever, without the prior written consent of LESSOR, which consent shall not be unreasonably withheld. Prior to issuing any written consent, LESSOR may demand such information it may require to adequately judge whether the proposed assignee, transferee or sub-

lessee can adequately perform the duties of the LESSEE under this Agreement.

17. Independent Contractor. In its use of the Premises, LESSEE acts as an independent contractor and not as an agent of LESSOR. The selection, retention, assignment, direction and payment of LESSEE'S employees shall be the sole responsibility of LESSEE, and LESSOR shall not attempt to exercise any control over the daily performance of duties of LESSEE'S employees.

18. Non-Discrimination. Notwithstanding any other inconsistent provision of this Agreement, during the performance of this Agreement, LESSEE, for itself, its heirs, personal representatives, successors in interest and assigns, as part of the consideration for this Agreement, does hereby covenant and agree, as a covenant running with the land, that:

a. No person on the grounds of race, color, religion, sex, or national origin shall be excluded from participating in, denied the benefits of, or otherwise be subjected to discrimination, in the use of the Premises.

b. In the furnishing of services on, over or under the Premises, no person on the grounds of race, color, religion, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

c. LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, and as said regulations may be amended.

19. Maintenance of Airport Facilities. LESSOR shall maintain all public and common joint use areas of the Airport, including the Air Operations Area, in good repair, and shall make such repairs, replacements or additions thereto, as in its opinion, are required and necessary for the safe and efficient operation of the Airport.

20. Termination. This Agreement shall be subject to termination by either party in the event of any one or more of the following:

a. The abandonment of the Airport as an airport or airfield;

b. The default by either party in the performance of any of the terms, covenants and conditions of this Agreement, and the failure of such defaulting party to remedy or to undertake to remedy to the other party's satisfaction such default for a period of thirty (30) days after receipt of notice from the non-defaulting party to the defaulting party to remedy same. This includes the failure of the LESSEE to complete the proposed improvements within the time frames as set forth herein;

c. Damage to or destruction of all or a material part of the Premises or Airport facilities necessary to the LESSEE'S operation;

d. LESSEE shall be entitled to terminate this Agreement in the event of the lawful

assumption by the United States, or any authorized agency thereof, of the operation, control or use of the Airport, or any substantial part thereof, in such a manner as to restrict substantially LESSEE from conducting its operations for a period in excess of ninety (90) days.

e. LESSOR shall be entitled to terminate this Agreement upon the filing of a voluntary petition in bankruptcy by LESSEE, including a reorganization plan, a general or other assignment for the benefit of creditors, adjudication as a bankrupt, or if a receiver is appointed for the property or affairs of LESSEE and such receivership is not vacated within thirty (30) days after the appointment of such receiver;

f. LESSOR shall be entitled to terminate this Agreement upon the conviction of LESSEE or any of LESSEE's officers, managers or employees of any crime involving moral turpitude relating to this Agreement of LESSEE's operations hereunder;

g. LESSEE shall have the right to terminate this Agreement and its obligations hereunder, by providing sixty (60) days written notice to LESSOR and by conveying to LESSOR the title to the improvements constructed on the Premises, free and clear of any lien or encumbrance, provided that LESSEE has properly maintained said property and it is in as good condition as when originally constructed, ordinary wear and tear excepted, and provided, further, that the obligations regarding accumulated rent and indemnification shall specifically survive.

h. In the event of abandonment or closure of the Airport by the LESSOR, referenced in Paragraph 20(a) above, LESSOR shall reimburse LESSEE the difference between LESSEE's actual investment costs including preliminary engineering and design fees, permitting fees, contracting and building fees, insurance, utilities, maintenance fees and ground leasing fees incurred by LESSEE minus rents collected by LESSEE through the date of abandonment or closure of the Airport, plus recapture of all investment costs and interest to date including accumulated expense and investments. This reimbursement obligation by LESSOR to LESSEE shall continue for a period of 20 years from the initial effective date of this Agreement.

21. Subordination. This Agreement shall be subordinate to the provisions of any existing or future agreement between LESSOR and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.

22. National Emergency. During the time of war or national emergency, the LESSOR shall have the right to lease the landing area or all or any part of the Premises upon demand to the United States Government, and if any such agreement is executed, the provisions of this Agreement with the LESSEE herein, and all obligations of LESSEE to make the payments as required in Section 3 above, shall be suspended for the length of time that the United States Government requires the use of the said landing area and/or Premises. This period of time during which the Agreement is so suspended will not count against the time provisions of the then existing Agreement.

23. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties, and as of its effective date supersedes all prior or independent contracts or agreements between the parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

24. Severability. If any substantive provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction and such declaration results in a substantial failure of consideration for either party, the entire Agreement shall be subject to termination by such party. Otherwise, such declaration shall not be cause for termination of this Agreement, but only such void or illegal provision shall be canceled or deemed to be of no effect.

25. Notice. Any notice given by one party to the other in connection with this Agreement shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid, addresses as follows:

If to LESSOR, address to:

City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

With a copy to Airport Manager at same address.

If to LESSEE, address to:

Southshore CRE, Inc.
4835 Munson Street
Canton, Ohio 44718

With a copy to:

Christopher J. Freeman
P.O. Box 4396
Copley, OH 44321

Notices will be deemed to have been received on the date of receipt as shown on the return receipt.

It shall be the LESSEE's responsibility to keep the address contained in this Agreement up to date and accurate.

26. Governing Law, Venue and Attorney's Fees. This Agreement is to be construed in accordance with the laws of the State of Florida, with venue in Nassau County, Florida. In the event of any litigation between the parties regarding the breach and/or enforcement of this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and costs, including at the appellate court level, from the non-prevailing party as determined by a court of competent jurisdiction.

27. Re-Entry. It is further understood and agreed between the parties hereto that in the event of any breach of any covenant or agreement on the part of the LESSEE to be performed and provided, that if such breach is not remedied by the LESSEE after reasonable notice in writing to it by the LESSOR, the LESSOR may re-enter and terminate this tenancy by giving the LESSEE thirty (30) days written notice, to quit the Premises. LESSOR shall at all times be entitled to recover by all lawful means any and all damages, including reasonable attorney's fees and costs, sustained by it through the breach of any said covenants and agreements on part of the LESSEE to be performed.

28. Obligation Upon Termination. Upon termination of this Agreement, all obligations of either party hereunder to the other shall cease and terminate, except as specifically provided herein, and the LESSEE agrees it shall immediately quit, surrender and return peaceable and quiet possession of the Premises, including all improvements to include but not limited to buildings, parking areas, and fuel facility improvements, to the LESSOR in as good order and condition as existed at the time of the initial occupancy and only reasonable wear and tear being accepted. LESSEE shall be allowed to remove all LESSEE's equipment and trade fixtures from the Premises, including the fuel facility equipment.

29. Inspection. The LESSOR shall have the right to enter upon the Premises at reasonable intervals during regular business hours to inspect the Premises for compliance with the terms and conditions of the Agreement and federal, state and local laws and regulations. In case of emergencies, the LESSOR shall have the right to immediately enter the Premises.

30. Further Airport Development. LESSOR reserves the right to further develop or improve the remaining area of the Airport as it sees fit, regardless of the desires or view of the LESSEE, and without interference or hindrance.

31. Non-Waiver. The failure of the LESSOR to insist upon strict performance of any of the terms, conditions or covenants herein set forth shall not be deemed a waiver of any rights or remedies that it may have and shall not be deemed a waiver of any breach or default by the LESSEE of the terms, conditions or covenants contained herein.

32. Radon Gas Notice: Pursuant to Florida Statutes Section 404.056(8), LESSOR hereby makes, and LESSEE hereby acknowledges, the following notification:

Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

LESSOR makes no representation or warranty with respect to the presence or absence of radon on the Premises, and LESSEE shall undertake such inspection or testing as it deems necessary or convenient to assure itself as to the presence or absence of radon.

33. Lease Commencement Date: The commencement date of this Agreement shall be the date set forth in Section 2 above.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

CITY OF FERNANDINA BEACH, FL

By: Dale Martin
Its: City Manager

SOUTHSHORE CRE, INC.

By: Harry W. Giltz
Its: Manager

ATTEST:

By: Caroline Best
Its: City Clerk

APPROVED AS TO FORM & LEGALITY:

By: Tammi E. Bach
Its: City Attorney

Attachments

Exhibit "A" Phase 1 Development Parcel Lease Area — Legal Description of LESSEE'S Phase 1 Development Parcel and Sketch or Drawing of Description

Exhibit "B" Phase 2 Development Parcel Lease Area — Legal Description of LESSEE'S Phase 2 Development Parcel and Sketch or Drawing of Description

Exhibit "C" Liability Insurance Certificate(s) as required under this lease and/or applicable Minimum Standards for Commercial Aeronautical Activities (Note: This certificate shall show that the City has been named as an additional insured on all policies.)

Exhibit "D" Minimum Standards for Commercial Aeronautical Activities

Exhibit "E" Airport Rules and Regulations

MANZIE & DRAKE LAND SURVEYING

LEGAL DESCRIPTION
FERNANDINA BEACH MUNICIPAL AIRPORT
PROPOSED 3 UNIT GROUND LEASE
DECEMBER 13, 2019

FOR A POINT OF REFERENCE COMMENCE AT NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT"; THENCE NORTH 36°38'24" EAST, ALONG A GRID BEARING, A DISTANCE OF 2,394.00 FEET TO NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT AZIMUTH MARK"; THENCE NORTH 55°05'18" WEST A DISTANCE OF 1,942.95 FEET TO THE **POINT OF BEGINNING**; THENCE NORTH 09°10'07" WEST, A DISTANCE OF 69.00 FEET; THENCE SOUTH 80°49'53" WEST, A DISTANCE OF 161.00 FEET; THENCE SOUTH 09°10'07" EAST, A DISTANCE OF 69.00 FEET; THENCE NORTH 80°49'53" EAST, A DISTANCE OF 161.00 TO THE POINT OF BEGINNING.

CONTAINING 0.255 ACRES MORE OR LESS.

MICHAEL A. MANZIE, P.L.S.
FLORIDA REGISTRATION NO. 4069
JOB NO. 14050 12/16/19

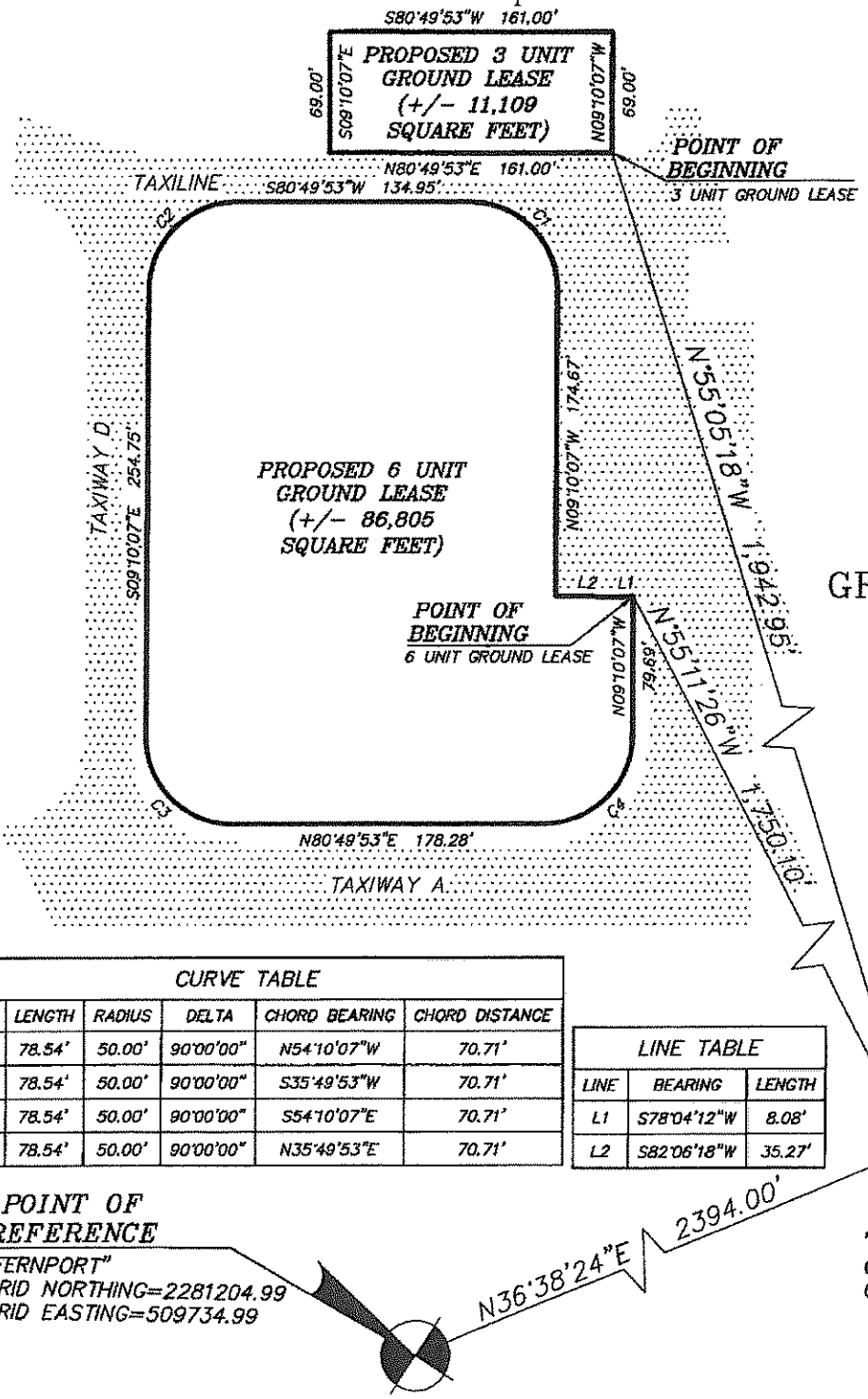
117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904) 491-5700 • FAX (904) 491-5777 • TOLL FREE (888) 832-7730
www.manzieanddrake.com

MANZIE & DRAKE LAND SURVEYING

SKETCH OF LEGAL DESCRIPTION

(LEGAL DESCRIPTION ATTACHED)
(THIS IS NOT A BOUNDARY SURVEY)

Phase 1 Development



GRAPHIC SCALE

0 50 100

(IN FEET)
1 inch = 100 ft.

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C1	78.54'	50.00'	90°00'00"	N54°10'07"W	70.71'
C2	78.54'	50.00'	90°00'00"	S35°49'53"W	70.71'
C3	78.54'	50.00'	90°00'00"	S54°10'07"E	70.71'
C4	78.54'	50.00'	90°00'00"	N35°49'53"E	70.71'

LINE TABLE		
LINE	BEARING	LENGTH
L1	S78°04'12"W	8.08'
L2	S82°06'18"W	35.27'

POINT OF REFERENCE
"FERNPORT"
GRID NORTHING=2281204.99
GRID EASTING=509734.99

N36°38'24"E 2394.00'

"FERNPORT AZIMUTH MARK"
GRID NORTHING=2283125.94
GRID EASTING=511163.69

117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904)491-5700 WWW.MANZIEANDDRAKE.COM

MANZIE & DRAKE LAND SURVEYING

LEGAL DESCRIPTION
FERNANDINA BEACH MUNICIPAL AIRPORT
PROPOSED 6 UNIT GROUND LEASE
DECEMBER 13, 2019

FOR A POINT OF REFERENCE COMMENCE AT NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT"; THENCE NORTH 36°38'24" EAST, ALONG A GRID BEARING, A DISTANCE OF 2,394.00 FEET TO NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT AZIMUTH MARK"; THENCE NORTH 55°11'26" WEST A DISTANCE OF 1,750.10 FEET TO THE **POINT OF BEGINNING** THENCE SOUTH 78°04'12" WEST, A DISTANCE OF 8.08 FEET; THENCE SOUTH 82°06'18" WEST, A DISTANCE OF 35.27 FEET; THENCE NORTH 09°10'07" WEST, A DISTANCE OF 174.67 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 50.00 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00", AN ARC DISTANCE OF 78.54 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 54°10'07" WEST, A DISTANCE OF 70.71 FEET; THENCE SOUTH 80°49'53" WEST, A DISTANCE OF 134.95 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 50.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00", AN ARC DISTANCE OF 78.54 FEET AND BEING SUBTENDED BY A CHORD BEARING SOUTH 35°49'53" WEST, A DISTANCE OF 70.71 FEET; THENCE SOUTH 09°10'07" EAST, A DISTANCE OF 254.75 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 50.00 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00", AN ARC DISTANCE OF 78.54 FEET AND BEING SUBTENDED BY A CHORD BEARING SOUTH 54°10'07" EAST, A DISTANCE OF 70.71 FEET; THENCE NORTH 80°49'53" EAST, A DISTANCE OF 178.28 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 50.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00", AN ARC DISTANCE OF 78.54 FEET AND BEING SUBTENDED BY A CHORD BEARING NORTH 35°49'53" EAST, A DISTANCE OF 70.71 FEET; THENCE NORTH 09°10'07" WEST, A DISTANCE OF 79.69 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.99 ACRES MORE OR LESS.

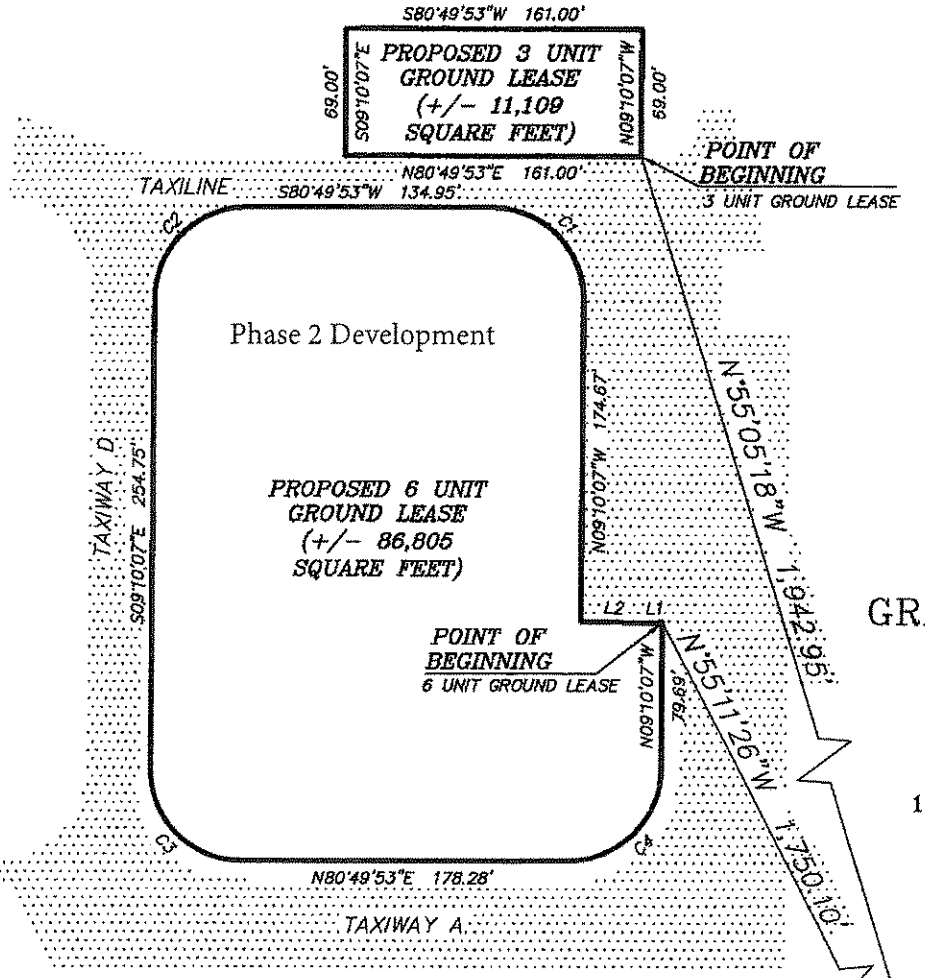
MICHAEL A. MANZIE, P.L.S.
FLORIDA REGISTRATION NO. 4069
JOB NO. 14050 12/16/19

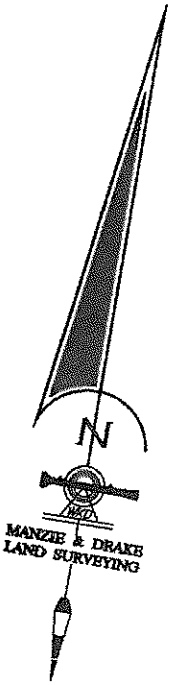
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MANZIE & DRAKE LAND SURVEYING

SKETCH OF LEGAL DESCRIPTION

(LEGAL DESCRIPTION ATTACHED)
(THIS IS NOT A BOUNDARY SURVEY)





GRAPHIC SCALE

0 50 100

(IN FEET)
1 inch = 100 ft.

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C1	78.54'	50.00'	90°00'00"	N54°10'07"W	70.71'
C2	78.54'	50.00'	90°00'00"	S35°49'53"W	70.71'
C3	78.54'	50.00'	90°00'00"	S54°10'07"E	70.71'
C4	78.54'	50.00'	90°00'00"	N35°49'53"E	70.71'

LINE TABLE		
LINE	BEARING	LENGTH
L1	S78°04'12"W	8.08'
L2	S82°06'18"W	35.27'

POINT OF REFERENCE
"FERNPORT"
GRID NORTHING=2281204.99
GRID EASTING=509734.99

N36°38'24"E 2394.00'

"FERNPORT AZIMUTH MARK"
GRID NORTHING=2283125.94
GRID EASTING=511163.69

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FERNANDINA BEACH MUNICIPAL AIRPORT

MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL ACTIVITIES

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Section 1 – General

1.01 INTRODUCTION

The City of Fernandina Beach, as owner, operator, and sponsor of Fernandina Beach Municipal Airport (FBMA), being responsible for all aspects of the administration of this public, general aviation facility, and in order to foster and encourage the economic growth and orderly development of aviation and related aeronautical activities at FBMA has established certain requirements for commercial aeronautical entities to ensure that adequate aeronautical services and facilities are provided to the users of FBMA.

These Minimum Standards for Commercial Aeronautical Activities (Minimum Standards) are the threshold entry requirements for a person or persons, partnership, company, trust, corporation, or other business entity, based on FBMA and/or using FBMA, to engage in one or more commercial aeronautical service or activity to the public at FBMA. These Minimum Standards are to promote fair competition at FBMA, taking into consideration the aviation role of FBMA, facilities that currently exist at FBMA, services being offered at FBMA, and the future development planned for FBMA. The uniform application of these Minimum Standards, containing the minimum levels of service and facilities that must be offered by the service provider, relates primarily to the public interest and discourages substandard entrepreneurs, thereby protecting both established and future aeronautical activity as well as FBMA patrons. All commercial aeronautical operators are provided a level playing field on which they will hopefully prosper while providing excellent service to aviation customers. There is not any prohibition to exceed the minimum requirements in terms of quality of facilities and services provided.

The adoption of these Minimum Standards for Commercial Aeronautical Activities is recommended by the FAA to comply with federal law and regulations that prohibit the granting of exclusive rights to use an Airport that has received federal Airport Improvement Program (AIP) funding. The City of Fernandina Beach will comply with federal law and Federal Aviation Administration (FAA) Advisory Circulars which currently exist for MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL ACTIVITIES, and EXCLUSIVE RIGHTS AT FEDERALLY-OBLIGATED AIRPORTS, and as those advisory circulars may be amended by the FAA from time to time.

These Minimum Standards are not intended to be all-inclusive, as the operator of a commercial aeronautical venture who is based on or uses FBMA will be subject to additional applicable federal, state and local laws, codes and ordinances and other applicable regulatory measures, including the Airport Rules and Regulations pertaining to all such activities.

1.02 PURPOSE

- Provide a minimum level of services that are offered to the public in connection with the conduct of particular aeronautical activities or services on FBMA
- Provide for the safe conduct of all commercial aeronautical activities at FBMA
- Protect airport users from unlicensed and unauthorized products and services
- Maintain and enhance the availability of adequate services for all airport users
- Provide that no entity receives a competitive advantage through less-than-fair and uniform market value use of City facilities
- Promote the economic health of FBMA businesses
- Promote the orderly improvement and development of FBMA

1.03 EXCLUSIVE RIGHTS

In accordance with FBMA assurances given to the federal or state government by the City as a condition to receiving federal or state funds, the granting of rights or privileges to engage in commercial aeronautical activities shall not be construed in any manner as affording any person or entity any exclusive right, other than the exclusive use of the land and/or improvements which are specifically set forth in a written lease, permit, or agreement.

1.04 STATEMENT OF POLICY

A fair and reasonable opportunity, without unjust discrimination, shall be accorded to all applicants to qualify and present ideas for doing business, using FBMA facilities and furnishings, which the City, deems are available for selected aeronautical activity or service. Proposals meeting the Minimum Standards as established by the City and set forth herein for commercial aeronautical activities at FBMA shall be presented to the City Commission for approval. Commercial aeronautical activities may be proposed that do not fall within the categories designated herein. In any such cases, appropriate Minimum Standards shall be developed on a case-by-case basis for such activities and, if accepted and approved by the City, incorporated into the entity's written agreement with the City and into these Minimum Standards by amendment. The City in its sole discretion may distribute a Letter of Interest (LOI) or a Request for Proposal (RFP) for the leasing/use of available FBMA facilities.

A written agreement, lease, or permit, properly executed by the City and a based or local area commercial aeronautical operator is a prerequisite to commencement of FBMA facility and airfield use by any commercial aeronautical activity. Contingent upon its qualifications, its meeting the established Minimum Standards with the City and the payment of the prescribed rentals, fees, and charges, commercial aeronautical operators shall have the right and privilege to engage in and conduct the activity or activities specified by written agreement with the City. All agreement provisions, however, must be compatible with the Minimum Standards herein contained and will not change or modify the standards and requirements themselves. In all cases where the words "standards" or "requirements" appear, it shall be understood that they are modified by the word "minimum." Any required determinations, interpretations, or judgments regarding what constitutes an acceptable minimum standard, or regarding compliance with such standard, shall be made by the City.

The City reserves and retains the right for the use of FBMA by others who may desire to use it, pursuant to applicable federal, state, and local laws, ordinances, codes, standards, and other regulatory measures pertaining to such use. The City further reserves the right to designate specific FBMA areas in which the individual or a combination of aeronautical services may be conducted. Such designation shall give consideration to the nature and extent of the operation and the lands and improvements available for such purpose, consistent with the orderly and safe operation of FBMA.

These Minimum Standards may be included in whole, in part, or by reference as part of all leases, and other agreements between the City and any entity desiring to be based on and/or use FBMA and engage in any commercial aeronautical activities. The rates, fees, and charges applicable to the providers of commercial aeronautical activities are established by the City to make FBMA as financially self-sustaining as possible and be sufficient to cover FBMA costs.

These Minimum Standards are not retroactive and do not alter any existing written agreement properly executed prior to the date of approval of these Minimum Standards and as may be amended that does not provide for application of future revisions of the Minimum Standards, in which case these Minimum Standards shall be effective consistent with such written agreement. In any event, upon expiration of an existing lease, agreement, or permit with the City or if the commercial aeronautical operator desires to materially increase or expand its activities, the commercial aeronautical operator shall then comply with the provisions of these Minimum Standards. Conversely, these Minimum Standards shall not be deemed to modify any existing agreement under which an entity is required to exceed these Minimum Standards, nor shall they prohibit the City from entering into or enforcing an agreement that

requires an entity to exceed the Minimum Standards. In the event of any conflict between the terms of these Minimum Standards and the provisions of any lease or agreement, the terms of the lease or agreement shall be controlling.

These Minimum Standards may be supplemented and amended by the City from time to time and in such manner and to such extent as is deemed appropriate by the City. Minimum Standards shall be reviewed and updated at minimum every five years or as needed to be amended.

The City reserves the right to lease an existing facility or any portion of an existing facility to a Specialized Aviation Service Operation (SASO) in order to maximize facility use and business opportunities. A lease of this nature shall be at the City's sole discretion, and shall be considered to meet any minimum facility requirements as defined in these Minimum Standards.

The City further reserves the right to designate from time to time the specific areas where individual aeronautical services or a combination of aeronautical services may be conducted, and to determine whether or not there is sufficient, appropriate, or adequate space at the proposed site to meet the minimum requirements established herein. Such determination shall consider the nature and extent of the proposed operation and the sites available for such purpose, consistent with the current Airport Master Plan and the orderly, safe, and efficient operation and development of FBMA.

1.05 WAIVER OF MINIMUM STANDARDS

No commercial aeronautical operator will be allowed to operate or provide services not in compliance with these Minimum Standards unless unusual circumstances exist which may give cause for consideration of a temporary waiver. The City may, at its sole discretion, waive or modify any portion of the Minimum Standards for any person or entity when it is determined that such waiver is in best interest of the public and will not result in unjust discrimination against other commercial aeronautical operators at FBMA. Any initial waiver will not exceed 12 months. However any waiver may be reviewed annually and extended in sole discretion of City.

1.06 GENERAL REQUIREMENTS FOR COMMERCIAL AERONAUTICAL OPERATORS

The following shall apply to all commercial aeronautical activity or service provider, either a FBO or SASO, at FBMA:

1. Unless otherwise provided by the City, all activities of the commercial aeronautical entity shall be conducted on an area or areas of sufficient size to accommodate all services that the commercial aeronautical operator is approved to perform, allowing for future growth and additional services as contemplated by the City or the commercial aeronautical operator at the time of application, but as limited by the space available on FBMA.
2. Shall conduct its business operations strictly within the areas assigned to it by the City, and its operations shall not in any way interfere with the operations of other commercial aeronautical entities, agencies, or other businesses operating on FBMA, the use of FBMA by the general public, or with any common use areas.
3. Shall provide their services or activities on a fair, equal, and not unjustly discriminatory basis to all users thereof, and they will charge fair, reasonable, and not unjustly discriminatory prices for each unit or services provided. Lessee may be allowed to make reasonable and non-discriminatory discounts, rebates, and other similar types of discounts to volume purchasers or users of the service provided. Further, any commercial aeronautical entity will insure that any sub-lessee or subcontractor comply with the provisions of this paragraph.
4. Personnel shall meet all federal, state, and local training and certification requirements applicable to their individual duties and company services.

5. Shall control the conduct and demeanor of its personnel and subtenants, as well as to conduct its business operations in a safe, orderly, efficient, and proper manner so as not to unreasonably disturb, endanger, or offend any customers, tenants, or competitive operators.
6. Shall employ the necessary quantity of trained staff, on-duty management, and supervisors to provide for the efficient, safe, and orderly compliance with its lease, agreement, sublease, or permit.
7. No right or privilege will be granted to any commercial aeronautical entity which would prevent any entity operating aircraft at FBMA from performing any services on its own aircraft with its own direct employees (W-2), including but not limited to maintenance and repair, that it may choose to perform.
8. The City reserves the right to further develop or improve FBMA as it sees fit, regardless of the desires or views of the commercial aeronautical operator, and without interference or hindrance. FBMA shall make every effort to minimize the disruption of normal airport usage during periods of repair or further airport development.
9. Airport access and security shall be maintained at all times in accordance with standards as may be established and required by the City.
10. Any fine or penalty imposed on the City by the FAA or other governmental body, resulting from lessee's or permittee's use, operations, and occupancy of the leased premises, will be payable by lessee or permittee.
11. Shall keep current and provide the Airport Manager with applicable point-of-contact(s) and phone numbers for emergency purposes.
12. Shall permit its personnel who drive motor vehicles on FBMA to do so only in accordance with the Airport Rules and Regulations, applicable federal, state, and local laws, ordinances, codes, or other similar regulations now in existence or as may be hereafter modified, amended, or enacted.
13. Shall keep and maintain its leased premises and all improvements in a neat and orderly condition at all times, and in good and substantial repair, condition, and appearance. Shall keep mowed and in a pleasing condition all landscaping and grass areas within its leased premises.
14. Shall commit no unlawful nuisance, waste, or injury on the leased premises and will refrain from doing anything which may result in the creation, commission, or maintenance of such nuisance, waste, or damage to property on FBMA.
15. Shall refrain from creating or allowing on its premises any obnoxious odors or smokes, or noxious gases or vapors. The creation of exhaust fumes by the operation of internal combustion engines or aircraft engines of other types, so long as such engines are maintained and are being operated in a proper manner, is not a violation of this paragraph, nor shall the reasonable operation of the commercial aeronautical operator's business constitute such violation, although some odors, gases, and vapors may result therefrom.
16. Shall refrain from doing anything which might interfere with the effectiveness or accessibility of FBMA's public utilities systems, drainage or sewer system, storm water management system, fire protection system, sprinkler system, alarm system, or fire hydrants and hoses, if any are installed or located on or in their leased premises.
17. Shall remove or dispose of debris and other waste material, whether solid or liquid, arising from the commercial aeronautical operator's activities. Any garbage, debris, or waste, which may be temporarily stored in the open, shall be kept in suitable metal garbage or waste receptacles equipped with tight-fitting covers of a design sufficient to contain whatever may be placed therein. Shall use extreme care when removing all such waste. Any hazardous waste generation, storage, or disposal shall comply with all applicable federal, state, and local regulations.
18. No fuels, oils, greases, detergents, or other insoluble substances shall be placed in the sewage or drainage systems or on the ground. Any FBO or SASO, at its sole cost and expense, shall comply with all requests made by the U.S. Environmental Protection Agency (EPA) or other competent governmental authority including, but not limited, to the installation of a grease

and oil trap designed to catch all oils, greases, detergents, and other insoluble substances used in the maintenance and washing of equipment and/or aircraft. The installation of any required equipment or structure shall conform to recommended specifications of the EPA or Florida Department of Environmental Protection (FDEP) as applicable.

19. Shall at no time conduct any aeronautical activity on leased property from a structure that would be considered temporary or mobile under Florida Building Codes and applicable City Ordinances without specific approval from the City.
20. Shall maintain all aprons, ramps, taxiways, roadways, and parking lots that are constructed by the FBO or SASO or reserved for their exclusive use.
21. Shall refrain from doing any act or thing upon the FBMA which will invalidate or conflict with any fire, property, or liability insurance policies covering FBMA.
22. Shall provide an adequate supply of properly located, type, size and operable fire extinguishers and other safety equipment in accordance with the National Fire Prevention Association (NFPA) requirements.

1.07 SUB-LESSEE OR SUBCONTRACTOR REQUIREMENTS

If a commercial aeronautical operator leaseholder desires to sublease space to another person or entity or contracts with an aeronautical operator to provide one or more specialized aviation services, the following conditions shall apply:

1. Lessee must obtain written approval of sublease or subcontractor agreement from the City before allowing sub-lessee or subcontractor to occupy or conduct any form of business from the lessee's leasehold. Said sublease or subcontract shall define the type of business and service to be offered by sub-lessee or subcontractor.
2. Sub-lessee or subcontractor shall also enter into an agreement with the City. Such agreement shall be appropriate to the particular type of services to be provided by sub-lessee or subcontractor. The agreement or permit shall provide for payment by sub-lessee or subcontractor to FBMA of fees pertinent to the types of services offered by sub-lessee or subcontractor unless prohibited by written agreement.
3. Lessee must have the facilities and physical space necessary to support the aeronautical services of his sub-lessee(s) or subcontractor(s). Such facilities and space shall be sufficient to accommodate the lessee's aeronautical service as well as those requirements for any sub-lessee or subcontractor according to these Minimum Standards.
4. The sub-lessee or subcontractor must meet all of the Minimum Standards established by the City for the category or categories of services to be furnished. The Minimum Standards may be met in combination by lessee and sub-lessee or subcontractor. Any sublease or subcontract agreement shall specifically define those services provided by lessee to sub-lessee or subcontractor that must be used to meet the Minimum Standards.
5. Sub-lessee or subcontractor shall provide evidence of minimum insurance coverage as determined by the City for the categories of service to be offered as noted in Section 1.08 and Appendix B. Additionally any sub-lessee or subcontractor shall carry premise insurance.

1.08 INSURANCE REQUIREMENTS FOR COMMERCIAL AERONAUTICAL OPERATORS

Insurance amounts as detailed in Appendix B provide a minimum guideline and may not meet the requirements for every commercial aeronautical entity. Each commercial aeronautical entity should make its own analysis to determine if more is needed. Insurance coverage shall be obtained and paid for by the commercial aeronautical operator as required in the coverage and amounts specified by the City. Commercial aeronautical operators shall demonstrate to the City's satisfaction evidence of its ability to acquire insurance coverage as stipulated for each particular type of operation. Each policy shall name the City of Fernandina Beach as additional insured. All insurance required shall apply as primary and not in excess of or contributing with other insurance which the commercial aeronautical entity may carry. A Certificate of Insurance or a copy of the insurance policies shall be furnished to the City with each annual

renewal and shall provide 30 days advance written notice of any change in coverage to any policy or cancellation of any policy. The City will provide 90 days advance notice of any changes to the minimum insurance coverage requirement. The types of insurance as noted in Appendix B may be added to or deleted from as determined by the City in its sole discretion.

A commercial aeronautical operator leaseholder shall be required to carry public liability insurance for any sub-lessee or subcontractor or provide a certificate of insurance which shows the entity and the City as named insured, in amounts commensurate with sub-lessee's or subcontractor's individual activities and services, as determined by the City.

Section 2 – Lease Requirements for Commercial Aeronautical Operators

2.01 BUSINESS PLANNING

The Airport Manager is the first person of contact to discuss providing or increasing a commercial aeronautical opportunity at FBMA. At this meeting any prospective commercial aeronautical operator can secure the necessary documents needed to complete the process to become a FBO or SASO at FBMA. Documents available include:

1. Minimum Standards for Commercial Aeronautical Activities
2. Airport Leasing Policy
3. Application for Ground or Facility Lease or Airport Operating Permit
4. Airport Ground Leasehold Development Process
5. Airport Architecture and Building Design Standards
6. Airport Rates and Charges
7. Sample Ground or Facility Lease
8. Airport Rules and Regulations

2.02 QUALIFICATION AND REQUIREMENTS

Any person desiring to conduct a commercial aeronautical activity on FBMA must complete a written application for an Airport Ground or Facility Lease or Airport Operating Permit and submit it to the Airport Manager detailing what aeronautical service or services are to be provided. No processing or approval action is possible until this application is submitted. Such application from any prospective commercial aeronautical operator assists in the City's determination that the applicant is technically and financially able to perform the services proposed. A person or entity shall have such business background and shall demonstrate the business capability to successfully provide the contemplated commercial aeronautical activity as to meet the City's approval. The information presented shall include financial documentation (annual balance sheets and related) to demonstrate the entity's financial capability to initiate operations and/or to construct improvements that may be required to support the proposed operation, or operations, and also indicate the commercial aeronautical operator's ability to operate the contemplated operations, once initiated. In each instance, the City shall be the final judge as to the qualifications and financial ability of the entity. A business plan may be required of entities desiring to operate on FBMA. The City also may request any such additional information as may reasonably be required to evaluate the proposal. Additionally any entity seeking to conduct commercial aeronautical activity at FBMA as a FBO shall demonstrate that it has adequate resources to realize the business objectives agreed to by the City and the entity.

Those commercial aeronautical entities not leasing or subleasing property on FBMA, such as an independent aeronautical operator or an independent service provider, also need to provide appropriate documentation as part of the application process for their proposed operation to secure an Airport Operating Permit. Such independent commercial aeronautical operators shall meet and maintain

compliance with the applicable Minimum Standards for their commercial activity. The City retains the right to restrict or deny such FBMA access if FBMA safety or efficiency is compromised by the existence of the proposed commercial service or activity. Further the City has the right to prohibit use or continued use of FBMA should a lease holding entity offer same or similar services on FBMA. Once an Airport Operating Permit is approved then each year such independent commercial aeronautical operators shall secure an annual renewal of the permit to include providing applicable operational certificates, providing evidence of insurance, and paying any applicable fees.

2.03 APPLICATION TO PROVIDE ON AIRPORT SERVICES

Demonstration of intent to conduct a business operation at FBMA shall be by application to the Airport Manager. The following at minimum must be provided:

1. The legal name of the entity submitting this application and its business name (if different).
2. The address and telephone number of the entity and primary contact person.
3. The names, addresses, phone numbers, and short resume of all owners of five (5) per cent or more equity interest, management control, or debt in the entity.
4. A comprehensive listing of all activities proposed to be offered, along with copies of all applicable federal, state, or local operating certificates and licenses held.
5. Evidence of past experience and technical ability to perform and/or develop the proposed services and facilities.
6. Amount of land to lease.
   Building space to lease or facilities to construct.
   Will there be any subleasing of building space.
7. The estimated cost of any structure or facilities to be constructed or furnished, proposed specifications, and the means and method of financing such construction.
8. The dates for commencement and completion of proposed development or the proposed date for commencement of the intended activities and proposed term for conducting same.
9. The equipment, any special tooling required, vehicles, and inventory proposed to be utilized in connection with the intended activities.
10. Will there be any hazardous materials located on site. If yes describe.
11. The number of persons to be employed, including the names and qualifications of each management/supervisory person, and specifications as to whether the employees will be full-time, part-time, or seasonal.
12. Periods (days and hours) of proposed operation:
13. The number of aircraft to be utilized in connection with the prop osed activities and the make, model, passenger seating capacity, cargo capacity, aircraft registration number, and copies of applicable operating certificates for each aircraft.
14. Amounts and types of insurance coverage to be maintained (no less than required under Minimum Standards).
15. For proposed agreements for lease of unimproved or improved Airport areas, a layout (to scale) of the size, configuration, and location of the property proposed for occupancy and a preliminary drawing(s) of the building(s) and improvements to be constructed, together with the identification of vehicle parking areas (See Ground Leasehold Development Process).
16. For proposed agreements to lease existing structures or improvements, a description of the size, location, and proposed utilization of office, hangar, tie-downs, and vehicle parking areas to be utilized (See Ground Leasehold Development Process).
17. Evidence of a written business plan to include:
    a. Business projections for the first year by quarter and the succeeding 4 years annualized.
    b. A current balance sheet and previous fiscal year's balance sheet.
    c. Methods to be used to attract new business (advertising and incentives).
    d. Amenities to be provided to attract business.
    e. Plans for physical expansion, if business should warrant such expansion.
18. Contact information of three references (name, title, company, telephone).

19. Contact information of three credit references (name, title, company, telephone).

2.04 ACTION ON APPLICATION FOR COMMERCIAL AERONAUTICAL OPERATORS

With a properly submitted application to the Airport Manager, an agreement or lease will then be developed between the entity and the City. Both documents are also presented to the Airport Advisory Commission for its review. The Airport Advisory Commission will develop a recommendation and forward to the City Commission for its final action. This process can take 120 days from the receipt of application.

Applications may be denied for one or more of the following reasons:

1. The applicant, for any reason, does not meet qualifications, standards, and requirements established by these Minimum Standards.
2. The proposed operation or construction will create a safety hazard on FBMA.
3. The granting of the application will require the expenditure of local funds, labor, or materials on the facilities described in or related to the application, or the operation will result in a financial loss or hardship to FBMA.
4. There is no appropriate or adequate available space or building on FBMA to accommodate the proposed activity at the time of application.
5. The proposed operation, FBMA development, or construction does not comply or is inconsistent with the Land Development Code, approved Airport Layout Plan, or conflicts with federal, state, or local rules and regulations.
6. The development or use of the land area requested will result in aircraft or building congestion or will unduly interfere with the operation of any present commercial aeronautical operator on FBMA or restrict aircraft access to any commercial aeronautical operator's area.
7. Any party applying, or interested in the business, has supplied false information, or has misrepresented any material fact in the application or in supporting documents, or has failed to make full disclosure on the application.
8. Any party applying, or having an interest in the business, has a record of violating the FBMA Airport Rules and Regulations, the rules and regulations of any other airport, Florida Department of Aviation (FDOT) aviation regulations, or Federal Aviation Regulations.
9. Any party applying, or having an interest in the business, has defaulted in the performance of any lease or other agreement with the City or any lease or other agreement at any other airport.
10. On the basis of current financial information, the entity does not, in the opinion of the City, exhibit adequate financial responsibility to undertake the proposed services.
11. Any party applying, or having an interest in the business, is not sufficiently credit worthy and responsible in the judgment of the City to provide and maintain the business to which the application relates and to promptly pay amounts required under the lease.
12. The applicant cannot provide a performance bond or other adequate security in an amount required by the City to ensure performance of its obligations under its proposed lease or permit or ensure completion of any associated construction.
13. The applicant has committed any crime, or violated any local ordinance, rule, or regulation, which adversely reflects on its ability to conduct the FBO or SASO operation applied for.

2.05 SITE DEVELOPMENT AND CONSTRUCTION STANDARDS

Once the City Commission has approved the agreement, both parties sign the lease or agreement and rent becomes applicable. In the meantime, with a supporting recommendation from the Airport Advisory Commission, it is usual for a commercial aeronautical operator, if desired, to begin the site development and permitting process. The commercial aeronautical operator shall obtain at its sole expense all licenses and permits necessary for the conduct of the commercial aeronautical operator's activities at FBMA as required by the City or any other duly authorized governmental agency. However,

no construction of any kind shall be commenced at FBMA without final approval from the City, FAA, or any other agency that may have jurisdiction. Any proposed construction or modification of facilities by a commercial aeronautical operator will be subject to the development regulations described in the Airport Ground Leasehold Development Process, the Airport Architecture and Building Design Standards, applicable federal, state, local laws and regulations, Florida Building Codes, applicable City Building Ordinances, NFPA requirements, and conformity with the Airport Master Plan. The City must approve the plans and specifications prior to construction, and also approve the filing by the prospective commercial aeronautical operator of a notice of proposed construction required by FAR Part 77, "Objects Affecting Navigable Airspace," to the FAA (Form 7460-1).

Land that is designated for aeronautical purposes must be developed and used for aeronautical activities only. Non-aviation related activities shall not be allowed in buildings or hangars located on land designated for aeronautical purposes without FAA approval. However the City may, at its option, grant an exemption to permit in conjunction with an aeronautical use a limited non-aeronautical use of the land and facility usually not to exceed 30%. No commercial aviation operator shall be allowed to operate in, from, or around a City owned t-hangar or bulk row storage hangar.

All improvements constructed on FBMA, other than trade fixtures, shall become a part of the land and belong to the City upon expiration, termination, or cancellation of the lease agreement between the commercial aeronautical operator and the City covering such improvements. If the commercial aeronautical operator chooses to develop a site which is not currently served by taxiways, roadways, and/or utility services, the commercial aeronautical operator shall be responsible for extending such services and pavement surfaces to its site at the commercial aeronautical operator's sole expense, unless otherwise negotiated with the City. All such utility services and pavement areas shall be constructed in full compliance with FBMA and FAA standards, as well as applicable City codes.

Section 3 – Fixed Base Operator (FBO)

3.01 GENERAL

A Fixed Base Operator is an entity that provides multiple aeronautical services including aircraft fueling to aircraft owners, airport users, and airport tenants. Only a FBO shall be permitted to sell aviation fuel, lubricants, and other related services to both transit aircraft operations and operations of aircraft based at FBMA.

3.02 FBO MINIMUM SERVICE LEVEL

1. Aircraft Fueling and Oil Services
2. Aircraft Line Services
3. Aircraft Crew and Passenger Customer Services
4. The following optional services are encouraged, but not required:
   a. Aircraft Maintenance and Repair
   b. Aircraft Bulk Hangar Storage
   c. Flight Training
   d. Aircraft Rental/Lease

A FBO may subcontract or use third party operators to provide any of the required FBO services or optional services above, with the exception of Items 1 through 3. For these services, a FBO may be permitted to enter into an agreement with a professional aviation services management company, experienced in managing/operating FBO's, to provide day-to-day management and/or staffing. Such management agreement must be approved by the City. The FBO shall remain the responsible party to the City for all decisions related to safety, security, and overall operational issues. A FBO's subcontractors

and third-party operators shall meet or exceed all Minimum Standards applicable for such services performed and must operate from the FBO premise. See Section 1.07 regarding subleases.

3.03 FBO MINIMUM SERVICE STANDARDS

1. Operation
   a. Shall have premises open and services available every day of the year, except Christmas Day, from 0800-2000.
   b. Shall be staffed with a minimum of two properly trained and uniformed personnel during normal business hours.
   c. Shall be available to provide services outside of normal business hours, if requested in advance, or in response to unscheduled required services.
   d. Shall be able to assist in the removal of disabled aircraft from FBMA's runway and taxiway system in a timely manner.
2. Aircraft Fueling and Oil Services
   a. Shall provide the sale and into-plane delivery at a minimum 100LL-octane Aviation Gas (Avgas) and Jet A aviation fuels, accepted grades of aviation engine oils and lubricants, and other aviation petroleum products for aircraft that regularly operate at FBMA.
   b. Shall deliver fuel to aircraft utilizing at least one Jet A refueling vehicle with a capacity of 2,000 gallons and one Avgas refueling vehicle with a capacity of 500 gallons.
   c. Shall demonstrate satisfactory arrangements to purchase fuel, oil, and aviation lubricants in such quantities as is necessary to meet expected demand.
   d. Shall provide properly trained personnel in the safe and proper handling, dispensing, and storage of aircraft fuel using equipment provided by the FBO.
   e. Shall operate a fixed fuel storage facility which shall contain safety fixtures and filtration systems to ensure aircraft fuel quality in accordance with all Environment Protection Agency (EPA) regulations including proper fuel spill prevention features and containment capabilities. In addition, shall provide an approved fuel Spill Prevention Countermeasure and Control (SPCC) Plan to the Airport Manager or be properly coordinated into the Airport's SPCC Plan.
   f. In addition to into-plane delivery may provide self-fueling facility for public use and such equipment must be in compliance with applicable state and local regulations and standards, and comply with fueling equipment requirements listed in this section.
   g. Shall comply with all applicable local, state, and federal environmental statutes and regulations regarding storage tanks, disposal of waste oil and other potentially hazardous substances, and for the refueling of all aircraft and vehicles.
   h. All equipment used for the storage, handling, and/or dispensing of petroleum products must meet all applicable federal, state, and local safety and fire codes, regulations and standards, NFPA requirements for aircraft fueling operations, and the appropriate FAA Advisory Circular.
   i. All dispensing equipment shall be equipped with reliable metering devices subject to an independent inspection of the Motor Fuels Section of the Florida Department of Transportation and must be capable of servicing, in an efficient and safe manner, all types of aircraft. All metering devices must be inspected, checked and certified annually by appropriate local and state agencies. A copy of each such inspection must be provided to the Airport Manager.
   j. All fueling services and systems shall be subject to routine inspection for fire and other hazards by the City, the FAA, and the appropriate state and local fire agencies.
   k. Quality control of the fuel is the responsibility of the FBO.
   l. Complete dated records shall be kept with regard to all maintenance activities conducted on fueling equipment and mobile refueling vehicles.
   m. Shall maintain current fuel reports on file and available for auditing at any time by the City, the FDOT, or the FAA or other applicable agencies.
3. Aircraft Line Services

a. Shall provide ramp assistance including the parking, tie-down, ground handling, and storage of aircraft including ropes or other types of restraining devices and wheel chocks for aircraft based or normally transiting FBMA.
b. Shall provide adequate loading/unloading and towing equipment to safely and efficiently move aircraft to include aircraft tug(s) that can accommodate aircraft based or normally transiting FBMA.
c. Shall provide proper equipment as may be required to service and support aircraft based or normally transiting FBMA such as inflating aircraft tires, changing engine oil, washing aircraft windscreens, recharging aircraft batteries, and starting engines and performing minor repairs not requiring a certified mechanic. Shall have ground power starting capability.
d. Keep the ramp well maintained, clean, and free of foreign object debris (FOD).

4. Aircraft Crew and Passenger Customer Services
   a. Shall provide a flight planning area with appropriate communication facilities for complete flight planning including weather communication links separate from other public areas.
   b. Shall provide a minimum of one courtesy vehicle available for customer use.
   c. Shall provide appropriate concierge services and/or referral services as may be required to pilots and users and maintain local ground transportation contacts.
   d. Shall have available basic pilot supplies.
5. Optional Services
   a. Shall meet Minimum Standards for like category of SASO as to equipment and services.

3.04 LAND AND IMPROVEMENTS REQUIREMENTS

1. Shall lease land area at a minimum of four acres (174,240 square feet) to provide for all buildings, aircraft parking, paved ramped area, and on-site customer and employee parking. Parking requirements will be in accordance with City code.
2. Shall lease or construct on the leased premises a public use operations building(s) and related improvements not less than 3,200 total square feet to sufficiently accommodate all activities and operations proposed, as approved by the City. The facility shall be properly lighted, air-conditioned, and heated to include office space, floor space for lobby or public waiting area, pilot's lounge separate from public waiting area, classroom/training room and/or conference room, storage, and public restrooms. Also provide snack food and beverage machines and public use telephone.
3. If optional services for aircraft maintenance and repair and/or aircraft bulk hangar storage is offered then shall lease or construct a hangar facility not less than 4,800 square feet with properly lighted space to perform maintenance work, aircraft storage, parts storage.
4. Any facility(ies) provided shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances.
5. Shall provide sufficient ramp area to support all activities of the FBO and all approved subtenants.
6. Shall lease or construct a separate, above ground or approved underground, aircraft fuel storage facility in a designated area with a minimum 10,000 gallons 100LL/Avgas and 10,000 gallons Jet A. Such facility may offer self-serve capability for either or both fuel products sold. Such facility and all improvements shall, at the FBO own expense, be maintained in a presentable condition consistent with good business practices and in accordance with the appropriate rules and regulations at the time of construction and any mandated changes.

3.05 INSURANCE

See Section 1.08 and Appendix B for insurance coverage requirements for a FBO operation on FBMA.

Section 4 – Specialized Aviation Service Operation (SASO)

4.01 GENERAL

A Specialized Aviation Service Operation (SASO) is a person or entity that provides a single or limited number of commercial aeronautical services and activities, and shall comply with the Minimum Standards for the specific service or activity described in this section. A SASO may not sell fuel.

Whenever a SASO conducts multiple activities pursuant to one lease, permit, or agreement with the City, and the Minimum Standards for one of the commercial aeronautical operator's activities are inconsistent with the Minimum Standards for another of the commercial aeronautical operator's activities, then the Minimum Standards which are more stringent, and/or more protective of the public's health, safety, and welfare, shall apply. When one or more activity is conducted, the minimum requirements may vary depending on the nature of each activity or combination of activities, but shall not necessarily be cumulative but will be required to obtain insurance for all exposures.

Nothing contained herein shall convey or imply an exclusive right of operation by any such commercial aeronautical entity. The City reserves the right to consider any and all other type services and activities not otherwise described herein as a SASO.

A SASO may sublet from a FBO or another SASO with approval of the City and payment of appropriate fees for the privilege to operate a commercial entity on FBMA. See Section 1.07 regarding subleasing.

4.02 SASO – AIRCRAFT MAINTENANCE AND REPAIR SERVICES (Airframe, Power Plant, Propeller, Radios, Instruments, and Accessories)

An aircraft maintenance and repair services SASO engages in a business capable of providing a service, or combination of services which otherwise may require FAA certification for the repair of aircraft airframe (major and minor), power plant, propellers, radios, instruments, and accessories for general aviation aircraft. This category shall also include the nonexclusive sale of aircraft parts and accessories. A SASO in this category may provide full service maintenance and repair services, individual services, or a combination of services. Usually this type of repair is performed on the aircraft, although it may also include bench repair of items removed from an aircraft that are intended for replacement on that aircraft.

Minimum Standards:

1. Shall lease sufficient land area, as approved by the City, to provide for all buildings, aircraft parking, paved ramped area, and on-site customer and employee parking to accommodate activities and operations proposed. Parking requirements will be in accordance with City code.
2. Such facility shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances including properly sized paved aircraft apron. Apron shall have tie down capability for all non-hangared aircraft capable of being tied down.
3. The facility shall include properly lighted, air conditioned, and heated office space, storage, and restroom area. Also provide telephone availability.
4. Any shop area and/or equipment and parts storage area provided shall be properly ventilated.
5. Shall possess and maintain all licenses and/or certificates as may be required by the FAA, Federal Communications Commission (FCC), or other appropriate agency which are applicable to the operation or services contemplated.

6. Shall employ and have on duty during operating hours trained personnel in such numbers as may be required to meet these Minimum Standards in a safe and efficient manner, but never less than one person currently certificated by the FAA with ratings appropriate to the work being performed and who holds a mechanic certificate or an inspection authorization.
7. Shall maintain appropriate hours of operation sufficient to meet public demand or provide a point of contact telephone communication capability for the public desiring the SASO services.
8. At the SASO discretion, but strongly encouraged, provide on-call emergency service capability.
9. Shall conduct all maintenance operations in accordance with applicable Airport Rules and Regulations, National Fire Protection Association requirements, and other applicable safety regulations.
10. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

4.03 SASO – AIRCRAFT COMPONENT AND SUPPORT SERVICES (ancillary aircraft ground services such as aircraft stripping/painting, aircraft salvage, refurbishing, upholstery)

An aircraft component and support services SASO engages in the business of aircraft support services such as aircraft painting, aircraft salvage, refurbishing, upholstery, and similar aircraft components and support services. This category of commercial aeronautical operator also includes the nonexclusive sale of new and/or used components described above.

Minimum Standards:

1. Shall lease sufficient land area, as approved by the City, to provide for all buildings, aircraft parking, paved ramped area, and on-site customer and employee parking to accommodate activities and operations proposed. Parking requirements will be in accordance with City code.
2. Such facility shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances including properly sized paved aircraft apron. Apron shall have tie down capability for all non-hangared aircraft capable of being tied down.
3. The facility shall include properly lighted, air-conditioned, and heated office space, storage, and restroom area. Also provide telephone availability.
4. Any shop area and/or equipment and parts storage area provided shall be properly ventilated.
5. Shall possess and maintain all licenses and/or certificates as may be required by the FAA, or other appropriate agency which are applicable to the operation or services contemplated.
6. Shall employ and have on duty during operating hours trained personnel in such numbers as may be required to meet the Minimum Standards in a safe and efficient manner, but never less than one person currently certificated as a FAA rated repairman or inspector as appropriate to the services to be offered.
7. Shall maintain appropriate hours of operation sufficient to meet public demand or provide a point of contact telephone communication capability for the public desiring to utilize the SASO services.
8. Any stripping/painting provided must be with a proper spray booth and comply with all federal, state, and local regulations pertaining thereto.
9. Shall conduct all maintenance operations in accordance with applicable Airport Rules and Regulations, National Fire Protection Association requirements, and other applicable safety regulations.
10. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

4.04 SASO – FLIGHT TRAINING

A flight training SASO engages in instructing pilots in dual and solo flight training, in fixed and/or rotary wing aircraft, and provides such related ground school instruction as is necessary preparatory to taking a written examination and flight check ride for the category or categories of pilots' licenses and ratings involved.

Minimum Standards:

1. Shall lease sufficient land area, as approved by the City, to provide for all buildings, aircraft parking, paved ramped area, and on-site customer and employee parking to accommodate activities and operations proposed. Parking requirements will be in accordance with City code.
2. Such facility shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances including properly sized paved aircraft apron. Apron shall have tie down capability for all non-hangared aircraft capable of being tied down.
3. The facility shall be properly lighted, air-conditioned, and heated to include office space, floor space for lobby or public waiting area, classroom or suitable accommodation for proper ground school instruction, storage, and public restroom. Also provide telephone availability.
4. Shall have available for use in flight training, either owned or leased by and under exclusive control of the SASO not less than one aircraft properly equipped and maintained, and FAA certified for flight instruction.
5. Shall have in its employ or under contract, and on duty as required during operating hours, currently FAA certificated instructor pilots and ground instructors in sufficient numbers as may be required, but never less than one instructor/pilot, to meet the demands of the number of students expected to be engaged in such flight training.
6. Shall provide suitable space equipped with adequate audio and visual aids for effective ground school instruction. All materials, supplies, and training methods must meet FAA requirements for the type training offered.
7. Shall maintain appropriate hours of operation sufficient to meet public demand or provide a point of contact telephone communication capability for the public desiring to utilize the SASO services.
8. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

4.05 SASO – AIRCRAFT LEASE/RENTAL

An aircraft lease/rental SASO engages in the lease or rental of aircraft to the public for compensation.

Minimum Standards:

1. Shall lease sufficient land area, as approved by the City, to provide for all buildings, aircraft parking, paved ramped area, and on-site customer and employee parking to accommodate activities and operations proposed. Parking requirements will be in accordance with City code.
2. Such facility shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances including properly sized paved aircraft apron. Apron shall have tie down capability for all non-hangared aircraft capable of being tied down.
3. The facility shall be properly lighted, air-conditioned, and heated to include office space, floor space for lobby or public waiting area, storage, and public restroom. Also provide

telephone availability.

4. Provide, and at all times maintain not less than one aircraft, owned or leased by and under exclusive control of the SASO, properly equipped and maintained aircraft and FAA certified for rental.
5. Shall have in its employ or under contract and on duty as required during operating hours trained personnel in such numbers as may be required to meet the Minimum Standards in a safe and efficient manner, but no less than one properly FAA certified and qualified pilot to provide demonstration and check rides for any aircraft it intends to lease or rent.
6. Shall maintain appropriate hours of operation sufficient to meet public demand or provide a point of contact telephone communication capability for the public desiring to utilize the SASO services.
7. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

4.06 SASO – AIRCRAFT CHARTER AND AIR TAXI SERVICE

An aircraft charter and/or an air taxi service SASO engages in the business of providing air transportation of person and/or property, to the general public for hire, on demand, either on a charter basis or as an air taxi operator, as currently defined in the FAR Part 135 "Operating Requirements: Commuter and On Demand Operations and Rules Governing Persons on Board Such Aircraft," or as may be supplemented or amended from time to time.

Minimum Standards:

1. Shall lease sufficient land area, as approved by the City, to provide for all buildings, aircraft parking, paved ramped area, and on-site customer and employee parking to accommodate activities and operations proposed. Parking requirements will be in accordance with City code.
2. Such facility shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances including properly sized paved aircraft apron. Apron shall have tie down capability for all non-hangared aircraft capable of being tied down.
3. The facility shall be properly lighted, air-conditioned, and heated to include office space, floor space for lobby or public waiting area, storage, and public restroom. Also provide telephone availability.
4. Shall have and maintain during the term of the tenancy at FBMA, an air taxi license (refer to FAR Part 135) and shall operate in conformance with all appropriate FARs including but not limited to FAR Part 135 as amended.
5. Shall provide not less than one aircraft properly maintained and currently certified under FAR Part 135, either owned or under written lease to the SASO, all of which must meet the requirements of the FAA air taxi commercial operator certificate held by the SASO. Any multi-engine aircraft shall be certified for instrument operations.
6. Shall have in its employ or under contract and on duty as required during operating hours trained personnel in such numbers to carry out services as may be required to meet the Minimum Standards in a safe and efficient manner, but never less than one person who hold current FAA commercial pilot certificate with appropriate ratings to permit the flight activity offered by the SASO. All flight crews shall be properly rated for the aircraft operated. Shall provide dispatch capability within six hours of a customer request.
7. Employ one person with experience and ability to provide charter quotes, schedule and dispatch support, and customer service.
8. Make satisfactory arrangements for the checking in of passengers, handling of luggage, ticketing, ground transportation, etc.
9. Shall maintain appropriate hours of operation sufficient to meet public demand or provide a point of contact telephone communication capability for the public desiring to utilize the

SASO services.

10. Charter and non-scheduled air taxi companies, not regularly based at FBMA, but who are providing service to and from FBMA, are not subject to these Minimum Standards, but must comply with the Airport Rules and Regulations.
11. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

4.07 SASO – AIRCRAFT SALES (NEW AND/OR USED)

An aircraft sales SASO engages in the sale of new and/or used aircraft through brokerage, ownership, franchise, or licensed dealership or distributorship, either on a retail or wholesale basis, of an aircraft manufacturer or otherwise, and provides or provides access to such repair, services, and parts, as may be contractually required, to meet any guarantee or warranty on new and/or used aircraft sold by it.

A. NEW AIRCRAFT SALES: An aircraft sales SASO engages in the sale of new aircraft through franchises or licensed dealerships, if required by local, county, or state authority, or distributorship, either on a retail or wholesale basis, of an aircraft manufacturer or used aircraft.
B. USED AIRCRAFT SALES: Many companies engage in the purchasing and selling of used aircraft. This is accomplished through various methods including matching potential purchasers with an aircraft, i.e. brokering, assisting a customer in the purchase or sale of an aircraft, or purchasing used aircraft and marketing them to potential purchasers.

Minimum Standards:

1. Shall lease sufficient land area, as approved by the City, to provide for all buildings, aircraft parking, paved ramped area, and on-site customer and employee parking to accommodate activities and operations proposed. Parking requirements will be in accordance with City code.
2. Such facility shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances including properly sized paved aircraft apron. Apron shall have tie down capability for all non-hangared aircraft capable of being tied down.
3. The facility shall be properly lighted, air-conditioned, and heated to include office space, storage, and public restroom. Also provide telephone availability.
4. A dealer of new aircraft shall hold an authorized factory sales or distributor franchise or sub-dealership. All aircraft dealers shall hold applicable licenses or permits that may be required by any law or regulation.
5. A dealer of new aircraft shall have available or on-call at least one current FAA certificated and airworthy model demonstrator for the aircraft in its authorized product line. A new aircraft dealer shall be able to provide for demonstration of additional models of the manufacturer for which a dealership is held.
6. Dealers of used aircraft shall have reasonable access to aircraft offered for sale for purpose of demonstration.
7. Shall have in its employ or under contract and on duty as required during operating hours trained personnel in such numbers as may be required to meet the Minimum Standards in a safe and efficient manner, or be able to obtain within eight hours of a request a fully qualified pilot for the aircraft to be demonstrated.
8. Shall maintain appropriate hours of operation sufficient to meet public demand or provide a point of contact telephone communication capability for the public desiring to utilize the SASO services.
9. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

4.08 SASO - AIRCRAFT HANGAR STORAGE

An aircraft hangar storage SASO engages in the rental of space within conventional, open-bay, bulk hangars for the temporary or long-term parking or storage of aircraft.

Minimum Standards:

1. Shall lease sufficient land area, as approved by the City, to provide for all buildings, aircraft parking, paved ramped area, and on-site customer and employee parking to accommodate activities and operations proposed. Parking requirements will be in accordance with City code.
2. Such facility shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances including a restroom and properly sized paved aircraft apron.
3. May provide properly lighted, air-conditioned, and heated office space(s).
4. Shall have his facilities available for the tenant's aircraft removal and storage on a continuous basis.
5. Shall determine which party is responsible for the tenant's aircraft removal and storage on a continuing basis.
6. Shall employ trained personnel to meet all requirements for the storage of aircraft with appropriate equipment and on site during all aircraft operations.
7. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

4.09 SASO – AIRCRAFT MANAGEMENT SERVICES

An aircraft management service SASO engages in the operational management of based aircraft for specific aircraft owners. Typically, an aircraft management service operator ensures or provides aircraft maintenance coordination, storage, dispatch, aircrew assignment, and ground servicing for these aircraft. An aircraft management service SASO may choose not to own or exclusively lease the aircraft to be managed and would therefore be prohibited from self-fueling such aircraft. Copies of management services agreements between the aircraft owner and the SASO must be furnished to the City.

Minimum Standards:

1. Shall lease sufficient land area, as approved by the City, to provide for all buildings, aircraft parking, paved ramped area, and on-site customer and employee parking to accommodate activities and operations proposed. Parking requirements will be in accordance with City code.
2. Such facility shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances including properly sized paved aircraft apron. Apron shall have tie down capability for all non-hangared aircraft capable of being tied down.
3. The facility shall be properly lighted, air-conditioned, and heated to include office space, floor space for lobby or public waiting area, storage, and public restroom. Also provide telephone availability.
4. Shall provide and have based upon its leasehold properly certificated and maintained aircraft.
5. Shall have in its employ or under contract and on duty as required during operating hours trained personnel in such numbers to carry out services as may be required to meet the Minimum Standards in a safe and efficient manner, and all pilots must hold current FAA commercial pilot certificates with appropriate ratings to permit the flight activity offered by the SASO. All flight crews shall be properly rated for the aircraft operated. The SASO shall provide reasonable assurance of the continued availability of qualified operating crews within

a reasonable notice period.

6. Shall maintain appropriate hours of operation sufficient to meet public demand or provide a point of contact telephone communication capability for the public desiring to utilize the SASO services.
7. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

4.10 SASO – SPECIALIZED COMMERCIAL FLYING SERVICES

A specialized commercial flying service SASO engages in air transportation for hire for the purpose of providing the use of aircraft for activities including, but not limited to the following:

1. Nonstop sightseeing flights that begin and end at the same airport within a 25-mile radius of the airport.
2. Crop-dusting, seeding, spraying, bird chasing, fish spotting, etc.
3. Banner towing and aerial advertising.
4. Aerial photography, mapping, or survey.
5. Aerial fire fighting.
6. Power line or pipeline patrol.
7. Airborne mineral exploration.
8. Aerial ambulance.
9. Any other operations specifically excluded from FAR Part 135.

Minimum Standards:

1. Shall lease sufficient land area, as approved by the City, to provide for all buildings, aircraft parking, paved ramped area, and on-site customer and employee parking to accommodate activities and operations proposed. Parking requirements will be in accordance with City code.
2. Such facility shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances including restroom and properly sized paved aircraft apron.
3. May provide properly lighted, air-conditioned, and heated office space.
4. Shall provide and have based on its premises, owned or leased by and under exclusive control of the SASO, a minimum of one airworthy aircraft, suitably equipped for, and meeting all the requirements of the FAA and applicable regulations of the State of Florida with respect to the type of operations to be performed.
5. Shall provide evidence of all applicable FAA and other government agency certificates for services being provided.
6. Shall have in its employ or under contract and on duty as required during operating hours trained personnel in such numbers as may be required to meet the Minimum Standards in a safe and efficient manner, but no less than one properly FAA certified and qualified pilot properly rated for the aircraft to be used and the type of operation to be performed.
7. Shall maintain appropriate hours of operation sufficient to meet public demand or provide a point of contact telephone communication capability for the public desiring to utilize the SASO services.
8. In the case of crop-dusting or aerial application, the SASO shall make suitable arrangements and have such space available in its leased area for the safe loading and unloading and storage and containment of noxious chemical materials and that it is properly licensed by the Florida Department of Agriculture for aerial application in the State of Florida.
8. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

NOTE: With prior permission of the City, some requirements above may be satisfied by a sublease of such space from an existing SASO or FBO or through an aeronautical operator agreement for existing

facilities, if available, from the City. See Section 1.07 regarding subleasing.

4.11 SASO – INDEPENDENT AERONAUTICAL OPERATOR

An independent aeronautical operator SASO requires the use of an aircraft to conduct its commercial aeronautical activity at FBMA, however, the independent aeronautical operator does not have commercial tenancy on FBMA. This SASO provides a single-service aeronautical activity on FBMA and may include, but is not limited to, sightseeing; flight instruction; aerial advertising; aerial photography, mapping, or survey; power line or pipeline patrol; firefighting or fire patrol; fish spotting; airborne mineral exploration; aerial ambulance; aircraft broker/dealer; aircraft rental; aircraft charter.

The City recognizes that certain commercial aeronautical operations do not always interface directly with the public and, therefore, do not necessarily require public facilities to satisfactorily conduct business. In some cases the only FBMA requirement is access to the airport or a tie down space since all other activities of the business are normally conducted off the airport. Such a provider must obtain an annual Airport Operating Permit from the City to conduct such business on FBMA. In no case shall a City owned t-hangar or bulk row storage hangar be used to operate a commercial operation on FBMA. However a properly permitted independent aeronautical operator SASO may use such hangar for aircraft storage only. An independent aeronautical operator SASO may also sublet from a FBO or SASO with approval of the City and payment of appropriate fees for the privilege to operate a commercial operation on FBMA. See Section 1.07 regarding subleasing.

A person holding a current FAA flight instructor certificate, who gives occasional flight instruction (does not advertise or proactively make available flight instruction) to an aircraft owner in the aircraft owner's aircraft, shall not be deemed a commercial aeronautical operator.

Minimum Standards:

1. Except as otherwise noted previously herein, this SASO shall have a permit or agreement with the City of Fernandina Beach for the privilege to operate their commercial aeronautical activity on FBMA. Such agreement is in addition to any possible subtenant status to another SASO or FBO.
2. Shall provide equipment and services required to meet the Minimum Standards as herein described elsewhere in Section 4 for the category of aeronautical activity the SASO is performing.
3. Shall comply with the aircraft requirements, including the equipment thereon for each aeronautical service to be performed except multiple uses can be made of all aircraft owned or under lease by the SASO.
4. Shall provide evidence of all applicable FAA or other government agency certificates for the services being provided.
5. Shall have in its employ or under contract and on duty as required during operating hours trained personnel in such numbers as may be required to meet the Minimum Standards in a safe and efficient manner for each aeronautical service the SASO is performing as herein provided. Multiple responsibilities may be assigned to meet the personnel requirements for each aeronautical service being performed by the SASO.
6. For any SASO who do not post regular operating hours shall provide a point of contact telephone communication capability for the public desiring to utilize the SASO services.
7. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

4.12 SASO – INDEPENDENT SERVICE PROVIDER

An independent service provider SASO is a person or entity on FBMA that does not require an aircraft and does not operate from owned or leased property on FBMA. Examples of independent service

provider include but are not limited to: certified mechanics and inspectors, aircraft detailers, prop balancing, and oil recyclers.

The City recognizes that certain commercial aeronautical operations do not always interface directly with the public and, therefore, do not necessarily require public facilities to satisfactorily conduct business. In some cases the only FBMA requirement is access to the airport to conduct its commercial aeronautical business. Such a provider must obtain an annual Airport Operating Permit from the City to conduct such business upon FBMA. A properly permitted independent service provider may also sublet from a FBO or SASO with approval of the City and payment of appropriate fees for the privilege to operate a commercial operation on FBMA.

Minimum Standards:

1. Except as otherwise noted previously herein, this SASO shall have a permit or agreement with the City of Fernandina Beach for the privilege to operate their commercial activity on FBMA. Such agreement is in addition to any possible subtenant status to another SASO or FBO.
2. Shall provide evidence of all applicable FAA or other government agency certificates for the services being provided.
3. Shall provide sufficient qualified personnel necessary to meet the Minimum Standards for each aeronautical service provided. However, multiple responsibilities may be assigned to employees where feasible.
4. For any SASO who do not post regular operating hours shall provide a point of contact telephone communication capability for the public desiring to utilize the SASO services.
5. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

4.13 SASO – COMMERCIAL PARACHUTING AND SKYDIVING

A commercial parachuting and skydiving SASO engages in the transportation of persons for skydiving, instruction in skydiving, and rental and sales of skydiving equipment.

Minimum Standards

1. Shall lease sufficient land area, as approved by the City, to provide for all buildings, aircraft parking, paved ramped area, and on-site customer and employee parking to accommodate activities and operations proposed. Parking requirements will be in accordance with City code.
2. Such facility shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances including properly sized paved aircraft apron. Apron shall have tie down capability for all non-hangared aircraft capable of being tied down.
3. The facility shall be properly lighted, air-conditioned, and heated to include office space, floor space for lobby or public waiting area, classroom or suitable accommodation for proper ground school instruction, storage, and public restroom. Also provide telephone availability. Also within the hangar or building should be an area for parachute rigging.
4. The commercial aeronautical operator shall meet or exceed the Basic Safety Requirements (BSR) of the United States Parachute Association (USPA), FAR Part 105 "Parachute Operations," and related FAA Advisory Circulars.
5. Shall provide suitable space equipped with adequate audio and visual aids for effective ground school instruction. All materials, supplies, and training methods must meet FAA requirements for the type training offered.
6. Shall have available for skydiving, either owned or under written lease to the SASO, at least one properly certificated and equipped aircraft for skydiving.
7. Hours of operation will be at the discretion of the SASO but shall only be daylight hours.
8. Shall have in its employ or under contract and on duty as required during operating hours

trained personnel in such numbers as may be required to meet the Minimum Standards in a safe and efficient manner, but no less than one properly FAA certified and qualified pilot properly rated for the aircraft to be used and the type of operation to be performed.

9. Shall have one appropriately rated jumpmaster.
10. Shall maintain appropriate hours of operation sufficient to meet public demand or provide a point of contact telephone communication capability for the public desiring to utilize the SASO services.
11. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

4.14 FLYING CLUBS

In an effort to foster and promote flying for pleasure, develop skills in aeronautics, including pilotage, navigation, and an awareness and appreciation of aviation requirements and techniques, flying clubs are permitted at FBMA but are subject to these Minimum Standards, the Airport Rules and Regulations, federal, state, and local laws and regulations, and other restrictions as may be set forth in an operating agreement. A flying club qualifies as an individual under the FAA grant assurances. As such, a flying club has the right to fuel and maintain the aircraft of its members. All flying clubs desiring to base their aircraft and operate on FBMA must comply with the applicable provisions of these standards and requirements. However, they shall be exempt from regular commercial aeronautical operator requirements upon satisfactory fulfillment of the following:

Minimum Standards:

1. Shall lease existing property or lease sufficient land area, as approved by the City, to provide all buildings, aircraft parking, paved ramp area, and parking to accommodate activities and operations proposed. Parking requirements will be in accordance with City code.
2. Such facility shall meet FBMA Architectural and Building Design Standards, NFPA requirements, Florida Building Codes, and all applicable City Building Ordinances including properly sized aircraft apron. Apron shall have tie-down capability for all non-hangared aircraft capable of being tied down.
3. A flying club shall be a non-profit or not-for-profit entity (corporation, association, or partnership) organized for the express purpose of providing its members with one or more aircraft for their personal use and enjoyment only. The lease or ownership of the aircraft(s) must be vested in the name of the flying club, or owned on a pro rata basis by all of its members. The property rights of the members of the flying club shall be equal and no part of the net earnings of the flying club will inure to the benefit of any member in any form, such as salaries, bonuses, etc. The flying club may not derive greater revenue from the use of its aircraft than the amount necessary for the operations, maintenance, and replacement of its aircraft, facilities, and overhead, if any.
4. Flying clubs may not offer or conduct charter and/or air taxi services, or rental of aircraft operations. They may not conduct aircraft flight instruction except for regular members owning the aircraft, and only members of the flying club may operate the aircraft. Instruction may be given by a certified instructor member of the flying club or a SASO or FBO based on FBMA authorized to provide flight training. Any properly licensed mechanic who is a regular member of the flying club, or a SASO or a FBO based on FBMA authorized to provide maintenance, is permitted to perform maintenance on aircraft owned by the flying club.
5. All flying clubs and their members are prohibited from leasing or selling any goods or services whatsoever to any person or firm other than to a member of such flying club, except that a flying club may sell or exchange its capital equipment for replacement.
6. The flying club shall furnish the Airport Manager a copy of its charter and by-laws, articles of incorporation, association, partnership agreement, or other documentation supporting its existence; evidence of the club's status as a nonprofit organization; roster or list of members,

including names of officers and directors, to be revised on an annual basis; evidence of insurance in the amounts determined by the City; number and type of aircraft; evidence that all aircraft are properly certificated; evidence that ownership of the aircraft to be used are vested in the club; and the operating rules of the club. The books and records of the club shall be available for review at any reasonable time by the City.

7. See Section 1.08 and Appendix B for insurance coverage requirements for this commercial aeronautical activity on FBMA.

Appendix A - Definitions

- Aeronautical Activity – Any activity that involves, makes possible, or is required for the operation of aircraft or that contributes to or is required for the safety of such operations. Activities within this definition, commonly conducted on airports, include, but are not limited to the following: general and corporate aviation, air taxi and charter operations, scheduled and nonscheduled air carrier operations, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, aircraft sales and services, aircraft storage, sale of aviation petroleum products, repair and maintenance of aircraft, sale of aircraft parts, parachute or ultralight activities, and any other activities that, because of their direct relationship to the operation of aircraft, can appropriately be regarded as aeronautical activities.
- Agreement (or Lease) – A written contract between the City of Fernandina Beach and an entity or person to occupy, use, and/or develop land and/or improvements and engage in aeronautical activity. Such contract shall recite the terms and conditions under which the activity will be conducted at the airport including, but not limited to, term of the agreement, rents, fees, and charges to be paid by the entity or person, and the rights and obligations of the respective parties.
- Aircraft – Any contrivance now known or hereafter invented, used, or designed for navigation of or flight in air. Examples of aircraft include, but are not limited to, airplane, glider, rotorcraft (helicopter or gyroplane), balloon, blimp, and ultralight.
- Aircraft Maintenance – The inspection, overhaul, repair, preservation, and the replacement of parts. Major repairs include major alterations to the airframe, power plant, and propeller as defined in 14 CFR Part 43 Maintenance, Preventive Maintenance, Rebuilding, and Alteration. Minor repairs include normal, routine annual inspection with attendant maintenance, repair, calibration, or adjustment of aircraft and their accessories.
- Airport – All land within the legal boundaries of Fernandina Beach Municipal Airport, owned by the City of Fernandina Beach.
- Airport Layout Plan (ALP) – A drawing depicting the physical layout of the airport that identifies the location and configuration of runways, taxiways, buildings, hangars, roadways, utilities, navaids, etc.
- Airport Manager – The individual appointed and authorized by the City of Fernandina Beach to administer and manage all operations of the airport and airport facilities.
- Airport Operating Permit – An administrative approval issued by the City of Fernandina Beach (normally not exceeding annually) to a person or entity to conduct an aeronautical or commercial aeronautical activity on the airport.
- Airport Rules and Regulations – Rules and Regulations of the airport, properly adopted by Resolution of the City Commission of the City of Fernandina Beach, as may be amended from time to time.
- Apron (or Ramp) – A defined area of an airport intended to accommodate aircraft for the purposes of loading and unloading passengers or cargo, refueling, parking, or maintenance.
- City – The City of Fernandina Beach, located in Nassau County, Florida
- Commercial Aeronautical Activity – An activity which involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of aircraft operations commonly conducted on the airport and the purpose of such activity being to generate or secure earnings, income, compensation, services, goods, like-kind exchange, or profit of any kind, whether or not such results are accomplished.

- Commercial Aeronautical Operator – An entity engaging in an activity which involves, compliments, makes possible, or is required for the operation of aircraft, or which contributes to, or is required for the safe conduct and utility of such aircraft operations, the purpose of such activity being to secure earnings, income, compensation, or profit, whether or not such objective or objectives are accomplished. A commercial aeronautical operator may be classified as either a Fixed Base Operator (FBO) or a Specialized Aviation Services Operation (SASO).
- Entity – A person, persons, firm, limited-liability company, corporation, partnership, unincorporated proprietorship, association, or group formed for the purpose of conducting the proposed activity.
- FAA (Federal Aviation Administration) – The federal agency within the Department of Transportation of the United States government that has the responsibility of promoting safety in the air, by both regulation and education.
- FAR (Federal Aviation Regulation) – The federal government rules and regulations governing aviation activity under Code of Federal Regulations – Title 14 Aeronautics and Space.
- Fixed Base Operator (FBO) – A commercial business granted the right by the airport sponsor to operate on an airport and provide aeronautical services such as fueling, hangaring, tie-down and parking, aircraft rental, aircraft maintenance, and flight instruction, etc.
- Flight Training – Any primary use of an aircraft to increase or maintain pilot or crewmember proficiency, rather than the use of an aircraft as transportation between two different airports or other destinations. Flight training shall also include any portion of a flight between two airports or other destinations dedicated to increase or maintain pilot or crewmember proficiency.
- Fuel – Any petroleum product used for the purpose of providing propulsion to an aircraft.
- Lessee – An entity that has entered into an agreement with the City of Fernandina Beach to occupy, use, and/or develop land and/or improvements and engage in aeronautical or commercial aeronautical activities.
- Master Plan – An assembly of appropriate documents and drawings covering the development of the airport from a physical, economical, social, and political jurisdictional perspective and adopted by the City Commission, a copy of which is on file and available for inspection in the Airport Manager's office and any amendments, modifications, revisions, or substitutions thereof. The Airport Layout Plan is a part of the Master Plan.
- Minimum Standards for Commercial Activity (Minimum Standards) – The qualifications, criteria, and standards established by the City of Fernandina Beach as the minimum requirements to be met as a condition for the right to conduct a commercial aeronautical activity on the airport.
- Person – Any individual, firm, partnership, corporation, company, association, joint stock association, or body politic or any other group acting as an entity, or combination of thereof; and further includes any trustee, receiver, committee, assignee, or other representative or employee thereof.
- Regulatory Measures – Federal, state, county, city, and airport laws, codes, ordinances, policies, rules, and regulations, including, without limitation, those of the United States Department of Transportation, the FAA, the FDOT, NFPA, Airport Minimum Standards, Airport Rules and Regulations, all as may be in existence, hereafter enacted, and amended from time to time.
- Repair Station – A certificated aircraft maintenance facility approved by the FAA to perform certain specific maintenance functions. These facilities are certificated under 14 CFR Part 145 "Repair Stations."
- Self-Service – Refers to the refueling, repair, preventative maintenance, towing, adjustment, cleaning, and/or other general services of any aircraft performed by the aircraft owner, or by such direct employee(s) of an aircraft owner with resources supplied by the aircraft owner.
- Shall (or will or must) – These words are always mandatory.
- Specialized Aviation Service Operation (SASO) – A commercial aeronautical entity that offers a single or limited service. These types of companies differ from a FBO in that they typically offer only a specialized aeronautical such as aircraft sales, flight training, aircraft maintenance, aircraft rental, or avionics services for example.
- Subcontract – A written agreement stating the terms and conditions under which a third party

person renders aeronautical services or materials on the airport necessary for the performance of another contract at the airport.

- Sublease – A written agreement stating the terms and conditions under which a third party person leases space from a Lessee on the airport for the purpose of providing aeronautical services at the airport.
- Through the Fence – The right to have direct access to the airport from private property located contiguous to the airport whereby aircraft located on the private property has direct access to the airport's runway and taxiway system.

Appendix B – Insurance Requirements for Commercial Aeronautical Operators

Minimum Standard Insurance Requirements — Appendix B

Category >>> / Insurance Requirement v v v	Fixed Base Operator	Aircraft Maintenance & Repair Services	Aircraft Componet & Support Services	Flight Training	Aircraft Lease/Rental	Aircraft Charter & Air Taxi Services	Aircraft Sales (New and/or Used)	Aircraft Hangar Storage	Aircraft Management Services	Specialized Commercial Flying Services	Independent Aeronautical Operator	Independent Service Provider	Commercial Parachuting & Skydiving	Flying Club
Airport Liability with Combined Single Limit (CSL) including Premise Liability NOTE 1	$3,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$100,000/ $300,000 NOTE 5	$1,000,000	$1,000,000
Aircraft Liability with Combined Single Limit (CSL) including Bodily Injury & Property Damage and per Passenger Sub-limits >=$100,000 NOTE 1	$1,000,000	$1,000,000 NOTE 2	$1,000,000 NOTE 2	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000 NOTE 2	$1,000,000 NOTE 2	$1,000,000	$1,000,000		$1,000,000	$1,000,000
Hangar Keeper's Liability	$1,000,000 per occurrence	$500,000 per occurrence	$500,000 per occurrence	$500,000 per occurrence NOTE 2	$500,000 per occurrence NOTE 2	$500,000 per occurrence NOTE 2	$500,000 per occurrence NOTE 2	$500,000 per occurrence	$500,000 per occurrence NOTE 2	$500,000 per occurrence NOTE 2	$500,000 per occurrence NOTE 2		$500,000 per occurrence NOTE 2	$500,000 per occurrence NOTE 2
Comprehensive Business Auto Liability with Combined Single Limit (CSL) including Hired and Non-owned	$1,000,000 per occurrence	$1,000,000 per occurrence NOTE 2	$1,000,000 per occurrence NOTE 2	$1,000,000 per occurrence NOTE 2	$1,000,000 per occurrence NOTE 2	$1,000,000 per occurrence NOTE 2	$1,000,000 per occurrence NOTE 2	$1,000,000 per occurrence NOTE 2	$1,000,000 per occurrence NOTE 2	$1,000,000 per occurrence NOTE 2	$1,000,000 per occurrence NOTE 2	$1,000,000 per occurrence NOTE 2	$1,000,000 per occurrence	
Workers Compensation and Employers Liability	Statutory Limits as required by Florida law NOTE 3	Statutory Limits as required by Florida law NOTE 2 & 3	Statutory Limits as required by Florida law NOTE 2 & 3	Statutory Limits as required by Florida law NOTE 2 & 3	Statutory Limits as required by Florida law NOTE 2 & 3	Statutory Limits as required by Florida law NOTE 2 & 3	Statutory Limits as required by Florida law NOTE 2 & 3	Statutory Limits as required by Florida law NOTE 2 & 3	Statutory Limits as required by Florida law NOTE 2 & 3	Statutory Limits as required by Florida law NOTE 2 & 3	Statutory Limits as required by Florida law NOTE 2 & 3	Statutory Limits as required by Florida law NOTE 2 & 3	Statutory Limits as required by Florida law NOTE 2 & 3	
Pollution Liability with a Combined Single Limit (CSL)	$1,000,000													
Student and Renter's Liabilty	If Applicable			YES	YES						If Applicable		YES NOTE 4	If Applicable

NOTE 1: Airport Liability (including Premises). Hangar Keeper's Liability, and Auto Liability can be covered as part of the Aircraft Liability Policy
NOTE 2: As applicable
NOTE 3: Employers Liability shall be not less than $100,000 bodily injury by accident, $100,000 bodily injury by disease, each employee and $500,000 per occurrence
NOTE 4: Also include individual jumper liability insurance
NOTE 5: Insurance requirement is $100,000 except for those providers that do actual maintenance on the aircraft which has a $300,000 insurance requirement

FERNANDINA BEACH MUNICIPAL AIRPORT

AIRPORT RULES AND REGULATIONS

Initial Adoption October 1, 1987
Amended July 17, 2007
Amended August 21, 2007
Amended September 2, 2008
Amended December 7, 2010

Prepared By:
City of Fernandina Beach
700 Airport Road
Fernandina Beach, Florida 32034

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Introduction

Fernandina Beach Municipal Airport (FBMA-FHB) is municipally owned and operated by the City of Fernandina Beach, Florida as a General Aviation Reliever Airport. These Airport Rules and Regulations (R&R) are intended to promote the health, safety, interest, and welfare of the public in general and in particular the operators, lessees, tenants, consumers, and users of FBMA, and to promote the safe, orderly, and efficient use of the Airport.

These R&R apply to all users, aeronautical and otherwise, of FBMA property, are not all-inclusive, and reinforce and emphasize federal, state, and local statutes, laws, ordinances, and regulations as well as leases and agreements that may apply (see Appendix A - References). In addition the content of Appendixes A and B attached hereto and made a part hereof shall be adhered to by all users of FBMA. In the event of a conflict between these R&R and a lease or other agreement, the lease or other agreement shall govern. Individual Airport users must adhere to the applicable provisions of these R&R and its attached Appendices, as well as any applicable leases and agreements, and all pertinent federal, state, and local statutes, laws, ordinances, and regulations that may be applicable to their operations.

Violations of the R&R may result in revocation of Airport access privileges, denial of use of the Airport, termination of leases or other agreements, and/or prosecution under applicable laws. Perpetration of violation(s) shall be considered as a factor in renewing or not renewing a violator's application or permit/lease renewal. Use of Airport property without approval or in conflict with these R&R is considered a trespass. Nothing in these R&R is intended to preclude any authorized City personnel from taking other action authorized by law. Section 6 of these R&R provides an appeal process to be followed in the event a user of the Airport is aggrieved by the interpretation and application of the R&R.

These R&R may be amended as required, however, every three years an updated revision should be published.

Section 1 – General

1.01 COMPLIANCE AND RESPONSIBILITIES:

a. By publication of these R&R, all persons based at FBMA will be deemed to have knowledge of the contents herein. Copies of these R&R will be distributed to all tenants and leaseholders, posted at the Airport, and available through the Airport Manager's office.

b. Entry upon/into the Airport by any person shall be deemed to constitute an agreement by such person to comply with and be governed by these R&R. All persons employed on or using the Airport shall cooperate with the Airport Manager or his designated representatives to enforce these R&R.

c. Airport tenants/leaseholders shall be responsible for compliance with all requirements of these R&R applicable to them for their exclusive areas and they shall be held liable for any fines, penalties, or other monetary assessments imposed upon the City by any agency having jurisdiction with respect to any violations involving these areas. Any user, who by their intentional or unintentional action or activity, cause the City to be fined, cited, sued, or charged unnecessary fees/fines, will be responsible for reimbursement of said fines/fees upon demand to the City.

d. Any permission granted by the Airport Manager or the City under these R&R is conditioned upon the payment of any and all applicable fees and charges established by the City.

e. Voiding of any particular rule or regulation contained herein shall not affect the validity of the remainder of these regulations.

1.02 EMERGENCY PROCEDURES AND DIRECTIVES:

a. Under emergency conditions, e.g., a natural disaster, the Airport Manager, or designated representative, is empowered to suspend these R&R, or any part thereof, including ordering persons to leave the Airport or portions of the Airport and prevent access to such areas for such time as may be necessary, and to issue such directives and take such actions as is necessary to protect life and property and ensure the safe operation of the Airport. Such directives and actions have the full power of regulation as long as the emergency exists.

b. In the event of an extreme threat, condition, or event the Airport Manager shall have, in his discretion, the authority to close the Airport in its entirety or any portion thereof to air traffic, to prohibit aircraft landing and/or taking off, and may delay or restrict any flight or other aircraft operation.

c. The Airport Manager may also, in his discretion, temporarily close the Airport due to periods of adverse climatic conditions when such action is considered necessary and desirable to avoid endangering persons or property.

d. Under no circumstance shall an authorized Airport closure or restriction constitute grounds for reimbursement of any expense, loss of revenue, or damage incurred by any operator, lessee, or any other entity.

1.03 LIABILITY:

a. The City shall not be responsible for loss, injury, or damage to persons or property by reason of fire, theft, vandalism, wind, flood, earthquake, collision, strikes, war, acts of terrorism, or act of God, nor shall the City be liable for injury to persons while on the Airport.

b. The City, City Commission, Airport, and the Airport Manager, individually and collectively, and their representatives, officers, employees, agents, and volunteers shall be held harmless and shall not be liable for loss, loss of use, damage, or injury to persons or property arising out of any accident, incident, or mishap of any nature whatsoever, or from any cause whatsoever to any individual, aircraft or property occurring on or from the Airport or in the use of any facility situated on Airport property.

1.04 FACILITIES AND PROPERTY:

a. Operational deficiencies regarding buildings, structures, equipment, utilities, or other property owned by the City shall be reported to the Airport Manager so that repairs, as necessary, may be made in a timely manner.

b. No person shall alter, add to, or erect any building or sign on the Airport or make any excavation on the Airport without prior written approval of the City.

c. Any person causing, or responsible for damage to or destruction of Airport property of any kind, including facilities, equipment, real property, fixtures or appurtenances, shall be required to pay the City for the full amount of said damage. Any such damage shall be immediately reported to the Airport Manager.

1.05 OTHER LAWS:

All applicable provisions of Federal Aviation Regulations (FAR), federal, state, and local regulations, laws, statutes, and/or ordinances now in existence or hereafter promulgated are hereby adopted as part of the R&R for FBMA.

1.06 USE AND ENJOYMENT OF AIRPORT PREMISES:

a. All FBMA users are required to abide by applicable federal, state, and local statutes and ordinances regarding personal conduct on Airport property.

b. Any person who causes injury to any person or damages equipment or property on the Airport shall be liable for such injuries and/or damages.

c. All commercial activities shall be conducted in accordance with the FBMA Minimum Standards for Commercial Activities (Minimum Standards).

d. No person may throw, shoot, or propel any object nor shine a light or laser in such a manner as to interfere with or endanger the safe operation of any aircraft taking off from, landing at, or operating on the Airport or any vehicle operating on the Airport.

1.07 ENTRY UPON AND USE OF AIRPORT:

a. Entry into FBMA property shall be through designated gates.
b. All FBMA users shall observe and obey all posted signs, fences, and barricades regarding activities and demeanor while on the Airport.
c. Use of any FBMA facility for other than authorized purposes is prohibited.
d. Nothing herein contained shall be construed to limit the use of any area of the Airport by its employees, approved contractors, or to prevent law enforcement or fire department personnel from acting in their official capacity.
e. No person, except representatives of the press on duty or during official announcements, shall take still, motion, or sound pictures for commercial purposes on non-leasehold Airport property without first obtaining written permission of the Airport Manager.
f. No camping is permitted on FBMA without written permission of the Airport Manager.

1.08 ACCESS TO THE AIRPORT OPERATIONS AREA:

a. No person may, without authorization of the Airport Manager, enter the FBMA Airport Operations Area (AOA) except:
    1. Persons under the direct supervision of a tenant or leaseholder
    2. Persons or entities and their employees performing aeronautical activities
    3. Passengers, under appropriate supervision, who enter for the purpose of enplaning or deplaning an aircraft
    4. Visitors to Fixed Base Operations (FBO)
    5. Emergency vehicles
b. Except for entry/exit, all ground vehicle gates will be secured. Vehicle operators using an Airport perimeter gate shall ensure the gate closes prior to leaving the vicinity; additionally, should a vehicle operator observe any suspicious vehicles or persons gain (or attempt to gain) access to the airside, they shall notify law enforcement immediately.
c. Persons who have been provided an Airport access device or access code for the purpose of obtaining access to the AOA shall use only Airport issued devices and shall not duplicate or otherwise distribute or disseminate the same to any other person unless the Airport Manager provides written permission.
d. No person shall walk or drive on taxiways or runways without written authorization from the Airport Manager.
e. It shall be the responsibility of a tenant, lessee, or contractor to restrict persons or vehicles to their exclusive use area or leasehold and to establish operating procedures for them, reviewed by the Airport Manager for appropriateness.
f. No one under 16 years of age will be allowed to enter the AOA except under the direct supervision of an adult or unless visiting an FBO.
g. No person shall assist an unauthorized individual in accessing the AOA.

1.09 ANIMALS:

a. Animals, including service animals, are permitted on Airport property only when under the control of their owners/handlers; any waste must be properly collected and removed by the animal's owner/handler
b. No person shall commit any act to encourage the congregation of birds or other animals on the Airport.

1.10 CARGO, MATERIAL STORAGE, AND ABANDONED PROPERTY:

a. Unless otherwise provided for by lease or other contractual agreement, no person, firm, partnership, or corporation, shall use any area of the Airport, including buildings, either

privately owned or publicly owned, for the storage of non-aeronautical related cargo, equipment, or any other property without written permission of the Airport Manager.

b. Any property, aircraft, or vehicle, determined by the Airport Manager to be abandoned, disabled, or which creates an operations problem, nuisance, security or safety hazard, or which otherwise is placed in an illegal, improper, or unauthorized manner, will be removed, stored, and/or disposed of at the owner's expense. The City shall not be liable for any damage to the property or loss or diminution of value that may be caused by the act of removal.

1.11 FIREARMS AND WEAPONS:

Firearms are allowed on FBMA only as permitted by state and federal statutes.

1.12 ADVERTISING, COMMERCIAL SPEECH, AND SIGNAGE:

a. No person shall post, circulate, distribute, or display written or printed materials or signs on Airport property or facilities or on motor vehicles and aircraft without prior written permission from the Airport Manager. However persons approved to be on Airport property may use vehicles on Airport property that display advertising, pictures, or written material.

b. Airport entry signage or signage in public areas of the Airport must meet specifications of City codes and be approved by the Airport Manager.

Section 2 – Aeronautical Operations

2.01 COMPLIANCE WITH ORDERS:

All aeronautical activities at FBMA shall be conducted in compliance with applicable FARs, federal and Florida statutes, and local ordinances, these Rules and Regulations, Minimum Standards, and directives/resolutions, as currently written or as may be amended from time to time.

2.02 HOLD HARMLESS:

The aircraft owner, pilot, agent, or his or her duly authorized representative agrees to release, discharge and hold harmless the City, its City Commission, the Airport, and its employees of and from liability for any damage which may be suffered by any aircraft and its equipment, and for personal injury or death. The use of the AOA and related facilities shall constitute acceptance of the terms of this provision, these R&R and other Airport procedures and operating directives.

2.03 NEGLIGENT OPERATIONS PROHIBITED:

a. Aircraft operators shall not land; take off; taxi; or park an aircraft on any area that has been restricted to a maximum weight bearing capacity of less than the weight of the aircraft. It shall be the aircraft owner's responsibility to repair any damage to the Airport's runways, taxiways, or aprons caused by excessive aircraft weight loading.

b. No person shall operate any equipment or device on the Airport that will interfere with any aircraft radio communication frequency or any aircraft navigational aid.

2.04 AIRCRAFT ACCIDENTS/INCIDENTS, AIRWORTHY, DISABLED, AND DERELICT AIRCRAFT:

a. The owner or operator of any aircraft involved in an accident or incident on the Airport, resulting in any injury or death or damage to property shall immediately notify the appropriate emergency response agencies, the Airport Manager, and other governmental agencies as applicable.

b. The pilot or owner of an aircraft involved in an accident or incident shall be responsible for all costs associated with the accident or incident, including but not limited to, wreckage removal/disposal, environmental clean up, and repair or replacement of property.

c. Disabled aircraft shall be removed from runways and/or taxiways as quickly as practicable.

d. Disabled and derelict aircraft shall not be permitted on the tie-down or ramp areas unless in response to an emergency and with written approval of the Airport Manager.
e. If the owner of an aircraft fails for any reason to remove a disabled or derelict aircraft from the Airport property as may be requested, the Airport Manager may cause the removal and storage or disposal of such disabled or derelict aircraft at the sole expense of the owner.

2.05 AIRPORT OPERATIONAL AREA RESTRICTIONS:

a. Unless contrary to federal regulations and/or grant assurances, the City shall have the authority to designate or restrict the use of runways or other operational areas at the Airport with respect to, but not limited to, the following:
   1. Experimental Flights (Advance notification to Airport Manager of first flight);
   2. Equipment Demonstration;
   3. Air Shows;
   4. Parachute Operations;
   5. Banner Towing Operations (Permit required);
   6. Aircraft Type.
b. No kites, model airplanes, rockets, tethered unmanned balloons, or other objects constituting a hazard to aircraft operations shall be operated on the Airport.

2.06 AIRCRAFT PARKING:

a. No person shall use any area of the Airport for parking and/or storage of aircraft unless otherwise provided for in a lease or other agreement without the written permission of the Airport Manager. If any person uses unauthorized areas for aircraft parking, the aircraft may be removed by or at the direction of City, at the risk and expense of the owner, without liability for damage that may arise from or out of such removal or storage.
b. No person shall leave an aircraft parked and unattended on the Airport unless it is in a hangar or properly locked and secured with either wheel chocks and/or tie-down ropes. Owners of such aircraft shall be held responsible for any damage resulting from failure to properly comply with this provision.
c. Articles left in aircraft are the sole responsibility of the aircraft owner/operator. The City is not responsible for theft or vandalism of said articles.

2.07 STARTING AND RUNNING AIRCRAFT ENGINES:

a. No aircraft engine will be started or operated inside or taxied from/into any hangar or under the roofline of a hangar, whether said hangar is enclosed or not. This shall not be construed as prohibiting the use of tractors, with National Fire Protection Association (NFPA) approved exhaust systems, when moving aircraft within any hangar.
b. Starting an aircraft when there is any flammable liquid on the ground in the immediate vicinity is prohibited.
c. No person may run an engine of an aircraft parked on the Airport in a manner that propeller or jet blast could cause injury to persons, damage to any other property, or in any way hinder the safe operation of the Airport. In no case will the operator of an aircraft block any runway, taxiway, or taxi lane while conducting any maintenance/repair run-up.
d. No full power aircraft engine run-ups are authorized between 2200 and 0700 hours local for maintenance purposes without written approval of the Airport Manager.

2.08 AIRCRAFT OPERATIONS:

a. All aircraft operations shall be conducted in accordance with published FARs.
b. Aircraft operators will familiarize themselves with published local noise abatement guidelines.

2.09 REPAIRING AND MAINTAINING AIRCRAFT:

a. Aircraft owners, under self-maintenance operations, are permitted to fuel, wash, repair, or otherwise service their owned based aircraft utilizing their own equipment and their own employees, as outlined in FAR Part 43 "Maintenance, Preventative Maintenance, Rebuilding and Alteration" and/or as identified in provisions of written agreement.
b. Aircraft maintenance or repair is permitted only on paved areas of the Airport.
c. No aircraft or aircraft component shall be suspended or lifted utilizing the building or any component of the building.

Section 3 – Fire, Safety and Environment

3.01 GENERAL:

a. All persons using the Airport shall exercise the utmost care to guard against fire and injury to persons and property.
b. All activities at FBMA shall comply with applicable state, local, and National Fire Protection Association (NFPA) codes and standards now in existence or hereafter promulgated and not in conflict with FARs. All applicable codes, standards, and recommended practices are hereby adopted by reference as part of the R&R of the Airport. In the event of conflict, Florida Statute 633 and NFPA codes and/or FARs shall prevail.
c. Any fire causing damage, regardless of the size of the fire or whether or not the fire has been extinguished, shall be reported immediately to the Fernandina Beach Fire Department as well as the Airport Manager.

3.02 SMOKING:

Smoking or carrying lighted smoking materials or striking matches or other incendiary devices, such as lighters, are not permitted:

a. Within 50 feet of parked aircraft and fuel carriers not in motion; within 100 feet of aircraft being fueled or de-fueled, a fuel storage facility, or a flammable liquid spill;
b. In any area on the Airport where smoking is prohibited by the City or leaseholder by means of posted signs;
c. In any hangar, shop, or other building in which flammable liquids are stored or used, except in cases where specifically approved smoking areas have been designated for that purpose.

3.03 FIRE EXTINGUISHERS:

a. All tenants or lessees of hangars, aircraft maintenance buildings or shop facilities shall maintain a minimum of one readily accessible, operable fire extinguisher that shall conform to applicable NFPA standards. Current inspection tags shall be left attached to each unit.
b. No person shall tamper with any fire extinguisher equipment at the Airport or use the same for any purpose other than fire fighting or fire prevention.

3.04 OPEN FLAME OPERATIONS:

a. The use of any equipment employing open flames or sparks within any aircraft storage area is prohibited. This excludes open flames utilized by lessees and tenants in the performance of aircraft maintenance approved by agreement.
b. Lead and carbon burning, fusion gas and electric welding, blow-torch work, engine testing, and all operations involving open flames shall be restricted to the repair shops. During such operations, the shop shall be separated from the storage section by closing all doors and openings to the storage section.

3.05 STORAGE OF MATERIALS:

a. No operator, tenant, or lessee on the Airport shall keep, store, stack, box, bag, or stock material or equipment in such a manner as to constitute a hazard to persons or property, obstructing any operation, littering, or in such a manner as to create any unsightly appearance.

b. Storage of materials or equipment except for hoses attached to water spigots shall not be permitted outside buildings or hangers unless under approved sheds, within designated storage areas, or in designated parking areas.

3.06 HAZARDOUS WASTE AND MATERIALS:

a. No person shall store, keep, handle, use, disperse, discharge, or transport at, in, or upon the Airport any hazardous materials in contravention of any regulatory measures.

b. No more than five gallons of fuel in a container shall be stored in any building or structure on the Airport at any time. An approved fuel container shall be used at all times.

c. All empty oil, paint, and varnish cans, bottles, or other containers shall be removed from the Airport in a timely manner and shall not remain on the floor, wall stringers, or overhead storage areas of the hangars, offices, shops, or other buildings and only those hazardous materials used in the maintenance of aircraft, engines, and components may be stored and utilized on the Airport.

d. No person shall use volatile or flammable substances for cleaning hangar floors, hangars or other buildings on the Airport. Cleaning agents shall meet all federal, state, and local codes, regulations, and permit requirements.

e. All persons on the Airport shall keep all premises, including floors, leased, or used by them, clean and clear of accumulation of oil, grease, and other flammable material and free of rags, waste materials, or other trash or rubbish or accumulated debris.

f. Gasoline, oil, and solvent drums or receptacles shall not be stored within aircraft and/or vehicle operating areas nor be in excess of that required as current stock. Such materials shall be kept enclosed and covered in clearly marked and labeled housing.

g. No person shall use, keep, or permit to be used or kept, any foul or noxious gas or substance at the Airport, or permit or suffer the Airport to be occupied or used in a manner offensive or objectionable to other users by reason of noise, odors, and/or vibrations, or interfere in any way with other occupants or those having business therein.

h. No volatile substances such as fuels, grease, oil, dopes, acid, flammable liquids, solvents and other cleaning fluids, paints and contaminants of any kind, may be stored inside t-hangars, bulk hangar facilities, or other leased property from the City used for storage of aircraft unless included as part of a rental agreement or lease.

i. All petroleum products, dopes, paints, solvents, acids, or any other hazardous waste shall be disposed of off the Airport and in compliance with all applicable regulatory measures and shall not be dumped or run into drains, on ramp aprons, catch basins, ditches, sewer systems, storm drains, or elsewhere on the Airport.

j. No person shall store, keep, handle, use, dispose of, or transport at, in, or upon the Airport any Class A, Class B, or Class C explosives or Class A poison, as defined in the Federal Motor Carrier Safety Administration regulation for transportation of explosives and other dangerous articles, and other poisonous substances, solid, liquid, or gas, compressed gas, and/or radioactive article, substance, or material at such time or place or in such manner or condition that may, or may be likely, to unreasonably endanger persons or property.

k. Cleaning of aircraft parts and other equipment shall preferably be done with non-flammable cleaning agents or solvents. When the use of flammable solvents cannot be avoided, only liquids having flash points in excess of 100^0 F shall be used and special precautions shall be taken to eliminate ignition sources in compliance with good practice recommendations of the NFPA.

3.07 DOPING, SPRAY PAINTING, AND PAINT STRIPPING:

a. No paint, varnish, or lacquer spraying of aircraft or motor vehicles is permitted inside any building or hangar on the Airport unless such facility was properly designed and constructed for such activity. Hand-held aerosol containers or a small air compressor powered automotive type touch up spray gun not to exceed 7 oz. capacity may be permitted for paint touchup, used outside and in a no wind situation, with the specific written approval of the Airport Manager.

b. The use of "dope", cellulose, nitrate, or cellulose acetate dissolved in volatile flammable solvents, within any hangar is prohibited.

3.08 SANITATION AND ENVIRONMENTAL POLLUTION:

a. Each person while on Airport property shall conduct his/her activities so as to not cause litter, environmental pollution, or unsanitary conditions.

b. No person shall unnecessarily or unreasonably or in violation of law, cause any smoke, dust, fumes, gaseous matter, or particulates to be emitted into the atmosphere or be carried by the atmosphere. Exceptions include normal emissions from internal combustion engines, jet engines, smoke from cigarettes, cigars, or pipes, or aircraft maintenance activities.

c. Aircraft may not be washed with running water in hangars.

d. Any person who experiences overflow or spillage of oil, grease, fuel, or similar contaminants anywhere on the Airport is responsible and shall take appropriate action in the control, containment, clean up, disposal, and rehabilitation of such hazardous spill. Failure to take appropriate action to clean the area shall result in the City providing the cleanup at the expense of the responsible party. If the responsibility for the spill cannot be promptly determined, the leaseholder will be held responsible for the clean up.

e. Spills, such as, jet fuel, gasoline, fuel oil, hydraulic oil, motor oil, turbine oil, alcohol, glycol, and all similar chemicals that could be considered hazardous, that covers over 10 feet in any direction or is over 50 square feet in area, continues to flow or is otherwise a hazard to persons or property require notification to the Fernandina Beach Fire Department as well as to the Airport Manager. The spill shall be investigated to determine the cause, to determine whether emergency procedures were properly carried out, and to determine the necessary corrective measures.

f. In the event of spillage, fuel delivery devices and other vehicles shall not be moved or operated in the vicinity of the spill until the spillage is removed. A fireguard shall be promptly posted to the spill area.

g. No garbage, empty boxes, crates, rubbish, trash, papers, refuse, and/or other litter of any kind shall be placed, discharged, or deposited on the Airport, including cigarettes, cigars, and matches, except in receptacles specifically provided for such purpose.

h. The burning of garbage, empty boxes, crates, rubbish, trash, papers, refuse, and/or other litter of any kind is prohibited. With prior written permission of the Airport Manager, Fire Department personnel may engage in training exercises that require controlled burning.

i. Any person discarding chemicals, paints, oils, batteries, or any products, which may not be discarded in a routine manner, will adhere to all applicable federal, state, and local laws and regulations.

j. No fuel, grease, oil, dopes, paints, solvents, acid, flammable liquids, or contaminants of any kind shall be allowed to flow into or be placed in any Airport sanitary sewer system or storm drain system.

k. No person shall dispose of any fill or building, discarded, or waste materials on Airport property except as approved in writing by the Airport Manager and appropriate City authorities.

3.09 ELECTRICAL EQUIPMENT AND LIGHTING SYSTEM:

a. Extension lights and all portable and mobile lighting equipment used in and around aircraft hangars, shops, buildings, and other areas on or near combustible materials shall be explosion proof and meet NFPA standards. No portable lamp assembly shall be used without a proper protective guard or shield over such lamp assemblies to prevent breakage.

b. All power operated equipment or electrical devices including hangar interior lights shall be shut off when not in use.

c. A low current, constant current/constant voltage, or demand type battery charger with a maximum short term output charge rate exceeding seven amps, or a continuous trickle charge rate exceeding two amps, may not be used when an aircraft is located inside or partially inside a hangar.

3.10 HEATING EQUIPMENT:

a. All heating equipment and fuel burning appliances installed or used on FBMA shall comply with the requirements of the State of Florida and the Florida Fire Prevention Code.

b. Space heaters may be utilized when attended in hangars so long as the heater has a clear radius of 10 feet from aircraft, or any other object, and fire prevention/safety measures are observed.

Section 4 – Fueling Operations

4.01 GENERAL:

a. All fuel handled on the Airport shall be treated with due caution and prudent attention with regard to the rights and safety of others so as not to endanger, or likely to endanger, persons or property.

b. All aircraft fueling operations, including self-fueling, shall be in accordance with NFPA 407 "Standards for Aircraft Fuel Servicing."

c. No aircraft shall be fueled or drained of fuel while within the confines of any building, hangar, or enclosed space.

d. Fueling of aircraft is allowed only on paved surfaces.

e. In accordance with FAA Order 5190.6B "Airports Compliance Handbook," any person self-fueling with their own equipment requires authorization and permit from the Airport Manager confirming compliance with all orders, procedures, standards, and these R&R regarding fueling operations.

f. Airport tenants involved in fueling operations, including those self-fueling, shall maintain an adequate supply of fuel absorbent materials readily available for use in the event of a fuel spill.

g. No person shall engage in aircraft fueling or de-fueling without readily accessible, adequate, operational fire extinguishing equipment at the point of fueling.

h. Aircraft being fueled shall be positioned so that aircraft fuel system vents or fuel tank openings are not closer than 25 feet from any terminal building, hangar, or service building.

i. During fueling operations, no person shall use any material or equipment that is likely to cause a spark or ignition within 100 feet of such aircraft or vehicle.

j. No aircraft shall be fueled or de-fueled while passengers are on board unless a passenger boarding device is in place at the cabin door of the aircraft, the door is open, and a flight crew member or ground person is at or near the cabin door.

k. Fueling or de-fueling operations on the Airport shall not be conducted during periods of dangerous thunderstorm activity or if an electrical storm is observed within three statute miles of the Airport.

l. Should a fire occur during the fueling of an aircraft, fueling shall be discontinued, all emergency valves and dome covers shall be shut down, and the Fire Department notified immediately.

m. Any malfunction or irregularity detected on or within the aircraft being refueled or de-fueled shall be brought to the attention of the fueling operator immediately.

4.02 ENGINE OPERATIONS:

a. No aircraft shall be fueled or de-fueled while one or more of its engines are running or is being warmed by external heat.
b. No person shall start the engine of an aircraft on the Airport if there is any gasoline or other volatile fluid on the ground within the vicinity of the aircraft.
c. Combustion heaters on aircraft e.g., wing & tail surface heaters, integral cabin heaters, shall not be operated during fueling operations.

4.03 STATIC BONDING:

a. Each hose, funnel, or apparatus used in fueling or de-fueling aircraft, including self-fueling, shall be maintained in good condition and be properly bonded.
b. A conductive funnel shall be used to reduce the chance of spillage during fueling operations, when a hose with an approved nozzle is unavailable. When a funnel is used, it shall be kept in contact with the filler neck as well as the fueling nozzle spout during fueling operations.

4.04 LIABILITY:

a. The fueling operator, tenant, or lessee shall be solely responsible for any violation incident to or in connection with fueling, storage facilities, equipment, operations, and training. The City assumes no liability or responsibility for violations of any applicable fueling requirements and procedures.
b. The operator, tenant, or lessee shall reimburse the Airport for any fines, legal, or court costs, incurred by FBMA for such violations.

Section 5 – Motor Vehicles

5.01 GENERAL:

a. All motor vehicles and their operators on the Airport shall comply fully with the State of Florida motor vehicle laws as amended, these R&R, and instructions issued by law enforcement personnel.
b. Unless otherwise provided herein, the City shall have the authority to establish regulations regarding motor vehicle traffic and control on FBMA.
c. The Airport Manager may tow, remove, or cause to be removed from the Airport any vehicle that is disabled, abandoned, and/or parked in violation of these R&R at the vehicle operator's risk and expense and without liability for damage that may result from such removal if the vehicle creates a safety hazard or interferes with Airport operations.
d. Any person causing death or injury on the Airport or damage to Airport property as a result of a motor vehicle accident or incident shall report the accident or incident immediately to the Fernandina Beach Police Department as well as the Airport Manager. Such persons shall be responsible to the City for any damages to City property.
e. Use of all-terrain vehicles, mini-bikes, go-carts, roller blades, roller skates, skateboards is not permitted on the Airport.
f. Use of bicycles for transportation between buildings is permitted within hangar areas.

5.02 LICENSING AND INSURANCE:

a. No person shall operate a motor vehicle or motorized ground equipment on the Airport without a valid operator's license appropriate for the vehicle being operated.
b. All vehicles entering Airport property are required to have at least the minimum amount of insurance as required by State of Florida statutes.

5.03 VEHICLE OPERATIONS WITHIN AIRPORT OPERATIONS AREA:

a. No person shall operate a motor vehicle of any kind on the Airport in a reckless manner, or in excess of the posted speed limit.
b. Speed limits shall not exceed 10 mph on ramps, aprons, in aircraft parking or hangar areas, and other areas of the AOA unless posted.
c. All motor vehicles on the Airport shall be operated on roadways or paved surfaces when traveling to/from/between aircraft parking areas, hangar areas, and tenant facilities.
d. No motor vehicle shall be permitted on any portion of the AOA unless the Airport Manager has granted specific written permission to such vehicle's operator and such vehicle is utilized for, or in conjunction with, aeronautical activities.
e. Pedestrians, aircraft, and emergency vehicles shall at all times have right of way over vehicular traffic.
f. No person shall operate a motor vehicle in any hangar that is occupied by an aircraft on the Airport unless its exhaust is protected by screens and baffles pursuant to NFPA guidelines.
g. No person shall park motorized ground equipment near any aircraft in such manner so as to prevent it or the other ground equipment from being readily driven or towed away from the aircraft in case of emergency.
h. No vehicle used for hauling trash, dirt, or any other materials shall be operated on the Airport unless such vehicle is constructed so as to prevent the contents from dropping, sifting, leaking, or otherwise escaping there from.

5.04 VEHICLES CROSSING TAXIWAYS AND RUNWAYS:

a. All motor vehicles operating on or across taxiways or runways shall have a functioning two-way radio (capable of communicating on UNICOM) and an operating yellow rotating flashing beacon, except when under escort by a motor vehicle properly authorized and equipped. During an emergency, blue/red flashing lights are acceptable for law enforcement and fire and rescue vehicles.
b. The installation of two-way radio and/or flashing beacon shall not be construed as license to operate a motor vehicle on the taxiways or runways without prior written permission of the Airport Manager.
c. Motor vehicles permitted to operate on the Airport will not proceed closer than 250 feet from the centerline of the runways nor across any of the runways prior to visually clearing for aircraft taking off or landing.
d. When parking adjacent to a runway, all motor vehicles must park at least 250 feet to the outside of the runway lights. Exceptions include operational, agricultural, and maintenance equipment engaged in working on runways.
e. Construction-related motor vehicles required to enter or work within the AOA, will be marked with an approved orange and white-checkered flag for daytime operations or a yellow beacon for nighttime operations. Non two-way radio capable construction vehicles shall be escorted at all times while within the AOA by an Airport authorized vehicle or flagman equipped with two-way radio.

5.05 PARKING:

a. Short-term (less than 24 hours) motor vehicle parking is available only in the unpaved vehicle parking lot on Airport Road. Long-term (more than 24 hours up to 30 days) parking may be permitted in the paved vehicle parking lot on Airport Road. Any ground vehicle improperly parked in the short term or long term public parking areas without written approval of the Airport Manager may be removed at the owner's expense.
b. No person may park in such a manner to obstruct a parking lot lane, driveway, roadway, Airport access gate, walkway, crosswalk, fire lane, runway, taxiway, taxi lane, and/or obstruct access to hangars, parked aircraft, and/or parked vehicles or create a hazard nor in a manner, which could interfere with, or create a hazard for aircraft operations.

c. No person shall use any public parking area to temporarily or permanently store any type of motor vehicle.
d. Boats, jet skis, snowmobiles, dune buggies, any cars including race cars and antique cars, recreational vehicles, trailers, and like equipment may not be permanently parked or stored on FBMA, including within hangars, unless permitted by written agreement or with written permission of the Airport Manager.
e. Attended vehicles shall be parked parallel to the t-hangar. One vehicle only may be parked inside a t-hangar when hangar is empty and aircraft is not on the Airport. Additional motor vehicles shall park in long-term parking or other designated areas.
f. Bulk hangar tenants shall park their motor vehicles in designated areas at their hangar.

5.06 REPAIR OF VEHICLES:

No person shall clean or make any repairs to motor vehicles anywhere on the Airport; except as may be approved by the Airport Manager for minor repairs.

Section 6 – Conflict Resolution Process

6.01 VIOLATIONS:

The Airport Manager may issue verbal or written violation notices to any tenant or operator and agents or employees who, in his discretion, violates any part of these R&R.

6.02 APPEAL PROCESS:

a. Anyone issued a written notice of violation who wishes to contest such issuance shall have ten (10) calendar days from such notice to provide a written statement to the Airport Manager explaining the occurrence and providing any other information or explanation concerning the alleged violation(s). The Airport Manager has ten (10) calendar days to respond to any request for review based upon information received from the alleged violator and, if applicable, may revise, amend, or rescind his original violation notice. However, should the Airport Manager, in his discretion, conclude that the alleged violation(s) poses a threat to the safety, health, and welfare of others, may temporarily revoke the violator's Airport privileges and/or temporarily suspend the Airport operations of the violator pending completion of such appeal.
b. An alleged violator may file a written request of appeal to the City Manager within ten (10) calendar days of the Airport Manager's written decision. The City Manager, along with the City Attorney, and an appointee of the City Manager, who shall be a Department Director but not the Airport Manager, shall schedule a meeting to review and hear an appeal from the Airport Manager's decision. The Committee shall hear the appeal and have thirty (30) calendar days to issue a written opinion which shall be final and binding on the alleged violator.

Appendix A

REFERENCES

Code of Federal Regulations – Title 14 Aeronautics and Space – All Chapters, Current Edition (commonly called Federal Aviation Regulations – FARs)
Code of Federal Regulations – Title 49 Transportation – Current Edition

Aeronautical Information Manual (AIM) - Current Edition
Chapters 1-10, Appendix 3 Abbreviations/Acronyms, Pilot/Controller Glossary

FAA Order 5190.6B – Airport Compliance Handbook

City of Fernandina Beach Code of Ordinances

Nassau County Code of Laws and Ordinances

State of Florida Statutes as applicable including:
Chapter 163 – Intergovernmental Programs
Chapters 329-333 – Aviation
Chapter 633 – Fire Prevention and Control

National Fire Prevention Association Codes as applicable including:
NFPA Code 403 – Standard for Aircraft Rescue and Firefighting Services at Airports
NFPA Code 407 – Standard for Aircraft Fuel Servicing
NFPA Code 409 – Standard on Aircraft Hangars
NFPA Code 410 – Standard on Aircraft Maintenance
NFPA Code 30 – Flammable and Combustible Liquids Code

State of Florida Administrative Code as applicable including:
Department 9 – Department of Community Affairs
Department 14 – Department of Transportation
Department 17 – Department of Environmental Regulation
Department 62 – Department of Environmental Protection

Fernandina Beach Municipal Airport Minimum Standards for Commercial Activities

Fernandina Beach Municipal Airport Noise Abatement Procedures

Aircraft Owners and Pilots Association (AOPA) - AOPA WATCH

Florida Department of Environmental Protection

State of Florida Aviation System Plan

State of Florida Department of Transportation, "Florida (Aviation) Guidelines"

Navy Helicopter Operations MOU

Local Operations MOUs

Appendix B

DEFINITIONS

The terms below shall have the following definitions for purposes of these R&R. All other terms not defined below and related to aeronautical practices, processes, and equipment shall be construed according to their general usage in the aviation industry.

- Aeronautical Activity – Any activity that involves, makes possible, or is required for the operation of aircraft or that contributes to or is required for the safety of such operations. Activities within this definition, commonly conducted on airports, include, but are not limited to the following: general and corporate aviation, air taxi and charter operations, scheduled and nonscheduled air carrier operations, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, aircraft sales and services, aircraft storage, sale of aviation petroleum products, repair and maintenance of aircraft, sale of aircraft parts, parachute or ultralight activities, and any other activities that, because of their direct relationship to the operation of aircraft, can appropriately be regarded as aeronautical activities.
- Agency – Any federal, state, or local government entity, unit, agency, organization, or authority.
- Agreement (or Lease or Hangar Rental Agreement) – A written contract between the City of Fernandina Beach and an entity or person to occupy, use, and/or develop land and/or improvements and engage in aeronautical activity. Such contract shall recite the terms and conditions under which the activity will be conducted at the Airport including, but not limited to, term of the agreement, rents, fees, and charges to be paid by the entity or person, and the rights and obligations of the respective parties.
- Aircraft – Any contrivance now known or hereafter invented, used, or designed for navigation of or flight in air. Examples or aircraft include, but are not limited to, airplane, glider, rotorcraft, helicopter or gyroplane, balloon, blimp, and ultralight.
- Airport – All land within the legal boundaries of Fernandina Beach Municipal Airport, owned by the City of Fernandina Beach.
- Airport Manager – The individual appointed and authorized by the City of Fernandina Beach to administer and manage all operations of the Airport and Airport facilities.
- Airport Rules and Regulations – Rules and Regulations of the Airport, properly adopted by Resolution of the City Commission of the City of Fernandina Beach, as may be amended from time to time.
- Airport Tenant (Tenant) – Any person or entity based on the property of the Airport possessing an approved lease or agreement with the City; any person or entity with a sublease agreement with an entity based on the Airport possessing a lease or agreement with the City.
- AOA (Airport Operations Area) – The area of the Airport situated within the perimeter fence line, which is used primarily for aircraft parking, taxiing, refueling, landing, takeoff, or surface maneuvering.
- Apron (or Ramp) – A defined area of an Airport intended to accommodate aircraft for the purposes of loading and unloading passengers or cargo, refueling, parking, or maintenance.
- City – The City of Fernandina Beach located in Nassau County, Florida
- Commercial Aeronautical Activity – An activity which involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of aircraft operations commonly conducted on the Airport and the purpose of such activity being to generate or secure earnings, income, compensation, services, goods, like-kind exchange, or profit of any kind, whether or not such results are accomplished.
- Emergency Vehicle – Vehicle of the police or fire department, ambulance or any vehicle conveying an Airport official or Airport employee in response to an official alarm call.
- Entity – A person, persons, firm, limited-liability company, corporation, partnership, unincorporated proprietorship, association, or group formed for the purpose of conducting the proposed activity.

- FAA (Federal Aviation Administration) – The federal agency within the Department of Transportation of the United States government that has the responsibility of promoting safety in the air, by both regulation and education.
- FAR (Federal Aviation Regulation) – The federal government rules and regulations governing aviation activity under Code of Federal Regulations – Title 14 Aeronautics and Space.
- Fire Department – Fernandina Beach Fire Department having jurisdiction and responsibility over the Airport.
- Fixed Base Operator (FBO) – A business granted the right by the Airport sponsor to operate on an Airport and provide aeronautical services such as fueling, hangar space, tie-down and parking, aircraft rental, aircraft maintenance, and flight instruction.
- Flammable Liquids – A liquid or agent which when in contact with another property or properties may ignite causing a flame.
- Fuel – Any petroleum product used for the purpose of providing propulsion to an aircraft.
- Fuel Handling – The transporting, delivering, dispensing, storage, or draining of fuel or fuel waste products to or from any aircraft, vehicle or equipment.
- Hazardous Materials – Any substance, waste or material which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous, and is or becomes regulated as a hazardous material by any governmental authority, agency, department, commission, or board.
- Minimum Standards for Commercial Activities (Minimum Standards) – The qualifications, criteria, and standards established by the City of Fernandina Beach as the minimum requirements to be met as a condition for the right to conduct a commercial aeronautical activity on the Airport.
- Motor Vehicle (or Vehicle) – Any device that is capable of moving itself, or being moved, from place to place upon wheels, but does not include any device designed to be moved by muscular power or designed to move primarily through the air.
- NFPA (National Fire Protection Association) – All codes, standards, rules, and regulations contained in the standards of the National Fire Protection Association, as may be amended from time to time, and are incorporated herein by reference.
- Operator (Aircraft or Motor Vehicle) – Any person who is in actual physical control of an aircraft or motor vehicle.
- Operating Directive – Specific written documents detailing approved methods of operations as directed and signed by the Airport Manager. Such will become an addendum of the Airport Rules and Regulations.
- Owner – Any person who holds the legal title of an aircraft or a motor vehicle.
- Permission – A right or approval granted by the Airport Manager under authority delegated by City Manager and/or City Commission.
- Person – Any individual, firm, partnership, corporation, company, association, joint stock association, or body politic or any other group acting as an entity, or combination of thereof; and further includes any trustee, receiver, committee, assignee, or other representative or employee thereof.
- Police Department (or Law Enforcement) – Fernandina Beach Police Department having jurisdiction and responsibility over the Airport.
- Public Area (or Common Area) – The land and/or improvements at the Airport that is available for use on a non-exclusive basis and not controlled by any leasehold.
- Regulatory Measures – Federal, state, county, city, and Airport, laws, codes, ordinances, policies, rules and regulations, including, without limitation, those of the United States Department of Transportation, the FAA, the FDOT, NFPA, Airport Minimum Standards, Airport Rules and Regulations, all as may be in existence, hereafter enacted, and amended from time to time.
- Restricted Area – Any area of the Airport wherein entry or use thereof is restricted to authorized personnel only pursuant to regulatory measures, including but not limited to: runways, taxiways, fire lanes, Airport maintenance facilities, mechanical rooms, electrical vaults, fire breaks, and any of the areas marked as such with appropriate signage.

- Run-up – Aircraft engine operation above normal idle power for purposes other than initiating taxi or takeoff.
- Runway – A defined rectangular surface on an Airport prepared or suitable for the landing or taking off of aircraft. Runways are identified by a broken white centerline, solid white edge lines, and white edge lights.
- Self-fueling or self-service – Self-fueling means the fueling or servicing of an aircraft (i.e. changing the oil, washing) by the owner of the aircraft with his or her own employees and using his or her own equipment. Self-fueling or other self-services cannot be contracted out to another party. Self-fueling implies using fuel obtained by the aircraft owner from the source of his/her preference. As one of many self-service activities that can be conducted by the aircraft owner or operator by his or her own employees using his or her own equipment, self-fueling, differs from using a self-service fueling pump made available by the Airport, a FBO, or an aeronautical service provider. The use of a self-service fueling pump is a commercial activity and is not considered self-fueling as defined herein and can be subject to Minimum Standards. In addition to self-fueling, other self-service activities that can be performed by the aircraft owner with his or her own employees include activities such as maintaining, repairing, cleaning, and otherwise providing service to an aircraft, provided the service is performed by the aircraft owner or his/her employees with resources supplied by the aircraft owner. Title 14 CFR Part 43 permits the holder of a pilot certificate to perform specific types of preventative maintenance on any aircraft owned or operated by the pilot.
- Shall (or will or must) – These words are always mandatory.
- Taxi lane – The portion of the aircraft parking areas used for access between taxiways and aircraft parking positions.
- Taxiway – A defined path established for the taxiing of aircraft from one part of an Airport to another. Taxiways are identified by a solid painted yellow centerline and blue edge lights.
- Tie-down Area – An area paved or unpaved suitable for parking and mooring of aircraft wherein suitable tie-down points are located.
- UNICOM (CTAF) – A two-way communication system operated by a non-governmental entity on a designated radio frequency to provide Airport advisory information while operating to or from an Airport that does not have a control tower or an Airport when the tower is closed. The Common Traffic Advisory Frequency (CTAF) may be a UNICOM, MULTICOM, Flight Service Station (FSS), or a tower frequency and is identified in appropriate aeronautical publications. While not required for operation at Fernandina Beach Municipal Airport, use is strongly encouraged.

RESOLUTION 2015-139

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING LEASE TERMS AND AGREEMENT FORM WITH EIGHT FLAGS AVIATION, LLC FOR A FIXED BASED OPERATOR ON CITY AIRPORT PROPERTY LOCATED ON THE NORTH SIDE OF THE AIRPORT; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport; and

WHEREAS, the basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier; and

WHEREAS, the City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached as Exhibit "A" to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the terms and conditions of the attached Fixed Based Operator Lease Agreement and attached survey of the leasehold area, respectively attached hereto as Exhibit "1" and Exhibit "A".

SECTION 2. The City Manager and City Clerk are hereby authorized to execute the Fixed Based Operator Lease Agreement, upon review and approval of the City Attorney.

SECTION 3. This Resolution shall be effective immediately upon passage.

ADOPTED this 20th day of October, 2015.

ATTEST:

Caroline Best
Caroline Best
City Clerk

CITY OF FERNANDINA BEACH

Edward E. Boner
Commissioner-Mayor

APPROVED AS TO FORM & LEGALITY:

Tammi E. Bach
City Attorney

CITY COMMISSION AGENDA ITEM
CITY OF FERNANDINA BEACH

SUBJECT: Resolution 2015-139
Fixed Base Operator (FBO) Lease Agreement – 8 Flags Aviation, LLC

DEPARTMENT: City Manager's Office

ATTACHMENTS: ___ Ordinance _X_ Resolution
___ Support Documents ___ Other

RECOMMENDED ACTION: Approve Resolution 2015-139

SUMMARY: The City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport. The basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier.

The City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission. The details of design, construction and financing the Welcome Center and related improvements will be memorialized in formal written agreements approved by Eight Flags Aviation, LLC and the City Commission within the next 1-2 years.

At the October 13, 2015 Special Commission Meeting scheduled for McGill Aviation to present arguments regarding reconsideration of the award of RFP 15-101.2, the City Commission expressed an interest in seeing survey areas and sketches of current and proposed lease areas for McGill Aviation and Eight Flags Aviation in order to clarify where the new Welcome Center will be located as well as other facilities on the North Area of the Airport.

FISCAL IMPACT: The additional revenue to the Airport to be determined by the actual number of feet leased as reflected on the final survey (estimated to be a minimum of $35,000 per year).

CITY ATTORNEY COMMENTS: See above.

DEPARTMENT HEAD	Submitted by: Tammi E. Bach City Attorney	Date: 10/14/2015
	Requested Agenda	Date: 10/20/2015
FINANCE DEPARTMENT	Approved as to Budget Requirements PHC	Date: 10/14/2015
CITY ATTORNEY	Approved as to Form & Legality TEB	Date: 10/14/2015
CITY MANAGER	Approved Agenda Item for 10/20/2015	Date: 10/14/2015

COMMISSION ACTION:
✓ Approved As Recommended
___ Approved With Modification
___ Other
___ Disapproved
___ Postponed to Time Certain
___ Tabled

Approved at the City Commission Regular Meeting
Held on 10/20/15
Voted: 5-0 Initial: KB

* City Attorney made scrivener error corrections.

FERNANDINA BEACH MUNICIPAL AIRPORT
FIXED BASE OPERATOR LEASE AGREEMENT

This FIXED BASE OPERATOR AIRPORT USE AND LEASE AGREEMENT (hereinafter referred to as the "Agreement"), made and entered into this _____ day of September 2015, made by and between the **CITY OF FERNANDINA BEACH, FLORIDA**, municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 (hereinafter referred to as the "LESSOR" or "City,") and **8 Flags Aviation, LLC**, a Florida limited liability company (together with its successors and assigns, hereinafter referred to as the "LESSEE") whose address is 306 ½ Centre Street, Fernandina Beach, FL 32034.

WHEREAS, LESSOR owns, controls, and operates the Fernandina Beach Municipal Airport (hereinafter referred to as the "Airport"), in the City of Fernandina Beach, County of Nassau, State of Florida and is the Airport sponsor under Federal Aviation Administration ("FAA") regulations; and

WHEREAS, LESSEE has approved the lease of certain property by LESSOR at the LESSOR's municipal airport to operate upon the Airport as a Fixed Based Operator (hereinafter referred to as the "FBO") and provide related aeronautical related activities; and

WHEREAS, LESSOR desires to make real property available to LESSEE at the Airport to provide ground and facilities necessary to operate as a FBO and other commercial activities on the Airport and which are expressly set forth in the Agreement or contemplated hereby; and to grant the use of Airport to LESSEE for such purposes upon terms and conditions hereinafter stated; and

WHEREAS, LESSOR and LESSEE have agreed that LESSEE shall contribute to the cost of construction and improvements for the FBO and related areas in exchange for rent credits which shall be formalized in documentation to be finalized between the LESSOR and LESSEE contemporaneous with or subsequent to the execution of the Agreement (the "Construction and Financing Agreements").

NOW THEREFORE, for and in consideration of the real property and the mutual covenants and agreements contained herein to be performed by the respective parties, the parties hereby agree as follows:

ARTICLE 1 – DEFINITIONS

All words, terms and phrases when used herein shall have the meanings as described in the City's Definitions for Use regarding Fernandina Beach Municipal Airport. Words, terms and phrases which relate to aeronautical practices, processes and equipment, not defined therein, shall be construed according to the definitions in Title 14 of the Code of Federal Regulations, Florida Statutes Chapter 332 or, if not defined therein, according to their general usage in the aviation industry.

ARTICLE 2 – LEASED PREMISES

1.1 LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the following real property identified and shown on Exhibit "A" "Lease Area", attached hereto (hereinafter referred to as the "Premises"), together with the right of ingress and egress for vehicles and aircraft. The Premises is located within an area of Airport property designated the "North Area." The Premises shall be more specifically described in a legal description with a professional survey (the "Survey") to be furnished to the LESSOR by LESSEE after execution of the Agreement in a form reasonably acceptable to the LESSOR and when completed, will be deemed incorporated into this Agreement by a separate written addendum subsequently executed by the parties to this Agreement. It is possible that more than one surveyed leasehold area will be described in writing and attached to this Agreement as addenda based upon changes needed prior to final completion of constructed improvements.

1.2 The Construction and Financing Agreements will set forth the responsibility of LESSOR to make improvements to the Premises, the joint responsibility for designs and drawings and selection of contractors and otherwise but it being understood that LESSOR will have primary responsibility for the final decisions made regarding design, materials, timeline, contractors, construction and any other decisions required to finalize the improvements to its allocable portion of the Premises and LESSEE shall have primary responsibility with respect to its portion of the Premises. Upon issuance by the appropriate governmental entities of a "Certificate of Occupancy" for the FBO and the commencement of payment of rent and other fees in accordance with the Agreement, LESSEE will execute an acceptance certificate pursuant to which LESSEE will then acknowledge that it is accepting the Premises and the improvements located thereon "As is" and except as otherwise provided in a writing between LESSOR and LESSEE, the LESSOR has no obligation whatsoever to repair, maintain, renovate, or otherwise incur any cost or expense with respect to the Premises, any leasehold improvements, or fixtures, furnishings, or equipment installed in or used on the Premises except as otherwise provided herein.

1.3 Ground. The Premises consist of approximately **336,283** square feet as shown on the Survey.

1.4 Facility. The Construction and Financing Agreements will provide for a suitable FBO facility on ground leased from the LESSOR in conformance to the Airport's Minimum Standards for Commercial Aeronautical Activities (hereafter referred to as the "Minimum Standards") requirements.

1.5 Public Use Aircraft Parking Apron. The City maintains a federally funded public use Aircraft Parking apron which may be available for the LESSEE to manage on a non-exclusive basis in the future upon request by the LESSEE and under a separate written agreement and if LESSEE does so, it shall be responsible for the maintenance thereof and the costs of doing so as provided therein.

1.6 Fuel Storage Facility. The Construction and Financing Agreements will provide for the installation and maintenance of a fuel storage facility on ground leased from the LESSOR for the purpose of providing fuel to clients of the LESSEE and tenants of the Airport (location to be determined and included on a survey to be attached hereto). LESSEE will not handle, store, dispense, nor sell aviation fuels at or from the Airport, unless that fuel is first stored in fuel storage tanks located on the Premises. Each device through

which LESSEE dispenses aviation fuels on the Airport must be equipped with a flow meter calibrated and sealed by the Department of Agriculture of the State of Florida or other appropriate agency. These devices shall include without limitation any Avgas truck, Jet A truck, or self-service fuel facility owned or operated by LESSEE.

1.7 Future Expansion. Should LESSEE desire any additional land or facilities to be added to the leasehold during the interim term of this Agreement prior to the Commencement Date, and if such lands or facilities are available at the time of LESSEE's request the Agreement and/or the Construction and Financing Agreements may be amended to provide for such additions at then currently applicable rates and conditions or may be provided by a separate agreement developed and at then currently applicable rates and conditions and LESSOR and LESSEE shall execute all customary documentation to effect such agreed-upon expansion.

ARTICLE 2 – TERM

The term of the Agreement shall commence immediately and will be comprised of an interim term which shall run from the date of execution of the Agreement until the later of the time when a Certificate of Occupancy is issued and ~~or~~ LESSEE takes possession of the Premises (the "Commencement Date"). The base term will begin on the Commencement Date and be for an initial period of twenty (20) years, commencing on the ~~first~~ day of the ~~first~~ month following the end of the interim term that LESSEE shall occupy the Premises, and continuing for said term, unless earlier termination under the provisions of the Agreement. Provided the LESSEE is not then in default of any payment terms or other material terms and conditions of the Agreement, the LESSEE shall have the option to extend the Agreement for two additional five (5) year terms. LESSEE's written notice of exercise must be given a minimum of 90 days and no more than 365 days before the end of each term. Any option for extension of the Agreement shall be subject to material compliance with the performance standards noted below and accompanying continued required capital investment toward improvements and repair. Such performance standards include:

a. At the seven (7) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

b. At the fourteen (14) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas

including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

c. At the nineteen (19) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

d. At the four-year anniversary of any extension term of the Agreement, the LESSOR may conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

e. At the expiration of the initial 20 year term and any extension term, LESSEE may request a new lease on terms and conditions consistent with the Agreement and then – current rates and conditions.

ARTICLE 3 – RENT, FEES, AND TAXES

3.1 In consideration of the rights and privileges granted by the Agreement, LESSEE agrees to pay LESSOR the following rent and fees from the Commencement Date as noted in Article 2. All payments shall be due and payable without notice on or before the first day of each month.

3.2 Ground Rent. Rent for the use of real property on Airport property based on a total ground lease area of **7.72 Acres more or less** as shown on Exhibit "A" attached hereto; at an initial lease rate of $0.20 dollars per square foot per year, which when fully ascertainable will be converted to equal monthly payments per month, which also is subject to applicable sales tax (currently seven percent).

3.3 Overflow Parking. In the event that during special events that causes an overflow parking situation requiring use of the "abandoned runway" and if during such special event,

LESSEE is collecting parking fees for such abandoned runway, then LESSOR shall be entitled to 50% of such parking fees relating thereto.

3.4 Fuel Flowage Fee. In consideration for the right to store fuel on the Premises and dispense fuel to the public at the Airport, LESSEE agrees to pay LESSOR an amount equal to $0.08 cents per gallon delivered. The applicable fuel flowage fee to be paid by LESSEE to LESSOR will be forwarded directly from the fuel supplier contracted by the LESSEE to the City Controller upon purchase of fuel by LESSEE. Fuel flowage fees commence with the initial fuel supply and continue with each succeeding delivery. The method of payment of fuel flowage fees may be amended by mutual consent as may be required to conform to policies of the fuel supplier contracted by LESSEE. If the LESSOR reasonably determines that, due to external circumstances, the cost of operating the Airport has increased, LESSOR may add a reasonable surcharge to the fuel flowage fee only after it has attempted to mitigate its costs of operation and the surcharge shall only cover LESSEE's equitable allocation of the incremental costs..

3.5 Annual Rent, Fees, and Charge Adjustment. All rents and fees included in this Article shall be reviewed each year by the LESSOR and rent and fees, plus all applicable taxes, shall be adjusted so as to maintain a fair rental rate based on change in the Consumer Price Index (CPI) – All Urban Consumers South Urban Region – All Items (base year 1982-84=100), as published by the United States Department of Labor – Bureau of Labor Statistics, an appraisal, market rent study, or other method designated by LESSOR. Such CPI change will be computed each year after the completion of the month of July and any change will be implemented and effective with the October rent payment of each year. The fuel flowage fee or automobile rental percentage fee is not subject to annual review.

3.6 Delinquency Charge. Any undisputed payments received after the fifteenth (15^{th}) day of the month are subject to a delinquency charge of half percent (½%) per month beginning with the sixteenth (16^{th}) day after LESSEE receives notice from LESSOR that payment is overdue.

3.7 Place of Payment. All payments due LESSOR from LESSEE shall be made payable to the City of Fernandina Beach and mailed to P. O. Box 1146, Fernandina Beach, Florida 32035 or delivered to 1180 South 5^{th} St. Extension, Fernandina Beach, Florida 32034 or paid by ACH or other electronic means.

3.8 Payments. After the Commencement Date, LESSEE shall pay all expenses and payments in connection with the use of the Premises and the rights and privileges herein granted, including all taxes, ad valorem taxes, permit fees, impact fees, license fees, and assessments lawfully levied or assessed upon the Premises or property situated hereon, as well as any and all utilities used or consumed by LESSEE on the Premises, including, but not limited to, water, gas, electricity, sewer, telephone, security systems, janitorial, and refuse services.

3.9 Agreement to Pay Taxes and Obligations. After the Commencement Date, LESSEE shall pay all lawful taxes and assessments, applicable fees, debts, and obligations of every kind or nature which, during the term hereof, may become a lien upon or which may be levied by the state, county, city, or any other tax levying body, upon any taxable interest of

the LESSEE acquired in the Agreement or any taxable possessory right which LESSEE may have in or to the Premises or facilities hereby leased or the improvements thereon, or on the LESSOR'S fee simple interest therein, by reason of its use or occupancy thereof, or otherwise, as well as all taxes or taxable property, real or personal, owned by LESSEE in and about said Premises, whether said taxes are assessed in the name of LESSEE or LESSOR. LESSOR shall permit LESSEE to challenge or protest any of the foregoing in either LESSEE's or LESSOR's name.

3.10 Runway Closure. LESSEE shall be entitled to deduct from any payment required by this Agreement a *pro rata* amount for each day that all three runways are closed by the City after a 48 hour grace period.

ARTICLE 4 – CONSTRUCTION AND USE OF PREMISES

4.1 LESSEE is hereby granted the nonexclusive privilege to engage in, and LESSEE agrees to engage in, the business of a fixed based operator and for the renting and leasing of automobiles in connection therewith on the Premises, and other aviation and aeronautical activities that may be requested in writing by LESSEE and as approved in writing by LESSOR. LESSEE hereby agrees to conduct its business and operation at and upon the Airport in strict compliance with the provisions contained in the herein FBO lease and in compliance with rules and regulations of the Federal Aviation Administration (FAA) as well as all other aeronautical agencies having appropriate jurisdiction and that it will transact its business in such a manner as will develop and maintain the good will and active interest of those enjoying the use of the Airport, and who have or may have occasion to use Airport facilities.

4.2 LESSEE also hereby agrees to conduct its business operation in compliance with the contents of the LESSOR's Minimum Standards for Commercial Aeronautical Activities, attached hereto as Exhibit "D", as currently approved or as may be amended from time to time.

4.3 After the Commencement Date, LESSEE in connection to its business operation as a FBO on the Premises agrees to provide, at its sole cost and expense, for buildings, fuel storage facility, hangars, ramp apron (except as further described herein), apron lighting, auto parking, and related infrastructure on the Premises as may be required by LESSOR or as proposed by LESSEE, built or provided for in accordance with plans and specifications contained in the Architecture and Building Design Standards for Development on the Airport as may be amended from time to time and as also approved by LESSOR; comply with height and obstruction requirements under Federal Aviation Regulations Part 77; and other approvals required for other aviation or aeronautical activities and services necessary or incidental thereto. Additionally, except to the extent otherwise provided in the Construction and Financing Agreements which shall describe the allocation of financial and construction responsibility:

a. Paved vehicle parking, as may be required by City code, shall be installed and maintained by the LESSEE to allow the loading, unloading, and parking of vehicles having business on the Premises.

b. All improvements, including the design thereof, on the Premises must be approved by the LESSOR prior to installation or construction (such approval not to be unreasonably withheld or delayed). The LESSEE is responsible for applying for and obtaining all necessary construction permits and licenses required by local, state, and federal laws and regulations and LESSOR shall reasonably cooperate with all LESSEE requests for assistance in this regard.

c. In the event the LESSEE shall lease the public aircraft parking apron, LESSEE shall be responsible for the costs and maintenance therefor, for the purpose of aircraft access to the LESSEE's fixed based operator facility or fuel facility. No structures or fixtures will be allowed on the public aircraft parking apron except for apron lighting. In the event LESSEE shall not have entered into a lease therefor, LESSEE shall have access thereto to the same extent as all other users of the Airport.

d. Suitable pavement markings and lighting shall be installed and maintained by the LESSEE to provide for the orderly and safe movement of aircraft and vehicles on the Premises. Any lighting on the Premises must be approved by the LESSOR prior to installation and not interfere with flight operations at the Airport (any such approval shall not be unreasonably withheld or delayed).

e. All improvements shall be constructed, graded, and drained so as to direct all storm water which may fall and/or flow on the Premises into an approved storm water drainage system. The LESSEE shall not knowingly or if reasonably should have known contribute to storm water contamination and will take such steps and measures as are necessary to comply with the Airport's Storm Water Pollution Prevention Plan (SWPPP) and all applicable federal, state, and local regulations governing storm water discharge. LESSEE will not knowingly or if reasonably should have known permit any action on the Premises that would have an adverse effect, or interferes, with the proper function of any drainage system, sanitary sewer system, or any facility provided for the operation, or protection of Airport, or its surrounding areas, and will not pollute such in any way.

f. Any landscaping installed on the Premises is subject to the provisions contained within the City's Development Guidelines and Standards attached hereto as Exhibit "F", as currently approved or as may be amended from time to time. Approval of LESSEE's proposed improvements by the LESSOR shall not be unreasonably withheld or delayed and shall be maintained by the LESSEE.

g. The installation of a fuel storage facility for use by an FBO operation shall meet all applicable federal, state, and local government regulations regarding fuel facility installation and operation and will be included under the Airport's Spill Prevention, Control, and Countermeasures Plan (SPCC). Any fuel storage use must be in compliance with applicable Minimum Standards for Commercial Aeronautical Activities. LESSEE agrees that all regulated fuel storage tanks owned or operated by LESSEE and located on Premises shall be registered with the appropriate federal, state, and local authorities, shall be constructed of approved materials, and shall be made available for compliance inspection at all times during normal business hours. Further, LESSEE agrees to properly record, maintain, and reconcile all inventory records required by appropriate federal, state, and local regulations and to make such records available for inspection at the Premises at all times during normal business hours.

ARTICLE 5 – LESSEE MAINTENANCE AND REPAIR OF PREMISES

5.1 After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, the LESSEE shall, at its sole cost and expense, maintain and keep the Premises and all structures upon the Premises as well as all improvements thereon including, but not limited to, lighting, electrical, landscaping, drainage, signage, auto parking areas, and aircraft parking ramp apron including all pavement (except public aircraft parking apron) and striping, in good condition and make all repairs, both interior and exterior, necessary to keep and maintain the Premises, including all improvements thereon in good condition so as to present an attractive appearance in conformity with other Airport facilities. The Premises and all buildings, improvements, and property thereon must be maintained in a safe, clean, and sanitary condition. The LESSOR shall require maintenance and needed repairs to be made by LESSEE in a timely manner.

5.2 Land. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the grounds, landscaping, any pavement (except public aircraft parking apron), walkways, and non-paved parking on the Premises at its expense. The entrance drive from Airport Road to the public aircraft parking apron is a LESSOR responsibility; however, LESSEE may improve it with LESSOR approval (any such approval shall not be unreasonably withheld or delayed). LESSEE obligation shall include maintaining irrigation system (if installed), mowing, and trimming and keeping the same in clean, neat, and orderly condition and in good repair at its sole cost and expense.

5.3 Fixed Based Operator Building and Other Structures. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the FBO building, any not named structures on the Premises and their plumbing, electrical, heating, security system, ventilating and air conditioning equipment, and other equipment and keep such in clean, neat, orderly condition, and in good repair at its sole cost and expense.

5.4 Fuel Storage Facility. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any fuel storage facilities located on Premises in a clean, neat, and orderly condition, in good repair to meet National Fire Protection Association (NFPA) standards and government codes at its sole cost and expense including tanks, electrical service, electrical switches, all lighting, exterior painting, fencing, filters, fittings, gauges, hatches, hoses, lids, motors, plumbing, pumps, security, self-service equipment, signs (including required emergency designation signs), sumps, valves, and the like.

5.5 Hangar. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any hangars on the Premises in a clean, neat, and orderly condition and in good repair, including hangar doors, associated ramp apron, electrical, plumbing, heating, and ventilating and air conditioning equipment, structural, and roof maintenance, at its expense.

5.6 Pavement. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, any pavement located on the Premises, except public aircraft parking apron and entrance road, to include ramp aprons, parking areas, driveways, and walkways are LESSEE responsibility to keep clean, orderly, neat, free of debris, in good repair, and for removing all oil and other spillage therefrom at its expense.

5.7 Gates. LESSOR shall repair or replace and maintain in good working order the automatic opening system and industrial sliding gate to the aircraft parking ramp apron currently known as Gate 1 for so long as this lease is in force. LESSEE will have responsibility for controlling access to the public aircraft parking apron and no users may go beyond the public aircraft parking apron. LESSEE shall exercise exclusive care, custody and control over said Gate 1, however, the LESSOR reserves the right to use this gate for Airport staff use, city use, and emergency vehicle entrance. All costs and expenses associated with providing additional gates (which are mechanically operated, or operated by personnel) for Airport fences (including purchasing, installation, operation, maintenance, and staffing thereof); which are required to accommodate the needs of the LESSEE in the conduct of its business on Airport, including providing ingress and egress to and from the Premises; for LESSEE's employees, equipment, customers, suppliers, and invitees; will be paid by LESSOR and LESSEE equally (50/50). If personnel, or mechanical opening and closing devices, are required for such now existing, or replacement Airport gates, such will be provided at the cost and expense of LESSOR.

ARTICLE 6 – LESSEE RIGHTS AND OBLIGATIONS

6.1 Use of Airport. The reasonable use by LESSEE, its employees, passengers, guests, patrons, and invitees, in common with other duly authorized users of Airport and the appurtenant together with all other facilities and improvements which have been or may hereafter be provided for common or public use in connection with Airport. LESSOR will make every effort to minimize the disruption of normal airport usage during periods of repair or further airport development.

6.2 Fixed Based Operator. The following are LESSEE obligations regarding the operation of a FBO on Airport after the Commencement Date:

a. LESSEE shall not at any time use the Premises or any part thereof for any purposes other than the fixed based operation provided for and described herein, and such related activities as are herein expressly authorized, without advance written consent of LESSOR.

b. LESSEE shall provide all services as required of a FBO as set forth in the City's current Minimum Standards for Commercial Aeronautical Activities ~~and~~ as may be amended.

c. LESSEE shall furnish said goods and services on a fair, equal, and not unjustly discriminatory basis for all users thereof, and shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided that the LESSEE may be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

6.2.1 The LESSOR has entered into this Agreement with the understanding that the Services to be provided under this Agreement are subject to the personal supervision and management of persons who are experienced in the business of Fixed Base Operations and duly qualified under applicable governmental regulations. Therefore, LESSOR's has the right to consult with LESSEE in the event of any changes in control or management of the LESSEE to ensure that the public interest in availability of the Services is met. Accordingly, the LESSOR and LESSEE agree to the following limitations.

6.2.2 Assignment and Sublease. LESSEE shall not, at any time, assign, transfer, convey, mortgage, pledge, or encumber its interest under this Agreement, or any part of the leased space, to any party without prior written approval of LESSOR, such approval shall not be unreasonably withheld. Refusal by the LESSOR to approve assignment shall be based **solely** upon reasonable and verifiable concerns regarding the assignee's ability, based on experience and financial strength, to operate the FBO professionally. In no case will assignment be conditioned upon a renegotiation of the terms of the Agreement and any assignment shall allow the assignee to continue to operate under the terms and conditions described herein for the remainder of the term of the Agreement. Any attempted voluntary assignment, transfer, or subletting in violation of the provisions hereof shall be null and void and a default of this Agreement. No assignment, transfer, conveyance, or sublease by Operator shall relieve LESSEE of its primary responsibility for payment of rent and performance of all other obligations provided in this Agreement, without specific written consent by LESSOR to such relief. Any transfer of control of LESSEE or of LESSEE's operations, whether by merger or consolidation, or transfer of shares or membership interests shall constitute an assignment under this Section. The foregoing prohibition on assignment shall not be construed to limit LESSEE's rights to grant a Leasehold Mortgage as permitted in Section 6.8 herein.

6.3 Access. LESSEE, its employees, patrons, invitees, suppliers, agents, and contractors shall have at all times the right of ingress to and egress from the rented and managed Premises but this right does not relieve those named persons, firms, or corporations from the obligation to observe and obey all rules, regulations, or laws that may then currently be in effect in the operation of the Airport. To ensure this right the LESSOR shall make all reasonable efforts to keep adjacent areas to the rented Premises free and clear of all hazards and obstructions, natural and manmade.

6.4 Signs. During the term of the Agreement, LESSEE shall have the right, at its expense, to place on or at the Premises, a sign or signs identifying LESSEE. LESSEE shall be responsible for all permits for its own signage. Notwithstanding any other provision of the Agreement, said sign(s) shall remain the property of LESSEE. LESSEE shall remove, at its expense, all lettering, signs, and placards so erected on the Premises at the expiration of the term of the Agreement.

6.5 UNICOM. Notwithstanding that LESSOR owns the license for the aviation frequency associated with the "UNICOM", the LESSOR grants the LESSEE the non-exclusive right to use the UNICOM frequency to communicate with aircraft using the Airport. The acquisition, cost, installation, and maintenance of communication equipment for radio communication

with aircraft in flight or on the ground, or such substitute apparatus, for air safety as may be designated by the City or the FAA shall be for ~~the~~ responsibility of the LESSEE.

6.6 Aircraft Owner' Rights and Privileges. It is clearly understood by the LESSEE that no right or privilege has been granted which would prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own or leased aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform

6.7 Leasehold Improvements. The following pertains to leasehold improvements, which are governed by the Airport Development Guidelines and Standards, made by LESSEE on the Premises after the Commencement Date (prior to the Commencement Date, the following shall be subject to the Construction and Financing Agreements) and:

a. LESSEE agrees to submit to LESSOR, for approval, detailed plans and specifications for any structural change, alteration, addition, improvement, or removal from or to the Premises. LESSOR shall approve the plans and specifications as submitted, or transmit proposed revisions to LESSEE within thirty (30) days of receipt of the plans and specifications from LESSEE. In the event that LESSOR requires revisions of the original plans and specifications, LESSEE shall have thirty (30) calendar days from the date of receipt of the proposed revisions to resubmit the plans and specifications for LESSOR's approval. This initial review shall not constitute review for the purposes of obtaining City permits. LESSEE shall be required to obtain all permits from governmental agencies as may be required, including the City, and shall be solely responsible for all costs relating to permitting the proposed improvements.

b. Any such improvements made by LESSEE shall remain the property of the LESSEE until the expiration of the Agreement and any extensions or renewals thereof, and which shall remain on the Premises until the expiration or termination of the Agreement, at which time such improvements shall become the property of LESSOR. LESSEE shall at all times maintain all improvements constructed on the property in good condition. Upon expiration or termination of the Agreement, the LESSEE shall execute any and all documentation necessary to transfer clear title to the leasehold improvements, free of any lien or encumbrance, to LESSOR.

c. LESSEE shall not permit any mechanic's or other liens to be placed upon the Premises, at any time, except that LESSEE shall be permitted to mortgage its leasehold improvements to be constructed on the Premises by LESSEE in accordance with the provisions of Section 6.8 herein. LESSOR shall cooperate and provide customary assurances but shall not be required to subordinate its interest to such Leasehold Mortgage. All documentation regarding any leasehold mortgage must be reviewed and approved by the LESSOR prior to finalization of documents, to assure that no interest of the LESSOR is included in the documentation. Such review will be conducted promptly by LESSOR at its own expense.

d. LESSEE shall provide payment and performance bonds in amounts and form reasonably satisfactory to LESSOR, prior to commencement of construction.

e. Within sixty (60) days of completion of construction, erection, or any alteration of any improvements by the LESSEE, the LESSEE shall provide to the LESSOR a complete set without charge of "as-built" plans and drawings.

6.8 LESSEE may at any time and from time to time (and as many times as it desires) mortgage, hypothecate or pledge this Agreement and the leasehold estate created hereby and the interest of the LESSEE in and to this Agreement, together with LESSEE's right, title and interest in the improvements to the Premises and LESSEE's interest in any and all subleases and in and to all rents due or to become due thereunder (herein called a "Leasehold Mortgage"; and the holder of any such Leasehold Mortgage, whether or not the same is recorded of record, is herein called a "Leasehold Mortgagee").

LESSOR and LESSEE agree that so long as any such Leasehold Mortgage exists:

A. LESSOR will simultaneously mail to any Leasehold Mortgagee a copy of any notice given by LESSOR to LESSEE at the address given by such Leasehold Mortgagee to LESSOR for the receipt of such notice.

B. LESSOR and LESSEE acknowledge that the defaults or other events described in Section 10.1 herein may be classified as (i) "Curable Defaults" and (ii) "Non-Curable Defaults". The Non-Curable Defaults are any defaults which are by their nature not susceptible of being cured by a third person such as the Leasehold Mortgagee; and the Curable Defaults are all other defaults.

C. If a Curable Default occurs and if, prior to the expiration of the applicable grace period provided for in Section 10.1, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to undertake a curing of all Curable Defaults and within such grace period the Leasehold Mortgagee commences upon a curing and thereafter pursues to conclusion the curing of all Curable Defaults continuously and diligently in good faith, then LESSOR will not take action to effect a termination of this Ground Lease or to re-enter or take possession of the Ground Leased Premises as a consequence of such Curable Default. However, if (i) a Curable Default is of such a nature that the curing thereof cannot be effected by the Leasehold Mortgagee until it shall have obtained possession of the Premises and (ii) prior to the effective date of a termination of this Agreement by LESSOR or LESSOR's re-entering or taking possession of the Premises, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises and within such grace period takes action to institute such remedies, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Curable Default so long as such Leasehold Mortgagee shall continue to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all other Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure

such Curable Defaults within the period reasonably required to cure the same.

D. If a Non-Curable Default occurs and (i) the Leasehold Mortgagee shall then be in the process of curing all then existing Curable Defaults pursuant to the provisions of subsection (C) above and (ii) the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Non-Curable Default so long as such Leasehold Mortgagee shall continue diligently to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure such Curable Defaults within the period reasonably required to cure the same.

E. In the event a Leasehold Mortgagee or its designee designated for that purpose acquires the improvements and the leasehold estate pursuant to any proceedings for foreclosure of such Leasehold Mortgage, or by a voluntary assignment or transfer of this Agreement and the leasehold estate and the improvements in lieu of foreclosure or otherwise, the Leasehold Mortgagee or its designee or assignee as aforesaid shall be deemed an assignee of all the rights of LESSEE under this Agreement.

F. If this Agreement shall be rejected or disaffirmed pursuant to any bankruptcy law or other law affecting creditors' rights or if this Agreement is terminated for any other reason whatsoever, LESSOR will enter into a new lease of the Premises with the Leasehold Mortgagee or its designee not less than ten (10) nor more than thirty (30) days after the request of the Leasehold Mortgagee referred to below, for the remainder of the term of this Agreement effective as of the date of such rejection or disaffirmance or termination, upon all the terms and provisions contained in this Agreement; provided that (i) the Leasehold Mortgagee makes a written request to LESSOR for such new lease within ninety (90) days after the effective date of such rejection or disaffirmance or termination, as the case may be, and such written request is accompanied by a copy of such new lease, duly executed and acknowledged by the Leasehold Mortgagee or its designee and (ii) upon taking possession of the Premises the Leasehold Mortgagee cures any outstanding Curable Defaults within the period reasonably required to cure the same. Any new lease made pursuant to this paragraph shall have the same priority with respect to other interests in the Premises as this Agreement. The provisions of this paragraph shall survive the rejection or disaffirmance or termination of this Agreement and shall continue in full force and effect thereafter to the same extent as if this paragraph were a separate and independent contract made by LESSOR and the Leasehold Mortgagee.

G. So long as a Leasehold Mortgage is in effect (i) LESSOR will not accept a voluntary surrender of this Agreement, (ii) this Agreement shall not be modified in any material respect, and (iii) LESSOR and LESSEE shall not allow the fee interest in the Premises to merge with the leasehold estate created by this Agreement, without, in each case, the prior written consent of the Leasehold Mortgagee. Any violation of this paragraph shall be void.

The provisions of this Section 6.8 are for the benefit of any Leasehold Mortgagee and may be relied upon and shall be enforceable by any Leasehold Mortgagee. No Leasehold Mortgagee shall be liable upon the covenants, agreements or obligations of LESSEE contained in this Agreement, except as expressly provided herein.

LESSOR shall execute any instruments any such Leasehold Mortgagee may reasonably request or require from LESSOR, with respect to the provisions of this Section 6.8 excluding a subordination agreement or joinder of the Leasehold Mortgage.

6.9 Equipment and Trade Fixtures. LESSEE will retain title to all of its trade fixtures and equipment and any improvements and property installed by LESSEE during the term of the Agreement. Upon termination of the Agreement or upon removal of trade fixtures and equipment, the LESSEE shall restore the Premises to good condition at its sole cost and expense. Any LESSEE improvements or property installed not removed becomes the property of LESSOR.

6.10 Further Capital Improvement. LESSEE is granted right to make further capital improvement on the Premises within the scope of the Agreement at its sole cost and expense. In the event that any capital improvement, permanent improvement, fixture, new construction, or the like is proposed or made by LESSEE that requires a new paved surface for aircraft or automobile ingress or egress, including any associated new taxiway, taxi lane, or aircraft parking apron, or automobile parking lot, then LESSEE shall, at its sole cost and expense, install and maintain any such new private use paved surfaces during the term of the Agreement including providing for drainage requirements.

6.11 Airport Protection by LESSEE. LESSEE expressly agrees for itself, its successors, and assigns, to restrict the height of structures, objects of natural growth, and other obstructions on the Rented Premises to such a height so as to comply with City Building Code and Federal Aviation Regulations Part 77 and to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an airport hazard.

6.12 Fueling on Airport. LESSEE is granted the non-exclusive right ~~and obligation~~ to fuel aircraft from refueling vehicles and provide ancillary services at tenant hangars and approved locations by LESSOR located outside of the Premises and upon the Premises of others with their permission and upon their request.

6.13 Fire Extinguishers. LESSEE shall provide sufficient number of fire extinguishers as may be required under fire codes for the safe protection of aircraft, persons, and property on the Premises. Such fire extinguishers shall be properly inspected and certified annually.

6.14 Compliance with Applicable Laws, Rules, and Regulations. Notwithstanding other requirements contained herein, the LESSEE at its sole cost and expense, hereby agrees to and shall comply with all applicable laws, ordinances, rules, and regulations established by federal, state, local government agency, and by the City, as they may be amended from time to time, and conduct its operations and commercial business in accordance with all applicable regulations pertaining to airports, including Airport Rules and Regulations, attached hereto as Exhibit "E", promulgated by the LESSOR governing safe and efficient operation of Fernandina Beach Municipal Airport. The LESSOR may, from time to time, modify and/or update the Rules and Regulations. LESSOR will provide LESSEE with a copy of the updated Rules and Regulations, and once updated or revised, those Rules and Regulations shall become a part of the Agreement. The LESSOR and LESSEE agree that material violations of any of the conditions of the Agreement or any violations of the Airport's Rules and Regulations shall be sufficient cause for termination of the Agreement and eviction of LESSEE from said Premises, in accordance with Article 10 herein.

6.15 Airport Security. LESSEE has obligation to operate upon its Premises to not undermine the security of the Airport. LESSOR shall install and maintain adequate fences and gates to control unauthorized access on to the Airport. LESSEE shall provide to the Airport Manager a security plan at least once annually.

6.16 Compliance with Environmental Law, Rules, and Regulations. LESSEE expressly represents, covenants, warrants, guarantees, and agrees that it shall comply in all material respects with all federal, state, and local laws, ordinances, rules, and regulations protecting the environment. Any cost or expense to remain or to be compliant with applicable environmental rules and regulations shall be the responsibility of the LESSEE unless attributable to the grossly negligent acts or omissions of LESSOR. LESSEE agrees to keep themselves informed of future changes in the existing environmental laws.

6.17 Hazardous Materials and Toxic Waste. LESSEE shall not knowingly or if reasonably should have known cause or permit to occur:

a. Any violation of any federal, state, or local law, ordinance, or regulation now or later enacted, related to environmental conditions on, under, or about the Premises, or arising from LESSEE'S use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or

b. The use, generation, release, manufacture, refining, production, processing, or disposal of any hazardous substance on, under, over, or about the Premises.

c. LESSEE shall, at its sole and exclusive expense, comply with all laws and regulations regulating the storage or transportation of hazardous substances relating to the Premises, and shall further make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities under applicable federal, state, and local laws and regulations; and the LESSOR is to be immediately notified by LESSEE of any claim or allegation of non-compliance herewith.

d. If any authority demands that a clean-up plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of hazardous substances that occurs during the term hereof, or any renewals hereof, at, or from the

Premises, or which arises from LESSEE's use or occupancy of the Premises, then LESSEE shall, at LESSEE's expense, prepare and submit the required plans and all related bonds and other required financial assurances; and LESSEE shall carry out all work required by such clean-up plans at its sole and exclusive expense.

6.18 LESSOR's and LESSEE's Certificates. LESSOR and LESSEE, on written request from each other, shall execute and deliver to the other party or any Leasehold Mortgagee or prospective purchaser, if so requested, without charge, a certificate certifying that this Agreement is in full force and effect, and whether it has been modified (and if there have been modifications, stating them), and whether or not the party executing the certificate knows of any default, breach or violation by the other party under any of the terms of this Agreement, and such other matters as may reasonably be requested.

ARTICLE 7 – LESSOR TO MAINTAIN AND OPERATE AIRPORT

7.1 Operation as a Public Airport. LESSOR covenants and agrees that at all times it will operate and maintain the Airport as a public airport consistent with and pursuant to the Sponsor's Assurances given by City to the U.S. Government under the Federal Airport Act.

7.2 Maintenance of Airport Facilities. LESSOR shall operate, maintain, manage, and control Airport in an efficient, economical, and businesslike manner. Such operation, maintenance, management, and control shall substantially comply with all pertinent requirements of the Federal Aviation Administration, or its successor in duties related thereto, and shall include the adequate and proper operation and maintenance of the public land, runways, taxiways, navigation aids, non-leasehold aircraft parking ramp aprons, non-leasehold lighting, non-leasehold roads, non-leasehold vehicle parking areas, and all other public facilities and appurtenances within the boundaries of Airport. LESSOR shall maintain all public and common joint use areas of the Airport, including the Air Operations Area, in good repair, and shall make such repairs, replacements, or additions thereto, as in its opinion, are required and necessary for the safe and efficient operation of the Airport.

7.3 Further Airport Development. LESSOR reserves the right to further develop or improve the remaining area of the Airport as it sees fit.

7.4 Aerial Approaches. LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction and interference, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure, natural or manmade, on or adjacent to the Airport, which in the opinion of the LESSOR, would limit the usefulness of Airport or constitute a hazard to aircraft.

7.5 Inspection. The LESSOR shall have the right to enter upon the Premises at any time, however, normally during regular business hours and with prior notice to inspect the Premises for compliance with the terms and conditions of the Agreement and federal, state, and local laws and regulations. In case of emergencies, the LESSOR shall have the right to immediately enter the Premises.

7.6 Protection Clause. The LESSOR reserves unto itself, its successors, and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the

airspace above the surface of the real property herein described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from, or operating on the Airport.

ARTICLE 8 – INSURANCE AND INDEMNIFICATION

8.1 Insurance. LESSEE shall obtain and maintain continuously in effect at all times during the term of the Agreement, at LESSEE's sole expense, all insurance coverage as required under the, City's General Provisions for a fixed based operator as well as each additional activity or service provided as may be amended and shall include the following:

a. Comprehensive General Liability insurance with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

b. Property damage insurance covering direct physical loss due to perils of fire, windstorm, and extended perils for full replacement value for all facilities leased by the LESSEE.

c. Airport Liability insurance with a Combined Single Limit (CSL) of not less than Three Million ($3,000,000) Dollars per occurrence including Premises , protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

d. Aircraft Liability insurance, as may be applicable, with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence including a minimum sublimit of One Hundred Thousand ($100,000) per passenger, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

e. Hangar Keepers Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

f. Commercial Business Auto Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

g. Pollution Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors. Such coverage shall survive the expiration of the Agreement. This coverage shall not apply to conditions which pre-exist the date of the Agreement.

h. Workers Compensation insurance with a minimum of the Statutory Limits required by the State of Florida and Employers Liability insurance with a minimum of One Hundred Thousand ($100,000) per accident, One Hundred Thousand ($100,000) per disease each employee and Five Hundred Thousand ($500,000) disease per policy.

i. All insurance requirements specified herein above shall name LESSOR as an additional insured with instructions that the insurance carrier will notify LESSOR if the LESSEE defaults on premium payments, and shall require that the insurance carrier notify LESSOR thirty (30) days prior to any event leading to the material modification or cancellation of the policy. The additional insured status of the City must be primary and non-contributory. Waiver of Subrogation in favor of the LESSOR is to be included.

j. All insurance required to be carried by LESSEE hereunder shall be issued by responsible insurance companies qualified to do business in the State of Florida. LESSEE shall furnish copies of all insurance policies or certificates evidencing the existence and amounts of such insurance shall be delivered to LESSOR by LESSEE as required under the Agreement and under the Airport Minimum Standards for Commercial Aeronautical Activities for all activities provided by LESSEE. Such certificates are attached hereto as Exhibit "C", Liability Insurance Certificates. Copies of said certificates of insurance shall be provided to LESSOR with each annual renewal and at least ten (10) days prior to the expiration thereof for each activity offered by LESSEE.

k. It is the responsibility of LESSEE to keep required insurance in effect and provide such evidence to the City. Failure to provide proof of insurance at any time, to the satisfaction of the City, shall be grounds for termination of the Agreement.

l. LESSEE will require and receive certificate of insurance from any and all subcontractors, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, and as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its subcontractor coverage.

m. LESSEE will require and receive certificate of insurance from any and all subleases, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its sublease coverage.

n. LESSEE shall provide LESSOR evidence of appropriate insurance on any non-aeronautical activity, such as rental cars, that also provide rent to LESSOR.

o. The LESSOR may, upon giving the LESSEE ninety (90) days written notice, require the LESSEE to attempt to procure increased or expanded insurance coverage to the extent an independent insurance broker determines that it is necessary for adequate protection of the LESSOR or public and is readily available on commercially reasonable terms; provided however, the required increased or expanded coverage shall not exceed industry standards or the coverage generally required by the LESSOR from other similar leases.

8.2 Indemnification. LESSEE for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSEE, its officers, employees, agents, and representatives. LESSEE'S liability hereunder shall include all attorney's fees and costs incurred by the LESSOR in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement. Nothing contained in the foregoing indemnification shall be construed to be a waiver of any immunity or limitation of liability the LESSOR may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes. To the extent permitted by Florida law, the LESSOR for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSEE, its directors, members, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSOR, its officers, employees, agents, and representatives prior to the Commencement Date. LESSOR'S liability hereunder shall include all attorney's fees and costs incurred by the LESSEE in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement.

8.3 Indemnification for Toxic Wastes. LESSEE, for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to assume liability for and indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against loss, damage, cost, or assessment

which may result from or in any manner be related to the deposit, spill, discharge, or other release, and or the presence, use, distribution, or disposition of any toxic substance, chemical, metal, petroleum product, or hazardous or toxic waste, or any other substance or derivative. This provision shall survive the expiration of the Agreement. This shall not apply to conditions which pre-exist the date of the Agreement or to conditions that were not created by LESSEE and LESSOR shall indemnify and hold LESSEE harmless from any claims relating ~~thereto.~~ to pre-existing conditions.

ARTICLE 9 – PUBLIC USE, FEDERAL GRANTS, AND NON-DISCRIMINATION

9.1 Appurtenant Privileges. LESSEE shall be entitled, in common with others so authorized, to the nonexclusive use of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including but not limited to, the use of rights-of-way, common area utilities, landing areas, runways, taxiways, navigational aids, terminal facilities, and aircraft parking areas designated by LESSOR.

9.2 Nonexclusive Right. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right. It is not the intention of the Agreement to grant to LESSEE the exclusive right to provide any or all of the services described in the Agreement at any time during the term of the Agreement. LESSOR reserves the rights, at its sole discretion, to grant others certain rights and privileges upon the Airport which are identical in part or in whole to those granted to LESSEE. However, LESSOR does covenant and agree that:

a. It shall enforce the City's Minimum Standards for Commercial Aeronautical Activities and General Provisions as currently approved or as amended for all similar services and activities conducted at the Airport; and

b. It will not permit the conduct of any aeronautical endeavor or activity at the Airport, except under an approved lease, sub-lease, or operating agreement, or as general aviation by the general public; and

c. It is bound by all current and future interpretations and decisions by the FAA and National Transportation Safety Board ("NTSB") regarding grant assurances.

9.3 Non-Discrimination. Notwithstanding any other inconsistent provision of the Agreement, during the performance of the Agreement, LESSEE, for itself, its heirs, personal representatives, successors in interest, and assigns, as part of the consideration for the Agreement, does hereby covenant and agree, as a covenant running with the land, that:

a. No person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participating in, denied the benefits of, or otherwise be subjected to discrimination, in the use of the Premises;

b. In the furnishing of services on, over, or under the Premises, no person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

c. LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, and as said regulations may be amended.

ARTICLE 10 - TERMINATION

10.1 Termination. The Agreement shall be subject to termination by either party in the event of any one or more of the following:

a. The abandonment of the Airport as an airport or airfield;

b. Any default in the payment of the whole or any part of any rent or other payments such as properly imposed taxes, assessment, applicable fees and charges, or other governmental imposition required for a period of thirty (30) days after the time LESSOR provides LESSEE notice that such payments are due but only to the extent LESSEE has not disputed the payment in good faith;

c. The default by either party in the performance of any of the terms, covenants, and conditions of the Agreement (except rental payments), and the failure of such defaulting party to remedy or to undertake to remedy to the other party's satisfaction such default for a period of thirty (30) days after receipt of written notice from the non-defaulting party to the defaulting party to remedy same. This includes the failure of the LESSEE to complete proposed improvements within the time frames as set forth herein; provided that in the event performance cannot be reasonably cured within 30 days, no default shall exist if such party is diligently seeking to remedy such performance shortfall;

d. Abandonment of the Premises by the LESSEE or, LESSEE's failure or neglect to conduct or carry on the aforesaid fixed based operation upon the Premises for a space of thirty (30) days;

e. The lawful assumption by the United States, or any authorized agency thereof, of the operation, control, or use of the Airport, or any substantial part thereof, in such a manner as to restrict substantially LESSEE from conducting its business operation for a period in excess of 365 days;

f. LESSOR shall be entitled to terminate the Agreement upon the filing of a voluntary petition in bankruptcy by LESSEE, including a reorganization plan, a general or other assignment for the benefit of creditors, adjudication as a bankrupt, any levy against the leasehold interest of the LESSEE, or if a receiver is appointed for the property or affairs of LESSEE and such receivership is not vacated within sixty (60) days after the appointment of such receiver;

g. LESSEE shall have the right at any time to terminate the Agreement and its obligations hereunder, by providing sixty (60) days written notice to LESSOR and by conveying to LESSOR the title to the improvements constructed on the Premises, free and

clear of any lien or encumbrance, provided that LESSEE has properly maintained said property and it is in as good condition as when originally constructed, ordinary wear and tear excepted, and provided, further, that the obligations regarding accumulated rent and indemnification shall specifically survive.

10.2 Re-Entry. It is further understood and agreed between the parties hereto that in the event of any breach of any covenant or agreement on the part of the LESSEE to be performed and provided, that if such breach is not remedied by the LESSEE after reasonable notice in writing to it by the LESSOR, the LESSOR may re-enter and terminate this tenancy by giving the LESSEE sixty (60) days written notice, to quit the Premises. LESSOR shall at all times be entitled to recover by all lawful means any and all damages,

10.3 Obligation Upon Termination. Upon termination of the Agreement or occurrence of a termination event, all obligations of either party hereunder to the other shall cease and terminate, except as specifically provided herein, and the LESSEE agrees it shall immediately quit, surrender, and return peaceable and quiet possession of the Premises, including all improvements, to the LESSOR in as good order and condition as existed at the time of the initial occupancy and only reasonable wear and tear being accepted. LESSEE shall have the right at any time during said term, or any renewal, or extension thereof; to remove its trade fixtures and equipment situated on the Premises which were installed, or placed by it, at its expense, in, on, or about the Premises, subject, to any valid lien which LESSOR may have thereon for unpaid rents, fees, taxes, or charges. All moveable personal property shall be removed by the LESSEE on or before the expiration of the Agreement term and all property not so removed shall be deemed abandoned by the LESSEE.

10.4 Continuing Obligation. LESSEE'S obligations under Article 6.14 and Articles 8.2 and 8.3 of the Agreement shall survive the expiration or termination of the Agreement or any renewal thereof.

ARTICLE 11 – NOTICE

11.1 Any notice given by one party to the other in connection with the Agreement shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid, addresses as follows:

If to LESSOR, address to:

City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

With a copy to Airport Manager, address to:

Airport Manager
Fernandina Beach Municipal Airport
700 Airport Road
Fernandina Beach, FL 32034

If to LESSEE, address to:	Brian Echard 8 Flags Aviation, LLC 306 1/2 Centre St Fernandina Beach, Florida 32034
With a copy to	Attention: Jim Porter Smith, Gambrell & Russell, LLP Bank of America Tower 50 North Laura Street, Suite 2600 Jacksonville, Florida 32202

11.2 Notices will be deemed to have been received on the date of receipt as shown on the return receipt.

11.3 It shall be the LESSEE's responsibility to keep the address contained in the Agreement up to date and accurate.

ARTICLE 12 –EXPENSES FOR PUBLIC SERVICES

LESSEE recognizes that the Airport is not certificated by the Federal Aviation Administration pursuant to the requirements of Federal Air Regulations, 14 C.F.R. Part 139, and LESSEE will not conduct any operation on the Airport that will require Airport to be so certificated, without prior written approval of LESSOR. Certification of the Airport will require additional law enforcement and emergency services personnel and equipment to be present at the Airport at substantial expense. Fees associated with these expenses will be set in advance LESSEE will be responsible for any costs of activities authorized, contracted, or permitted by LESSEE for public services that would be required by FAA or other agencies.

ARTICLE 13 – MISCELLANEOUS PROVISIONS

13.1 [intentionally omitted]

13.2 Independent Contractor. In conducting its business hereunder, LESSEE acts as an independent contractor and not as an agent of LESSOR. The selection, retention, assignment, direction, and payment of LESSEE'S employees shall be the sole responsibility of LESSEE, and LESSOR shall not attempt to exercise any control over the daily performance of duties of LESSEE'S employees.

13.3 Subordination. The Agreement shall be subordinate to the provisions of any existing or future agreement between LESSOR and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.

13.4 Entire Agreement. The Agreement, RFP 2015-101.2 and LESSEE's proposal in response to RFP 2015-101.2 together constitute the entire agreement and understanding between the parties, and as of its effective date supersedes all prior or independent

contracts or agreements between the parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

13.5 Headings. Article titles and paragraph titles of the Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, augment, or describe the scope, content, or intent of any provision of the Agreement.

13.6 Severability. If any substantive provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction and such declaration results in a substantial failure of consideration for either party, the entire Agreement shall be subject to termination by such party. Otherwise, such declaration shall not be cause for termination of the Agreement, but only such void or illegal provision shall be canceled or deemed to be of no effect.

13.7 National Emergency. During the time of war or national emergency, the LESSOR shall have the right to lease the landing area or all or any part of the Premises upon demand to the United States Government, and if any such agreement is executed, the provisions of the Agreement with the LESSEE herein, and all obligations of LESSEE to make the payments as required herein, shall be suspended for the length of time that the United States Government requires the use of the said landing area and/or Premises. This period of time during which the Agreement is so suspended will not count against the time provisions of the then existing Agreement.

13.8 Force Majeure. Neither LESSOR, nor LESSEE, shall be deemed to be in violation to the Agreement if either is prevented from performing any of its obligations hereunder by reasons of strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellions, acts of sabotage, or any other circumstances for which it is not responsible, or which are not under its control, provided; however, that this section does not apply to failure by LESSEE to pay the rentals, fees, taxes, and charges set forth herein. In any such case a prompt written notice shall be given to the other party of the existence of such causes and of readiness to resume performance upon the removal, or non-existence thereof.

13.9 Governing Law, Venue and Attorney's Fees. The Agreement shall be construed in accordance with the laws of the State of Florida. Venue for any state law action brought hereunder shall be Nassau County, Florida. Should jurisdiction in state court not be available, then venue for any federal action brought hereunder shall be the U.S. District Court, Middle District of Florida, Jacksonville Division. In the event of any litigation between the parties regarding the breach and/or enforcement of the Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and costs, including at the appellate court level, from the non-prevailing party as determined by a court of competent jurisdiction.

13.10 Non-Waiver. The failure of the LESSOR to insist upon strict performance of any of the terms, conditions, or covenants herein set forth shall not be deemed a waiver of any rights or remedies that it may have and shall not be deemed a waiver of any breach or default by the LESSEE of the terms, conditions, or covenants contained herein.

13.11 Radon Gas Notice. Pursuant to Florida Statutes Section 404.056(8), LESSOR hereby makes, and LESSEE hereby acknowledges, the following notification:

a. Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

b. LESSOR makes no representation or warranty with respect to the presence or absence of radon on the Premises, and LESSEE shall undertake such inspection or testing as it deems necessary or convenient to assure itself as to the presence or absence of radon.

13.12 Additional Terms. The Lease is being executed in advance of the commencement of operation and prior to construction on the Premises. Accordingly, LESSOR and LESSEE each agrees that it will cooperate and act reasonably with the other in resolving issues consistent with the intent of the Agreement and to ensure timely construction and performance and a professional work product.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

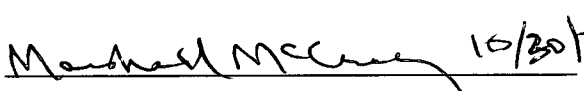
8 FLAGS AVIATION, LLC



By: Brian Echard

Its: Managing Member

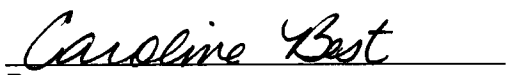
CITY OF FERNANDINA BEACH, FL



By: Marshall McClary

Its: City Manager Pro Tem

ATTEST:



By:
Its: City Clerk

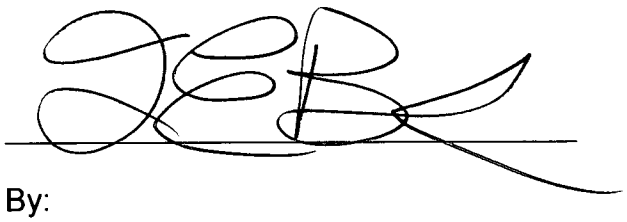
By:

Its:

ATTEST:

By:
Its:

APPROVED AS TO FORM AND LEGALITY:



By:
Its: City Attorney

Attachments:

Exhibit "A" Professional Survey of Lease Area — Legal Description of LESSEE'S Property and Survey

Exhibit "B" Overview of Capital Improvements to be provided at sole expense and cost of LESSEE

Exhibit "C" Liability Insurance Certificate(s) as required under this lease and/or applicable Minimum Standards for Commercial Aeronautical Activities (Note: This certificate shall show that the City has been named as an additional insured on all policies.) Appropriate certificate(s) shall be presented upon completion of each facility and before occupancy.

Exhibit "D" - Minimum Standards for Commercial Aeronautical Activities

Exhibit "E" - Rules and Regulations for Fernandina Beach Municipal Airport

Exhibit "F" – Development Standards and Guidelines for Fernandina Beach Municipal Airport

Exhibit "G" – General Provisions for Fernandina Beach Municipal Airport

Exhibit "H" – Definitions for Use at Fernandina Beach Municipal Airport

CITY COMMISSION AGENDA ITEM
CITY OF FERNANDINA BEACH

SUBJECT: Resolution 2015-139
Fixed Base Operator (FBO) Lease Agreement – 8 Flags Aviation, LLC

DEPARTMENT: City Manager's Office

ATTACHMENTS: ___ Ordinance _X_ Resolution
___ Support Documents ___ Other

RECOMMENDED ACTION: Approve Resolution 2015-139

SUMMARY: The City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport. The basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier.

The City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission. The details of design, construction and financing the Welcome Center and related improvements will be memorialized in formal written agreements approved by Eight Flags Aviation, LLC and the City Commission within the next 1-2 years.

FISCAL IMPACT: The additional revenue to the Airport to be determined by the actual number of feet leased as reflected on the final survey (estimated to be a minimum of $35,000 per year).

CITY ATTORNEY COMMENTS: See above.

DEPARTMENT HEAD	Submitted by: Tammi E. Bach City Attorney	Date: 10/02/2015
	Requested Agenda	Date: 10/13/2015
FINANCE DEPARTMENT	Approved as to Budget Requirements PTC	Date: 10/05/2015
CITY ATTORNEY	Approved as to Form & Legality TEB	Date: 10/06/2015
CITY MANAGER	Approved Agenda Item for 10/13/2015	Date: 10/06/2015

COMMISSION ACTION:
___ Approved As Recommended ___ Disapproved
___ Approved With Modification _✓_ Postponed to Time Certain
___ Other ___ Tabled

10/20/15 CC RH

RESOLUTION 2015-139

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING LEASE TERMS AND AGREEMENT FORM WITH EIGHT FLAGS AVIATION, LLC FOR A FIXED BASED OPERATOR ON CITY AIRPORT PROPERTY LOCATED ON THE NORTH SIDE OF THE AIRPORT; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Manager and City Attorney have been in negotiations with Eight Flags Aviation, LLC ("Eight Flags Aviation") since Eight Flags Aviation, LLC was awarded RFP 2015-101.2 for fixed based operator ("FBO") services and lease of land at the Fernandina Beach Municipal Airport; and

WHEREAS, the basic terms are as follows: 1) lease term is for 20 years, with two (2) five-year renewal options; 2) payment to be remitted to the City for $.20 per square foot of unimproved land; 3) FBO to contribute to cost of design and construction of new welcome center in exchange for rent credits to be determined in separate financing and construction documents; and 4) a fuel flowage fee of $.08 per gallon delivered by fuel supplier; and

WHEREAS, the City received a professional survey from Eight Flags Aviation so the square footage is displayed on a sealed survey attached as Exhibit "A" to the lease agreement, and it is possible that the lease area and survey could change in the future based upon final construction documents and City improvements such as T-hangars which changes shall be approved by the City Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the terms and conditions of the attached Fixed Based Operator Lease Agreement and attached survey of the leasehold area, respectively attached hereto as Exhibit "1" and Exhibit "A".

SECTION 2. The City Manager and City Clerk are hereby authorized to execute the Fixed Based Operator Lease Agreement, upon review and approval of the City Attorney.

SECTION 3. This Resolution shall be effective immediately upon passage.

ADOPTED this 13th day of October, 2015.

ATTEST:

Caroline Best
City Clerk

CITY OF FERNANDINA BEACH

Edward E. Boner
Commissioner-Mayor

APPROVED AS TO FORM & LEGALITY:

Tammi E. Bach
City Attorney

FERNANDINA BEACH MUNICIPAL AIRPORT
FIXED BASE OPERATOR LEASE AGREEMENT

This FIXED BASE OPERATOR AIRPORT USE AND LEASE AGREEMENT (hereinafter referred to as the "Agreement"), made and entered into this _____ day of September 2015, made by and between the **CITY OF FERNANDINA BEACH, FLORIDA**, municipal corporation, whose address is 204 Ash Street, Fernandina Beach, FL 32034 (hereinafter referred to as the "LESSOR" or "City,") and **8 Flags Aviation, LLC**, a Florida limited liability company (together with its successors and assigns, hereinafter referred to as the "LESSEE") whose address is 306 ½ Centre Street, Fernandina Beach, FL 32034.

WHEREAS, LESSOR owns, controls, and operates the Fernandina Beach Municipal Airport (hereinafter referred to as the "Airport"), in the City of Fernandina Beach, County of Nassau, State of Florida and is the Airport sponsor under Federal Aviation Administration ("FAA") regulations; and

WHEREAS, LESSEE has approved the lease of certain property by LESSOR at the LESSOR's municipal airport to operate upon the Airport as a Fixed Based Operator (hereinafter referred to as the "FBO") and provide related aeronautical related activities; and

WHEREAS, LESSOR desires to make real property available to LESSEE at the Airport to provide ground and facilities necessary to operate as a FBO and other commercial activities on the Airport and which are expressly set forth in the Agreement or contemplated hereby; to grant the LESSEE a management agreement to manage and control the use of an existing City public aircraft parking apron; and to grant the use of Airport to LESSEE for such purposes upon terms and conditions hereinafter stated; and

WHEREAS, LESSOR and LESSEE have agreed that LESSEE shall contribute to the cost of construction and improvements for the FBO and related areas in exchange for rent credits which shall be formalized in documentation to be finalized between the LESSOR and LESSEE contemporaneous with or subsequent to the execution of the Agreement (the "Construction and Financing Agreements").

NOW THEREFORE, for and in consideration of the real property and the mutual covenants and agreements contained herein to be performed by the respective parties, the parties hereby agree as follows:

ARTICLE 1 – DEFINITIONS

All words, terms and phrases when used herein shall have the meanings as described in the City's Definitions for Use regarding Fernandina Beach Municipal Airport. Words, terms and phrases which relate to aeronautical practices, processes and equipment, not defined therein, shall be construed according to the definitions in Title 14 of the Code of Federal Regulations, Florida Statutes Chapter 332 or, if not defined therein, according to their general usage in the aviation industry.

ARTICLE 2 – LEASED PREMISES

1.1 LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the following real property identified and shown on Exhibit "A" "Lease Area", attached hereto (hereinafter referred to as the "Premises"), together with the right of ingress and egress for vehicles and aircraft. The Premises is located within an area of Airport property designated the "North Area." The Premises shall be more specifically described in a legal description with a professional survey (the "Survey") to be furnished to the LESSOR by LESSEE after execution of the Agreement in a form reasonably acceptable to the LESSOR and when completed, will be deemed incorporated into this Agreement by a separate written addendum subsequently executed by the parties to this Agreement. It is possible that more than one surveyed leasehold area will be described in writing and attached to this Agreement as addenda based upon changes needed prior to final completion of constructed improvements.

1.2 The Construction and Financing Agreements will set forth the responsibility of LESSOR to make improvements to the Premises, the joint responsibility for designs and drawings and selection of contractors and otherwise but it being understood that LESSOR will have primary responsibility for the final decisions made regarding design, materials, timeline, contractors, construction and any other decisions required to finalize the improvements to its allocable portion of the Premises and LESSEE shall have primary responsibility with respect to its portion of the Premises. Upon issuance by the appropriate governmental entities of a "Certificate of Occupancy" for the FBO and the commencement of payment of rent and other fees in accordance with the Agreement, LESSEE will execute an acceptance certificate pursuant to which LESSEE will then acknowledge that it is accepting the Premises and the improvements located thereon "As is" and except as otherwise provided in a writing between LESSOR and LESSEE, the LESSOR has no obligation whatsoever to repair, maintain, renovate, or otherwise incur any cost or expense with respect to the Premises, any leasehold improvements, or fixtures, furnishings, or equipment installed in or used on the Premises except as otherwise provided herein.

1.3 Ground. The Premises consist of approximately [TBD] square feet as shown on the Survey.

1.4 Facility. The Construction and Financing Agreements will provide for a suitable FBO facility on ground leased from the LESSOR in conformance to the Airport's Minimum Standards for Commercial Aeronautical Activities (hereafter referred to as the "Minimum Standards") requirements.

1.5 Public Use Aircraft Parking Apron. The City maintains a federally funded public use Aircraft Parking apron which may be available for the LESSEE to manage on a non-exclusive basis in the future upon request by the LESSEE and under a separate written agreement and if LESSEE does so, it shall be responsible for the maintenance thereof and the costs of doing so as provided therein.

1.6 Fuel Storage Facility. The Construction and Financing Agreements will provide for the installation and maintenance of a fuel storage facility on ground leased from the LESSOR for the purpose of providing fuel to clients of the LESSEE and tenants of the Airport (location to be determined and included on a survey to be attached hereto). LESSEE will not handle, store, dispense, nor sell aviation fuels at or from the Airport, unless

that fuel is first stored in fuel storage tanks located on the Premises. Each device through which LESSEE dispenses aviation fuels on the Airport must be equipped with a flow meter calibrated and sealed by the Department of Agriculture of the State of Florida or other appropriate agency. These devices shall include without limitation any Avgas truck, Jet A truck, or self-service fuel facility owned or operated by LESSEE.

1.7 Future Expansion. Should LESSEE desire any additional land or facilities to be added to the leasehold during the interim term of this Agreement prior to the Commencement Date, and if such lands or facilities are available at the time of LESSEE's request the Agreement and/or the Construction and Financing Agreements may be amended to provide for such additions at then currently applicable rates and conditions or may be provided by a separate agreement developed and at then currently applicable rates and conditions and LESSOR and LESSEE shall execute all customary documentation to effect such agreed-upon expansion.

ARTICLE 2 – TERM

The term of the Agreement shall commence immediately and will be comprised of an interim term which shall run from the date of execution of the Agreement until the later of the time when a Certificate of Occupancy is issued and ~~or~~ LESSEE takes possession of the Premises (the "Commencement Date"). The base term will begin on the Commencement Date and be for an initial period of twenty (20) years, commencing on the ~~first~~ day of the ~~first~~ month following the end of the interim term that LESSEE shall occupy the Premises, and continuing for said term, unless earlier termination under the provisions of the Agreement. Provided the LESSEE is not then in default of any payment terms or other material terms and conditions of the Agreement, the LESSEE shall have the option to extend the Agreement for two additional five (5) year terms. LESSEE's written notice of exercise must be given a minimum of 90 days and no more than 365 days before the end of each term. Any option for extension of the Agreement shall be subject to material compliance with the performance standards noted below and accompanying continued required capital investment toward improvements and repair. Such performance standards include:

a. At the seven (7) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

b. At the fourteen (14) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron

pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a work scope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

c. At the nineteen (19) year anniversary of the Agreement, the LESSOR may (but shall not be obligated to) conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

d. At the four-year anniversary of any extension term of the Agreement, the LESSOR may conduct an inspection of the Premises to ascertain that facility and any improvements have been maintained in a condition and appearance to present clean, safe, and attractive facilities at the Airport. Items considered will include, but not limited to, siding and exterior finish, roofing, doors including hangar doors, structural framing, apron pavement, lighting, electrical, landscaping, drainage, signage, fencing, and parking areas including pavement and striping. Any repairs required shall be completed by the LESSEE not later than one year after LESSOR and LESSEE agree upon a workscope (or such additional time if such repairs cannot be reasonably completed within one year). Thereafter, if agreed-upon repairs are not corrected in all material respects, upon notice to LESSEE, LESSOR may undertake the repairs which will be billed to the LESSEE.

e. At the expiration of the initial 20 year term and any extension term, LESSEE may request a new lease on terms and conditions consistent with the Agreement and then – current rates and conditions.

ARTICLE 3 – RENT, FEES, AND TAXES

3.1 In consideration of the rights and privileges granted by the Agreement, LESSEE agrees to pay LESSOR the following rent and fees from the Commencement Date as noted in Article 2. All payments shall be due and payable without notice on or before the first day of each month.

3.2 Ground Rent. Rent for the use of real property on Airport property based on a total ground lease area of [___] square feet as shown on Exhibit "A" attached hereto; at an initial lease rate of $0.20 dollars per square foot per year, which when fully ascertainable will be converted to equal monthly payments per month, which also is subject to applicable sales tax (currently seven percent).

3.3 Overflow Parking. In the event that during special events that causes an overflow parking situation requiring use of the "abandoned runway" and if during such special event, LESSEE is collecting parking fees for such abandoned runway, then LESSOR shall be entitled to 50% of such parking fees relating thereto.

3.4 Fuel Flowage Fee. In consideration for the right to store fuel on the Premises and dispense fuel to the public at the Airport, LESSEE agrees to pay LESSOR an amount equal to $0.08 cents per gallon delivered. The applicable fuel flowage fee to be paid by LESSEE to LESSOR will be forwarded directly from the fuel supplier contracted by the LESSEE to the City Controller upon purchase of fuel by LESSEE. Fuel flowage fees commence with the initial fuel supply and continue with each succeeding delivery. The method of payment of fuel flowage fees may be amended by mutual consent as may be required to conform to policies of the fuel supplier contracted by LESSEE. If the LESSOR reasonably determines that, due to external circumstances, the cost of operating the Airport has increased, LESSOR may add a reasonable surcharge to the fuel flowage fee only after it has attempted to mitigate its costs of operation and the surcharge shall only cover LESSEE's equitable allocation of the incremental costs..

3.4 Annual Rent, Fees, and Charge Adjustment. All rents and fees included in this Article shall be reviewed each year by the LESSOR and rent and fees, plus all applicable taxes, shall be adjusted so as to maintain a fair rental rate based on change in the Consumer Price Index (CPI) – All Urban Consumers South Urban Region – All Items (base year 1982-84=100), as published by the United States Department of Labor – Bureau of Labor Statistics, an appraisal, market rent study, or other method designated by LESSOR. Such CPI change will be computed each year after the completion of the month of July and any change will be implemented and effective with the October rent payment of each year. The fuel flowage fee or automobile rental percentage fee is not subject to annual review.

3.6 Delinquency Charge. Any undisputed payments received after the fifteenth (15^{th}) day of the month are subject to a delinquency charge of half percent (½%) per month beginning with the sixteenth (16^{th}) day after LESSEE receives notice from LESSOR that payment is overdue.

3.7 Place of Payment. All payments due LESSOR from LESSEE shall be made payable to the City of Fernandina Beach and mailed to P. O. Box 1146, Fernandina Beach, Florida 32035 or delivered to 1180 South 5^{th} St. Extension, Fernandina Beach, Florida 32034 or paid by ACH or other electronic means.

3.8 Payments. After the Commencement Date, LESSEE shall pay all expenses and payments in connection with the use of the Premises and the rights and privileges herein granted, including all taxes, ad valorem taxes, permit fees, impact fees, license fees, and assessments lawfully levied or assessed upon the Premises or property situated hereon, as well as any and all utilities used or consumed by LESSEE on the Premises, including, but not limited to, water, gas, electricity, sewer, telephone, security systems, janitorial, and refuse services.

3.9 Agreement to Pay Taxes and Obligations. After the Commencement Date, LESSEE shall pay all lawful taxes and assessments, applicable fees, debts, and obligations of every

kind or nature which, during the term hereof, may become a lien upon or which may be levied by the state, county, city, or any other tax levying body, upon any taxable interest of the LESSEE acquired in the Agreement or any taxable possessory right which LESSEE may have in or to the Premises or facilities hereby leased or the improvements thereon, or on the LESSOR'S fee simple interest therein, by reason of its use or occupancy thereof, or otherwise, as well as all taxes or taxable property, real or personal, owned by LESSEE in and about said Premises, whether said taxes are assessed in the name of LESSEE or LESSOR. LESSOR shall permit LESSEE to challenge or protest any of the foregoing in either LESSEE's or LESSOR's name.

3.10 Runway Closure. LESSEE shall be entitled to deduct from any payment required by this Agreement a *pro rata* amount for each day that all three runways are closed by the City after a 48 hour grace period.

ARTICLE 4 – CONSTRUCTION AND USE OF PREMISES

4.1 LESSEE is hereby granted the nonexclusive privilege to engage in, and LESSEE agrees to engage in, the business of a fixed based operator and for the renting and leasing of automobiles in connection therewith on the Premises, and other aviation and aeronautical activities that may be requested in writing by LESSEE and as approved in writing by LESSOR. LESSEE hereby agrees to conduct its business and operation at and upon the Airport in strict compliance with the provisions contained in the herein FBO lease and in compliance with rules and regulations of the Federal Aviation Administration (FAA) as well as all other aeronautical agencies having appropriate jurisdiction and that it will transact its business in such a manner as will develop and maintain the good will and active interest of those enjoying the use of the Airport, and who have or may have occasion to use Airport facilities.

4.2 LESSEE also hereby agrees to conduct its business operation in compliance with the contents of the LESSOR's Minimum Standards for Commercial Aeronautical Activities, attached hereto as Exhibit "D", as currently approved or as may be amended from time to time.

4.3 After the Commencement Date, LESSEE in connection to its business operation as a FBO on the Premises agrees to provide, at its sole cost and expense, for buildings, fuel storage facility, hangars, ramp apron (except as further described herein), apron lighting, auto parking, and related infrastructure on the Premises as may be required by LESSOR or as proposed by LESSEE, built or provided for in accordance with plans and specifications contained in the Architecture and Building Design Standards for Development on the Airport as may be amended from time to time and as also approved by LESSOR; comply with height and obstruction requirements under Federal Aviation Regulations Part 77; and other approvals required for other aviation or aeronautical activities and services necessary or incidental thereto. Additionally, except to the extent otherwise provided in the Construction and Financing Agreements which shall describe the allocation of financial and construction responsibility:

a. Paved vehicle parking, as may be required by City code, shall be installed and maintained by the LESSEE to allow the loading, unloading, and parking of vehicles having business on the Premises.

b. All improvements, including the design thereof, on the Premises must be approved by the LESSOR prior to installation or construction (such approval not to be unreasonably withheld or delayed). The LESSEE is responsible for applying for and obtaining all necessary construction permits and licenses required by local, state, and federal laws and regulations and LESSOR shall reasonably cooperate with all LESSEE requests for assistance in this regard.

c. In the event the LESSEE shall lease the public aircraft parking apron, LESSEE shall be responsible for the costs and maintenance therefor, for the purpose of aircraft access to the LESSEE's fixed based operator facility or fuel facility. No structures or fixtures will be allowed on the public aircraft parking apron except for apron lighting. In the event LESSEE shall not have entered into a lease therefor, LESSEE shall have access thereto to the same extent as all other users of the Airport.

d. Suitable pavement markings and lighting shall be installed and maintained by the LESSEE to provide for the orderly and safe movement of aircraft and vehicles on the Premises. Any lighting on the Premises must be approved by the LESSOR prior to installation and not interfere with flight operations at the Airport (any such approval shall not be unreasonably withheld or delayed).

e. All improvements shall be constructed, graded, and drained so as to direct all storm water which may fall and/or flow on the Premises into an approved storm water drainage system. The LESSEE shall not knowingly or if reasonably should have known contribute to storm water contamination and will take such steps and measures as are necessary to comply with the Airport's Storm Water Pollution Prevention Plan (SWPPP)_and all applicable federal, state, and local regulations governing storm water discharge. LESSEE will not knowingly or if reasonably should have known permit any action on the Premises that would have an adverse effect, or interferes, with the proper function of any drainage system, sanitary sewer system, or any facility provided for the operation, or protection of Airport, or its surrounding areas, and will not pollute such in any way.

f. Any landscaping installed on the Premises is subject to the provisions contained within the City's Development Guidelines and Standards attached hereto as Exhibit "F", as currently approved or as may be amended from time to time. Approval of LESSEE's proposed improvements by the LESSOR shall not be unreasonably withheld or delayed and shall be maintained by the LESSEE.

g. The installation of a fuel storage facility for use by an FBO operation shall meet all applicable federal, state, and local government regulations regarding fuel facility installation and operation and will be included under the Airport's Spill Prevention, Control, and Countermeasures Plan (SPCC). Any fuel storage use must be in compliance with applicable Minimum Standards for Commercial Aeronautical Activities. LESSEE agrees that all regulated fuel storage tanks owned or operated by LESSEE and located on Premises shall be registered with the appropriate federal, state, and local authorities, shall be constructed of approved materials, and shall be made available for compliance inspection at all times during normal business hours. Further, LESSEE agrees to properly record, maintain, and reconcile all inventory records required by appropriate federal, state,

and local regulations and to make such records available for inspection at the Premises at all times during normal business hours.

ARTICLE 5 – LESSEE MAINTENANCE AND REPAIR OF PREMISES

5.1 After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, the LESSEE shall, at its sole cost and expense, maintain and keep the Premises and all structures upon the Premises as well as all improvements thereon including, but not limited to, lighting, electrical, landscaping, drainage, signage, auto parking areas, and aircraft parking ramp apron including all pavement (except public aircraft parking apron) and striping, in good condition and make all repairs, both interior and exterior, necessary to keep and maintain the Premises, including all improvements thereon in good condition so as to present an attractive appearance in conformity with other Airport facilities. The Premises and all buildings, improvements, and property thereon must be maintained in a safe, clean, and sanitary condition. The LESSOR shall require maintenance and needed repairs to be made by LESSEE in a timely manner.

5.2 Land. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the grounds, landscaping, any pavement (except public aircraft parking apron), walkways, and non-paved parking on the Premises at its expense. The entrance drive from Airport Road to the public aircraft parking apron is a LESSOR responsibility; however, LESSEE may improve it with LESSOR approval (any such approval shall not be unreasonably withheld or delayed). LESSEE obligation shall include maintaining irrigation system (if installed), mowing, and trimming and keeping the same in clean, neat, and orderly condition and in good repair at its sole cost and expense.

5.4 Fixed Based Operator Building and Other Structures. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining the FBO building, any not named structures on the Premises and their plumbing, electrical, heating, security system, ventilating and air conditioning equipment, and other equipment and keep such in clean, neat, orderly condition, and in good repair at its sole cost and expense.

5.5 Fuel Storage Facility. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any fuel storage facilities located on Premises in a clean, neat, and orderly condition, in good repair to meet National Fire Protection Association (NFPA) standards and government codes at its sole cost and expense including tanks, electrical service, electrical switches, all lighting, exterior painting, fencing, filters, fittings, gauges, hatches, hoses, lids, motors, plumbing, pumps, security, self-service equipment, signs (including required emergency designation signs), sumps, valves, and the like.

5.6 Hangar. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, LESSEE shall be responsible for maintaining any hangars on the Premises in a clean, neat, and orderly condition and in good repair, including hangar doors, associated ramp apron, electrical, plumbing, heating, and ventilating and air conditioning equipment, structural, and roof maintenance, at its expense.

5.7 Pavement. After the Commencement Date and except to the extent otherwise provided in the Construction and Financing Agreements, any pavement located on the Premises, except public aircraft parking apron and entrance road, to include ramp aprons, parking areas, driveways, and walkways are LESSEE responsibility to keep clean, orderly, neat, free of debris, in good repair, and for removing all oil and other spillage therefrom at its expense.

5.8 Gates. LESSOR shall repair or replace and maintain in good working order the automatic opening system and industrial sliding gate to the aircraft parking ramp apron currently known as Gate 1 for so long as this lease is in force. LESSEE will have responsibility for controlling access to the public aircraft parking apron and no users may go beyond the public aircraft parking apron. LESSEE shall exercise exclusive care, custody and control over said Gate 1, however, the LESSOR reserves the right to use this gate for Airport staff use, city use, and emergency vehicle entrance. All costs and expenses associated with providing additional gates (which are mechanically operated, or operated by personnel) for Airport fences (including purchasing, installation, operation, maintenance, and staffing thereof); which are required to accommodate the needs of the LESSEE in the conduct of its business on Airport, including providing ingress and egress to and from the Premises; for LESSEE's employees, equipment, customers, suppliers, and invitees; will be paid by LESSOR and LESSEE equally (50/50). If personnel, or mechanical opening and closing devices, are required for such now existing, or replacement Airport gates, such will be provided at the cost and expense of LESSOR.

ARTICLE 6 – LESSEE RIGHTS AND OBLIGATIONS

6.1 Use of Airport. The reasonable use by LESSEE, its employees, passengers, guests, patrons, and invitees, in common with other duly authorized users of Airport and the appurtenant together with all other facilities and improvements which have been or may hereafter be provided for common or public use in connection with Airport. LESSOR will make every effort to minimize the disruption of normal airport usage during periods of repair or further airport development.

6.2 Fixed Based Operator. The following are LESSEE obligations regarding the operation of a FBO on Airport after the Commencement Date:

a. LESSEE shall not at any time use the Premises or any part thereof for any purposes other than the fixed based operation provided for and described herein, and such related activities as are herein expressly authorized, without advance written consent of LESSOR.

b. LESSEE shall provide all services as required of a FBO as set forth in the City's current Minimum Standards for Commercial Aeronautical Activities ~~and~~ as may be amended.

c. LESSEE shall furnish said goods and services on a fair, equal, and not unjustly discriminatory basis for all users thereof, and shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided that the LESSEE may be allowed to

make reasonable and non-discriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

6.2.1 The LESSOR has entered into this Agreement with the understanding that the Services to be provided under this Agreement are subject to the personal supervision and management of persons who are experienced in the business of Fixed Base Operations and duly qualified under applicable governmental regulations. Therefore, LESSOR's has the right to consult with LESSEE in the event of any changes in control or management of the LESSEE to ensure that the public interest in availability of the Services is met. Accordingly, the LESSOR and LESSEE agree to the following limitations.

6.2.2 Assignment and Sublease. LESSEE shall not, at any time, assign, transfer, convey, mortgage, pledge, or encumber its interest under this Agreement, or any part of the leased space, to any party without prior written approval of LESSOR, such approval shall not be unreasonably withheld. Refusal by the LESSOR to approve assignment shall be based **solely** upon reasonable and verifiable concerns regarding the assignee's ability, based on experience and financial strength, to operate the FBO professionally. In no case will assignment be conditioned upon a renegotiation of the terms of the Agreement and any assignment shall allow the assignee to continue to operate under the terms and conditions described herein for the remainder of the term of the Agreement. Any attempted voluntary assignment, transfer, or subletting in violation of the provisions hereof shall be null and void and a default of this Agreement. No assignment, transfer, conveyance, or sublease by Operator shall relieve LESSEE of its primary responsibility for payment of rent and performance of all other obligations provided in this Agreement, without specific written consent by LESSOR to such relief. Any transfer of control of LESSEE or of LESSEE's operations, whether by merger or consolidation, or transfer of shares or membership interests shall constitute an assignment under this Section. The foregoing prohibition on assignment shall not be construed to limit LESSEE's rights to grant a Leasehold Mortgage as permitted in Section 6.8 herein.

6.3 Access. LESSEE, its employees, patrons, invitees, suppliers, agents, and contractors shall have at all times the right of ingress to and egress from the rented and managed Premises but this right does not relieve those named persons, firms, or corporations from the obligation to observe and obey all rules, regulations, or laws that may then currently be in effect in the operation of the Airport. To ensure this right the LESSOR shall make all reasonable efforts to keep adjacent areas to the rented Premises free and clear of all hazards and obstructions, natural and manmade.

6.4 Signs. During the term of the Agreement, LESSEE shall have the right, at its expense, to place on or at the Premises, a sign or signs identifying LESSEE. LESSEE shall be responsible for all permits for its own signage. Notwithstanding any other provision of the Agreement, said sign(s) shall remain the property of LESSEE. LESSEE shall remove, at its expense, all lettering, signs, and placards so erected on the Premises at the expiration of the term of the Agreement.

6.5 UNICOM. Notwithstanding that LESSOR owns the license for the aviation frequency associated with the "UNICOM", the LESSOR grants the LESSEE the non-exclusive right to use the UNICOM frequency to communicate with aircraft using the Airport. The acquisition,

cost, installation, and maintenance of communication equipment for radio communication with aircraft in flight or on the ground, or such substitute apparatus, for air safety as may be designated by the City or the FAA shall be for ~~the~~ responsibility of the LESSEE.

6.6 Aircraft Owner' Rights and Privileges. It is clearly understood by the LESSEE that no right or privilege has been granted which would prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own or leased aircraft with its own regular employees (including, but not limited to, maintenance and repair) that it may choose to perform

6.7 Leasehold Improvements. The following pertains to leasehold improvements, which are governed by the Airport Development Guidelines and Standards, made by LESSEE on the Premises after the Commencement Date (prior to the Commencement Date, the following shall be subject to the Construction and Financing Agreements) and:

a. LESSEE agrees to submit to LESSOR, for approval, detailed plans and specifications for any structural change, alteration, addition, improvement, or removal from or to the Premises. LESSOR shall approve the plans and specifications as submitted, or transmit proposed revisions to LESSEE within thirty (30) days of receipt of the plans and specifications from LESSEE. In the event that LESSOR requires revisions of the original plans and specifications, LESSEE shall have thirty (30) calendar days from the date of receipt of the proposed revisions to resubmit the plans and specifications for LESSOR's approval. This initial review shall not constitute review for the purposes of obtaining City permits. LESSEE shall be required to obtain all permits from governmental agencies as may be required, including the City, and shall be solely responsible for all costs relating to permitting the proposed improvements.

b. Any such improvements made by LESSEE shall remain the property of the LESSEE until the expiration of the Agreement and any extensions or renewals thereof, and which shall remain on the Premises until the expiration or termination of the Agreement, at which time such improvements shall become the property of LESSOR. LESSEE shall at all times maintain all improvements constructed on the property in good condition. Upon expiration or termination of the Agreement, the LESSEE shall execute any and all documentation necessary to transfer clear title to the leasehold improvements, free of any lien or encumbrance, to LESSOR.

c. LESSEE shall not permit any mechanic's or other liens to be placed upon the Premises, at any time, except that LESSEE shall be permitted to mortgage its leasehold improvements to be constructed on the Premises by LESSEE in accordance with the provisions of Section 6.8 herein. LESSOR shall cooperate and provide customary assurances but shall not be required to subordinate its interest to such Leasehold Mortgage. All documentation regarding any leasehold mortgage must be reviewed and approved by the LESSOR prior to finalization of documents, to assure that no interest of the LESSOR is included in the documentation. Such review will be conducted promptly by LESSOR at its own expense.

d. LESSEE shall provide payment and performance bonds in amounts and form reasonably satisfactory to LESSOR, prior to commencement of construction.

e. Within sixty (60) days of completion of construction, erection, or any alteration of any improvements by the LESSEE, the LESSEE shall provide to the LESSOR a complete set without charge of "as-built" plans and drawings.

6.8 LESSEE may at any time and from time to time (and as many times as it desires) mortgage, hypothecate or pledge this Agreement and the leasehold estate created hereby and the interest of the LESSEE in and to this Agreement, together with LESSEE's right, title and interest in the improvements to the Premises and LESSEE's interest in any and all subleases and in and to all rents due or to become due thereunder (herein called a "Leasehold Mortgage"; and the holder of any such Leasehold Mortgage, whether or not the same is recorded of record, is herein called a "Leasehold Mortgagee").

LESSOR and LESSEE agree that so long as any such Leasehold Mortgage exists:

A. LESSOR will simultaneously mail to any Leasehold Mortgagee a copy of any notice given by LESSOR to LESSEE at the address given by such Leasehold Mortgagee to LESSOR for the receipt of such notice.

B. LESSOR and LESSEE acknowledge that the defaults or other events described in Section 10.1 herein may be classified as (i) "Curable Defaults" and (ii) "Non-Curable Defaults". The Non-Curable Defaults are any defaults which are by their nature not susceptible of being cured by a third person such as the Leasehold Mortgagee; and the Curable Defaults are all other defaults.

C. If a Curable Default occurs and if, prior to the expiration of the applicable grace period provided for in Section 10.1, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to undertake a curing of all Curable Defaults and within such grace period the Leasehold Mortgagee commences upon a curing and thereafter pursues to conclusion the curing of all Curable Defaults continuously and diligently in good faith, then LESSOR will not take action to effect a termination of this Ground Lease or to re-enter or take possession of the Ground Leased Premises as a consequence of such Curable Default. However, if (i) a Curable Default is of such a nature that the curing thereof cannot be effected by the Leasehold Mortgagee until it shall have obtained possession of the Premises and (ii) prior to the effective date of a termination of this Agreement by LESSOR or LESSOR's re-entering or taking possession of the Premises, the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises and within such grace period takes action to institute such remedies, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Curable Default so long as such Leasehold Mortgagee shall continue to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all other Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure

such Curable Defaults within the period reasonably required to cure the same.

D. If a Non-Curable Default occurs and (i) the Leasehold Mortgagee shall then be in the process of curing all then existing Curable Defaults pursuant to the provisions of subsection (C) above and (ii) the Leasehold Mortgagee shall give to LESSOR written notice that it intends to institute foreclosure or other legal proceedings or to exercise any of its remedies under the Leasehold Mortgage concerned in order to gain possession of the Premises, then LESSOR will not take any action to effect a termination of this Agreement or to re-enter or take possession of the Premises as a consequence of such Non-Curable Default so long as such Leasehold Mortgagee shall continue diligently to prosecute its remedies under the Leasehold Mortgage (except during any such time it may be stayed or otherwise legally prevented from doing so) and cure all Curable Defaults (if any) which may occur from time to time and which are susceptible of being cured by the Leasehold Mortgagee without its obtaining possession of the Premises and such Leasehold Mortgagee shall upon taking possession of the Premises cure such Curable Defaults within the period reasonably required to cure the same.

E. In the event a Leasehold Mortgagee or its designee designated for that purpose acquires the improvements and the leasehold estate pursuant to any proceedings for foreclosure of such Leasehold Mortgage, or by a voluntary assignment or transfer of this Agreement and the leasehold estate and the improvements in lieu of foreclosure or otherwise, the Leasehold Mortgagee or its designee or assignee as aforesaid shall be deemed an assignee of all the rights of LESSEE under this Agreement.

F. If this Agreement shall be rejected or disaffirmed pursuant to any bankruptcy law or other law affecting creditors' rights or if this Agreement is terminated for any other reason whatsoever, LESSOR will enter into a new lease of the Premises with the Leasehold Mortgagee or its designee not less than ten (10) nor more than thirty (30) days after the request of the Leasehold Mortgagee referred to below, for the remainder of the term of this Agreement effective as of the date of such rejection or disaffirmance or termination, upon all the terms and provisions contained in this Agreement; provided that (i) the Leasehold Mortgagee makes a written request to LESSOR for such new lease within ninety (90) days after the effective date of such rejection or disaffirmance or termination, as the case may be, and such written request is accompanied by a copy of such new lease, duly executed and acknowledged by the Leasehold Mortgagee or its designee and (ii) upon taking possession of the Premises the Leasehold Mortgagee cures any outstanding Curable Defaults within the period reasonably required to cure the same. Any new lease made pursuant to this paragraph shall have the same priority with respect to other interests in the Premises as this Agreement. The provisions of this paragraph shall survive the rejection or disaffirmance or termination of this Agreement and shall continue in full force and effect thereafter to the same extent as if this paragraph were a separate and independent contract made by LESSOR and the Leasehold Mortgagee.

G. So long as a Leasehold Mortgage is in effect (i) LESSOR will not accept a voluntary surrender of this Agreement, (ii) this Agreement shall not be modified in any material respect, and (iii) LESSOR and LESSEE shall not allow the fee interest in the Premises to merge with the leasehold estate created by this Agreement, without, in each case, the prior written consent of the Leasehold Mortgagee. Any violation of this paragraph shall be void.

The provisions of this Section 6.8 are for the benefit of any Leasehold Mortgagee and may be relied upon and shall be enforceable by any Leasehold Mortgagee. No Leasehold Mortgagee shall be liable upon the covenants, agreements or obligations of LESSEE contained in this Agreement, except as expressly provided herein.

LESSOR shall execute any instruments any such Leasehold Mortgagee may reasonably request or require from LESSOR, with respect to the provisions of this Section 6.8 excluding a subordination agreement or joinder of the Leasehold Mortgage.

6.9 Equipment and Trade Fixtures. LESSEE will retain title to all of its trade fixtures and equipment and any improvements and property installed by LESSEE during the term of the Agreement. Upon termination of the Agreement or upon removal of trade fixtures and equipment, the LESSEE shall restore the Premises to good condition at its sole cost and expense. Any LESSEE improvements or property installed not removed becomes the property of LESSOR.

6.10 Further Capital Improvement. LESSEE is granted right to make further capital improvement on the Premises within the scope of the Agreement at its sole cost and expense. In the event that any capital improvement, permanent improvement, fixture, new construction, or the like is proposed or made by LESSEE that requires a new paved surface for aircraft or automobile ingress or egress, including any associated new taxiway, taxi lane, or aircraft parking apron, or automobile parking lot, then LESSEE shall, at its sole cost and expense, install and maintain any such new private use paved surfaces during the term of the Agreement including providing for drainage requirements.

6.11 Airport Protection by LESSEE. LESSEE expressly agrees for itself, its successors, and assigns, to restrict the height of structures, objects of natural growth, and other obstructions on the Rented Premises to such a height so as to comply with City Building Code and Federal Aviation Regulations Part 77 and to prevent any use of the Premises which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an airport hazard.

6.12 Fueling on Airport. LESSEE is granted the non-exclusive right ~~and obligation~~ to fuel aircraft from refueling vehicles and provide ancillary services at tenant hangars and approved locations by LESSOR located outside of the Premises and upon the Premises of others with their permission and upon their request.

6.13 Fire Extinguishers. LESSEE shall provide sufficient number of fire extinguishers as may be required under fire codes for the safe protection of aircraft, persons, and property on the Premises. Such fire extinguishers shall be properly inspected and certified annually.

6.14 Compliance with Applicable Laws, Rules, and Regulations. Notwithstanding other requirements contained herein, the LESSEE at its sole cost and expense, hereby agrees to and shall comply with all applicable laws, ordinances, rules, and regulations established by federal, state, local government agency, and by the City, as they may be amended from time to time, and conduct its operations and commercial business in accordance with all applicable regulations pertaining to airports, including Airport Rules and Regulations, attached hereto as Exhibit "E", promulgated by the LESSOR governing safe and efficient operation of Fernandina Beach Municipal Airport. The LESSOR may, from time to time, modify and/or update the Rules and Regulations. LESSOR will provide LESSEE with a copy of the updated Rules and Regulations, and once updated or revised, those Rules and Regulations shall become a part of the Agreement. The LESSOR and LESSEE agree that material violations of any of the conditions of the Agreement or any violations of the Airport's Rules and Regulations shall be sufficient cause for termination of the Agreement and eviction of LESSEE from said Premises, in accordance with Article 10 herein.

6.15 Airport Security. LESSEE has obligation to operate upon its Premises to not undermine the security of the Airport. LESSOR shall install and maintain adequate fences and gates to control unauthorized access on to the Airport. LESSEE shall provide to the Airport Manager a security plan at least once annually.

6.16 Compliance with Environmental Law, Rules, and Regulations. LESSEE expressly represents, covenants, warrants, guarantees, and agrees that it shall comply in all material respects with all federal, state, and local laws, ordinances, rules, and regulations protecting the environment. Any cost or expense to remain or to be compliant with applicable environmental rules and regulations shall be the responsibility of the LESSEE unless attributable to the grossly negligent acts or omissions of LESSOR. LESSEE agrees to keep themselves informed of future changes in the existing environmental laws.

6.17 Hazardous Materials and Toxic Waste. LESSEE shall not knowingly or if reasonably should have known cause or permit to occur:

a. Any violation of any federal, state, or local law, ordinance, or regulation now or later enacted, related to environmental conditions on, under, or about the Premises, or arising from LESSEE'S use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or

b. The use, generation, release, manufacture, refining, production, processing, or disposal of any hazardous substance on, under, over, or about the Premises.

c. LESSEE shall, at its sole and exclusive expense, comply with all laws and regulations regulating the storage or transportation of hazardous substances relating to the Premises, and shall further make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities under applicable federal, state, and local laws and regulations; and the LESSOR is to be immediately notified by LESSEE of any claim or allegation of non-compliance herewith.

d. If any authority demands that a clean-up plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of hazardous substances that occurs during the term hereof, or any renewals hereof, at, or from the

Premises, or which arises from LESSEE's use or occupancy of the Premises, then LESSEE shall, at LESSEE's expense, prepare and submit the required plans and all related bonds and other required financial assurances; and LESSEE shall carry out all work required by such clean-up plans at its sole and exclusive expense.

6.18 LESSOR's and LESSEE's Certificates. LESSOR and LESSEE, on written request from each other, shall execute and deliver to the other party or any Leasehold Mortgagee or prospective purchaser, if so requested, without charge, a certificate certifying that this Agreement is in full force and effect, and whether it has been modified (and if there have been modifications, stating them), and whether or not the party executing the certificate knows of any default, breach or violation by the other party under any of the terms of this Agreement, and such other matters as may reasonably be requested.

ARTICLE 7 – LESSOR TO MAINTAIN AND OPERATE AIRPORT

7.1 Operation as a Public Airport. LESSOR covenants and agrees that at all times it will operate and maintain the Airport as a public airport consistent with and pursuant to the Sponsor's Assurances given by City to the U.S. Government under the Federal Airport Act.

7.2 Maintenance of Airport Facilities. LESSOR shall operate, maintain, manage, and control Airport in an efficient, economical, and businesslike manner. Such operation, maintenance, management, and control shall substantially comply with all pertinent requirements of the Federal Aviation Administration, or its successor in duties related thereto, and shall include the adequate and proper operation and maintenance of the public land, runways, taxiways, navigation aids, non-leasehold aircraft parking ramp aprons, non-leasehold lighting, non-leasehold roads, non-leasehold vehicle parking areas, and all other public facilities and appurtenances within the boundaries of Airport. LESSOR shall maintain all public and common joint use areas of the Airport, including the Air Operations Area, in good repair, and shall make such repairs, replacements, or additions thereto, as in its opinion, are required and necessary for the safe and efficient operation of the Airport.

7.3 Further Airport Development. LESSOR reserves the right to further develop or improve the remaining area of the Airport as it sees fit.

7.4 Aerial Approaches. LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction and interference, together with the right to prevent LESSEE from erecting, or permitting to be erected, any building or other structure, natural or manmade, on or adjacent to the Airport, which in the opinion of the LESSOR, would limit the usefulness of Airport or constitute a hazard to aircraft.

7.5 Inspection. The LESSOR shall have the right to enter upon the Premises at any time, however, normally during regular business hours and with prior notice to inspect the Premises for compliance with the terms and conditions of the Agreement and federal, state, and local laws and regulations. In case of emergencies, the LESSOR shall have the right to immediately enter the Premises.

7.6 Protection Clause. The LESSOR reserves unto itself, its successors, and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the

airspace above the surface of the real property herein described, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from, or operating on the Airport.

ARTICLE 8 – INSURANCE AND INDEMNIFICATION

8.1 Insurance. LESSEE shall obtain and maintain continuously in effect at all times during the term of the Agreement, at LESSEE's sole expense, all insurance coverage as required under the, City's General Provisions for a fixed based operator as well as each additional activity or service provided as may be amended and shall include the following:

a. Comprehensive General Liability insurance with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

b. Property damage insurance covering direct physical loss due to perils of fire, windstorm, and extended perils for full replacement value for all facilities leased by the LESSEE.

c. Airport Liability insurance with a Combined Single Limit (CSL) of not less than Three Million ($3,000,000) Dollars per occurrence including Premises , protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

d. Aircraft Liability insurance, as may be applicable, with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence including a minimum sublimit of One Hundred Thousand ($100,000) per passenger, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

e. Hangar Keepers Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

f. Commercial Business Auto Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors.

g. Pollution Liability insurance with a with a Combined Single Limit (CSL) of not less than One Million ($1,000,000) Dollars per occurrence, protecting LESSOR against any and all liability by reason of LESSEE's conduct incident to the use of the Premises or resulting from any accident occurring on or about the roads, driveways, or other public places, including the runways and taxiways, used by LESSEE at Airport, caused by or arising out of any negligent or wrongful act or omission of LESSEE, its agents, employees, contractors, or subcontractors. Such coverage shall survive the expiration of the Agreement. This coverage shall not apply to conditions which pre-exist the date of the Agreement.

h. Workers Compensation insurance with a minimum of the Statutory Limits required by the State of Florida and Employers Liability insurance with a minimum of One Hundred Thousand ($100,000) per accident, One Hundred Thousand ($100,000) per disease each employee and Five Hundred Thousand ($500,000) disease per policy.

i. All insurance requirements specified herein above shall name LESSOR as an additional insured with instructions that the insurance carrier will notify LESSOR if the LESSEE defaults on premium payments, and shall require that the insurance carrier notify LESSOR thirty (30) days prior to any event leading to the material modification or cancellation of the policy. The additional insured status of the City must be primary and non-contributory. Waiver of Subrogation in favor of the LESSOR is to be included.

j. All insurance required to be carried by LESSEE hereunder shall be issued by responsible insurance companies qualified to do business in the State of Florida. LESSEE shall furnish copies of all insurance policies or certificates evidencing the existence and amounts of such insurance shall be delivered to LESSOR by LESSEE as required under the Agreement and under the Airport Minimum Standards for Commercial Aeronautical Activities for all activities provided by LESSEE. Such certificates are attached hereto as Exhibit "C", Liability Insurance Certificates. Copies of said certificates of insurance shall be provided to LESSOR with each annual renewal and at least ten (10) days prior to the expiration thereof for each activity offered by LESSEE.

k. It is the responsibility of LESSEE to keep required insurance in effect and provide such evidence to the City. Failure to provide proof of insurance at any time, to the satisfaction of the City, shall be grounds for termination of the Agreement.

l. LESSEE will require and receive certificate of insurance from any and all subcontractors, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, and as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its subcontractor coverage.

m. LESSEE will require and receive certificate of insurance from any and all subleases, the amounts of which shall not be less than the minimum stated in the Minimum Standards as outlined in Exhibit "D" for the services being provided by the subcontractor, as may be amended. LESSEE will provide LESSOR with certificates, endorsements, and declaration pages of all its sublease coverage.

n. LESSEE shall provide LESSOR evidence of appropriate insurance on any non-aeronautical activity, such as rental cars, that also provide rent to LESSOR.

o. The LESSOR may, upon giving the LESSEE ninety (90) days written notice, require the LESSEE to attempt to procure increased or expanded insurance coverage to the extent an independent insurance broker determines that it is necessary for adequate protection of the LESSOR or public and is readily available on commercially reasonable terms; provided however, the required increased or expanded coverage shall not exceed industry standards or the coverage generally required by the LESSOR from other similar leases.

8.2 Indemnification. LESSEE for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSEE, its officers, employees, agents, and representatives. LESSEE'S liability hereunder shall include all attorney's fees and costs incurred by the LESSOR in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement. Nothing contained in the foregoing indemnification shall be construed to be a waiver of any immunity or limitation of liability the LESSOR may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes. To the extent permitted by Florida law, the LESSOR for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to indemnify, hold harmless, and defend the LESSEE, its directors, members, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, arising directly or indirectly out of or in connection with any negligent and/or deliberate act or omission of LESSOR, its officers, employees, agents, and representatives prior to the Commencement Date. LESSOR'S liability hereunder shall include all attorney's fees and costs incurred by the LESSEE in the enforcement of this indemnification provision. The obligations contained in this provision shall survive termination of the Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under the Agreement.

8.3 Indemnification for Toxic Wastes. LESSEE, for itself and on behalf of its officers, agents, employees, assigns, and contractors, does agree to assume liability for and indemnify, hold harmless, and defend the LESSOR, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against loss, damage, cost, or assessment

which may result from or in any manner be related to the deposit, spill, discharge, or other release, and or the presence, use, distribution, or disposition of any toxic substance, chemical, metal, petroleum product, or hazardous or toxic waste, or any other substance or derivative. This provision shall survive the expiration of the Agreement. This shall not apply to conditions which pre-exist the date of the Agreement or to conditions that were not created by LESSEE and LESSOR shall indemnify and hold LESSEE harmless from any claims relating ~~thereto.~~ to pre-existing conditions.

ARTICLE 9 – PUBLIC USE, FEDERAL GRANTS, AND NON-DISCRIMINATION

9.1 Appurtenant Privileges. LESSEE shall be entitled, in common with others so authorized, to the nonexclusive use of all facilities and improvements of a public nature which now are or may hereafter be connected with or appurtenant to the Airport, including but not limited to, the use of rights-of-way, common area utilities, landing areas, runways, taxiways, navigational aids, terminal facilities, and aircraft parking areas designated by LESSOR.

9.2 Nonexclusive Right. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right. It is not the intention of the Agreement to grant to LESSEE the exclusive right to provide any or all of the services described in the Agreement at any time during the term of the Agreement. LESSOR reserves the rights, at its sole discretion, to grant others certain rights and privileges upon the Airport which are identical in part or in whole to those granted to LESSEE. However, LESSOR does covenant and agree that:

a. It shall enforce the City's Minimum Standards for Commercial Aeronautical Activities and General Provisions as currently approved or as amended for all similar services and activities conducted at the Airport; and

b. It will not permit the conduct of any aeronautical endeavor or activity at the Airport, except under an approved lease, sub-lease, or operating agreement, or as general aviation by the general public; and

c. It is bound by all current and future interpretations and decisions by the FAA and National Transportation Safety Board ("NTSB") regarding grant assurances.

9.3 Non-Discrimination. Notwithstanding any other inconsistent provision of the Agreement, during the performance of the Agreement, LESSEE, for itself, its heirs, personal representatives, successors in interest, and assigns, as part of the consideration for the Agreement, does hereby covenant and agree, as a covenant running with the land, that:

a. No person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participating in, denied the benefits of, or otherwise be subjected to discrimination, in the use of the Premises;

b. In the furnishing of services on, over, or under the Premises, no person on the grounds of race, color, religion, gender, handicap, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination;

c. LESSEE shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, and as said regulations may be amended.

ARTICLE 10 - TERMINATION

10.1 Termination. The Agreement shall be subject to termination by either party in the event of any one or more of the following:

a. The abandonment of the Airport as an airport or airfield;

b. Any default in the payment of the whole or any part of any rent or other payments such as properly imposed taxes, assessment, applicable fees and charges, or other governmental imposition required for a period of thirty (30) days after the time LESSOR provides LESSEE notice that such payments are due but only to the extent LESSEE has not disputed the payment in good faith;

c. The default by either party in the performance of any of the terms, covenants, and conditions of the Agreement (except rental payments), and the failure of such defaulting party to remedy or to undertake to remedy to the other party's satisfaction such default for a period of thirty (30) days after receipt of written notice from the non-defaulting party to the defaulting party to remedy same. This includes the failure of the LESSEE to complete proposed improvements within the time frames as set forth herein; provided that in the event performance cannot be reasonably cured within 30 days, no default shall exist if such party is diligently seeking to remedy such performance shortfall;

d. Abandonment of the Premises by the LESSEE or, LESSEE's failure or neglect to conduct or carry on the aforesaid fixed based operation upon the Premises for a space of thirty (30) days;

e. The lawful assumption by the United States, or any authorized agency thereof, of the operation, control, or use of the Airport, or any substantial part thereof, in such a manner as to restrict substantially LESSEE from conducting its business operation for a period in excess of 365 days;

f. LESSOR shall be entitled to terminate the Agreement upon the filing of a voluntary petition in bankruptcy by LESSEE, including a reorganization plan, a general or other assignment for the benefit of creditors, adjudication as a bankrupt, any levy against the leasehold interest of the LESSEE, or if a receiver is appointed for the property or affairs of LESSEE and such receivership is not vacated within sixty (60) days after the appointment of such receiver;

g. LESSEE shall have the right at any time to terminate the Agreement and its obligations hereunder, by providing sixty (60) days written notice to LESSOR and by conveying to LESSOR the title to the improvements constructed on the Premises, free and

clear of any lien or encumbrance, provided that LESSEE has properly maintained said property and it is in as good condition as when originally constructed, ordinary wear and tear excepted, and provided, further, that the obligations regarding accumulated rent and indemnification shall specifically survive.

10.2 Re-Entry. It is further understood and agreed between the parties hereto that in the event of any breach of any covenant or agreement on the part of the LESSEE to be performed and provided, that if such breach is not remedied by the LESSEE after reasonable notice in writing to it by the LESSOR, the LESSOR may re-enter and terminate this tenancy by giving the LESSEE sixty (60) days written notice, to quit the Premises. LESSOR shall at all times be entitled to recover by all lawful means any and all damages,

10.3 Obligation Upon Termination. Upon termination of the Agreement or occurrence of a termination event, all obligations of either party hereunder to the other shall cease and terminate, except as specifically provided herein, and the LESSEE agrees it shall immediately quit, surrender, and return peaceable and quiet possession of the Premises, including all improvements, to the LESSOR in as good order and condition as existed at the time of the initial occupancy and only reasonable wear and tear being accepted. LESSEE shall have the right at any time during said term, or any renewal, or extension thereof; to remove its trade fixtures and equipment situated on the Premises which were installed, or placed by it, at its expense, in, on, or about the Premises, subject, to any valid lien which LESSOR may have thereon for unpaid rents, fees, taxes, or charges. All moveable personal property shall be removed by the LESSEE on or before the expiration of the Agreement term and all property not so removed shall be deemed abandoned by the LESSEE.

10.4 Continuing Obligation. LESSEE'S obligations under Article 6.14 and Articles 8.2 and 8.3 of the Agreement shall survive the expiration or termination of the Agreement or any renewal thereof.

ARTICLE 11 – NOTICE

11.1 Any notice given by one party to the other in connection with the Agreement shall be in writing and shall be sent by certified mail, return receipt requested, postage prepaid, addresses as follows:

If to LESSOR, address to:

City Manager
City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034

With a copy to Airport Manager, address to:

Airport Manager
Fernandina Beach Municipal Airport
700 Airport Road
Fernandina Beach, FL 32034

If to LESSEE, address to:

Brian Echard
8 Flags Aviation, LLC
306 1/2 Centre St
Fernandina Beach, Florida 32034

With a copy to

Attention: Jim Porter
Smith, Gambrell & Russell, LLP
Bank of America Tower
50 North Laura Street, Suite 2600
Jacksonville, Florida 32202

11.2 Notices will be deemed to have been received on the date of receipt as shown on the return receipt.

11.3 It shall be the LESSEE's responsibility to keep the address contained in the Agreement up to date and accurate.

ARTICLE 12 –EXPENSES FOR PUBLIC SERVICES

LESSEE recognizes that the Airport is not certificated by the Federal Aviation Administration pursuant to the requirements of Federal Air Regulations, 14 C.F.R. Part 139, and LESSEE will not conduct any operation on the Airport that will require Airport to be so certificated, without prior written approval of LESSOR. Certification of the Airport will require additional law enforcement and emergency services personnel and equipment to be present at the Airport at substantial expense. Fees associated with these expenses will be set in advance LESSEE will be responsible for any costs of activities authorized, contracted, or permitted by LESSEE for public services that would be required by FAA or other agencies.

ARTICLE 13 – MISCELLANEOUS PROVISIONS

13.1 [intentionally omitted]

13.2 Independent Contractor. In conducting its business hereunder, LESSEE acts as an independent contractor and not as an agent of LESSOR. The selection, retention, assignment, direction, and payment of LESSEE'S employees shall be the sole responsibility of LESSEE, and LESSOR shall not attempt to exercise any control over the daily performance of duties of LESSEE'S employees.

13.3 Subordination. The Agreement shall be subordinate to the provisions of any existing or future agreement between LESSOR and the United States, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for the development of the Airport.

13.4 Entire Agreement. The Agreement, RFP 2015-101.2 and LESSEE's proposal in response to RFP 2015-101.2 together constitute the entire agreement and understanding between the parties, and as of its effective date supersedes all prior or independent

contracts or agreements between the parties covering the subject matter hereof. Any change or modification hereof must be in writing signed by both parties.

13.5 Headings. Article titles and paragraph titles of the Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, augment, or describe the scope, content, or intent of any provision of the Agreement.

13.6 Severability. If any substantive provision hereof shall be finally declared void or illegal by any court or administrative agency having jurisdiction and such declaration results in a substantial failure of consideration for either party, the entire Agreement shall be subject to termination by such party. Otherwise, such declaration shall not be cause for termination of the Agreement, but only such void or illegal provision shall be canceled or deemed to be of no effect.

13.7 National Emergency. During the time of war or national emergency, the LESSOR shall have the right to lease the landing area or all or any part of the Premises upon demand to the United States Government, and if any such agreement is executed, the provisions of the Agreement with the LESSEE herein, and all obligations of LESSEE to make the payments as required herein, shall be suspended for the length of time that the United States Government requires the use of the said landing area and/or Premises. This period of time during which the Agreement is so suspended will not count against the time provisions of the then existing Agreement.

13.8 Force Majeure. Neither LESSOR, nor LESSEE, shall be deemed to be in violation to the Agreement if either is prevented from performing any of its obligations hereunder by reasons of strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellions, acts of sabotage, or any other circumstances for which it is not responsible, or which are not under its control, provided; however, that this section does not apply to failure by LESSEE to pay the rentals, fees, taxes, and charges set forth herein. In any such case a prompt written notice shall be given to the other party of the existence of such causes and of readiness to resume performance upon the removal, or non-existence thereof.

13.9 Governing Law, Venue and Attorney's Fees. The Agreement shall be construed in accordance with the laws of the State of Florida. Venue for any state law action brought hereunder shall be Nassau County, Florida. Should jurisdiction in state court not be available, then venue for any federal action brought hereunder shall be the U.S. District Court, Middle District of Florida, Jacksonville Division. In the event of any litigation between the parties regarding the breach and/or enforcement of the Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and costs, including at the appellate court level, from the non-prevailing party as determined by a court of competent jurisdiction.

13.10 Non-Waiver. The failure of the LESSOR to insist upon strict performance of any of the terms, conditions, or covenants herein set forth shall not be deemed a waiver of any rights or remedies that it may have and shall not be deemed a waiver of any breach or default by the LESSEE of the terms, conditions, or covenants contained herein.

13.11 Radon Gas Notice. Pursuant to Florida Statutes Section 404.056(8), LESSOR hereby makes, and LESSEE hereby acknowledges, the following notification:

a. Radon Gas: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

b. LESSOR makes no representation or warranty with respect to the presence or absence of radon on the Premises, and LESSEE shall undertake such inspection or testing as it deems necessary or convenient to assure itself as to the presence or absence of radon.

13.12 Additional Terms. The Lease is being executed in advance of the commencement of operation and prior to construction on the Premises. Accordingly, LESSOR and LESSEE each agrees that it will cooperate and act reasonably with the other in resolving issues consistent with the intent of the Agreement and to ensure timely construction and performance and a professional work product.

Attachments:

Exhibit "1" Fernandina Beach Municipal Airport – FBO Lease Agreement

Exhibit "A" Professional Survey of Lease Area — Legal Description of LESSEE'S Property and Survey

Exhibit "B" Overview of Capital Improvements to be provided at sole expense and cost of LESSEE

Exhibit "C" Liability Insurance Certificate(s) as required under this lease and/or applicable Minimum Standards for Commercial Aeronautical Activities (Note: This certificate shall show that the City has been named as an additional insured on all policies.) Appropriate certificate(s) shall be presented upon completion of each facility and before occupancy.

Exhibit "D" - Minimum Standards for Commercial Aeronautical Activities

Exhibit "E" - Rules and Regulations for Fernandina Beach Municipal Airport

Exhibit "F" – Development Standards and Guidelines for Fernandina Beach Municipal Airport

Exhibit "G" – General Provisions for Fernandina Beach Municipal Airport

Exhibit "H" – Definitions for Use at Fernandina Beach Municipal Airport

MANZIE & DRAKE LAND SURVEYING

LEGAL DESCRIPTION
FBO LEASE AREA
SEPTEMBER 16, 2015

FOR A POINT OF REFERENCE COMMENCE AT NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT"; THENCE NORTH 36°38'24" EAST, ALONG A GRID BEARING, A DISTANCE OF 2,394.00 FEET TO NATIONAL GEODETIC SURVEY CONTROL STATION "FERNPORT AZIMUTH MARK"; THENCE NORTH 07°55'33" EAST A DISTANCE OF 1,114.78 FEET TO THE **POINT OF BEGINNING**; THENCE NORTH 09°05'25" WEST A DISTANCE OF 457.90 FEET TO INTERSECT THE SOUTHERLY RIGHT-OF-WAY LINE OF AIRPORT ROAD (CESNA DRIVE) A 60 FOOT RIGHT-OF-WAY; THENCE SOUTH 80°41'30" WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 194.16 FEET; THENCE SOUTH 09°21'03" EAST A DISTANCE OF 163.81 FEET; THENCE SOUTH 80°38'08" WEST A DISTANCE OF 114.57 FEET; THENCE NORTH 09°21'03" WEST A DISTANCE OF 163.92 FEET TO INTERSECT THE SOUTHERLY RIGHT-OF-WAY LINE OF AIRPORT ROAD (CESNA DRIVE) A 60 FOOT RIGHT-OF-WAY; THENCE SOUTH 81°20'44" WEST, ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 340.53 FEET; THENCE SOUTH 09°47'04" EAST A DISTANCE OF 214.61 FEET; THENCE SOUTH 80°55'43" WEST A DISTANCE OF 169.25 FEET; THENCE SOUTH 08°54'52" EAST A DISTANCE OF 244.97 FEET TO INTERSECT THE NORTHERLY EDGE OF THE TAXIWAY "A" OBJECT FREE AREA; THENCE NORTH 80°53'46" EAST, ALONG SAID NORTHERLY EDGE OF THE TAXIWAY "A" OBJECT FREE AREA, A DISTANCE OF 816.66 FEET TO THE POINT OF BEGINNING.

CONTAINING 7.32 ACRES MORE OR LESS.

MICHAEL A. MANZIE, P.L.S
FLORIDA REGISTRATION NO. 4069
JOB NO. 14050 9-16-15

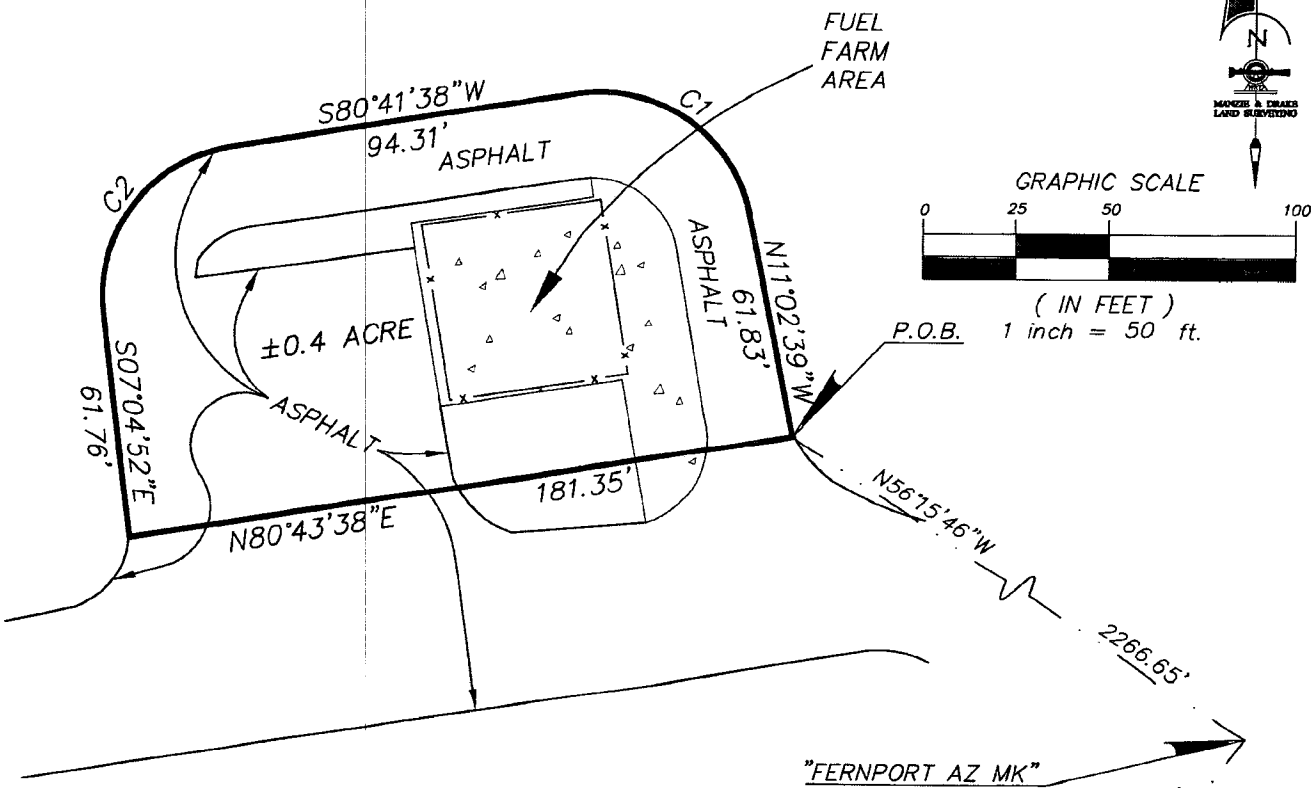
117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904) 491-5700 • FAX (904) 491-5777 • TOLL FREE (888) 832-7730
www.manzieanddrake.com

MANZIE & DRAKE LAND SURVEYING

SKETCH OF LEGAL DESCRIPTION

(LEGAL DESCRIPTION ATTACHED)
(THIS IS NOT A BOUNDARY SURVEY)

CURVE TABLE					
CURVE	DELTA	RADIUS	LENGTH	CHORD BEARING	CHORD DISTANCE
C1	88°15'43"	41.23'	63.51'	N55°10'30"W	57.42'
C2	87°46'30"	41.58'	63.70'	S36°48'23"W	57.66'



"FERNPORT AZ MK"
GRID NORTH=2283125.94
GRID EAST=511163.69
NAVD 88 ELEVATION=12.00'

LEGEND:
AZ MK:=AZIMUTH MARK
P.O.B.=POINT OF BEGINNING
P.O.R.=POINT OF REFERENCE
NAVD=NORTH AMERICAN VERTICAL DATUM

BY: Michael A. Manzie

MICHAEL A. MANZIE, PROFESSIONAL SURVEYOR AND MAPPER
FLORIDA REGISTRATION NO. 4069
JOB NO. 14050 9.16.15

P.O.R.
"FERNPORT"
GRID NORTH=2281204.99
GRID EAST=509734.99
NAVD 88 ELEVATION=10.49'

117 SOUTH 9TH STREET, FERNANDINA BEACH, FL 32034
OFFICE (904)491-5700 * FAX (904)491-5777
WWW.MANZIEANDDRAKE.COM

City of Fernandina Beach

OFFICE OF THE CITY CLERK

November 2, 2015

Brian Echard
8 Flags Aviation, LLC
P.O. Box 511
Fernandina Beach, Fla. 32035

RE: Fernandina Beach Municipal Airport Fixed Base Operator Lease Agreement

Dear Mr. Echard,

The Fernandina Beach City Commission at their Regular Meeting on October 20, 2015, approved Resolution 2015-139 approving a Airport Fixed Base Operator Lease Agreement between the City of Fernandina Beach and 8 Flags Aviation, LLC. Attached is a copy of Resolution 2015-139 and an original executed Lease Agreement for your files.

If you have any questions, please let us know.

Sincerely,
City of Fernandina Beach

Caroline Best
Caroline Best
City Clerk

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-45
Authorizing Construction, Award of Invitation to Bid 26-08, Budget Transfer — Clinch Drive Water Main Extension

ITEM TYPE: Resolution (w/ fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-45.

SYNOPSIS: Invitation to Bid ("ITB") 26-08 for Clinch Drive Water Main Extension was issued January 28, 2026. Three responses were received on March 3, 2026. City staff reviewed the submittals and recommends awarding ITB 26-08 to American Civil Construction, Inc., who had the lowest qualified bid, in the amount of $399,771.00, attached hereto as Exhibit A. The amount of $349,487 is available in the Water Improvements account, 460 56300 Project #23045. This Resolution also authorizes the associated budget transfer for the balance ($50,284) and construction of the Clinch Drive water main extension.

FISCAL IMPACT: Funds are available for transfer from the Water Improvements account, 460 56300 Project #26013, in the amount of $50,000, and from the Water Improvements account, 460 56300 Project #26011, in the amount of $284.00, into the Water Improvements account, 460 56300 Project #23045, in Fiscal Year 2025/2026.

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission adopt proposed Resolution 2026-45.

Andre Desilet, Utilities Director	03/04/2026
Glenn Akramoff, Deputy City Manager	03/05/2026
Jeremiah Glisson, Deputy City Manager	03/09/2026
Kimberly Elliott-Briley, Deputy City Clerk	03/09/2026
Alisha Brown, Budget Analyst	03/09/2026
Sarah Campbell, City Manager	03/10/2026
Teresa Prince, City Attorney	03/10/2026
Katie Newton, Downtown Coordinator	03/10/2026



Date: February 26, 2026

Submitted By: Antoinette Brown, Administrative Coordinator

COMMISSION ACTION: Adopt

RESOLUTION 2026-45

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AUTHORIZING CONSTRUCTION OF THE CLINCH DRIVE WATER MAIN EXTENSION; AWARDING INVITATION TO BID 26-08 TO AMERICAN CIVIL CONSTRUCTION, INC.; AUTHORIZING ASSOCIATED BUDGET TRANSFERS: AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Invitation to Bid ("ITB") 26-08 for the Clinch Drive water main extension was issued January 28, 2026; and

WHEREAS, three responses were received on or before March 3, 2026. City staff reviewed the submittals and recommends awarding ITB 26-08 to American Civil Construction, Inc., the lowest qualified bid, in the amount of $399,771.00, attached hereto as Exhibit A; and

WHEREAS, this Resolution authorizes construction of the Clinch Drive water main extension; and

WHEREAS, $349,487 is available in the Water Improvements account, 460 56300 Project #23045; and

WHEREAS, a budget transfer is needed in Fiscal Year 2025/2026 to completely fund the Clinch Drive water main extension and construction: $50,000.00 from the Water Improvements account, 460 56300 Project #26013 and $284.00 from the Water Improvements account, 460 56300 Project #26011 into the Water Improvements account, 460 56300 Project #23045.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby authorizes construction of the Clinch Drive water main extension, Project #23045.

SECTION 2 The City Commission hereby awards ITB 26-08 for Clinch Drive water main extension, Project #23045, to American Civil Construction, Inc., in the amount of $399.771.00, attached hereto as Exhibit A.

SECTION 3. The City Commission hereby approves an amendment to the Fiscal Year 2025/2026 budget by transferring $50,000.00 from the Water Improvements account, 460 56300 Project #26013 and $284.00 from the Water Improvements account, 460 56300 Project #26011 into the Water Improvements account 460 56300 Project #23045.

SECTION 4. The City Clerk and City Manager are hereby authorized to execute all documentation related to authorizing construction and the award of ITB 26-08, upon review and approval of the City Attorney.

SECTION 5. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 6. This Resolution shall take effect on the first business day following its adoption.

ADOPTED this 17th day of March, 2026.

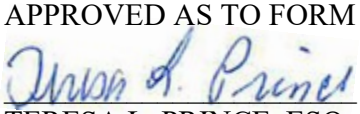
CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Commissioner - Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM & LEGALITY:



_____
TERESA L. PRINCE, ESQ.
City Attorney

EXHIBIT "A"
CONTACT SHEET

Name: American Civil Construction, Inc.

Federal Taxpayer ID: 85-3508082

Mailing Address: 77 Hargrove Grade

City, State, & Zip Code: Palm Coast, FL 32137

Telephone: 386-263-0044 **Fax:** _____

Email: estimating@americancivilconstruction.com

Submitted By: Robert W Ackley, Jr.

Title: President

Accounting Contact:

Name: Jimmy Garcia **Title:** Controller

Email Address: jimmy.garcia@americancivilconstruction.com **Phone:** 386-597-9312

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM

A. MOBILIZATION	$ 30,624.00 LS
B. 3,600 LINEAR FEET OF NEW 8" WATER MAIN AS-BUILTS AND TESTING	$ 369,147.00 LS
C. ROADWAY/ DRIVEWAY AND ROW RESTORATION WITH SOD	$ 13,587.00 LS
TOTAL	$ 399,771.00 LS - correct total $413,358.00 - error in addition - Wanda S. Weaks 03/04/2026

This Bid is submitted by:

If Bidder is:

An Individual

Name (typed or printed): N/A

By: _____
(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: N/A

By: _____

(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL.

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation



Corporation Name: American Civil Construction, Inc.

State of Incorporation: Florida

Type (General Business, Professional, Service, Limited Liability): Limited Liability

By: Robert W Ackley Jr

(Signature -- attach evidence of authority to sign)

Name (typed or printed): Robert W Ackley, Jr.

Title: President

(CORPORATE SEAL)

Attest

Date of Qualification to do business in Florida is 08 / 20 / 2020.

A Joint Venture

Name of Joint Venture: N/A

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____
(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM (CONTINUED)

By: _____

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address _____
77 Hargrove Grade
Palm Coast, FL 32137

Phone No. 386-263-0044 Fax No. _____

E-mail nathan.poolson@americancivilconstruction.com

SUBMITTED on March 3rd 20 26.

State Contractor License No. CUC1225702, CGC1529708

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for ITB 26-08.

2. This sworn statement is submitted by (entity) American Civil Construction whose business address is 77 Hargrove Grade, Palm Coast, FL 32137 and (if applicable) Federal Employer Identification Number (FEIN) is 85-3508082 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is Robert W Ackley, Jr. and my relationship to the entity named above is President.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or

    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any
natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)
   __X__ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.
   __X__ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)
   __X__ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)
   __X__ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

Robert W Ackley, Jr. March 3rd, 2026
Signature Date:

STATE OF FLORIDA
COUNTY OF Florida

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this 3rd day of March, 2026,

by Robert W Ackley, Jr. - President,

Notary Public — Nathan Poolson, Printed Name

NATHAN THOMAS POOLSON NOTARY PUBLIC MY COMMISSION EXPIRES 1-23-2028 STATE OF FLORIDA COMMISSION NUMBER HH 484253

My Commission Expires 01/23/2028

Personally Known __X__ OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: American Civil Construction, Inc.

CITY: Palm Coast STATE: FL ZIP CODE: 32137

SIGNATURE: Robert W Ackley Jr. PHONE: 386-263-0044

NAME (TYPED OR PRINTED): Robert W Ackley, Jr. TITLE: President

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: Clinch Drive Water Main Extension - ITB 26-08

Project Description: Installation of 3,600 LF of new 8-inch water main along Clinch Drive in the City of Fernandina Beach

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: American Civil Construction, Inc.

Authorized Signature: Robert W Ackley Jr

Title: Robert W Ackley, Jr. - President

Date: March 3rd, 2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "E"

PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Robert W Ackley, Jr. Title: President

Signature: Robert W Ackley Jr. Date: March 3rd, 2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for ITB 26-08.

This sworn statement is submitted by (entity) American Civil Construction, Inc. whose business address is 77 Hargrove Grade, Palm Coast, FL 32137 and (if applicable) Federal Employer Identification Number (FEIN) is 85-3508082 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Robert W Ackley, Jr. and my relationship to the entity named above is President.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained In the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Signature March 3rd, 2026 Date:

STATE OF FLORIDA
COUNTY OF FLAGLER

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 3rd day of March, 2026,

by Robert W Ackley, Jr.,

Notary Public Nathan Poolson Printed Name

My Commission Expires 01/23/2028

Personally Known X OR Produced Identification _____ ID Produced _____.

NATHAN THOMAS POOLSON NOTARY PUBLIC MY COMMISSION EXPIRES 1-23-2028 STATE OF FLORIDA COMMISSION NUMBER HH 484253

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for ITB 26-08.
This sworn statement is submitted by (entity) American Civil Construction, Inc. whose business address is 77 Hargrove Grade, Palm Coast, FL 32137 and (if applicable) Federal Employer Identification Number (FEIN) is 85-3508082 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Robert W Ackley, Jr. and my relationship to the entity named above is President.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Robert W Ackley Jr. 03/03/2026
Signature Date:

STATE OF FLORIDA
COUNTY OF FLAGLER
Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 3rd day of March, 2026,

by Robert W Ackley, Jr.,

Nathan Poolson
Notary Public Printed Name

NATHAN THOMAS POOLSON NOTARY PUBLIC MY COMMISSION EXPIRES 1-23-2028 STATE OF FLORIDA COMMISSION NUMBER HH 484253

My Commission Expires 01/23/2028

Personally Known X OR Produced Identification _____ ID Produced _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO_X__

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO_X___

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO_X__

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

American Civil Construction, Inc. — 03/03/2026
Firm — Date

Robert W Ackley, Jr. - President
Authorized Signature — Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

FEDERAL CONTRACT REQUIREMENTS

ARPA FUNDS 2022

Certification Regarding Lobbying

(To be submitted with each bid or offer exceeding $100,000)

EXHIBIT "I"

The undersigned certifies, to the best of his or her knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) The undersigned shall require that the language paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995).

The Contractor, American Civil Construction, Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

Robert W Ackley Jr.

Signature of Contractor's Authorized Official

Robert W Ackley, Jr. - President

Printed Name and Title of Contractor's Authorized Official

03/03/2026

Date

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether sub-awardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the sub-awardee, e.g., the first sub-awardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Sub-awardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

Approved by
OMB 0348-
0046

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Disclosure of Lobbying Activities

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352 (See reverse for public burden disclosure)

Type of Federal Action:	**Status of Federal Action:**	**Report Type:**
a. contract ___ b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	a. bid/offer/application ____ b. initial award c. post-award	a. initial filing ____ b. material change

Name and Address of Reporting Entity:	**If Reporting Entity in No. 4 is Sub-awardee,** Enter Name and Address of Prime:
___ Prime ____ Sub-awardee Tier____, if Known: **Congressional District, if known:**	**Congressional District, if known:**
Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, *if applicable*: _____
Federal Action Number, *if known:*	**9. Award Amount**, *if known:* **$**
10. a. Name and Address of Lobbying Registrant *(if individual, last name, first name, MI):*	**b. Individuals Performing Services** *(including address if different from No. 10a)* *(last name, first name, MI):*
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.	**Signature:___** **_____ Print Name: _** **_____** **Title: ___** **Telephone No.:_____Date: _____**
Federal Use Only	**Authorized for Local Reproduction** **Standard Form - LLL** **(Rev. 7-97)**

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT I-1: REQUIRED CONTRACT PROVISIONS

2 CFR 200.326 Contract provisions. The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards. The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non- Federal Entity Contracts Under Federal Awards.

All Contracts

THRESHOLD	PROVISION	CITATION
>$150,000 (Simplified Acquisition Threshold)	Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.	2 CFR 200 APPENDIX II (A)
>$10,000	All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.	2 CFR 200 APPENDIX II (B)
None	Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.	2 CFR 200 APPENDIX II (F)
None	Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government- wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.	2 CFR 200 APPENDIX II (H)
None	Records of non-Federal entities. The U.S. Department of Housing and Urban Development (HUD), Inspectors General, the Comptroller General of the United States, the Texas General Land Office (GLO), and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and	2 CFR 200.336

	discussion related to such documents.	
None	Financial records, supporting documents, statistical records, and all other non- Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:	2 CFR 200.333

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

(a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

(b) When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.

(c) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.

(d) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity.

(e) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.

(f) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).

(1) If submitted for negotiation. If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.

(2) If not submitted for negotiation. If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

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None	Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms. (a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. (b) Affirmative steps must include: (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists; (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;	2 CFR 200.321

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

	(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.	
Option Contract Language for contracts awarded prior to Grant Award	The contract award is contingent upon the receipt of CDBG-DR funds. If no such funds are awarded, the contract shall terminate.	Optional

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EO Clause for Construction Contracts > $10K including administration & engineering contracts associated with construction contracts

THRESHOLD	PROVISION	CITATION
>$10,000	Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60–1.3 must include the equal opportunity clause provided under 41 CFR 60–1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964–1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." 41 CFR 60-1.4 Equal opportunity clause. (b) Federally assisted construction contracts. (1) Except as otherwise provided, each administering agency shall require the inclusion of the following language as a condition of any grant, contract, loan, insurance, or guarantee involving federally assisted construction which is not exempt from the requirements of the equal opportunity clause: The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause: During the performance of this contract, the contractor agrees as follows: (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.	41 CFR §60-1.4(b) and 2 CFR 200 APPENDIX II (C)

	(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin. (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to	

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	individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information. (4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor. (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders. (7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law. (8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved	

in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of
contractors and subcontractors with the equal opportunity clause and the rules,

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

(c) Subcontracts. Each nonexempt prime contractor or subcontractor shall include the equal opportunity clause in each of its nonexempt subcontracts.

(d) Inclusion of the equal opportunity clause by reference. The equal opportunity clause may be included by reference in all Government contracts and subcontracts, including Government bills of lading, transportation requests, contracts for deposit of Government funds, and contracts for issuing and paying
U.S. savings bonds and notes, and such other contracts and subcontracts as the Director of OFCCP may designate.

(e) Incorporation by operation of the order. By operation of the order, the equal opportunity clause shall be considered to be a part of every contract and subcontract required by the order and the regulations in this part to include such a clause whether or not it is physically incorporated in such contracts and whether or not the contract between the agency and the contractor is written.

(f) Adaptation of language. Such necessary changes in language may be made in the equal opportunity clause as shall be appropriate to identify properly the parties and their undertakings.

[80 FR 54975, Sept. 11, 2015]

THRESHOLD	PROVISION	CITATION
>$2,000	*Compliance with the Davis-Bacon Act (40 U.S.C. 3141 et seq.) as supplemented by Department of Labor regulations (29 CFR part 5) and with the Copeland "Anti-Kickback" Act (18 U.S.C. 874; 40 U.S.C. 3145) as supplemented in Department of Labor regulations (29 CFR part 3):* Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.	2 CFR 200 APPENDIX II (D)
>$100,000	Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40	2 CFR 200 APPENDIX II (E)

	hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.	
>$150,000	Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).	2 CFR 200 APPENDIX II (G)
>$100,000	Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or	2 CFR 200 APPENDIX II (I) and 24 CFR §570.303

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

	employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. ***THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL***	

>$100,000	All Section 3 covered contracts shall include the following clause (referred to as the Section 3 clause): A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which Implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations. C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin. D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135. E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.	24 CFR §135.38

	F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts. G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i)	

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	preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).	
	A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. [78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]	2 CFR 200 APPEND IX II (J)
	Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.	42 U.S.C. 6201
	As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award. a. For purposes of this section: i. "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. ii. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.	2 CFR 200.322

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

"ATTACHMENT A"
LIST OF SUBCONTRACTORS

I DO /DO, _____/DO NOT, propose to subcontract some of the work on this project.

I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT
Skinner Horizontal Utilities Service Inc.	P.O. Box 209 Bryceville FL, 32009	Wet Tap Sub	< $1,000.00

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 1

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.1 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: Robert W Ackley, Jr. **TITLE:** President

ADDRESS: 77 Hargrove Grade

CITY: Palm Coast **STATE:** FL

AUTHORIZED SIGNATURE: Robert W Ackley Jr **DATE:** 03/03/2026

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

1. Permits in place – Nassau County and FDEP
2. Updated set of plans to be provided
3. Restoration requires sod as noted in Exhibit A-1 Bid Pricing Form in the bid documents
4. Contractor should take pictures or videos before beginning work so that the contractor will know what damage was there before so as not be making repairs for damages the contractor did not cause.
5. There is a force main on the East side of Clinch Drive. The contractor will need to cross to the West side under Clinch and cross Bonnieview as detailed on the plans.
6. 3'-4' depth for future service connections
7. This includes the hydrants. Hydrants must be Mueller Hydrants, absolutely no substitutions.
8. Must pressure test at 150 for 2 hours.
9. Flow testing must be done
10. As builts and Bac-t and pressure test results will be required for final clearance.
11. A CAD file will be provided for as-builts. The cad file has been requested and will be provided when received.
12. No project schedule specifications in the original ITB documents. Anticipated Notice to proceed issued April 1, 2026. Substantial completion - 120 days after NTP (July 30, 2026). Final completion no later than 30 calendar days after the substantial completion (August 29, 2026).
13. FDOT and MOD included – must have signage for road blockage/closures
14. For full road closures, the County requires public notice for closures. Contractor shall be responsible for compliance with all Nassau County requirements should closures be required.
15. Exhibit A-1 Bid Pricing Form in the ITB documents details the Schedule of Values.
16. There is a gas line. FPU will clarify their requirements once locates are called in.

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 2

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.2 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: Robert W Ackley, Jr. **TITLE:** President

ADDRESS: 77 Hargrove Grade

CITY: Palm Coast **STATE:** FL

AUTHORIZED SIGNATURE: Robert W Ackley Jr **DATE:** 03/03/2026

Updated plans - notes of clarification on page 10 of the drawings that follow.

THE AMERICAN INSTITUTE OF ARCHITECTS

AIA Document A310

Bid Bond

KNOW ALL MEN BY THESE PRESENTS, that we
American Civil Construction, Inc.
(Here insert full name and address or legal title of Contractor)

77 Hargrove Grade, Palm Coast, FL 32137
as Principal, hereinafter called the Principal, and
(Here insert full name and address or legal title of Surety)
FCCI Insurance Company

6300 University Parkway, Sarasota, FL 34240-8424

a corporation duly organized under the laws of the State of Florida
as Surety, hereinafter called the Surety, are held and firmly bound unto
City of Fernandina Beach, Florida

204 Ash St, Fernandina Beach, FL 32034
as Obligee, hereinafter called the Obligee, in the sum of ---- ------ Five Percent of Amount Bid ------ ------
---------- **Dollars** ($ ----- 5% -----)
for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, The Principal has submitted a bid for
(Here insert full name, address and description of project)
CLINCH DRIVE WATER MAIN EXTENSION - ITB 26-08 , Along Clinch Drive on Amelia Island, Florida

Installation of approximately 3,600 linear feet of new 8-inch water main

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligee in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this 3rd day of March, 2026

(Witness)

American Civil Construction, Inc.
(Principal) (Seal)
Robert Ackley Jr., President *(Title)*

Jeffrey Mervine *(Witness)*

FCCI Insurance Company
(Surety) (Seal)
Jessie Sloan *(Title)* **Attorney-In-Fact & Florida Licensed Resident Agent**

Inquiries: (321) 800-6594

FCCI INSURANCE GROUP

GENERAL POWER OF ATTORNEY

Know all men by these presents: That the FCCI Insurance Company, a Corporation organized and existing under the laws of the State of Florida (the "Corporation") does make, constitute and appoint:

Jorge Bracamonte; Jessie Sloan; Hallie Martin

Each, its true and lawful Attorney-In-Fact, to make, execute, seal and deliver, for and on its behalf as surety, and as its act and deed in all bonds and undertakings provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed the sum of (not to exceed $30,000,000.00): $30,000,000.00

This Power of Attorney is made and executed by authority of a Resolution adopted by the Board of Directors. That resolution also authorized any further action by the officers of the Company necessary to effect such transaction.

The signatures below and the seal of the Corporation may be affixed by facsimile, and any such facsimile signatures or facsimile seal shall be binding upon the Corporation when so affixed and in the futuro with regard to any bond, undertaking or contract of surety to which it is attached.

In witness whereof, the FCCI Insurance Company has caused these presents to be signed by its duly authorized officers and its corporate Seal to be hereunto affixed, this 20th day of December, 2024.

Attest: _____
Christina D. Welch, President
FCCI Insurance Company

FCCI INSURANCE COMPANY CORPORATE SEAL 1994 FLORIDA

_____
Christopher Shoucair,
EVP, CFO, Treasurer, Secretary
FCCI Insurance Company

State of Florida
County of Sarasota

Before me this day personally appeared Christina D. Welch, who is personally known to me and who executed the foregoing document for the purposes expressed therein.

My commission expires: 2/27/2027

NOTARY PUBLIC STATE OF FLORIDA

PEGGY SNOW
Commission # HH 326535
Expires February 27, 2027

_____
Notary Public

State of Florida
County of Sarasota

Before me this day personally appeared Christopher Shoucair, who is personally known to me and who executed the foregoing document for the purposes expressed therein.

My commission expires: 2/27/2027

NOTARY PUBLIC STATE OF FLORIDA

PEGGY SNOW
Commission # HH 326535
Expires February 27, 2027

_____
Notary Public

CERTIFICATE

I, the undersigned Secretary of FCCI Insurance Company, a Florida Corporation, DO HEREBY CERTIFY that the foregoing Power of Attorney remains in full force and has not been revoked; and furthermore that the February 27, 2020 Resolution of the Board of Directors, referenced in said Power of Attorney, is now in force.

Dated this 3rd day of March, 2026

_____
Christopher Shoucair, EVP, CFO, Treasurer, Secretary
FCCI Insurance Company

Ron DeSantis, Governor

Melanie S. Griffin, Secretary

Florida dbpr

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

CONSTRUCTION INDUSTRY LICENSING BOARD

THE GENERAL CONTRACTOR HEREIN IS CERTIFIED UNDER THE
PROVISIONS OF CHAPTER 489, FLORIDA STATUTES

ACKLEY, ROBERT WAYNE JR

AMERICAN CIVIL CONSTRUCTION INC
77 HARGROVE GRADE
PALM COAST FL 32137

LICENSE NUMBER: CGC1529708

EXPIRATION DATE: AUGUST 31, 2026

Always verify licenses online at MyFloridaLicense.com

ISSUED: 05/15/2024

Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.

Ron DeSantis, Governor

Melanie S. Griffin, Secretary

Florida dbpr

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

CONSTRUCTION INDUSTRY LICENSING BOARD

THE UNDERGROUND UTILITY & EXCAVATION CO HEREIN IS CERTIFIED UNDER THE PROVISIONS OF CHAPTER 489, FLORIDA STATUTES

ACKLEY, ROBERT WAYNE JR

AMERICAN CIVIL CONSTRUCTION INC
77 HARGROVE GRADE
PALM COAST FL 32137

LICENSE NUMBER: CUC1225702

EXPIRATION DATE: AUGUST 31, 2026

Always verify licenses online at MyFloridaLicense.com

ISSUED: 05/15/2024

Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 1

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.1 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: Robert W Ackley, Jr. **TITLE:** President

ADDRESS: 77 Hargrove Grade

CITY: Palm Coast **STATE:** FL

AUTHORIZED SIGNATURE: Robert W Ackley Jr **DATE:** 03/03/2026

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

1. Permits in place – Nassau County and FDEP
2. Updated set of plans to be provided
3. Restoration requires sod as noted in Exhibit A-1 Bid Pricing Form in the bid documents
4. Contractor should take pictures or videos before beginning work so that the contractor will know what damage was there before so as not be making repairs for damages the contractor did not cause.
5. There is a force main on the East side of Clinch Drive. The contractor will need to cross to the West side under Clinch and cross Bonnieview as detailed on the plans.
6. 3'-4' depth for future service connections
7. This includes the hydrants. Hydrants must be Mueller Hydrants, absolutely no substitutions.
8. Must pressure test at 150 for 2 hours.
9. Flow testing must be done
10. As builts and Bac-t and pressure test results will be required for final clearance.
11. A CAD file will be provided for as-builts. The cad file has been requested and will be provided when received.
12. No project schedule specifications in the original ITB documents. Anticipated Notice to proceed issued April 1, 2026. Substantial completion - 120 days after NTP (July 30, 2026). Final completion no later than 30 calendar days after the substantial completion (August 29, 2026).
13. FDOT and MOD included – must have signage for road blockage/closures
14. For full road closures, the County requires public notice for closures. Contractor shall be responsible for compliance with all Nassau County requirements should closures be required.
15. Exhibit A-1 Bid Pricing Form in the ITB documents details the Schedule of Values.
16. There is a gas line. FPU will clarify their requirements once locates are called in.

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 2

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.2 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: Robert W Ackley, Jr. **TITLE:** President

ADDRESS: 77 Hargrove Grade

CITY: Palm Coast **STATE:** FL

AUTHORIZED SIGNATURE: Robert W Ackley Jr **DATE:** 03/03/2026

Updated plans - notes of clarification on page 10 of the drawings that follow.

From: Juan Brown
To: Toni Brown
Subject: FW: Confirmation of Bid Amount – ITB 26-08 Clinch Drive Water Main Extension
Date: Wednesday, March 4, 2026 9:54:36 AM
Attachments: image001.png
image002.png
image003.png
image004.png
image005.png
image007.png
image008.png
image009.png
image202878.png
image971857.png
image147094.png

Juan Brown
Deputy Utilities Director
City of Fernandina Beach
1180 South 5th Street
Fernandina Beach, Florida 32034
(904) 310-3424 | jsbrown@fbfl.city
www.fbfl.us

If this email is related to the Board, Committee or Commission that you serve on, please DO NOT REPLY TO ALL.

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From: Nathan Poolson <nathan.poolson@americancivilconstruction.com>
Sent: Wednesday, March 4, 2026 9:53 AM
To: Juan Brown <jsbrown@fbfl.city>
Cc: Andre Desilet <adesilet@fbfl.org>; Wanda Weaks <wweaks@fbfl.org>
Subject: RE: Confirmation of Bid Amount – ITB 26-08 Clinch Drive Water Main Extension

CAUTION: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender, were expecting this email, and know the content is safe.

Good morning,

It was a pleasure speaking with you as well, Juan.

The total project bid amount was intended as $399,771.00. I went back and found that one of the

subtotals double counted the restoration which caused the totals to sum higher than we listed.

American Civil Construction will honor $399,771.00 to perform the work necessary for the ITB 26-08 Clinch Drive Water Main Extension project.

Please let me know if you have any additional questions, we are looking forward to working with your team!

Nathan Poolson
Estimator
American Civil Construction

904-654-0720
Americancivilconstruction.com
nathan.poolson@americancivilconstruction.com
77 Hargrove Grade, Palm Coast, FL, 32137

From: Juan Brown <jsbrown@fbfl.city>
Sent: Wednesday, March 4, 2026 9:47 AM
To: Nathan Poolson <nathan.poolson@americancivilconstruction.com>
Cc: Andre Desilet <adesilet@fbfl.org>; Wanda Weaks <wweaks@fbfl.org>
Subject: Confirmation of Bid Amount – ITB 26-08 Clinch Drive Water Main Extension

Nathan,

It was a pleasure speaking with you earlier today. I wanted to follow up and recap our phone conversation to confirm our understanding.

The City of Fernandina Beach received a bid from American Civil Construction, Inc. for ITB 26-08 – Clinch Drive Water Main Extension. The total project bid amount listed was $399,776. However, when the individual line items on the Bid Pricing Form are added together, the total appears to be $413,358.

Could you please confirm that American Civil Construction, Inc. will honor the $399,776 bid amount that was submitted with the bid?

If confirmed, the City will move forward with processing a Resolution for consideration by the City Commission at the March 17, 2026, meeting.

I appreciate your assistance and look forward to your response.

Thanks,
Juan Brown

Juan Brown
Deputy Utilities Director
City of Fernandina Beach
1180 South 5th Street
Fernandina Beach, Florida 32034
(904) 310-3424 | jsbrown@fbfl.city
www.fbfl.us

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CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

INTRODUCTION

The City of Fernandina Beach, Florida is accepting competitive sealed bids for **CLINCH DRIVE WATER MAIN EXTENSION.**

The City of Fernandina Beach will receive sealed submittals through www.demandstar.com. Submittals must be uploaded to Demandstar.com E-bidding System prior to **2:00PM(EST), March 3, 2026**.

A Mandatory Pre-bid meeting will be held at 10:00AM (ET), February 5, 2026 at the City of Fernandina Beach Utility Office, 1180 S. 5th Street, Fernandina Beach, FL 32034. Submittals will not be accepted from any firm that is not represented at the Mandatory Pre-bid meeting.

It shall be the sole responsibility of the Bidder to have its Bid submitted through the **DemandStar website** (www.demandstar.com) not later than the above date and time. Facsimile, paper or telegraphic submittals will not be accepted. Delay in delivery shall be the sole responsibility of the Bidder. Submittals received after the deadline will not be considered. Award of the Bid is subject to authorization and appropriation of funds in the fiscal year 2025-2026 budget.

SUBMITTERS ARE REFERRED TO THE ATTACHED GENERAL CONDITIONS FOR OTHER IMPORTANT INFORMATION REGARDING THE INVITATION TO BID PROCESS, REQUIREMENTS AND EXHIBITS.

The bid shall be submitted on the specified **Contact Sheet,** hereto attached as "**Exhibit A**" and **Bid Pricing Form**, hereto attached as **"Exhibit A-1"**. The person signing the Bid Response Form shall have the authority to bind the proposer to the Bid. All information on the Bid form shall be provided, or the Bid may not be accepted.

The competitive sealed Bid shall be accompanied by a **"Public Entity Crimes",** herein provided as "**Exhibit B**", **"Drug-Free Workplace Certification"** herein provides as **"Exhibit C"**, "**E-Verify Statement**" herein provided as **"Exhibit D"**, **"Proposer Acknowledgements and Agreements"**, herein provided as "**Exhibit E**", **"Conflict of Interest",** herein provided as, "**Exhibit F**", **"Non-Collusion Affidavit",** herein provided as "**Exhibit G" and "Dispute Disclosure",** herein provided as **"Exhibit H", "Federal Requirements for ARPA Funds",** herein provided as "**Exhibit I". "Attachment A", List of Subcontractors.**

CONTRACTOR SHALL SIGN AND INCLUDE EXHIBITS "A-H". Failure to do so may result in rejection of the bid submittal.

An example of the City of Fernandina Beach contract is included as a separate document.

In accordance with Item 16, General Terms and Conditions, please provide **proof the Contractor/Vendor is not listed in the Excluded Parties List System**, a federal suspension and debarment listing.

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

SCOPE OF WORK

The City of Fernandina Beach, Florida ("City") is requesting Guaranteed Maximum Price (GMP) submittals from qualified contractors to provide construction services for the installation of approximately 3,600 linear feet of new 8-inch water main to serve a developed area along Clinch Drive on Amelia Island, Florida.

Project Description

- The proposed water main will connect to an existing 8-inch water main located at 1689 Clinch Drive and extend to an existing 8-inch water main on Bonnieview Road.
- All roadways within the project limits consist of two-lane asphalt pavement.
- All rights-of-way within the project limits are owned by Nassau County.
- The City of Fernandina Beach will coordinate required approvals with Nassau County.
- All utility installation within the right-of-way shall be installed via directional bore.

The successful contractor shall perform all installation, testing, and restoration necessary to obtain final clearance and acceptance from the Florida Department of Environmental Protection (FDEP) and Nassau County.

The successful contractor will provide all materials, equipment, labor, tools, and supervision necessary to complete the project in accordance with the Construction documents prepared by the City. The contractor and any subcontractors shall be properly licensed as provided by the applicable federal, state, and local laws and regulations.

SAFETY

The Contractor shall provide all necessary barricades and signage and take necessary precautions to protect buildings, general public and Contractor personnel. The Contractor shall at all times guard against damage or loss of City property or the general public and shall be held responsible for replacing or repairing any loss or damage to the satisfaction of The City of Fernandina Beach.

AWARD

Award recommendation shall be made to the most responsive and responsible bidder offering the best value. The City reserves the right, based upon its deliberations and in its opinion, to accept or reject any or all proposals. The City also reserves the right to waive minor irregularities or variations to the specifications and in the bidding process.

Successful Bidder is required to have a Business License in the city where their home office is located. If Bidder's business office is located in the City of Fernandina Beach a business tax license is required.

Bid Package

ITB Documents and Specifications are available to download from DemandStar at www.demandstar.com. Any questions regarding the ITB package can be directed to Wanda Weaks, Purchasing Specialist, wweaks@fbfl.org.

CONTACT

Specification questions during the bid period shall be submitted in writing to Purchasing Agent, Wanda Weaks, wweaks@fbfl.org.

Bidders are hereby put on notice that no contact shall be made with any of the City Commission members, other City staff, or others that may be involved in the selection process to discuss this request or to influence the outcome of the selection.

ADDENDA

A written response to bidder questions will be issued via Addendum and posted on the City's website at www.fbfl.us/bids and DemandStar at www.demandstar.com. It is the bidder's responsibility to check the City's website for Addenda prior to submitting their bid. The deadline for questions is **ten** days before bid opening.

If there is an Addendum it becomes part of the original Bid and shall be acknowledged by attaching a copy of the Addendum, signed by an authorized representative of the person or company submitting the bid or proposal. Failure to do so may disqualify the bid or proposal.

CONTRACTOR PERSONNEL

1. CITY reserves the right to reject any CONTRACTOR employee doing business for the awarded CONTRACTOR that has not received the proper safety training or is not performing work in a safe manner. Any costs resulting in a rejection of personnel will be solely at the CONTRACTOR's expense.

2. No sub-contractor shall be employed by CONTRACTOR for the provision of these services without the prior written approval of the CITY Project Manager.

PERFORMANCE STANDARDS/QUALITY REQUIREMENTS

In addition to those requirements set forth in the Scope of Work, all services (and items incidental thereto) and work provided by CONTRACTOR shall conform to the following:

PROJECT SCHEDULE

Upon approval award of the contract for construction, the City will issue a Notice to Proceed to the contractor for the construction of the work. The Contractor will meet with the City for a Pre-Construction meeting prior to commencing the construction work.

TIME OF PERFORMANCE

1. CONTRACTOR may, upon approval by City designee, be provided weekends and after-hours access to the site, if necessary or desired, to complete the project, weather permitting. However, no additional sums shall be paid other than that specified in the bid response.

2. CONTRACTOR may set up equipment onto the jobsite without commencing work for a maximum of seven calendar days. Location of equipment storage will be provided by the City designee.

3. CONTRACTOR will, prior to any delay submit notification of delay in writing within five calendar days to City designee.

4. CONTRACTOR shall submit documentation explaining the cause of delay. CITY shall determine the extent of delay and extend the time for completing the work if, in CITY's judgment, the findings justify an extension. Any delay shall not entitle CONTRACTOR to any additional compensation. The sole remedy of CONTRACTOR shall be an extension of time.

5. CONTRACTOR shall arrange with the City designee a sequence of procedure, means of access, space for storage of materials and equipment and use of approaches, corridors, and stairways. CITY shall not be responsible for lost or stolen materials or tools left on the job site.

SITE CONDITIONS

1. The existing right of way along the proposed path is cleared and maintained.

SITE MAINTENANCE

1. Extreme care shall be taken to safeguard all existing facilities, paved walkways, site amenities, utilities, windows, and vehicles on or around the job site. Damage to public and/or private property shall be the responsibility of CONTRACTOR and shall be repaired and/or replaced in equal or better condition at no additional cost to the CITY. CONTRACTOR shall use all means to protect existing objects, structures and vegetation designated to remain. In the event of damage, immediately make all repairs, replacements, and dressings to damaged materials, to the approval of CITY, at no additional cost to the CITY. In the event of damage to public and/or private property, CONTRACTOR shall immediately contact the CITY's designee and inform them about the location and extent of the damages and will stay on site until his investigation of the damage is concluded.

2. CONTRACTOR shall place all debris in refuse container and keep the premises free from rubbish at the end of each working day. The CONTRACTOR shall be responsible for supplying, emptying and the removal of waste containers/dumpsters, as necessary.

3. CONTRACTOR shall arrange material storage so as not to interfere with the CITY's operations.

4. CONTRACTOR shall at the completion of the job, remove unused material and rubbish from the site. If CONTRACTOR refuses at any time to remove the debris from the premises, or to keep the working area clean, such cleaning will be completed by the CITY and deducted from the balance due CONTRACTOR.

5. CONTRACTOR shall store all materials to be protected against weather, vandalism, and theft. Any materials found to be damaged or missing shall be replaced by CONTRACTOR at no cost to the CITY.

6. CONTRACTOR shall be responsible for clean up at the site at the conclusion of the project, including excess construction materials, and a thorough cleaning of all areas that were affected by CONTRACTOR or their subcontractors to the satisfaction of the CITY.

SAFETY

1. CONTRACTOR shall be aware that this project is subject to public and private vehicular and pedestrian traffic at all times.

2. CONTRACTOR shall comply with all Federal/County/City laws/ordinances and City Fire codes during the execution of this project.

3. CONTRACTOR shall continuously maintain adequate protection of all work from damage and shall protect public and privately owned property, structures, vehicles, utilities, and work of any kind against damage or interruptions of service, which may result from the operations of the CONTRACTOR.

4. CONTRACTOR shall provide Safety Data Sheets: If any chemicals or materials or products containing toxic substances, as defined by Chapter 442, Florida Statutes, are to be used at any time during this the contract period, CONTRACTOR shall furnish Safety Data Sheets to the City designee prior to commencing this project.

5. CONTRACTOR shall perform all work under supervision of a capable supervisor using skilled employees.

6. CONTRACTOR shall have a person, which is on their payroll and with ***the authority to make decisions, on site at all times.***

REQUIRED INSPECTIONS

Prior to the start of any work, CONTRACTOR shall examine all surfaces and report in writing to the City designee any conditions detrimental to work. Failure to observe this injunction constitutes a waiver to any subsequent claims to the contrary.

CITY'S RIGHTS TO INSPECT, REJECT, AND STOP WORK

1. Right to Inspect Work - CITY will have the right to inspect the work at all times. Such inspection will not relieve CONTRACTOR of any of its obligations to perform the work in strict accordance with the contract documents.

2. Right to Reject Work - CITY will have the right to reject work which does not conform to the contract documents. CITY may require special inspection or testing of the work.

3. Right to Stop Work - If CITY reasonably believes that CONTRACTOR is failing to carry out the work in accordance with the contract documents; CITY may order CONTRACTOR to stop the work, or a portion of the work, until such time as the cause of such stop order has been eliminated.

4. Right to Carry Out Work - If CONTRACTOR fails to perform the work properly or fails to perform any provision of the contract documents, including unauthorized project schedule delays, CITY, after three days written notice to CONTRACTOR without correction, may correct the deficiencies through
CITY's own forces or through others and may deduct the cost thereof from the payment then or thereafter due to the CONTRACTOR.

WARRANTY

1. CONTRACTOR shall provide warranty stating that the Project is complete in detail and finish, and free of hazardous conditions. The material warranty and workmanship must have a one-year warranty.

2. If CITY deems it unacceptable to have CONTRACTOR correct the work, which has been incorrectly done, a deduction from the contract price shall be made as determined by CITY. Such a deduction from the contract price shall in no way affect the CONTRACTOR's responsibility for defects which may occur nor their ability for correcting them, and damage caused by them.

3. Supplies and/or services furnished as a result of this bid shall be covered by the most favorable commercial warranties, expressed or implied, that the bidder and/or manufacturer gives to any customer. The rights and remedies provided herein are in addition to and do not

limit any rights afforded to the CITY by any other clause of this bid. Any applicable written warranty from the product manufacturer and/or representative company shall commence from the date of completion and acceptance by the CITY.

INSURANCE REQUIREMENTS

Insurance requirements are outlined in the General Conditions of this Invitation to Bid.

BOND REQUIREMENTS

Bid bonds requirements are outlined in the General Conditions of this Invitation to Bid.

EQUAL OPPORTUNITY/AFFIRMATIVE ACTION

The City is an equal opportunity/affirmative action employer. The City is committed to equal opportunity employment effort and expects firms that do business with the City to have an affirmative action program.

GENERAL CONDITIONS OF INVITATION TO BID

1. **PREPARATION OF BID -** INVITATION TO BID shall be prepared in accordance with the following:
   a. The Contact Sheet/Bid Form, attached hereto as "Exhibit A", shall be used when submitting your INVITATION TO BID.
   b. All information required by the Contact Sheet/Bid Form shall be furnished. The Bidder shall print or type his/her name and manually sign the Form and any continuation sheet on which an entry is made.
   c. Unit prices shall be shown and where there is an error in extension of price, the unit price shall govern.
   d. Alternate Bids will not be considered unless authorized by the Invitation to Bid.
   e. Bidders will **not** include federal taxes nor State of Florida sales, excise, and use taxes in prices, as the City is exempt from payment of such taxes. An exemption certificate will be signed where applicable upon request.
   f. Bidders shall make all investigations necessary to thoroughly inform themselves about any and all conditions related to the performance of the contract. Plea of ignorance by the Bidder of conditions that exists or may hereafter exist as a result of failure or omission on the part of the Bidder to make the necessary examinations and investigations, or failure to fulfill in every detail the requirements provided for in the Purchasing Policy, Purchasing Ordinance and/or State and Federal Statutes. The City's Purchasing Ordinance is set forth in Chapter 2-420, *et seq*.
   g. Prices quoted must be FOB City of Fernandina Beach, Florida with all transportation charges prepaid unless otherwise specified in the Invitation to Bid.
   h. Deliveries are to be FOB Destination unless otherwise specified in the Invitation to bid
   i. Deliveries are to be made during regular business hours.
   j. Bids and Bid prices shall be valid for a minimum of ninety (90) days, unless otherwise stated on the INVITATION TO BID.

2. **SUBMISSION OF BID**
   a. The City of Fernandina Beach has partnered with **DemandStar using their E-bidding platform**. All submittals will be received through the **DemandStar E-bidding platform**. To register and submit through DemandStar go to www.demandstar.com/registration.

3. **REJECTION OF BID**
   a. The City reserves the right to accept or reject any or all Bids, to waive irregularities and technicalities, and to request resubmission or to re-advertise for the services. The City shall be the sole judge of the submittals. The City's decision shall be final.

4. **WITHDRAWAL OF BID**
   a. Bids may not be withdrawn after the time set for the opening for a period of time as specified.
   b. Bids may be withdrawn prior to the time set for the opening. Such request must be in writing.

5. LATE BID

a. INVITATION TO BID and modifications received after the time set for the opening will not be considered.
b. Modifications in writing received prior to the time set for the opening will be accepted.

6. LOCAL, STATE, AND FEDERAL COMPLIANCE

a. Bidders shall comply with all local, state, and federal directives, orders and laws as applicable to the INVITATION TO BID and subsequent contract(s) in accordance with the requirements as stated in CFR 200.321, including but not limited to Equal Employment Opportunity (EEO), Minority Business Enterprise (MBE), and Occupational Safety and Health Administration (OSHA) as applicable to this contract.
b. A "Public Entity Crimes Statement", in accordance with Florida Statutes, Section 287.133 (3) (a), on Public Entity Crimes, attached hereto as "Exhibit B", must be received at the time of the bid.
c. A "Drug Free Workplace Certification" attached hereto as "Exhibit C", must be received at the time of the bid.
d. The City of Fernandina Beach requires that the Bidder selected will not discriminate under the contract against any person, in accordance with federal, state and local government regulations.
e. An "E-Verify Statement" attached hereto as "Exhibit D" must be received at the time of the bid.

7. AWARD OF INVITATION TO BID

a. The INVITATION TO BID will be awarded to the most responsive and responsible bidder offering the best value to the City of Fernandina Beach.
b. The City reserves the right to accept and award item by item, and/or by group, or in the aggregate.
c. A written award of acceptance, (Purchase Order), mailed or otherwise furnished to the successful Bidder shall result in a binding contract without further action by either party.
d. Unless otherwise noted in the specifications, the length of the agreement shall be one year, with 2 one-year renewals possible based on the mutual consent of the parties.
e. Upon award, for construction projects, the Contractor will be required to complete/execute the City's Contract and General Conditions for Construction Services. An example of the contract can be found on the City's website at www.fbfl.us/bids, Bids and Purchasing web page.
f. Agreement may be cancelled with 60-day notice unless otherwise stated in signed contract documents.

8. NOT RESPONSIBLE FOR COSTS

a. The City shall not be responsible for any cost incurred by a prospective Bidder in responding to this INVITATION TO BID.

9. BONDS

- If Bid is less than $100,000 no Bid Bond or Payment and Performance Bond required.
- If Bid is greater than $100,000 and is for material only, a Bid Bond is required but no Payment and Performance Bond is required.
- If Bid is $100,000 - $200,000, and is for services, a Bid Bond is required but no Payment and Performance Bond is required.
- If Bid is greater than $200,000, and is for services, Bid Bond and Payment and Performance Bond is required.

BID BOND:

a. If the Base Bid or the Base Bid plus the sum of any alternates fall into the criteria above requiring a Bid Bond, the bidder shall enclose a Certified Check or Bid Bond with each bid. A Certified Check or Bid Bond shall be for an amount not less than five percent (5%) of the Bid price and shall be made payable to the CITY OF FERNANDINA BEACH as a guarantee that the Bidder will not withdraw its bid for a period of ninety (90) calendar days after Bid closing time. Bid Bonds or Certified Checks will be returned to unsuccessful bidders within 10 days of bid award. Successful bidders will receive their Certified Check or Bid Bond after the contract/agreement has been signed and a Performance and Payment Bond is received.

PERFORMANCE AND PAYMENT BONDS:

a. In the event the Contract is awarded to the Bidder, Bidder will thereafter enter into a written contract with the CITY OF FERNANDINA BEACH and furnish a Payment and Performance Bond in an amount equal to the contract price. The form of the bonds shall be in accordance with Section 255.05 of Florida Statutes. Failing to do so, Bidder shall forfeit its bid security.

   Payment and Performance Bond shall be secured from or countersigned by an agency or surety company recognized in good standing and authorized to do business in the State of Florida.

   The following exceptions to bidder providing Performance and Payment Bonds are as follows: In lieu of the Performance and Payment Bonds, a contractor may file with the City an alternative form of security in the form of cash, a money order, a certified check, a cashier's check, an irrevocable letter of credit, or a security of a type listed in part II of

   chapter 625, Florida Statutes. Any such alternative form of security shall be for the same purpose and be subject to the same conditions as those applicable to the bonds. The value of an alternative form of security shall be in the amount of the bid.

10. PUBLIC INFORMATION

a. All information contained in this Bid is public information, and as such will be handled in accordance with chapter 119, Florida Statutes.

11. ADDITIONAL INFORMATION

a. The City reserves the right to require Bidders to provide references and information on previous similar experience prior to award of the contract.

12. QUESTIONS

a. Any questions about the INVITATION TO BID should be communicated per instructions in the INVITATION TO BID.

13. INDEMNIFICATION AND INSURANCE

INDEMNIFICATION

The CONTRACTOR agrees to assume liability for and indemnify, hold harmless, and defend the City, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the CONTRACTOR, its agents, officers, contractors, subcontractors, employees, or anyone else employed or utilized by the CONTRACTOR in the performance of this Agreement. The CONTRACTOR's liability hereunder shall include all attorney's fees and costs incurred by the City in the enforcement of this indemnification provision. This includes claims made by the employees of the CONTRACTOR against the City and the CONTRACTOR hereby waives its entitlement, if any, to immunity under Section 440.11, Florida Statutes. The obligations contained in this provision shall survive termination of this Agreement and shall not be limited by the amount of any insurance required to be obtained or maintained under this Agreement.

Subject to the limitations set forth in this Section, the CONTRACTOR shall assume control of the defense of any claim asserted by a third party against the City and, in connection with such defense, shall appoint lead counsel, in each case at the CONTRACTOR's expense. The City shall have the right, at its option, to participate in the defense of any third-party claim, without relieving CONTRACTOR of any of its obligations hereunder. If the CONTRACTOR assumes control of the defense of any third party claim in accordance with this paragraph, the CONTRACTOR shall obtain the prior written consent of the City before entering into any settlement of such claim. Notwithstanding anything to the contrary in this Section, the CONTRACTOR shall not assume or maintain control of the defense of any third-party claim, but shall pay the fees of counsel retained by the City and all expenses, including experts' fees, if (i) an adverse determination with respect to the third-party claim would, in the good faith judgment of the City, be detrimental in any material respect to the City's reputation; (ii) the third party claim seeks an injunction or equitable relief against the City; or (iii) the

CONTRACTOR has failed or is failing to prosecute or defend vigorously the third-party claim. Each party shall cooperate, and cause its agents to cooperate, in the defense or prosecution of any third-party claim and shall furnish or cause to be furnished such records and information, and attend such conferences, discovery proceedings, hearings, trials, or appeals, as may be reasonably requested in connection therewith.

It is the specific intent of the parties hereto that the foregoing indemnification complies with Section 725.06, Florida Statutes, as amended. CONTRACTOR expressly agrees that it will not claim, and waives any claim, that this indemnification violates Section 725.06, Florida Statutes, as amended. Nothing contained in the foregoing indemnification shall be construed as a waiver of any immunity or limitation of liability the City may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes.

INSURANCE

Prior to commencement of any work under this Contract and until completion and final acceptance of the work, the CONTRACTOR/VENDOR shall, at its sole expense, maintain the following insurance on its own behalf, and furnish to the CITY certificates of insurance evidencing same and reflecting the effective date of such coverage as follows:

The term "Contractor" as used in the insurance rider, shall mean, and include Subcontractors of every tier.

A. Worker's Compensation and Occupational Disease Insurance in accordance with the applicable law or laws; Employer's Liability Insurance with limit of at least One Million ($1,000,000) dollars. This includes sole proprietorships and officers of corporations who will be performing work on the job.

B. Commercial General Liability with a combined Bodily Injury and Property Damage limit of not less than ONE Million ($1,000,000.00) dollars per occurrence and TWO Million ($2,000,000) Dollars in the aggregate. The aggregate must be applicable on a per project basis. Coverage must include the following perils:
   1. Broad Form Blanket Contractual Liability for liability assumed under this Contract and all other Contracts relative to the project.
   2. Completed Operations/Products Liability.
   3. Broad Form Property Damage
   4. Personal and Advertising Injury Liability
   5. Independent Contractors
   6. Endorsements must be furnished reflecting the inclusion of the interests of Owner, Construction Manager, General Contractor, Contractor, (your company) , their officers, directors, partners, representatives, agents and employees, and naming each as an Additional Insured on a primary and non-contributing basis.
   7. Coverage is to be endorsed to reflect that insurance is to be primary and non-contributory with respect to any other collectable insurance, for the Owner, General Contractor, Contractor, (your company) and all other parties required to be named as additional insureds.

8. Coverage is to be provided on an "occurrence" basis with carriers licensed and admitted to conduct business in the State of [your state] or otherwise acceptable to the Contractor (your company).
9. A copy of policy and/or endorsement(s) and any other documents required to verify such insurance are to be submitted with the appropriate certificate(s), or upon the request of Contractor (your company). Failure to provide these documents is not to be construed as a waiver of the requirements to provide such insurance.

C. Commercial Automobile Liability Insurance covering the use of all Owned, Non-Owned, and Hired Vehicles with combined Bodily Injury and Property Damage Limit of at least One Million ($1,000,000.00) Dollars.

D. Umbrella I Excess Liability Insurance with a limit of no less than One Million ($1,000,000) minimum per occurrence.

E. During the term of this agreement, (if applicable) the Contractor/Vendor will carry Professional Liability Insurance which will cover liability for any damage or non-performance on account of any error, omission, or other provable negligence caused by the Contractor/Vendor. The amount of insurance shall not be less than One Million ($1, 000,000) per occurrence and aggregate.

F. Loss Deductible – If the insurance of any CONTRACTOR/VENDOR contains deductible(s), penalty(s) or self-insured retention(s), the CONTRACTOR/VENDOR
Whose insurance contains such provision(s) shall be solely responsible for payment of such deductible(s), penalty(s) or self-insured retention(s).

G. Where an Off Project Site Property exposure exists, the Contractor at its sole expense shall furnish to the Owner and Contractor (your company) Certificates of Insurance and other required documentation evidencing the following coverage which shall provide for the interests of [Name of Owner] , [Name of General Contractor] and (your company) to be named as Loss Payees and shall contain a provision requiring the insurance carriers to waive their rights of subrogation against all indemnities' named in the contract.
"All Risk" Property Insurance on all materials, equipment and supplies intended to become a permanent part of the construction stored on premises away from the project site and while in transit, until actually delivered to the project site. Coverage is to be provided on a replacement cost basis.

H. The above insurances shall each contain the following wording verbatim: "[Name of Owner], [Name of General Contractor], and (your company) are interested in the maintenance of this insurance and it is agreed that this insurance will not be canceled
materially changed or not renewed without at least a thirty (30) day advance written notice to [Name and address of Owner], [Name and address of General Contractor] and [Name and address of your company] by certified mail-return receipt requested."

I. The amount of insurance contained in the aforementioned insurance coverages shall not be construed to be a limitation of the liability on the part of the Subcontractor or any of its Subcontractors.

J. The Contractor shall file certificates of insurance prior to the commencement of work with the Owner and the General Contractor which shall be subject to the

Owner, General Contractor and (your company) approval of adequacy of protection and the satisfactory character of the Insurer.

K. Any type of insurance or any increase of limits of liability not described above which the Subcontractor requires for its own protection or on account of statute shall be its own responsibility and at its own expense.

L. The carrying of the insurance described shall in no way be interpreted as relieving the Contractor or Subcontractor of any responsibility of liability under this Contract.

M. Any policies effected by the Contractor on its Owned and/or Rented Equipment and Materials shall contain a provision requiring the insurance carriers to waive their rights of subrogation against the [Name of Owner], [Name of General Contractor], [Name of Contractor (your company)] and all other indemnities named in the Contract.

N. Should the Contractor engage a Subcontractor, the same conditions will apply under this contract to each Subcontractor, however, the retained Subcontractor shall be required to maintain limits of liability of not less than One Million ($1,000,000.00) Dollars per occurrence and Two Million ($2,000,000) Dollars in the aggregate, with said limits applicable on a per project basis, or such greater limits as may be required by the retaining Subcontractor.

14. PAYMENT

Payment due hereunder shall be made by the City to CONTRACTOR/VENDOR in accordance with the Florida Prompt Payment Act.

15. BID PROTESTS

Bid protest conditions and procedures are in accordance with City Ordinances – Part 2, Chapter 2, Article VII, Division 2, Section 2-444.

16. FEDERAL GRANT MONEY

In the event this project is funded with federal grant monies, CONTRACTOR/VENDOR may not participate in the bid if CONTRACTOR/VENDOR is listed in the Excluded Parties List System (EPLS) a federal suspension and debarment listing www.sam.gov CONTRACTOR/VENDOR shall include copy of search results with bid or proposal.

17. LOBBYING

a. Lobbying is defined as any action taken by an individual, firm, association, joint venture, partnership, syndicate, corporation, and/or all other groups who seek to influence the governmental decision of a Board Member, the City Manager, and/or any City Personnel during the solicitation process. The lobbying black-out period commences upon the issuance of this solicitation and concluded upon the signing of the agreement. CONTRACTORS shall not contact any Commission Member and/or any requesting or evaluating Department/Office personnel during said black-out period. All questions and procedural matters shall be directed to the City Manager. The City Commissioners and/or the City Manager may disqualify any solicitation response where any Commissioner, the City Manager, and/or City Personnel have been lobbied in violation of the black-out period.

EXHIBITS

EXHIBIT "A"	**Contact Sheet**
EXHIBIT "A-1"	**Bid Pricing Form**
EXHIBIT "B"	**Public Entity Crimes**
EXHIBIT "C"	**Drug-Free Workplace Certification**
EXHIBIT "D"	**E-Verify Statement**
EXHIBIT "E"	**Proposer Acknowledgements and Agreements**
EXHIBIT "F"	**Conflict of Interest**
EXHIBIT "G"	**Non-Collusion Affidavit**
EXHIBIT "H"	**Disputes Disclosure**
EXHIBIT "I"	**Federal Requirements for ARPA Funds (provided as a separate document)**

EXHIBIT "A"
CONTACT SHEET

Name: _____

Federal Taxpayer ID: _____

Mailing Address: _____

City, State, & Zip Code: _____

Telephone: _____ **Fax:** _____

Email: _____

Submitted By: _____

Title: _____

Accounting Contact:

Name: _____**Title:** _____

Email Address: _____ **Phone:** _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM

A. MOBILIZATION $_____LS

B. 3,600 LINEAR FEET OF
NEW 8" WATER MAIN AS-BUILTS
AND TESTING $_____LS

C. ROADWAY/ DRIVEWAY AND
ROW RESTORATION WITH SOD $_____LS

TOTAL $_____LS

This Bid is submitted by:

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____
(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____

(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: _____ (SEAL)

State of Incorporation: _____

Type (General Business, Professional, Service, Limited Liability): _____

By: _____

(Signature -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(CORPORATE SEAL)

Attest _____

Date of Qualification to do business in Florida is ____/____/____.

A Joint Venture

Name of Joint Venture: _____

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____

(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

By: _____

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address _____
_____
_____

Phone No. _____ Fax No. _____

E-mail _____ _____

SUBMITTED on_____ 20 ____.

State Contractor License No. _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for _____.

2. This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is_____and my relationship to the entity named above is _____.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or

    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any
natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)
   ____ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.
   ____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)
   ____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)
   ____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 20_____,

by _____,

_____
Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: _____

CITY: _____STATE: _____ ZIP CODE: _____

SIGNATURE: _____PHONE: _____

NAME (TYPED OR PRINTED): _____TITLE: _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: _____

Project Description: _____

_____

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: _____

Authorized Signature: _____

Title: _____

Date: _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "E"

PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name:_____Title: _____

Signature: _____Date: _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for _____.

This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is_____and my relationship to the entity named above is_____.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____
Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 20_____,

by _____,

_____

Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for _____.
This sworn statement is submitted by (entity) _____ whose business address is _____ and (if applicable) Federal Employer Identification Number (FEIN) is _____(If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is_____and my relationship to the entity named above is_____.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

_____
Signature Date:

STATE OF FLORIDA
COUNTY OF _____
Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this _____ day of _____, 20_____,

by _____,

_____
Notary Public Printed Name

My Commission Expires _____

Personally Known _____ OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"

DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO____

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO_____

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO_____

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

_____

Firm Date

_____

Authorized Signature Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

FEDERAL CONTRACT REQUIREMENTS

ARPA FUNDS 2022

Certification Regarding Lobbying

(To be submitted with each bid or offer exceeding $100,000)

EXHIBIT "I"

The undersigned certifies, to the best of his or her knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) The undersigned shall require that the language paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995).

The Contractor,_____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

_____

Signature of Contractor's Authorized Official

_____

Printed Name and Title of Contractor's Authorized Official

_____

Date

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether sub-awardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the sub-awardee, e.g., the first sub-awardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks “Sub-awardee,” then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., “RFP-DE-90-001.”

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

Approved by
OMB 0348-
0046

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Disclosure of Lobbying Activities

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352 (See reverse for public burden disclosure)

Type of Federal Action: a. contract ___ b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	**Status of Federal Action:** a. bid/offer/application ____ b. initial award c. post-award	**Report Type:** a. initial filing ____ b. material change

Name and Address of Reporting Entity: ___ Prime ____ Sub-awardee Tier_____, if Known: **Congressional District, if known:**	**If Reporting Entity in No. 4 is Sub-awardee,** Enter Name and Address of Prime: **Congressional District, if known:**
Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, *if applicable*: _____
Federal Action Number, *if known:*	**9. Award Amount**, *if known:* **$**
10. a. Name and Address of Lobbying Registrant *(if individual, last name, first name, MI):*	**b. Individuals Performing Services** *(including address if different from No. 10a)* *(last name, first name, MI):*
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.	**Signature:___** **_____ Print Name: _** **_____** **Title: ___** **Telephone No.:_____Date: _____**
Federal Use Only	**Authorized for Local Reproduction** **Standard Form - LLL** **(Rev. 7-97)**

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT I-1: REQUIRED CONTRACT PROVISIONS

2 CFR 200.326 Contract provisions. The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards. The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non- Federal Entity Contracts Under Federal Awards.

All Contracts

THRESHOLD	PROVISION	CITATION
>$150,000 (Simplified Acquisition Threshold)	Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.	2 CFR 200 APPENDIX II (A)
>$10,000	All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.	2 CFR 200 APPENDIX II (B)
None	Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.	2 CFR 200 APPENDIX II (F)
None	Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government- wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.	2 CFR 200 APPENDIX II (H)
None	Records of non-Federal entities. The U.S. Department of Housing and Urban Development (HUD), Inspectors General, the Comptroller General of the United States, the Texas General Land Office (GLO), and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and	2 CFR 200.336

	discussion related to such documents.	
None	Financial records, supporting documents, statistical records, and all other non- Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:	2 CFR 200.333

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	(a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. (b) When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period. (c) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition. (d) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity. (e) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned. (f) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates). (1) If submitted for negotiation. If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission. (2) If not submitted for negotiation. If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation. ***THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL***	

None	Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms. (a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. (b) Affirmative steps must include: (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists; (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;	2 CFR 200.321

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	(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.	
Option Contract Language for contracts awarded prior to Grant Award	The contract award is contingent upon the receipt of CDBG-DR funds. If no such funds are awarded, the contract shall terminate.	Optional

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EO Clause for Construction Contracts > $10K including administration & engineering contracts associated with construction contracts

THRESHOLD	PROVISION	CITATION
>$10,000	Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of ‘‘federally assisted construction contract’’ in 41 CFR Part 60–1.3 must include the equal opportunity clause provided under 41 CFR 60–1.4(b), in accordance with Executive Order 11246, ‘‘Equal Employment Opportunity’’ (30 FR 12319, 12935, 3 CFR Part, 1964–1965 Comp., p. 339), as amended by Executive Order 11375, ‘‘Amending Executive Order 11246 Relating to Equal Employment Opportunity,’’ and implementing regulations at 41 CFR part 60, ‘‘Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.’’ 41 CFR 60-1.4 Equal opportunity clause. (b) Federally assisted construction contracts. (1) Except as otherwise provided, each administering agency shall require the inclusion of the following language as a condition of any grant, contract, loan, insurance, or guarantee involving federally assisted construction which is not exempt from the requirements of the equal opportunity clause: The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause: During the performance of this contract, the contractor agrees as follows: (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.	41 CFR §60-1.4(b) and 2 CFR 200 APPENDIX II (C)

	(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin. (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to	

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	individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information. (4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor. (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders. (7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law. (8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved	

	in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States. The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract. The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules,	

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	regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance. The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings. (c) Subcontracts. Each nonexempt prime contractor or subcontractor shall include the equal opportunity clause in each of its nonexempt subcontracts. (d) Inclusion of the equal opportunity clause by reference. The equal opportunity clause may be included by reference in all Government contracts and subcontracts, including Government bills of lading, transportation requests, contracts for deposit of Government funds, and contracts for issuing and paying U.S. savings bonds and notes, and such other contracts and subcontracts as the Director of OFCCP may designate. (e) Incorporation by operation of the order. By operation of the order, the equal opportunity clause shall be considered to be a part of every contract and subcontract required by the order and the regulations in this part to include such a clause whether or not it is physically incorporated in such contracts and whether or not the contract between the agency and the contractor is written. (f) Adaptation of language. Such necessary changes in language may be made in the equal opportunity clause as shall be appropriate to identify properly the parties and their undertakings. [80 FR 54975, Sept. 11, 2015]	

THRESHOLD	PROVISION	CITATION
>$2,000	*Compliance with the Davis-Bacon Act (40 U.S.C. 3141 et seq.) as supplemented by Department of Labor regulations (29 CFR part 5) and with the Copeland "Anti-Kickback" Act (18 U.S.C. 874; 40 U.S.C. 3145) as supplemented in Department of Labor regulations (29 CFR part 3):* Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.	2 CFR 200 APPENDIX II (D)
>$100,000	Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40	2 CFR 200 APPENDIX II (E)

	hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.	
>$150,000	Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).	2 CFR 200 APPENDIX II (G)
>$100,000	Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or	2 CFR 200 APPENDIX II (I) and 24 CFR §570.303

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	employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. ***THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL***	

>$100,000	All Section 3 covered contracts shall include the following clause (referred to as the Section 3 clause): A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations. C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin. D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135. E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.	24 CFR §135.38

	F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts. G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i)	

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	preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).	
	A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. [78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]	2 CFR 200 APPENDIX II (J)
	Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.	42 U.S.C. 6201
	As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award. a. For purposes of this section: i. “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. ii. “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.	2 CFR 200.322

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"ATTACHMENT A"
LIST OF SUBCONTRACTORS

I _____/DO, _____/DO NOT, propose to subcontract some of the work on this project.

I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 1

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.1 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: _____ **TITLE:** _____

ADDRESS: _____

CITY: _____ **STATE:** _____

AUTHORIZED SIGNATURE: _____ **DATE:** _____

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

1. Permits in place – Nassau County and FDEP
2. Updated set of plans to be provided
3. Restoration requires sod as noted in Exhibit A-1 Bid Pricing Form in the bid documents
4. Contractor should take pictures or videos before beginning work so that the contractor will know what damage was there before so as not be making repairs for damages the contractor did not cause.
5. There is a force main on the East side of Clinch Drive. The contractor will need to cross to the West side under Clinch and cross Bonnieview as detailed on the plans.
6. 3'-4' depth for future service connections
7. This includes the hydrants. Hydrants must be Mueller Hydrants, absolutely no substitutions.
8. Must pressure test at 150 for 2 hours.
9. Flow testing must be done
10. As builts and Bac-t and pressure test results will be required for final clearance.
11. A CAD file will be provided for as-builts. The cad file has been requested and will be provided when received.
12. No project schedule specifications in the original ITB documents. Anticipated Notice to proceed issued April 1, 2026. Substantial completion - 120 days after NTP (July 30, 2026). Final completion no later than 30 calendar days after the substantial completion (August 29, 2026).
13. FDOT and MOD included – must have signage for road blockage/closures
14. For full road closures, the County requires public notice for closures. Contractor shall be responsible for compliance with all Nassau County requirements should closures be required.
15. Exhibit A-1 Bid Pricing Form in the ITB documents details the Schedule of Values.
16. There is a gas line. FPU will clarify their requirements once locates are called in.

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 2

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.2 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: _____ **TITLE:** _____

ADDRESS: _____

CITY: _____ **STATE:** _____

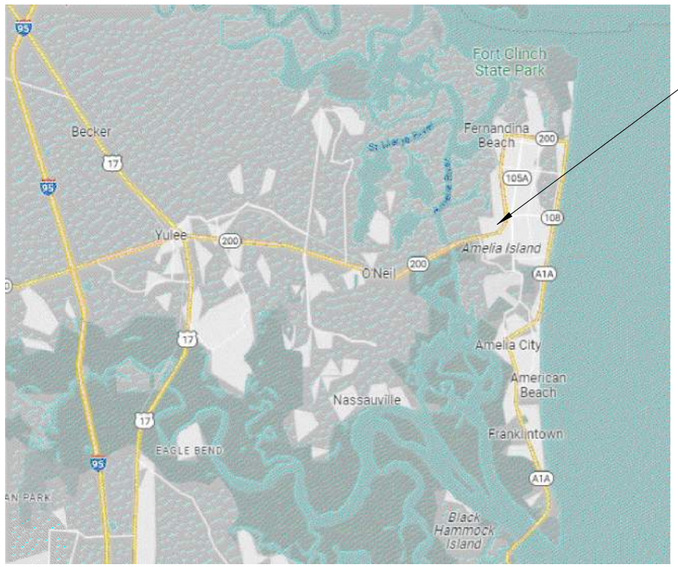
AUTHORIZED SIGNATURE: _____ **DATE:** _____

Updated plans - notes of clarification on page 10 of the drawings that follow.

CLINCH DR
WATERMAIN EXTENSION

INDEX OF UTILITY PLANS

SHEET NO.	SHEET DESCRIPTION
1	KEY SHEET
2 - 3	GENERAL NOTES
4 - 10	PLAN SHEETS
11 - 12	DETAIL SHEETS
13 - 15	TEMPORARY TRAFFIC CONTROL PLAN



VICINITY MAP
NOT TO SCALE

McCranie & Associates, Inc.
224 N. 2nd St, Unit 1A, Fernandina Beach, FL. 320324

BRETT A. MANZIE, PE
LICENSE
No 74640
STATE OF FLORIDA
PROFESSIONAL ENGINEER

BRETT A. MANZIE, PE
P.E. LICENSE NUMBER 74640
MCCRANIE & ASSOCIATES INC.
224 N 2nd St. UNIT 1A
FERNANDINA BEACH FL, 32034

CONTRACT NO.: CXXXX
VENDOR NO.: VF-593517876001

BID DATE: TBD

REVISIONS			
NO.	BY	DATE	
6.			
5.			
4.			
3.			
2.			
1.			

DESIGN ENGINEER
BRETT MANZIE, PE
FLORIDA REGISTRATION NO.
74640

DESIGNED: BAM
DRAWN BY: BAM
DATE: APRIL 2024
CHECKED BY: DMc
DATE: APRIL 2024

CLINCH DRIVE
WATERMAIN EXTENSION

PROJ. NO.
DATE: October 1, 2023
SCALE:
NO. SHEETS
SHEET NO.
DRAWING NO.

4/19/2024 9:08:22 AM brett
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GENERAL NOTES

1. THE CONTRACTOR CANNOT MODIFY THE COUNTY'S STORM WATER MANAGEMENT SYSTEM INCLUDING THE PIPES, INLETS, AREA DRAINS, DITCHES AND RELATED ELEMENTS TYPICALLY WITHIN THE STREET OR WITHIN A DRAINAGE EASEMENT WITHOUT THE PRIOR WRITTEN APPROVAL OF THE COUNTY ENGINEER OR DESIGNEE.

2. DRAINAGE EASEMENTS AND DITCHES SHOULD REMAIN FREE OF STOCKPILED SOIL, SEDIMENT, MUD, CONSTRUCTION MATERIALS/WASTE, ET CETERA AT ALL TIMES. POSITIVE STORMWATER FLOW MUST BE MAINTAINED THROUGHOUT CONSTRUCTION.

3. THE CONTRACTOR SHALL TEMPORARILY OR PERMANENTLY STABILIZE BARE SOIL AREAS AND SOIL STOCKPILES WHEN THE AREA IS INACTIVE FOR FOURTEEN DAYS OR MORE OR HAS REACHED FINISHED GRADE.

4. PER NASSAU COUNTY ORDINANCE 99-17 SECTION 10.6.5.1, IMMEDIATELY INSTALL ADDITIONAL EROSION PROTECTION SEDIMENT CONTROL MEASURES IF SEDIMENT IS LEAVING YOUR SITE. FAILURE TO CONTAIN SEDIMENT TO YOUR SITE MAY RESULT IN DELAYED INSPECTIONS, NOTICES OF VIOLATION, CITATIONS, FINES, PENALTIES, AND/OR STOP WORK ORDERS.

5. PER NASSAU COUNTY ORDINANCE 99-17 SECTION 10.1.2.A-E, STORMWATER MANAGEMENT FOR A PROJECT SHALL NOT HAVE ADVERSE EFFECTS ON ADJACENT PROPERTIES, DOWNSTREAM STRUCTURES, OR RIGHTS OF OTHER LANDOWNERS.

6. MAINTENANCE OF TRAFFIC (MOT) SHALL BE IN COMPLIANCE WITH FDOT STANDARD INDEX 102-600 SERIES.

7. ALL WORK, MATERIALS, AND TESTING PERFORMED WITHIN NASSAU COUNTY RIGHT-OF-WAY SHALL BE IN ACCORDANCE WITH THE CURRENT REVISION OF NASSAU COUNTY'S ORDINANCE 99-17 AND ALL CURRENT NASSAU COUNTY STANDARD DETAILS.

8. PER NASSAU COUNTY ORDINANCE 99-17 SECTION 8.5.5, ANY DAMAGE TO PAVEMENT RESULTING FROM CONSTRUCTION WITHIN PUBLIC ROW NOT PLANNED AS PART OF THE PROJECT SHALL BE MILLED AND OVERLAID FOR ENTIRE WIDTH OF ROADWAY AND LENGTH OF DAMAGE PLUS 50' IN EACH DIRECTION.

9. ALL WORK SHALL BE PERFORMED IN A SAFE MANNER. ALL SAFETY RULES AND GUIDELINES OF O.S.H.A. SHALL BE FOLLOWED. THE CONTRACTOR SHALL BE WHOLLY RESPONSIBLE FOR ANY INJURIES OF HIS EMPLOYEES, AND ANY DAMAGE TO PRIVATE PROPERTY OR PERSONS DURING THE COURSE OF THIS PROJECT. ALL COSTS ASSOCIATED WITH COMPLYING WITH O.S.H.A. REGULATIONS AND THE FLORIDA TRENCH SAFETY ACT MUST BE INCLUDED IN THE CONTRACTOR'S PRICE FOR PERFORMING THE WORK.

10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR VISITING THE JOB SITE PRIOR TO PREPARING THE BID FOR THE PURPOSE OF FAMILIARIZING HIMSELF WITH THE NATURE AND THE EXTENT OF THE WORK AND LOCAL CONDITIONS, EITHER SURFACE OR SUBSURFACE, WHICH MAY AFFECT THE WORK TO BE PERFORMED, AND THE EQUIPMENT, LABOR AND MATERIALS REQUIRED. FAILURE TO DO SO WILL NOT RELIEVE THE CONTRACTOR OF COMPLETE PERFORMANCE UNDER THIS CONTRACT. THE CONTRACTOR IS URGED TO TAKE COLOR PHOTOGRAPHS ALONG THE ROUTE OF THIS PROJECT TO RECORD EXISTING CONDITIONS PRIOR TO CONSTRUCTION, AND TO AID IN RESOLVING POSSIBLE FUTURE COMPLAINTS THAT MAY OCCUR DUE TO CONSTRUCTION OF THE PROJECT. ALL COSTS ASSOCIATED WITH PRELIMINARY INVESTIGATION SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR.

11. ALL IMPROVEMENTS SHOWN ARE TO BE WARRANTED BY THE CONTRACTOR TO THE OWNER.

12. ELEVATIONS ARE BASED ON U.S.C. & G. DATUM NAVD 1988.

13. TOPOGRAPHIC AND BOUNDARY INFORMATION WAS PROVIDED BY: MANZIE & DRAKE SURVEYORS.

14. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY BUILDING, RIGHT-OF-WAY PERMITS NOT PROVIDED, AND INSURANCE REQUIRED FOR THE PROJECT.

15. THE CONTRACTOR SHALL COORDINATE THE WORK WITHIN COUNTY OR STATE RIGHT-OF-WAY WITH THE PROPER AGENCIES FOR MAINTENANCE OF TRAFFIC AND METHOD OF CONSTRUCTION & REPAIR.

16. THE CONTRACTOR SHALL ADVISE THE OWNER'S AUTHORIZED REPRESENTATIVE OF PLANNED WORK SCEDULE. THE CONTRACTOR SHALL COORDINATE THEIR CONSTRUCTION WITH ALL OTHER CONTRACTORS. IN THE EVENT OF ANY CONFLICT WHATSOEVER, THE CONTRACTOR SHALL NOTIFY THE ENGINEER OF RECORD, AND THE OWNER PRIOR TO PROCEEDING WITH CONSTRUCTION.

17. "AS-BUILT" DRAWINGS - AS-BUILTS ARE REQUIRED TO BE SIGNED AND SEALED BY A FLORIDA REGISTERED LAND SURVEYOR. THEREFORE, IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY TO CONTRACT WITH A LAND SURVEYOR REGISTERED IN THE STATE OF FLORIDA FOR THE PREPARATION, FIELD LOCATIONS, CERTIFICATION, AND SUBMITTAL OF AS-BUILT DRAWINGS.

18. "AS-BUILT" RECORD DATA AND INFORMATION SHALL BE MAINTAINED BY THE CONTRACTOR. RECORD DRAWINGS SHALL BE SUPPLIED TO THE ENGINEER OF RECORD AND THE CITY OF FERNANDINA BEACH.

19. THE CONTRACTOR IS RESPONSIBLE FOR PROTECTION OF ALL SURVEY AND PROPERTY MONUMENTS. IF A MONUMENT IS DISTURBED, THE CONTRACTOR SHALL CONTRACT WITH THE SURVEYOR OF RECORD FOR REINSTALLATION OF THE MONUMENT.

20. ALL DEBRIS RESULTING FROM ALL ACTIVITIES SHALL BE DISPOSED OF OFF-SITE BY CONTRACTOR ON A DAILY BASIS.

21. ALL EXCESS SUITABLE AND UNSUITABLE MATERIALS SHALL BE REMOVED FROM THE SITE BY THE CONTRACTOR UNLESS DIRECTED OTHERWISE BY THE ENGINEER OR RECORD.

22. ALL EXISTING TREES LISTED TO REMAIN SHALL BE PRESERVED AND PROTECTED.

23. THE CONTRACTOR SHALL SUBMIT SHOP DRAWINGS TO THE ENGINEER OF RECORD ON ALL MATERIALS, FOR REVIEW AND APPROVAL, PRIOR TO PURCHASE OR CONSTRUCTION OF ANY UTILITY OR STRUCTURE.

24. UNSUITABLE MATERIALS UNDER WATER, SEWER, OR STORM PIPE AND/OR STRUCTURES SHALL BE REMOVED AND REPLACED WITH SELECTED BACKFILL COMPACTED TO 98% OF IT'S MAXIMUM DENSITY AS DETERMINED BY THE MODIFIED PROCTOR TEST (ASTM D1557).

25. ALL WATER & SEWER CONSTRUCTION SHALL BE ACCOMPLISHED BY AN UNDERGROUND UTILITY CONTRACTOR LICENSED UNDER THE PROVISIONS OF CHAPTER 489 FLORIDA STATUTES.

26. WHEN DEWATERING CAPACITY REQUIRES A PERMIT (CUP), IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY TO OBTAIN THE PERMIT THROUGH THE ST. JOHNS RIVER WATER MANAGEMENT DISTRICT.

27. GRADES SHOWN ON PLANS ARE EDGE OF PAVEMENT FINISHED GRADES UNLESS OTHERWISE NOTED.

28. SHOULD THE SURFACE OR SUBSURFACE CONDITIONS VARY FROM WHAT IS SHOWN ON THE PLANS, THE CONTRACTOR SHALL IMMEDIATELY NOTIFY THE ENGINEER OF RECORD.

29. ALL AREAS DISTURBED DURING CONSTRUCTION SHALL BE SEEDED AND MULCHED UNLESS OTHERWISE SPECIFICALLY STATED.

30. THE CONTRACTOR IS RESPONSIBLE FOR THE CONTROL OF SEDIMENT-LADEN RUNOFF RESULTING FROM STORM EVENTS DURING THE CONSTRUCTION PHASE. EROSION CONTROL FACILITIES SHOULD BE INSTALLED EARLY DURING THE CONSTRUCTION PERIOD SO AS TO PREVENT THE TRANSPORT OF SEDIMENT INTO SURFACE WATERS. RE-VEGETATION AND STABILIZATION OF DISTURBED AREAS SHOULD BE ACCOMPLISHED IMMEDIATELY TO REDUCE THE POTENTIAL FOR FURTHER SOIL EROSION.

31. ANY DISCREPANCIES ON THE DRAWINGS SHALL BE BROUGHT TO THE ATTENTION OF THE ENGINEER OF RECORD BEFORE COMMENCING WORK.

32. ALL UNDERGROUND UTILITY COMPANIES SHALL BE CONTACTED AT LEAST 48 HOURS PRIOR TO COMMENCING CONSTRUCTION.

33. BACKFILL MATERIAL SHALL BE COMPACTED TO 100% (| 2%) PER NASSAU COUNTY REQUIREMENTS UNDER ROADWAYS.

34. NO FIELD CHANGES OR DEVIATIONS FROM DESIGN SHALL BE MADE WITHOUT PRIOR APPROVAL OF THE ENGINEER OF RECORD.

35. STATIONING REFERS TO THE BASELINE OF THE ROADWAY EXCEPT AS NOTED ON PLANS.

REVISIONS			
DATE	DESCRIPTION	DATE	DESCRIPTION

ENGINEER OF RECORD

BRETT MANZIE, PE
LICENSE NUMBER: 74640
MCCRANIE & ASSOCIATES, INC.
224 N. 2ND ST., UNIT 1A
FERNANDINA BEACH, FLORIDA 32034

CITY OF FERNANDINA BEACH
WATER MAIN EXTENSION

ROAD NO.	COUNTY	FINANCIAL PROJECT ID
CLINCH	NASSAU	

GENERAL NOTES

SHEET NO. 2

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WATER NOTES

1. ALL MATERIALS AND CONSTRUCTION UNDER THIS PROJECT SHALL BE IN STRICT ACCORDANCE WITH THE REQUIREMENTS OF THE CITY OF FERNANDINA BEACH UTILITIES DEPARTMENT (FBU) AND SHALL CONFORM TO THE STANDARDS AND SPECIFICATIONS AVAILABLE AND ON FILE WITH FBU. AS A MINIMUM REQUIREMENT, THE STANDARDS OF THE AWWA SHALL APPLY.

2. WATER MAINS SHALL HAVE A MINIMUM OF 36" COVER UNDER PAVEMENT FROM FINISHED GRADE UNLESS OTHERWISE SHOWN. IN NASSAUCOUNTY R/W, THE MINIMUM DEPTH OF COVER UNDER PAVEMENT IS 42".

3. DETECTOR TAPE SHALL BE INSTALLED 18" ABOVE THE CENTERLINE OF WATER MAINS AND SERVICES.

4. ALL WATER MAIN VALVES SHALL BE INSTALLED AS PER THE GATE VALVE AND BOX DETAIL.

5. CONTRACTOR IS REQUIRED TO CONTACT THE FBU INSPECTION DIVISION AND ALL OTHER APPLICALBE PERMITTING AGENCIES TO ARRANGE FOR A PRE-CONSTRUCTION MEETING AT LEAST 72 HOURS PRIOR TO PROPOSED START OF CONSTRUCTION.

6. FBU PERSONNEL SHALL INSPECT ALL FACILITIES INSTALLED BY CONTRACTOR. ALL OTHER REQUIREMENTS OF THE PERMITTING AGENCIES SHALL BE IN ACCORDANCE WITH THEIR STANDARDS AND REQUIREMENTS.

7. WORK PERFORMED UNDER THIS PROJECT WILL NOT BE CONSIDERED AS COMPLETE UNTIL FINAL ACCEPTANCE OF THE SYSTEM BY FBU AND UNTIL THE FOLLOWING DOCUMENTS ARE RECEIVED AND APPROVED BY FBU:

   CONTRACTOR'S WAIVER AND RELEASE OF LIEN
   ABSOLUTE BILL OF SALE
   CONTRACTOR'S LETTER OF WARRANTY (i.e. LETTER AGREEMENT)
   CONTRACTOR'S MAINTENANCE BOND (FOR 1 YEAR)
   AS-BUILT 3 ml MYLAR 24" X 36" SHOWING SPECIFIC LOCATIONS, DEPTHS, ETC. OF ALL NEW WATER FACILITIES AS LOCATED BY A LICENSED SURVEYOR, ALONG WITH TWO PRINTS OF THE AS-BUILT WHICH HAVE BEEN SIGNED AND SEALED BY A REGISTERED SURVEYOR OR ENGINEER OF RECORD AND ENDORSED BY THE CONTRACTOR IN ACCORDANCE WITH FBU STANDARDS.

8. ALL NEW CONNECTIONS FROM EXISTING FBU WATER MAINS SHALL BE INSPECTED BY FBU PRIOR TO BACKFILL.

9. THE LOCATION OF ALL EXISTING UTILITIES, STRUCTURES, AND IMPROVEMENTS ON THE DRAWINGS ARE BASED ON LIMITED INFORMATION AND MAY NOT HAVE BEEN FIELD VERIFIED. THE LOCATIONS ARE APPROXIMATE. THE CONTRACTOR SHALL NOTIFY RESPECTIVE UTILITY OWNERS AND FIELD VERIFY LOCATIONS OF EXISTING UTILITIES AND OTHER IMPROVEMENTS PRIOR TO COMMENCING ANY CONSTRUCTION. IF THE LOCATIONS SHOWN ARE CONTRARY TO ACTUAL FIELD LOCATIONS, THE CONTRACTOR SHALL NOTIFY THE OWNER AND ENGINEER OF THE DISCREPANCY. THE DISCREPANCY SHOULD BE RESOLVED PRIOR TO COMMENCING CONSTRUCTION. THE CONTRACTOR SHALL EXERCISE EXTREME CAUTION WHEN WORKING IN AREAS NEAR EXISTING UTILITY IMPROVEMENTS AND SHALL BE RESPONSIBLE FOR REPAIRS OR PAYMENTS FOR ALL DAMAGE MADE TO EXISTING UTILITIES OR OTHER IMPROVEMENTS. PRIOR TO COMMENCEMENT OF ANY CONSTRUCTION, THE CONTRACTOR SHALL VERIFY ALL GRADES, INVERTS, AND TYPE OF MATERIAL OF EXISTING UTILITIES TO WHICH THEY SHALL CONNECT.

10. THRUST BLOCKS SHALL BE PROVIDED AT ALL BENDS, TEES AND PLUGS IN ACCORDANCE WITH FBU STANDARD DETAILS.

11. ALL NEW FITTINGS AT REACTION POINTS SHALL BE FITTED WITH MEGALUG RETAINER GLANDS OR APPROVED EQUAL, METING FBU REQUIREMENTS. ALL VALVES ARE TO BE RESTRAINED WITH RETAINER GLANDS.

12. ALL WATER MAINS SHALL BE PRESSURE AND LEAKAGE TESTED IN ACCORDANCE WITH AWWA C-600-87, AND OR JEA'S APPLICABLE STANDARDS AND SPECIFICATIONS. ALL WATER MAIN DISINFECTION SHALL BE IN ACCORDANCE WITH AWWA C651 AND OR DEP'S APPLICABLE STANDARDS AND SPECIFICATIONS. NO CONNECTION TO EXISTING POTABLE WATER SYSTEM SHALL BE ALLOWED UNTIL ALL PROPOSED WATER MAINS HAVE BEEN PRESSURE TESTED, DISINFECTED, AND CLEARED FOR SERVICE. THE UTILITY COMPANY'S AUTHORIZED REPRESENTATIVE MUST BE NOTIFIED 48 HOURS PRIOR TO PERFORMING THE PRESSURE TEST AND MUST BE PRESENT.

13. ALL WATER MAINS SHALL BE DISINFECTED USING LIQUID CHLORINE OR HYPOCHLORITES IN ACCORDANCE TO AWWA C651-86. WATER IN MAIN SHALL MAINTAIN A CHLORINE RESIDUAL OF 50 MG/L FOR A MINIMUM OF 24 HOURS. WATER MAIN SHALL NOT BE PLACED IN SERVICE UNTIL CLEARANCE HAS BEEN PROVIDED BY THE APPROPRIATE REGULATING AGENCY AND FBU.

14. UNLESS OTHERWISE NOTED, WATER MAINS ARE TO BE PVC DR18, C-900, CLASS 150.

15. THE CONTRACTOR SHALL AVOID SERVICE INTERRUPTIONS AND MAINTAIN ANY EXISTING WATER SERVICE TO MEET THE SYSTEM DEMANDS AT ALL TIMES. THE CONTRACTOR SHALL BE RESPONSIBLE FOR NOTIFICATION OF AFFECTED CUSTOMERS OF THE UTILITY A MINIMUM OF 48 HOURS IN ADVANCE OF ANY INTERRUPTION OF SERVICE. BOIL WATER NOTICES SHALL BE DELIVERED IN ACCORDANCE WITH THE UTLITY COMPANY BOIL WATER NOTICE REQUIREMENTS.

16. ALL MAIN FLUSHING POINTS SHALL BE SAME SIZE AS MAIN UP TO 8 INCH WATER MAINS. FLUSHING POINTS FOR MAINS LARGER THAN 8 INCH SHALL BE REDUCED TO 8 INCH.

17. IF SOLVENT CONTAMINATION IS FOUND IN THE PIPE TRENCH, WORK SHALL BE STOPPED AND THE PROPER AUTHORITIES NOTIFIED. BASED ON APPROVAL OF THE PERMITTING AGENCY, DUCTILE IRON PIPE, FITTINGS, AND SOLVENT RESISTANT GASKET MATERIAL SUCH AS FLUOROCARBON SHALL BE USED IN THE CONTAMINATED AREA. THE DUCTILE IRON PIPE SHALL EXTEND AT LEAST 100 FEET BEYOND ANY SOLVENT NOTED. ANY CONTAMINATED SOIL THAT IS EXCAVATED SHALL BE PLACED ON AN IMPERMEABLE MAT AND COVERED WITH A WATER PROOF COVERING. THE PROPER AUTHORITIES WILL BE NOTIFIED AND THE CONTAMINATED SOIL HELD FOR PROPER DISPOSAL.

18. 2" FLUSHING HYDRANTS SHALL BE INSTALLED AT ALL DEAD END LINES AND MAIN LINE STUB-OUTS.

19. ALL TRENCHES TO BE OVEREXCAVATED A MINIMUM OF 6" TO PROVIDE FOR INSTALLATION OF ROCK BEDDING IN ACCORDANCE WITH FBU STANDARDS.

20. WATER MAINS SHALL BE LAID AT LEAST 10 FEET HORIZONTALLY FROM ANY EXISTING OR PROPOSED SANITARY HAZARD. THE DISTANCE SHALL BE MEASURED EDGE TO EDGE. WHERE PARALLEL WATER AND SEWER MAINS HAVE LESS THAN 10 FOOT HORIZONTAL SEPARATION, 20 FOOT LENGTHS OF C900 (DR18) WATER QUALITY PIPE SHALL BE USED WITH THE JOINTS STAGGERED AT 10 FOOT INTERVALS. THE PIPES SHALL BE PLACED IN SEPARATE TRENCHES WITH THE WATER MAIN AT LEAST 18 INCHES ABOVE THE SEWER. 6" MIN VERTICAL SEPARATION IS REQUIRED WITH50 FT JOINT (C-900 WATER MAIN) CENTERED AND MINIMUM 30" BURY IS REQUIRED.

21. WATER MAINS CROSSING SANITARY HAZARDS SHALL BE LAID TO PROVIDE A MINIMUM VERTICAL DISTANCE OF 18 INCHES BETWEEN THE OUTSIDE OF THE WATER MAIN AND THE OUTSIDE OF THE SEWER MAIN. WHERE WATER AND SEWER MAINS CROSS WITH BETWEEN 18 INCHES AND 6 INCHES OF VERTICAL CLEARANCE, A 20 FOOT SECTION OF C900 (DR18) WATER QUALITY PIPE SHALL BE CENTERED ON THE POINT OF THE CROSSING. THE CONTRACTOR SHALL FIELD VERIFY THE VERTICAL SEPARATION. THE MINIMUM SEPARATION BETWEEN WATER AND SEWER PIPES IS TO BE 6 INCHES OUTSIDE DIAMETER TO OUTSIDE DIAMETER.

22. NO WATER MAIN PIPE SHALL PASS THROUGH OR COME IN CONTACT WITH ANY PART OF A SEWER MANHOLE.

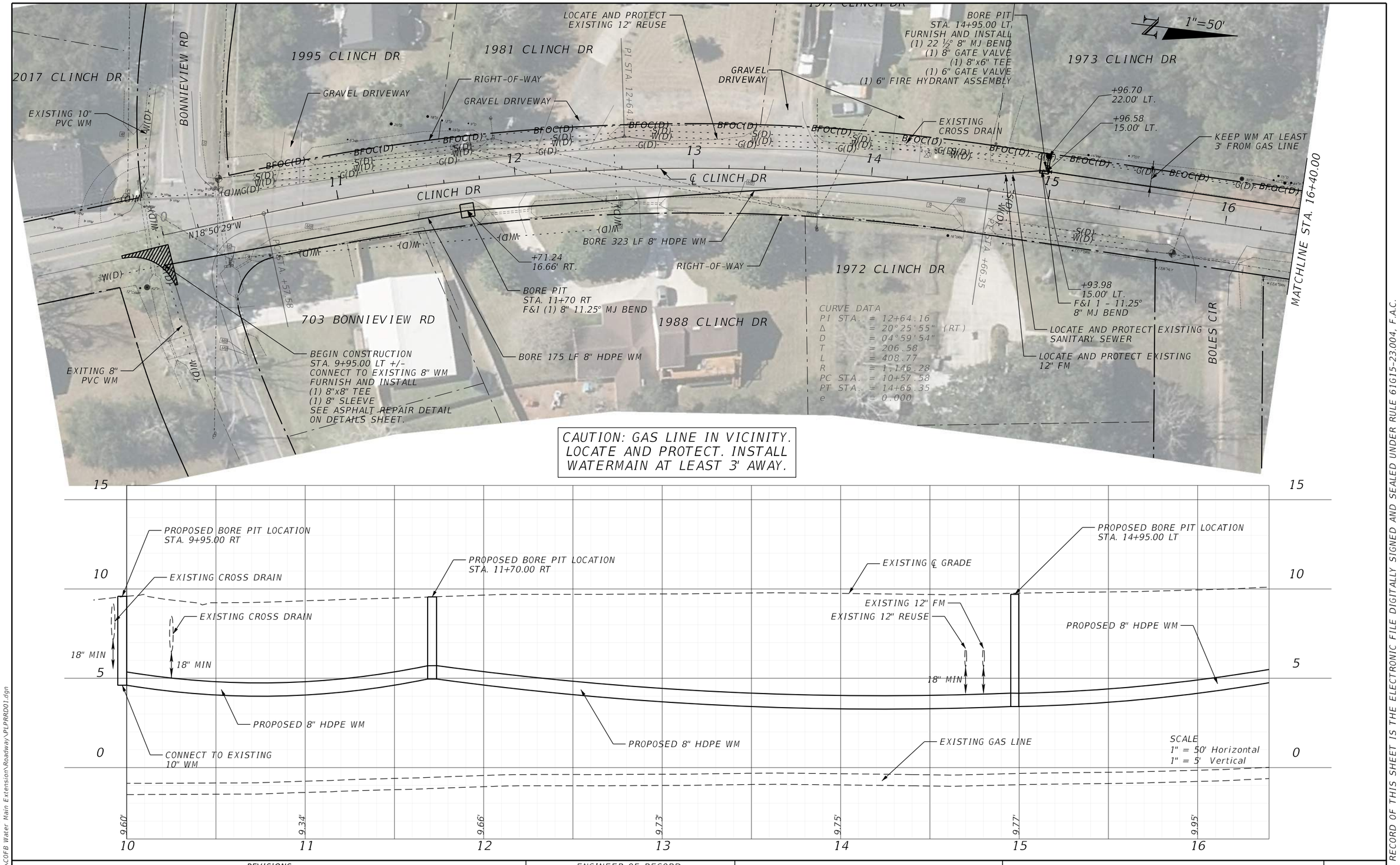
23. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROVIDING FBU WITH DEP LETTER OF CLEARANCE ALONG WITH A PRESSURE TEST REPORT CERTIFYING PRESSURE TEST RESULTS.

24. 2" FLUSHING HYDRANTS SHALL BE INSTALLED AT ALL DEAD END LINES AND MAIN LINE STUB-OUTS.

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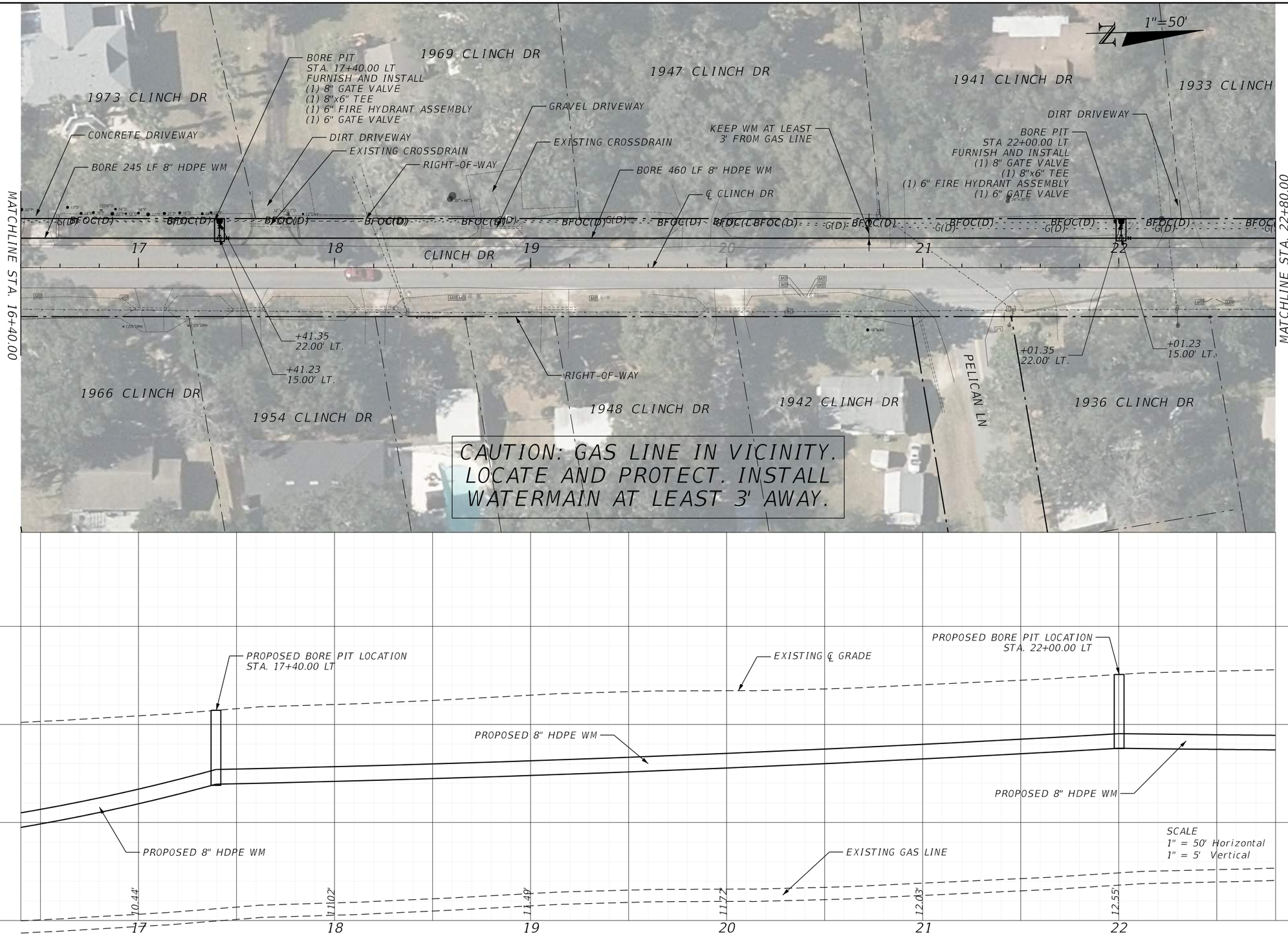
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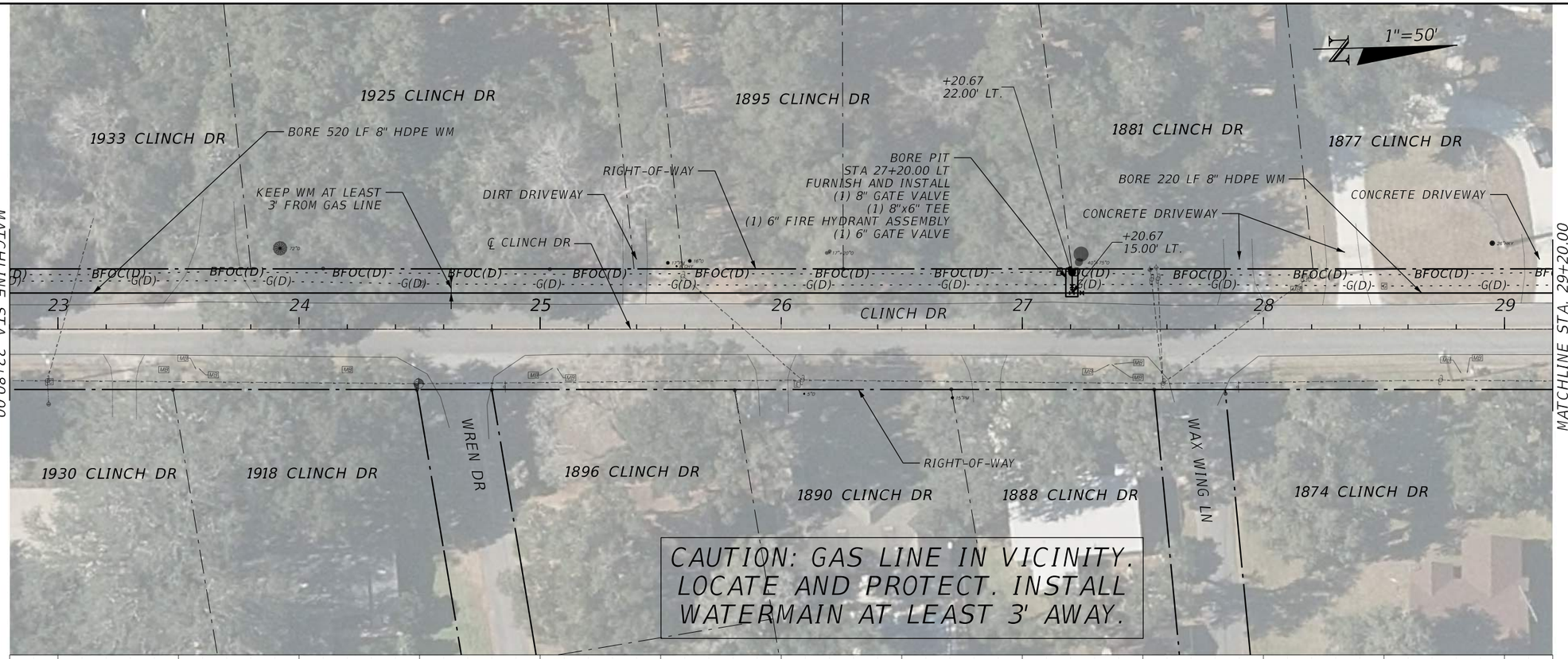
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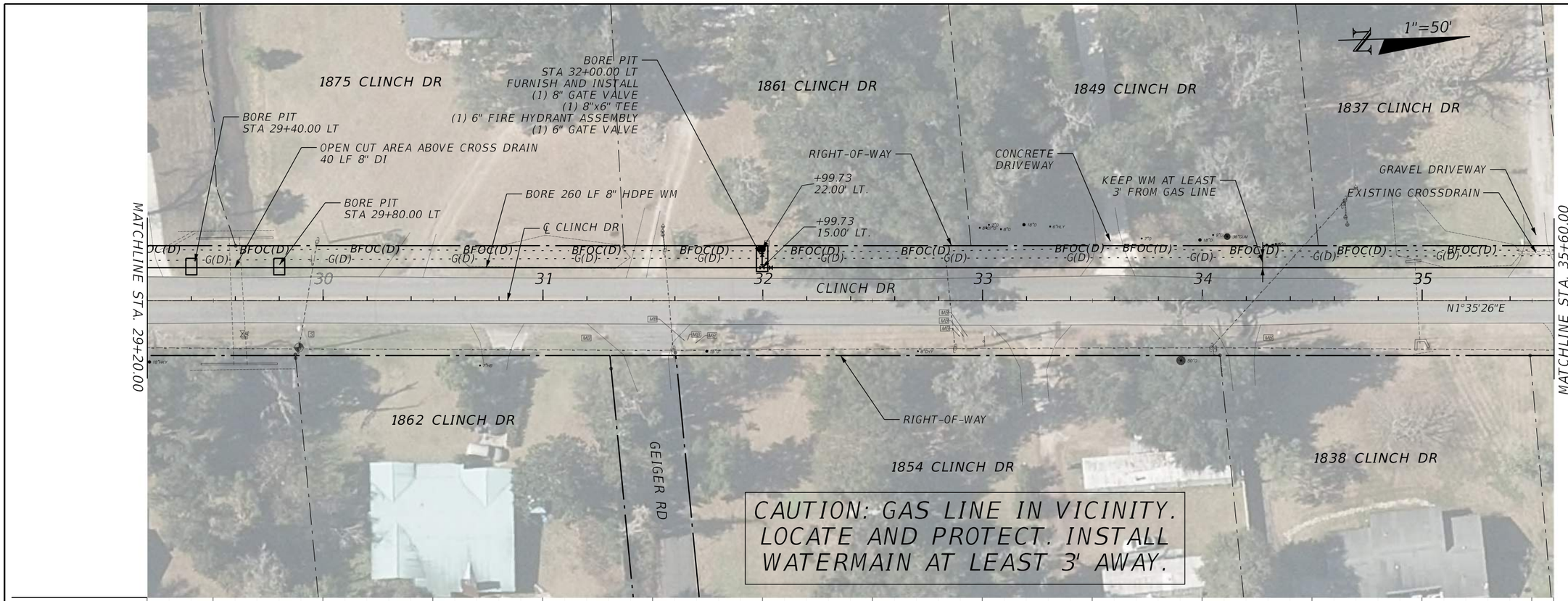
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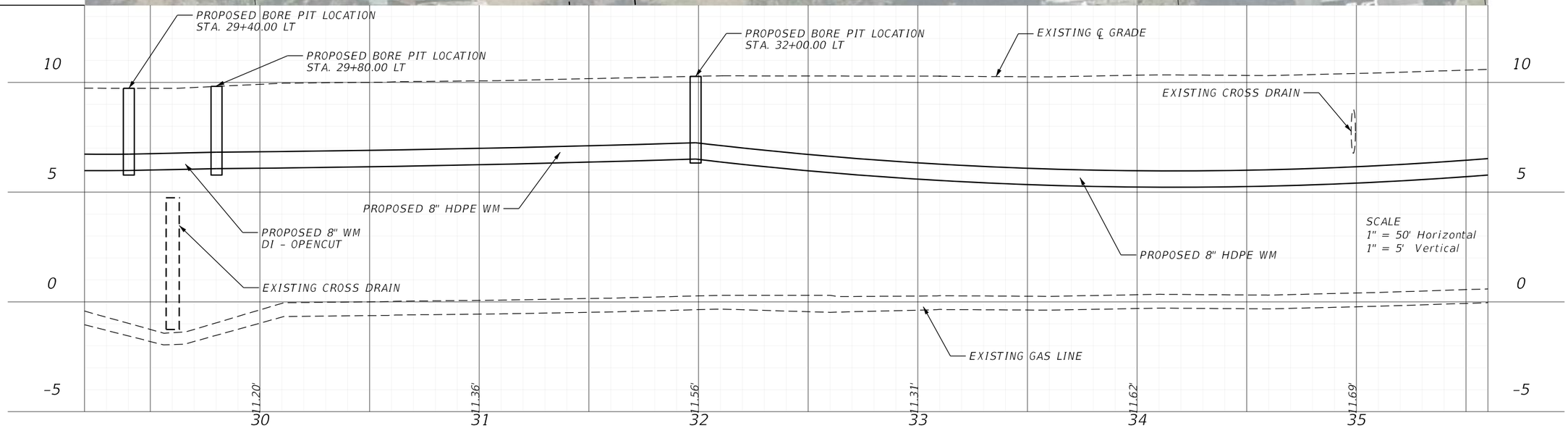


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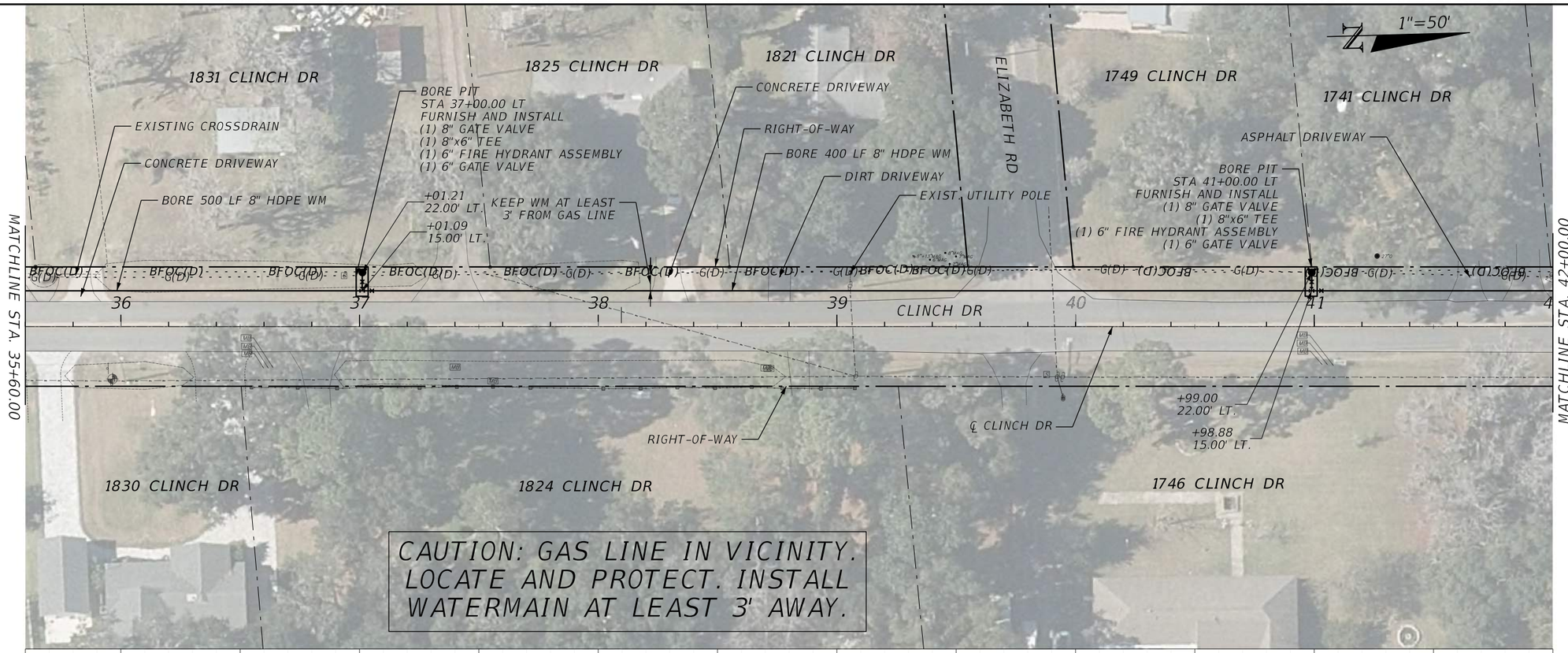




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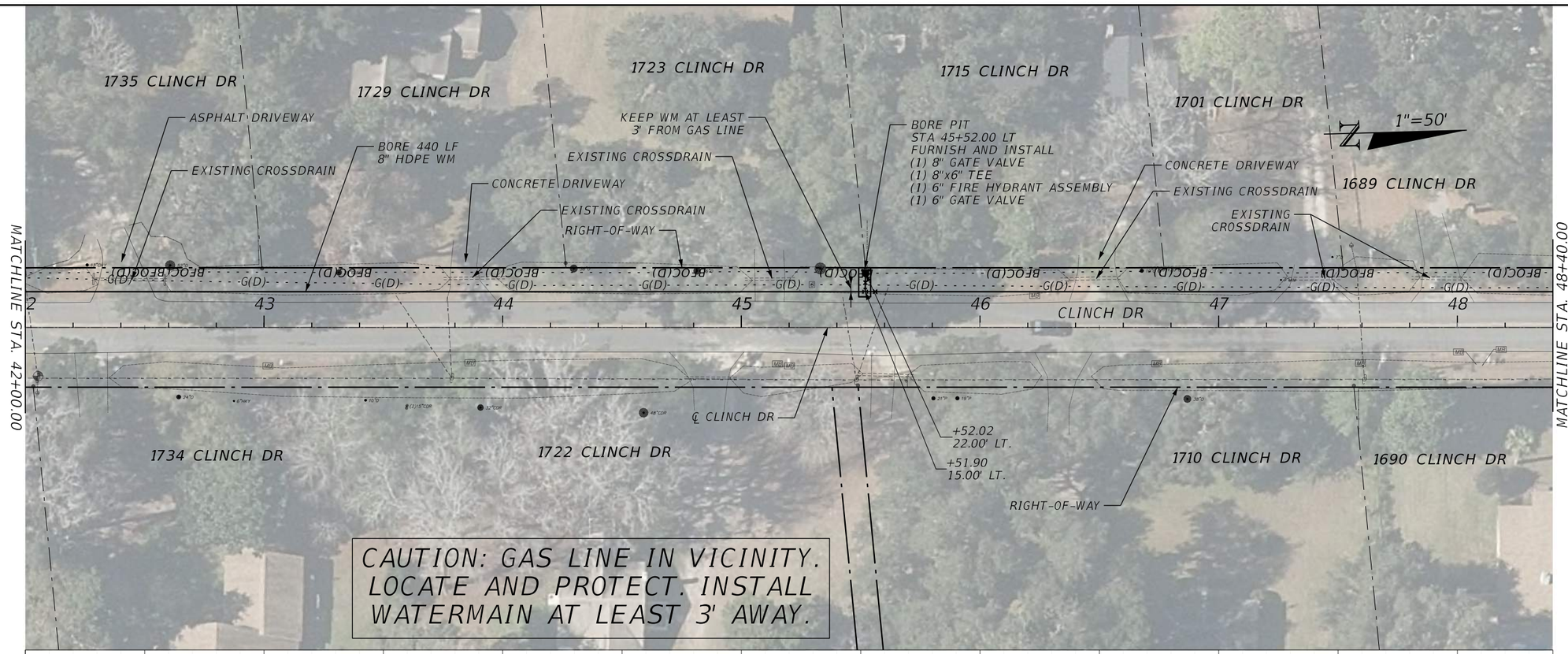
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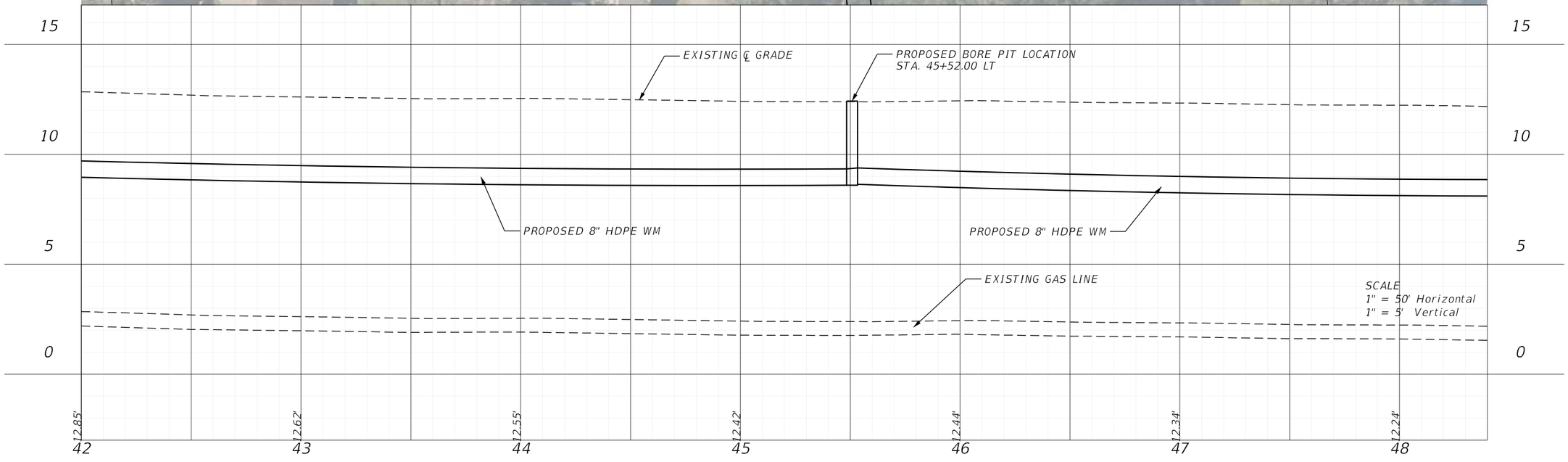


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MATCHLINE STA. 48+40.00

1689 CLINCH DR

0 CLINCH DR

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0 CLINCH DR

1657 CLINCH DR

1655 CLINCH DR

1680 CLINCH DR

1668 CLINCH DR

1650 CLINCH DR

CSWAIN RD

CLINCH DR

℄ CLINCH DR

DIRT DRIVEWAY

EXISTING CROSSDRAIN

BORE 460 LF 8" HDPE WM

BORE PIT
STA 50+40.00 LT

OPEN CUT AREA
ABOVE CROSS DRAIN
80 LF 8" DI
TYPE A CROSSING
F&I (4) 45° BENDS

BORE PIT
STA 51+20.00 LT
FURNISH AND INSTALL
(1) 8" GATE VALVE
(1) 8"x6" TEE
(1) 6" FIRE HYDRANT ASSEMBLY
(1) 6" GATE VALVE

GRAVEL DRIVEWAY

RIGHT-OF-WAY

KEEP WM AT LEAST
3' FROM GAS LINE

BORE 360 LF 8" HDPE WM

GRAVEL DRIVEWAY

BORE PIT
CONTRACTOR TO LOCATE AND
CONNECT TO EXISTING 8" WM

STA. 54+60.00 LT +/-
FURNISH AND INSTALL
(1) 8" GATE VALVE
(1) 8"x6" TEE
(1) 6" FIRE HYDRANT ASSEMBLY
(1) 6" GATE VALVE
(2) 8" 45° M.J. BENDS

Connect to existing 8" water rmain

+21.04
22.00' LT.

+20.92
15.00' LT.

RIGHT-OF-WAY

+61.14
22.00' LT.

+64.65
15.00' LT.

+64.65
15.00' LT.

CAUTION: GAS LINE IN VICINITY.
LOCATE AND PROTECT. INSTALL
WATERMAIN AT LEAST 3' AWAY.

PROPOSED BORE PIT LOCATION
STA. 51+20.00 LT

PROPOSED BORE PIT LOCATION
STA. 50+40.00 LT

EXISTING ℄ GRADE

PROPOSED BORE PIT LOCATION
STA. 54+60.00 LT

EXIST. 8" WM

PROPOSED 8" HDPE WM

PROPOSED 8" WM
DI - TYPE A CROSSING
OPENCUT

PROPOSED 8" HDPE WM

Connect to existing 8" water rmain

EXISTING CROSS DRAIN

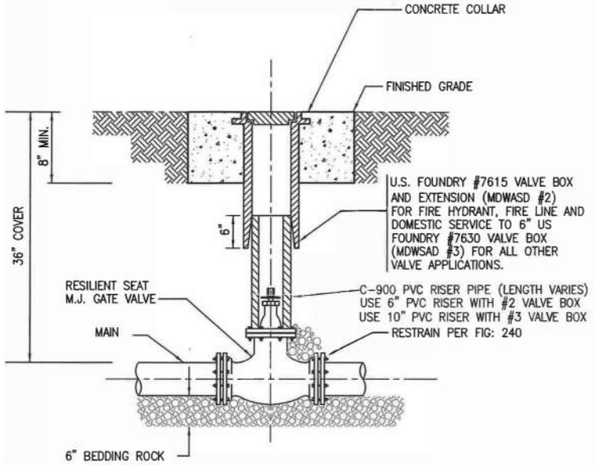
EXISTING GAS LINE

SCALE
1" = 50' Horizontal
1" = 5' Vertical

REVISIONS				ENGINEER OF RECORD	CITY OF FERNANDINA BEACH WATER MAIN EXTENSION			PLAN SHEET	SHEET NO.
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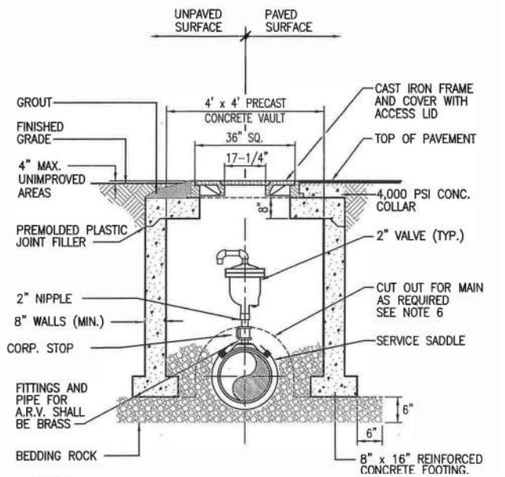
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NOTES:

1. WHEN VALVE IS NOT LOCATED IN PAVEMENT, PLACE A WHITE PAVEMENT REFLECTOR MARKER IN THE DRIVE LANE, ADJACENT TO THE VALVE.
2. USE U.S. FOUNDRY #7630 VALVE BOX AND EXTENSION (MDWASD #3) FOR ALL OTHER VALVE APPLICATIONS.
3. FOR USE ON 2-INCH THROUGH 10-INCH PIPELINES.
4. RESILIENT SEAT AND OTHER RUBBER TYPE PARTS SHALL BE FORMED OF A SYNTHETIC ELASTOMER WHICH IS CORROSION AND CHLORAMINE RESISTANT.
5. OPERATOR EXTENSION SHAFT SHALL BE PROVIDED WHEN OPERATING NUT IS MORE THAN 48" BELOW TOP OF VALVE BOX.

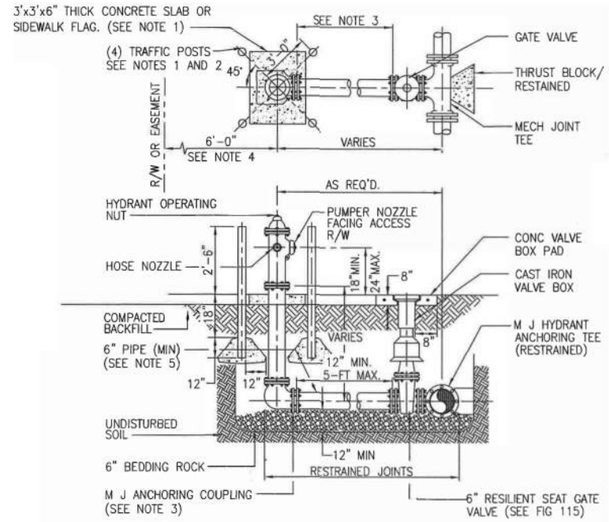
GATE VALVE AND BOX DETAIL



NOTES:

1. ABOVE DETAIL IS BASED ON 2" COMBINATION AIR/VACUUM RELEASE VALVE, CHANGE PIPE AND FITTINGS ACCORDINGLY FOR OTHER VALVE SIZES AND TYPES. VALVE SIZES TO BE DETERMINED BY THE ENGINEER AND APPROVED BY THE CITY PRIOR TO INSTALLATION.
2. THE MINIMUM DIMENSION FROM TOP OF PIPE TO FINISHED GRADE SHALL BE 4.0 FEET.
3. ARV VAULT WALLS TO BE COATED INSIDE AND OUTSIDE WITH 16 MIL. THK. APPROVED COATING.
4. LIFT HOLES ARE TO BE SEALED WITH MORTAR INSIDE AND OUTSIDE AFTER INSTALLATION. ALL OPENINGS SHALL BE SEALED WITH WATERPROOF, EXPANDING GROUT.
5. VALVES TO BE EQUIPPED WITH THREADED VENT PIPE THAT DIRECTS VENT DOWNWARD.
6. VAULT SHALL NOT REST ON PIPE. ALLOW 9" MIN. SEPARATION.

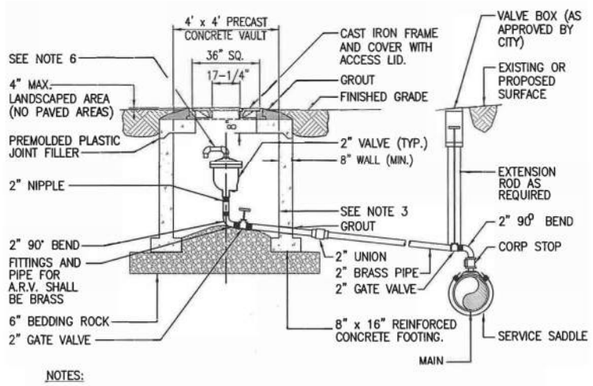
AIR RELEASE VALVE DETAIL



NOTES:

1. HYDRANT GUARDS TO BE 4" DIAMETER GALVANIZED STEEL PIPE FILLED WITH CONCRETE AND TO BE PLACED AT LOCATION AS REQUESTED BY THE CITY.
2. OMIT REAR GUARDS IN LOCATION WHERE SIDEWALKS EXIST.
3. USE MECHANICAL JOINT RETAINER GLAND CLOW MODEL NO. F1058, MEGA-LUGS OR APPROVED EQUAL.
4. HYDRANT SETBACK SHALL BE SET TO A DISTANCE OF 7-FT MAXIMUM AND 4-FT MINIMUM FROM THE EDGE OF PAVEMENT OR CONFORM TO D.O.T. REQUIREMENTS WHERE APPLICABLE.
5. SERVICE LINES FOR FIRE HYDRANTS TO BE SIZED TO ALLOW A MINIMUM OF 20 PSI RESIDUAL PRESSURE AT THE HYDRANT UNDER FIRE FLOW CONDITIONS.
6. TWO BLUE REFLECTIVE PAVEMENT MARKERS FOR IDENTIFICATION OF THE HYDRANT AND ITS VALVE LOCATION SHALL BE INSTALLED ON THE CENTER OF THE ADJACENT PAVED DRIVE LANE TO THE HYDRANT; MARKERS SHALL BE SPACED 1-FT APART, PERPENDICULAR TO THE ROAD CENTERLINE.
7. NO GUARDPOST ALLOWED IN DOT RIGHTS-OF-WAY.

FIRE HYDRANT ASSEMBLY DETAIL

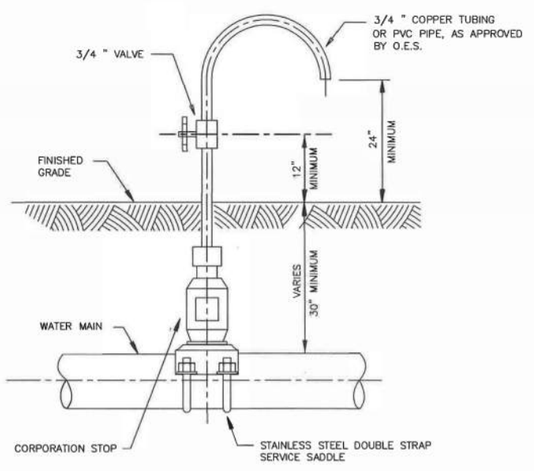


NOTES:

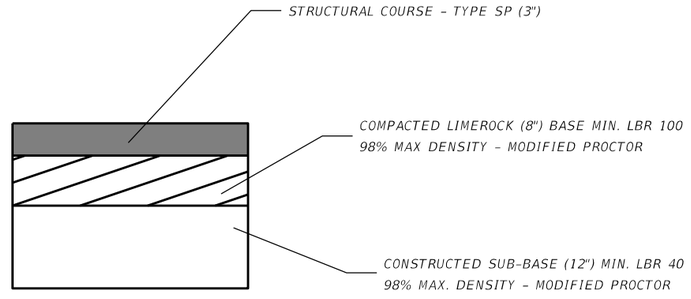
1. ABOVE DETAIL IS BASED ON 2" COMBINATION AIR/VACUUM RELEASE VALVE, CHANGE PIPE AND FITTINGS ACCORDINGLY FOR OTHER VALVE SIZES AND TYPES. VALVE SIZES TO BE DETERMINED BY THE ENGINEER AND APPROVED BY THE CITY PRIOR TO INSTALLATION.
2. THE MINIMUM DIMENSION FROM TOP OF PIPE TO FINISHED GRADE SHALL BE 4.0 FEET.
3. ARV VAULT WALLS TO BE COATED INSIDE AND OUTSIDE WITH 16 MIL. THICK APPROVED COATING.
4. VALVE SHALL BE SUPPORTED TO VAULT WALL.
5. LIFT HOLES ARE TO BE SEALED WITH MORTAR INSIDE AND OUTSIDE AFTER INSTALLATION. ALL OPENINGS SHALL BE SEALED WITH WATERPROOF, EXPANDING GROUT.
6. VALVES TO BE EQUIPPED WITH THREADED VENT PIPE THAT DIRECTS WENT DOWNWARD.

OFFSET AIR REALEASE VALVE DETAIL
POTABLE WATER SYSTEM

A CORPORATION STOP SHALL BE INSTALLED WITH A LENGTH OF COPPER TUBING EXTENDING ABOVE THE GROUND. THE TUBING SHALL BE INSTALLED WITH A 180° BEND AND A VALVE.



BACTERIOLOGICAL DETAIL



PAVEMENT REPAIR DETAIL

REVISIONS			
DATE	DESCRIPTION	DATE	DESCRIPTION

ENGINEER OF RECORD

BRETT MANZIE, PE
LICENSE NUMBER: 74640
MCCRANIE & ASSOCIATES, INC.
224 N. 2ND ST., UNIT 1A
FERNANDINA BEACH, FLORIDA 32034

STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION

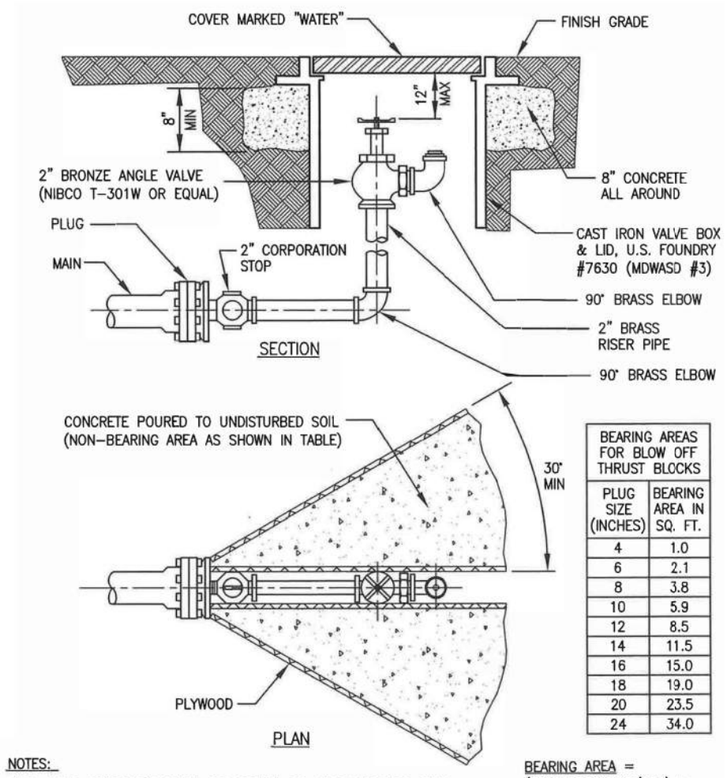
ROAD NO.	COUNTY	FINANCIAL PROJECT ID
CLINCH	NASSAU	PROJECT ID

DETAIL SHEET

SHEET NO. 11

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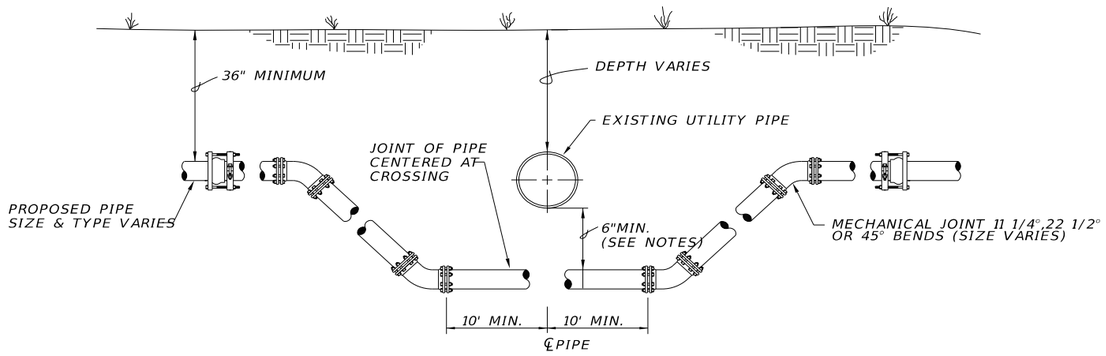
BEARING AREAS FOR BLOW OFF THRUST BLOCKS	
PLUG SIZE (INCHES)	BEARING AREA IN SQ. FT.
4	1.0
6	2.1
8	3.8
10	5.9
12	8.5
14	11.5
16	15.0
18	19.0
20	23.5
24	34.0

NOTES:

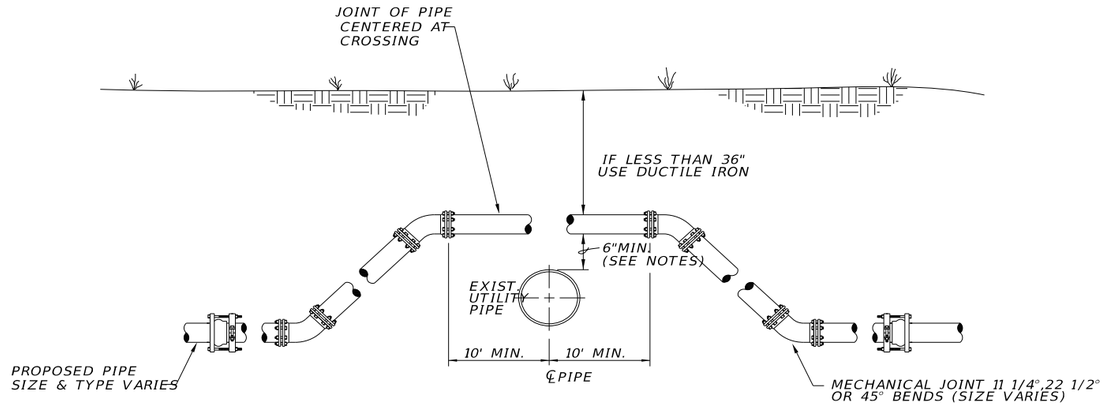
1. PIPE JOINT COMPOUND SHALL BE APPLIED TO MALE THREADS ONLY.
2. COAT ALL EXPOSED THREADS WITH BITUMASTIC BEFORE BACKFILLING.
3. 2" TOP IN BOTTOM OF PLUG.
4. PLYWOOD AND CONCRETE TO HAVE A HEIGHT EQUAL TO THE DIAMETER OF THE PIPE.

BEARING AREA = (TEST PRESSURE/150) x (2000/SOIL BEARING STRESS) x (TABLE VALUE)

TYPICAL FLUSHING OUTLET VALVE



TYPE B CROSSING DETAIL



TYPE A CROSSING DETAIL

NOTES:

1. IF EXISTING UTILITY PIPE IS A WATER MAIN, 6-INCHES OF SEPARATION IS REQUIRED.

2. IF EXISTING UTILITY PIPE IS A FORCE MAIN, SANITARY SEWER LINE, OR DRAINAGE PIPE, 18-INCHES OF SEPARATION IS REQUIRED. IF THIS IS IMPOSSIBLE, SEPARATION CAN BE REDUCED TO 6-INCHES IF PROPOSED PIPE IS DR-18 AND WITH FULL 20 FT. PIPE CENTERED OVER/UNDER EXISTING UTILITY MAIN TO PROVIDE MAXIMUM JOINT SPACING.

3. ALL JOINTS 20 FT. MINIMUM EACH SIDE OF EXISTING PIPE SHALL BE MECHANICALLY RESTRAINED USING MEG-A-LUGS, TIE RODS, OR CLAMPING RING & TEE BOLT DEVICES.

4. THE NUMBER OF TIE RODS REQUIRED ARE AS FOLLOWS:
   3"-8" DIAMETER MAIN - 2 TIE RODS PER JOINT
   10"-12" DIAMETER MAIN - 4 TIE RODS PER JOINT
   14"-20" DIAMETER MAIN - 6 TIE RODS PER JOINT

WATER & SEWER CONFLICT DETAILS

REVISIONS			
DATE	DESCRIPTION	DATE	DESCRIPTION

ENGINEER OF RECORD
BRETT MANZIE, PE
LICENSE NUMBER: 74640
MCCRANIE & ASSOCIATES, INC.
224 N. 2ND ST., UNIT 1A
FERNANDINA BEACH, FLORIDA 32034

CITY OF FERNANDINA BEACH
WATER MAIN EXTENSION

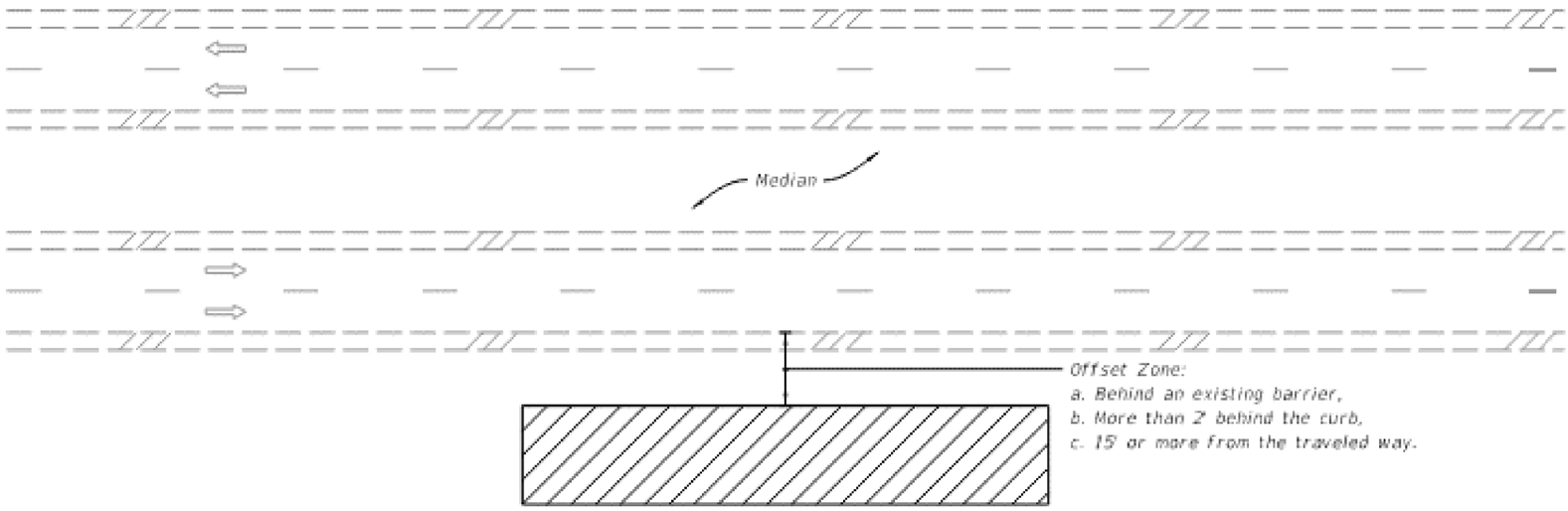
ROAD NO.	COUNTY	FINANCIAL PROJECT ID
CLINCH	NASSAU	

DETAIL SHEET

SHEET NO. 12

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MULTILANE ROADWAY SHOWN, TWO-LANE ROADWAY SIMILAR

NOTES:

1. This Index applies to Two-Lane, Two-Way and Multilane Roadways, including Medians of divided roadways, with work beyond the shoulder.
2. Use Index 102-602 when the work operation (excluding establishing and terminating the work area) requires that two or more work vehicles cross the Offset Zone in any one hour period.
3. Use Index 102-660 when Work Area encroaches a Sidewalk.

SYMBOLS:

Work Area

Lane Identification and Direction of Traffic

REVISIONS				ENGINEER OF RECORD	STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION			TEMPORARY TRAFFIC CONTROL	SHEET NO.
DATE	DESCRIPTION	DATE	DESCRIPTION	BRETT MANZIE, PE LICENSE NUMBER: 74640 MCCRANIE & ASSOCIATES, INC. 224 N. 2ND ST., UNIT 1A FERNANDINA BEACH, FLORIDA 32034	ROAD NO.	COUNTY	FINANCIAL PROJECT ID		13
					CLINCH	NASSAU			

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THE OFFICIAL RECORD OF THIS SHEET IS THE ELECTRONIC FILE DIGITALLY SIGNED AND SEALED UNDER RULE 61G15-23.004, F.A.C.

NOTE:

1. This Index applies to Two-Lane, Two-Way and Multilane Roadways, including Medians of divided roadways, with work on the shoulder.

2. L = Taper Length
   X = Work Zone Sign Spacing
   B = Buffer Length
   See Index 102-600 for "L", "X", "B", and channelizing device spacing values.

3. Where work activities are between 2' and 15' from the edge of traveled way, the Engineer may omit signs and channelizing devices for work operations 60 minutes or less.

4. When four or more work vehicles enter the through traffic lanes in a one hour period (excluding establishing and terminating the work area), use a flagger or lane closure to accommodate work vehicle ingress and egress.

5. For work less than 2' from the traveled way and work zone speed is greater than 45 MPH, use a lane closure.

6. The "Speeding Fines Doubled When Workers Present" signs (MOT-13-06) and "End Road Work" Signs (G20-2) along with the associated work zone sign spacing distances may be omitted when the work operation is in place for 24 hours or less.

7. Temporary pavement markings may be omitted when the work operation is in place for 3 days or less.

8. Omit "Shoulder Closed" signs (W21-5a) along with associated work zone sign spacing distances for work on the median.

9. When there is no paved shoulder, the "Worker" sign (W21-1) may be used instead of the "Shoulder Closed" sign (W21-5a).

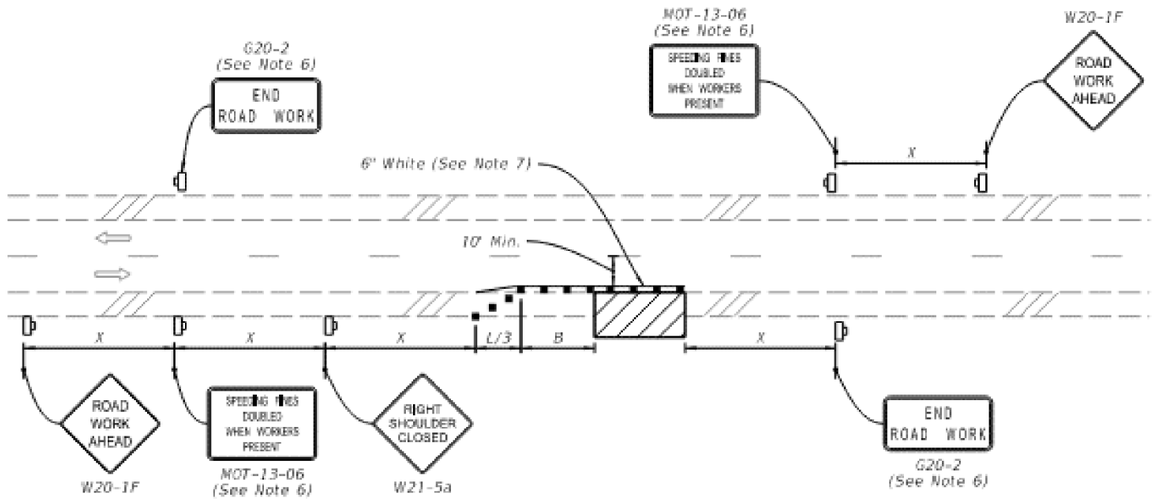
SYMBOLS:

Work Area

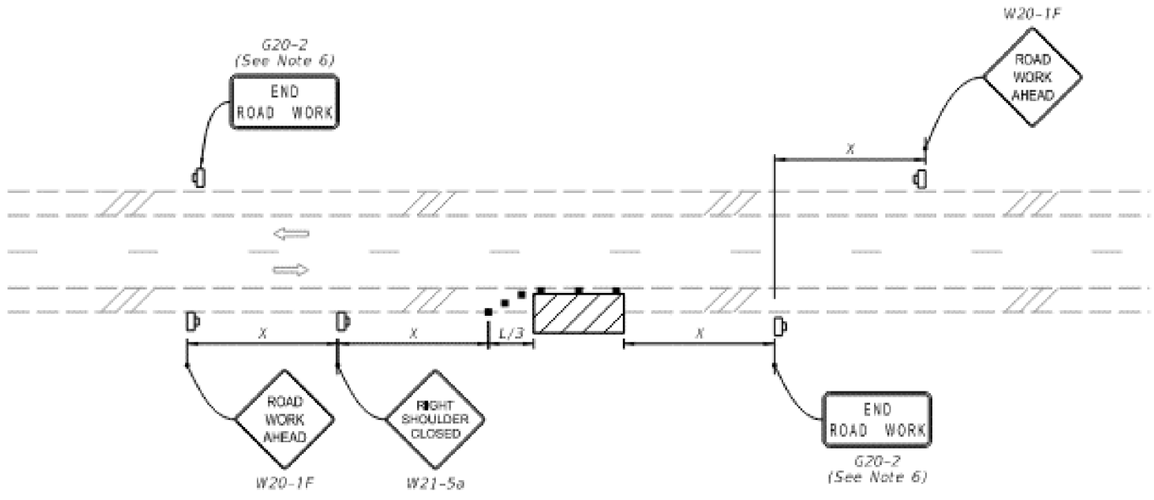
Channelizing Device (See Index 102-600)

Work Zone Sign

Lane Identification and Direction of Traffic



TWO-LANE ROADWAY
SHOULDER WORK LESS THAN 2' FROM THE TRAVELED WAY
WITH WORK ZONE SPEED OF 45 MPH OR LESS

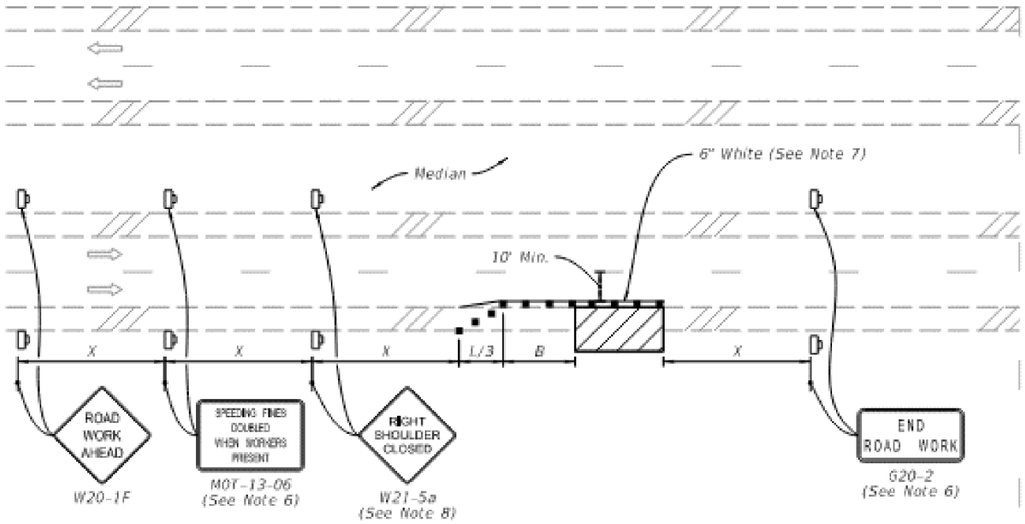


TWO-LANE ROADWAY
SHOULDER WORK BETWEEN 2' AND 15' FROM THE TRAVELED WAY

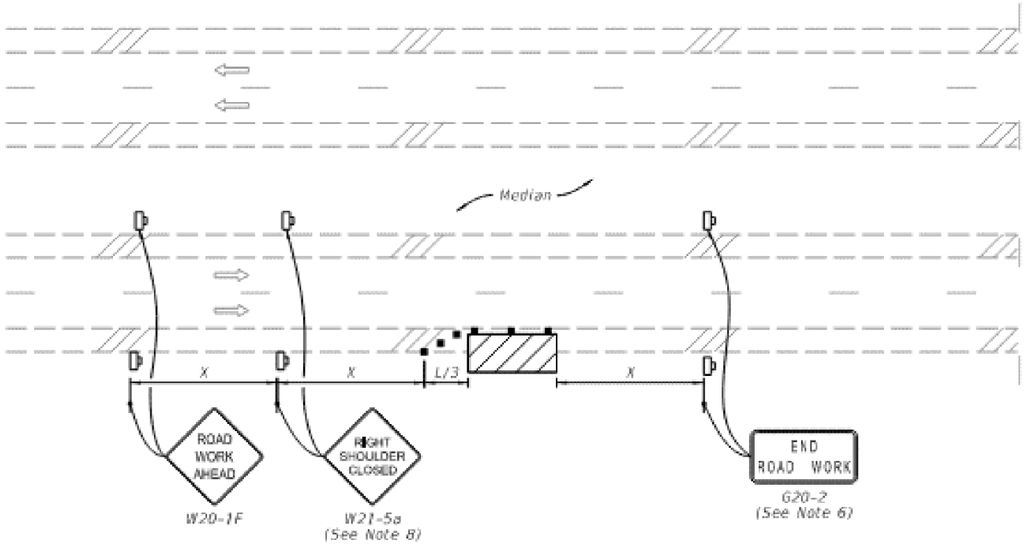
REVISIONS				ENGINEER OF RECORD	STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION			TEMPORARY TRAFFIC CONTROL	SHEET NO.
DATE	DESCRIPTION	DATE	DESCRIPTION	BRETT MANZIE, PE LICENSE NUMBER: 74640 MCCRANIE & ASSOCIATES, INC. 224 N. 2ND ST., UNIT 1A FERNANDINA BEACH, FLORIDA 32034	ROAD NO.	COUNTY	FINANCIAL PROJECT ID		14
					CLINCH	NASSAU			

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MULTILANE ROADWAY
SHOULDER WORK LESS THAN 2' FROM THE TRAVELED WAY
WITH WORK ZONE SPEED OF 45 MPH OR LESS



MULTILANE ROADWAY
SHOULDER WORK BETWEEN 2' AND 15' FROM THE TRAVELED WAY

SYMBOLS:

- Work Area
- Channelizing Device (See Index 102-600)
- Work Zone Sign
- Lane Identification and Direction of Traffic

REVISIONS				ENGINEER OF RECORD	STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION			TEMPORARY TRAFFIC CONTROL	SHEET NO.
DATE	DESCRIPTION	DATE	DESCRIPTION	BRETT MANZIE, PE LICENSE NUMBER: 74640 MCCRANIE & ASSOCIATES, INC. 224 N. 2ND ST., UNIT 1A FERNANDINA BEACH, FLORIDA 32034	ROAD NO.	COUNTY	FINANCIAL PROJECT ID		15
					CLINCH	NASSAU			

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ORIGINAL

EXHIBITS

EXHIBIT "A"	**Contact Sheet**
EXHIBIT "A-1"	**Bid Pricing Form**
EXHIBIT "B"	**Public Entity Crimes**
EXHIBIT "C"	**Drug-Free Workplace Certification**
EXHIBIT "D"	**E-Verify Statement**
EXHIBIT "E"	**Proposer Acknowledgements and Agreements**
EXHIBIT "F"	**Conflict of Interest**
EXHIBIT "G"	**Non-Collusion Affidavit**
EXHIBIT "H"	**Disputes Disclosure**
EXHIBIT "I"	**Federal Requirements for ARPA Funds (provided as a separate document)**

EXHIBIT "A"
CONTACT SHEET

Name: T B Landmark Construction, Inc.

Federal Taxpayer ID: 59-3607816

Mailing Address: 11220 New Berlin Road

City, State, & Zip Code: Jacksonville, FL 32226

Telephone: (904) 751-1016 **Fax:** (904) 751-4125

Email: estimating@tblandmark.com

Submitted By: Martin Adams

Title: General Manager

Accounting Contact:

Name: Haley Brown **Title:** Accounts Payable

Email Address: accountspayable@tblandmark.com **Phone:** (904) 503-5700

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM

A. MOBILIZATION	$ 33,426.00	LS
B. 3,600 LINEAR FEET OF NEW 8" WATER MAIN AS-BUILTS AND TESTING	$ 615,992.00	LS
C. ROADWAY/ DRIVEWAY AND ROW RESTORATION WITH SOD	$ 23,885.00	LS
TOTAL	$ 673,303.00	LS

This Bid is submitted by:

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____
(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____

(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: T B Landmark Construction, Inc. (SEAL)

State of Incorporation: Florida

Type (General Business, Professional, Service, Limited Liability): General Business

By: _____

(Signature -- attach evidence of authority to sign)

Name (typed or printed): Martin Adams

Title: General Manager

(CORPORATE SEAL)

Attest _____

Date of Qualification to do business in Florida is 11 / 10 /1999.

~~**A Joint Venture**~~

~~Name of Joint Venture: _____~~

~~First Joint Venturer Name: _____ (SEAL)~~

~~By: _____~~

~~(Signature of first joint venture partner -- attach evidence of authority to sign)~~

~~Name (typed or printed): _____~~

~~Title: _____~~

~~Second Joint Venturer Name: _____~~

~~(SEAL)~~

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

By: _____

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address _____
11220 New Berlin Road, Jacksonville, FL 32226

Phone No. (904) 751-1016 Fax No. (904) 751-4125

E-mail estimating@tblandmark.com

SUBMITTED on March 3rd 20 26.

State Contractor License No. CGC060694/ CUC057226

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for T B Landmark Construction, Inc.

2. This sworn statement is submitted by (entity) T B Landmark Construction, Inc. whose business address is 11220 New Berlin Road, Jacksonville, FL 32226 and (if applicable) Federal Employer Identification Number (FEIN) is 59-3607816 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)

3. My name is Martin Adams and my relationship to the entity named above is General Manager .

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

    1. A predecessor or successor of a person convicted of a public entity crime; or

    2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any
natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)

   _X_ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

   ____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)

   ____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)

   ____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

Signature _____ Date: 3/3/2026

STATE OF FLORIDA
COUNTY OF Duval

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 3rd day of March, 20 26,

by Martin Adams,

Notary Public — Ashton Johnson, Printed Name

ASHTON JOHNSON
Notary Public - State of Florida
Commission # HH 634427
My Comm. Expires Mar 8, 2029
Bonded through National Notary Assn.

My Commission Expires 3/8/2029

Personally Known X OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: T B Landmark Construction, Inc.

CITY: Jacksonville STATE: FL ZIP CODE: 32226

SIGNATURE: _____ PHONE: (904) 751-1016

NAME (TYPED OR PRINTED): Martin Adams TITLE: General Manager

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: ITB 26-08

Project Description: Clinch Drive Water Main Extension

I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: T B Landmark Construction, Inc.

Authorized Signature:

Title: Martin Adams, General Manager

Date: 3/3/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "E"

PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Martin Adams Title: General Manager

Signature: _____ Date: 3/3/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for T B Landmark Construction, Inc.

This sworn statement is submitted by (entity) T B Landmark Construction, Inc. whose business address is 11220 New Berlin Road, Jacksonville, FL 32226 and (if applicable) Federal Employer Identification Number (FEIN) is 59-3607816 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)

My name is Martin Adams and my relationship to the entity named above is General Manager.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

3/3/2026
Signature Date:

STATE OF FLORIDA
COUNTY OF Duval

Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 3rd day of March, 2026,

by Martin Adams,

Ashton Johnson
Notary Public Printed Name

My Commission Expires 3/8/2029

Personally Known X OR Produced Identification _____ ID Produced _____.

ASHTON JOHNSON
Notary Public - State of Florida
Commission # HH 634427
My Comm. Expires Mar 8, 2029
Bonded through National Notary Assn.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for T B Landmark Construction, Inc.
This sworn statement is submitted by (entity) T B Landmark Construction, Inc. whose business address is 11220 New Berlin Road, Jacksonville, FL 32226 and (if applicable) Federal Employer Identification Number (FEIN) is 59-3607816 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: N/A .)

My name is Martin Adams and my relationship to the entity named above is General Manager .

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Signature 3/3/2026 Date:

STATE OF FLORIDA
COUNTY OF Duval
Sworn to (or affirmed) and subscribed before me by means of ☒ physical presence or ☐ online notarization, this 3rd day of March, 2026,

by Martin Adams,

Notary Public Ashton Johnson Printed Name

ASHTON JOHNSON
Notary Public - State of Florida
Commission # HH 634427
My Comm. Expires Mar 8, 2029
Bonded through National Notary Assn.

My Commission Expires 3/8/2029

Personally Known X OR Produced Identification _____ ID Produced _____.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "H"

DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO_X__

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO__X____

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO__X___

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

T B Landmark Construction, Inc. — 3/3/2026
Firm — Date

Authorized Signature — Martin Adams, General Manager
Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

FEDERAL CONTRACT REQUIREMENTS

ARPA FUNDS 2022

Certification Regarding Lobbying

(To be submitted with each bid or offer exceeding $100,000)

EXHIBIT "I"

The undersigned certifies, to the best of his or her knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) The undersigned shall require that the language paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995).

The Contractor, Martin Adams, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

Signature of Contractor's Authorized Official

Martin Adams, General Manager

Printed Name and Title of Contractor's Authorized Official

3/3/2026

Date

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether sub-awardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the sub-awardee, e.g., the first sub-awardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Sub-awardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

Approved by
OMB 0348-
0046

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Disclosure of Lobbying Activities
Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352 (See reverse for public burden disclosure)

Type of Federal Action:	**Status of Federal Action:**	**Report Type:**
a. contract ___ b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	a. bid/offer/application ____ b. initial award c. post-award	a. initial filing ____ b. material change

Name and Address of Reporting Entity:	**If Reporting Entity in No. 4 is Sub-awardee,** Enter Name and Address of Prime:
___ Prime ____ Sub-awardee Tier____, if Known: N/A **Congressional District, if known:**	**Congressional District, if known:**
Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, *if applicable*: _____
Federal Action Number, *if known:*	**9. Award Amount**, *if known:* **$**
10. a. Name and Address of Lobbying Registrant *(if individual, last name, first name, MI):*	**b. Individuals Performing Services** *(including address if different from No. 10a)* *(last name, first name, MI):*
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.	**Signature:___** **_____ Print Name: _** **_____** **Title: ___** **Telephone No.:_____Date: _____**
Federal Use Only	**Authorized for Local Reproduction** **Standard Form - LLL** **(Rev. 7-97)**

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT I-1: REQUIRED CONTRACT PROVISIONS

2 CFR 200.326 Contract provisions. The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards. The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non- Federal Entity Contracts Under Federal Awards.

All Contracts

THRESHOLD	PROVISION	CITATION
>$150,000 (Simplified Acquisition Threshold)	Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.	2 CFR 200 APPENDIX II (A)
>$10,000	All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.	2 CFR 200 APPENDIX II (B)
None	Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.	2 CFR 200 APPENDIX II (F)
None	Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government- wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.	2 CFR 200 APPENDIX II (H)
None	Records of non-Federal entities. The U.S. Department of Housing and Urban Development (HUD), Inspectors General, the Comptroller General of the United States, the Texas General Land Office (GLO), and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and	2 CFR 200.336

	discussion related to such documents.	
None	Financial records, supporting documents, statistical records, and all other non- Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:	2 CFR 200.333

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	(a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. (b) When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period. (c) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition. (d) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity. (e) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned. (f) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates). (1) If submitted for negotiation. If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission. (2) If not submitted for negotiation. If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation. ***THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL***	

None	Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms. (a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. (b) Affirmative steps must include: (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists; (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;	2 CFR 200.321

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	(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.	
Option Contract Language for contracts awarded prior to Grant Award	The contract award is contingent upon the receipt of CDBG-DR funds. If no such funds are awarded, the contract shall terminate.	Optional

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EO Clause for Construction Contracts > $10K including administration & engineering contracts associated with construction contracts

THRESHOLD	PROVISION	CITATION
>$10,000	Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60–1.3 must include the equal opportunity clause provided under 41 CFR 60–1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964–1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." 41 CFR 60-1.4 Equal opportunity clause. (b) Federally assisted construction contracts. (1) Except as otherwise provided, each administering agency shall require the inclusion of the following language as a condition of any grant, contract, loan, insurance, or guarantee involving federally assisted construction which is not exempt from the requirements of the equal opportunity clause: The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause: During the performance of this contract, the contractor agrees as follows: (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.	41 CFR §60-1.4(b) and 2 CFR 200 APPENDIX II (C)

	(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin. (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to	

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

	individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information. (4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor. (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders. (7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law. (8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved	

	in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States. The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract. The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules,	

regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

(c) Subcontracts. Each nonexempt prime contractor or subcontractor shall include the equal opportunity clause in each of its nonexempt subcontracts.

(d) Inclusion of the equal opportunity clause by reference. The equal opportunity clause may be included by reference in all Government contracts and subcontracts, including Government bills of lading, transportation requests, contracts for deposit of Government funds, and contracts for issuing and paying
U.S. savings bonds and notes, and such other contracts and subcontracts as the Director of OFCCP may designate.

(e) Incorporation by operation of the order. By operation of the order, the equal opportunity clause shall be considered to be a part of every contract and subcontract required by the order and the regulations in this part to include such a clause whether or not it is physically incorporated in such contracts and whether or not the contract between the agency and the contractor is written.

(f) Adaptation of language. Such necessary changes in language may be made in the equal opportunity clause as shall be appropriate to identify properly the parties and their undertakings.

[80 FR 54975, Sept. 11, 2015]

THRESHOLD	PROVISION	CITATION
>$2,000	*Compliance with the Davis-Bacon Act (40 U.S.C. 3141 et seq.) as supplemented by Department of Labor regulations (29 CFR part 5) and with the Copeland "Anti-Kickback" Act (18 U.S.C. 874; 40 U.S.C. 3145) as supplemented in Department of Labor regulations (29 CFR part 3):* Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.	2 CFR 200 APPENDIX II (D)
>$100,000	Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40	2 CFR 200 APPENDIX II (E)

	hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.	
>$150,000	Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).	2 CFR 200 APPENDIX II (G)
>$100,000	Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or	2 CFR 200 APPENDIX II (I) and 24 CFR §570.303

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

	employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. ***THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL***	

>$100,000	All Section 3 covered contracts shall include the following clause (referred to as the Section 3 clause): A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations. C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin. D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135. E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.	24 CFR §135.38

	F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts. G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i)	

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

	preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).	
	A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. [78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]	2 CFR 200 APPEND IX II (J)
	Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.	42 U.S.C. 6201
	As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award. a. For purposes of this section: i. "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. ii. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.	2 CFR 200.322

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

"ATTACHMENT A"
LIST OF SUBCONTRACTORS

I Do /DO, _____/DO NOT, propose to subcontract some of the work on this project.

I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT
All Pro Asphalt	P.O. Box 506 Auburndale, FL 33823	Paving	$7,000.00
Cody's Surveying, Inc.	P.O. Box 7540 Jacksonville, FL 32238	Survey/ Asbuilts	$10,000.00

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

THE AMERICAN INSTITUTE OF ARCHITECTS

AIA Document A310

Bid Bond

KNOW ALL MEN BY THESE PRESENTS, that **T B Landmark Construction, Inc.**
as Principal, hereinafter called the Principal, and **Travelers Casualty and Surety Company of America**
a corporation duly organized under the laws of the State of **Connecticut**
as Surety, hereinafter called the Surety, are held and bound unto **City of Fernandina Beach, FL**
as Obligee, hereinafter called the Obligee, in the sum of

Five Percent of Bid Amount Dollars(**5%**)
for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for **Clinch Drive Water Main Extension**

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligee in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and Sealed this 25th day of February, 2026.

(Witness)

{ **T B Landmark Construction, Inc.**
(Principal) (Seal)
Martin Adams, General Manager
(Title)

Bill FitzGibbon (Witness)

{ **Travelers Casualty and Surety Company of America**
(Surety) (Seal)
Robert T. Theus, Attorney-In-Fact
(Title)

TRAVELERS

Travelers Casualty and Surety Company of America
Travelers Casualty and Surety Company
St. Paul Fire and Marine Insurance Company

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **Robert T Theus** of **JACKSONVILLE**, **Florida**, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **21st** day of **April**, **2021**.

State of Connecticut

City of Hartford ss.

By: _____
Robert L. Raney, Senior Vice President

On this the **21st** day of **April**, **2021**, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June**, **2026**

_____
Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this **25th** day of **February**, **2026**.

_____
Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.
Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 1

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.1 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: Martin Adams **TITLE:** General Manager

ADDRESS: 11220 New Berlin Road

CITY: Jacksonville **STATE:** Florida

AUTHORIZED SIGNATURE: _____ **DATE:** 3/3/2026

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 2

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.2 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: Martin Adams **TITLE:** General Manager

ADDRESS: 11220 New Berlin Road

CITY: Jacksonville **STATE:** Florida

AUTHORIZED SIGNATURE: _____ **DATE:** 3/3/2026

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page 1 of **1** *results per page* 25 *Sort by* Expiration Date Ascending

T B LANDMARK CONSTRUCTION, INC.

Active Registration

View Update More

Unique Entity ID:
HL36HV4KAKW3

CAGE/NCAGE:
3W3E0

Doing Business As:
(blank)

Physical Address:
11220 New Berlin Rd Jacksonville, FL 32226-2276 USA

Expiration Date
Nov 03, 2026

Purpose of Registration:
All Awards

2025 - 2026 LOCAL BUSINESS TAX RECEIPT

JIM OVERTON, DUVAL COUNTY TAX COLLECTOR

231 E. Forsyth Street, Suite 130, Jacksonville, FL 32202-3370
Phone: (904) 255-5700, option 3 Fax: (904) 255-8403
https://duvaltc.com

Note – A penalty is imposed for failure to keep this receipt exhibited conspicuously at your place of business. This business tax receipt is furnished pursuant to Municipal Ordinance Code, Chapters 770-772, for the period October 01, 2025 through September 30, 2026 .

T B LANDMARK CONSTRUCTION INC
11220 NEW BERLIN RD
JACKSONVILLE, FL 32226

ACCOUNT NUMBER: 29863
BUSINESS NAME: T B LANDMARK CONSTRUCTION INC
PHYSICAL ADDRESS: 11220 NEW BERLIN RD
JACKSONVILLE, FL 32226

CLASSIFICATION CODE: 309081 CONTRACTOR - ALL TYPES

STATE LICENSE NO: CGC060694

COUNTY TAX:	187.50
MUNICIPAL TAX:	396.25
COUNTY LATE PENALTY:	0.00
MUNICIPAL LATE PENALTY:	0.00
TOTAL TAX:	**583.75**

RENEWAL

VALID UNTIL September 30, 2026

2025 - 2026

ATTENTION

THIS RECEIPT IS FOR BUSINESS TAX RECEIPT ONLY.
CERTAIN BUSINESSES MAY REQUIRE ADDITIONAL STATE LICENSING.

This is a business tax receipt only. It does not permit the receipt holder to violate any existing regulatory or zoning laws of the County or City. It does not exempt the receipt holder from any other license or permit required by law. This is not a certification of the receipt holder's qualifications.

JIM OVERTON, TAX COLLECTOR

THIS BECOMES A RECEIPT AFTER VALIDATION.

Paid 250729000031137 07/29/2025 $ 583.75

Ron DeSantis, Governor

Melanie S. Griffin, Secretary

Florida dbpr

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

CONSTRUCTION INDUSTRY LICENSING BOARD

THE GENERAL CONTRACTOR HEREIN IS CERTIFIED UNDER THE PROVISIONS OF CHAPTER 489, FLORIDA STATUTES

THIGPEN, ROBIN RODNEY

LB LANDMARK CONSTRUCTION INC
11220 NEW BERLIN ROAD
JACKSONVILLE FL 32226

LICENSE NUMBER: CGC060694

EXPIRATION DATE: AUGUST 31, 2026

Always verify licenses online at MyFloridaLicense.com

ISSUED: 07/17/2024

Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.

Ron DeSantis, Governor

Melanie S. Griffin, Secretary

Florida dbpr

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

CONSTRUCTION INDUSTRY LICENSING BOARD

THE UNDERGROUND UTILITY & EXCAVATION CO HEREIN IS CERTIFIED UNDER THE PROVISIONS OF CHAPTER 489, FLORIDA STATUTES

THIGPEN, ROBIN RODNEY

T B LANDMARK CONSTRUCTION INC
11220 NEW BERLIN ROAD
JACKSONVILLE FL 32226

LICENSE NUMBER: CUC057226

EXPIRATION DATE: AUGUST 31, 2026

Always verify licenses online at MyFloridaLicense.com

ISSUED: 07/17/2024

Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.

T B Landmark
CONSTRUCTION, Inc.

LIMITED POWER OF ATTORNEY

STATE OF FLORIDA
COUNTY OF DUVAL

Known all men by these presents, T B Landmark Construction, Inc. ("T B Landmark"), a Florida Corporation with principal offices at 11220 New Berlin Road, Jacksonville, Florida 32226 does hereby irrevocably constitute, nominate, appoint and authorize, Martin Adams, who presently resides at 6042 Antigua Court, Orange Park, FL 32003, and who is presently employed by T B Landmark holding the position of General Manager, as its true and lawful attorney-in-fact, to do in its name and on its behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of its bid for the proposed project, including but not limited to signing and submission of all bids, and other documents and writings, participating in bidders and other conferences, providing information/responses, representing it in all matters relating to the bidding process, signing and execution of all contracts and undertakings consequent to acceptance of its bid, and generally dealing with the necessary parties in all matters in connection with or relating to or arising out of its bid for the proposed project and/or upon award thereof to T B Landmark.

And T B Landmark hereby agrees to ratify and confirm, and does hereby ratify and confirm all acts, deeds and things lawfully done or caused to be done by its said attorney-in-fact pursuant to and in exercise of the powers conferred by this limited power of attorney, and that all acts, deeds, and things done by its said attorney-in-fact in exercise of the powers hereby conferred shall and shall always be deemed to have been done by T B Landmark.

In witness whereof, Robin Thigpen, on behalf of T B Landmark as its President, has executed this power of attorney on this 18th day of January, 2024.

Robin Thigpen, President
T B Landmark Construction, Inc.

SWORN AND SUBSCRIBED BEFORE ME THIS 18TH DAY OF JANUARY, 2024 BY ROBIN THIGPEN.

(Notary Public)
Print Name: Kyndell Bender
My Commission Expires: 07/9/2026

KYNDELL MICHELLE BENDER
Notary Public - State of Florida
Commission # HH 254659
My Comm. Expires Jul 9, 2026
Bonded through National Notary Assn.

Accepted by:

Martin Adams, General Manager
T B Landmark Construction, Inc.

SWORN AND SUBSCRIBED BEFORE ME THIS 18TH DAY OF JANUARY, 2024 BY MARTIN ADAMS.

(Notary Public)
Print Name: Kyndell Bender
My Commission Expires: 07/9/2026

KYNDELL MICHELLE BENDER
Notary Public - State of Florida
Commission # HH 254659
My Comm. Expires Jul 9, 2026
Bonded through National Notary Assn.

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 1

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.1 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: Martin Adams **TITLE:** General Manager

ADDRESS: 11220 New Berlin Road

CITY: Jacksonville **STATE:** Florida

AUTHORIZED SIGNATURE: _____ **DATE:** 3/3/2026

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 2

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.2 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: Martin Adams **TITLE:** General Manager

ADDRESS: 11220 New Berlin Road

CITY: Jacksonville **STATE:** Florida

AUTHORIZED SIGNATURE: _____ **DATE:** 3/3/2026

THE AMERICAN INSTITUTE OF ARCHITECTS

AIA Document A310

Bid Bond

KNOW ALL MEN BY THESE PRESENTS, that **T B Landmark Construction, Inc.**
as Principal, hereinafter called the Principal, and **Travelers Casualty and Surety Company of America**
a corporation duly organized under the laws of the State of **Connecticut**
as Surety, hereinafter called the Surety, are held and bound unto **City of Fernandina Beach, FL**
as Obligee, hereinafter called the Obligee, in the sum of

Five Percent of Bid Amount Dollars(**5%**)
for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for **Clinch Drive Water Main Extension**

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and the Principal shall enter into a Contract with the Obligee in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and Sealed this 25th day of February, 2026.

(Witness)

{ **T B Landmark Construction, Inc.**
(Principal) (Seal)
Martin Adams, General Manager
(Title)

Bill FitzGibbon (Witness)

{ **Travelers Casualty and Surety Company of America**
(Surety) (Seal)
Robert T. Theus, Attorney-In-Fact
(Title)

TRAVELERS

Travelers Casualty and Surety Company of America
Travelers Casualty and Surety Company
St. Paul Fire and Marine Insurance Company

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **Robert T Theus** of **JACKSONVILLE**, **Florida**, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this **21st** day of **April**, **2021**.

State of Connecticut

City of Hartford ss.

By: _____
Robert L. Raney, Senior Vice President

On this the **21st** day of **April**, **2021**, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the **30th** day of **June**, **2026**

_____
Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this **25th** day of **February**, **2026**.

_____
Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.
Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.

EXHIBIT "A"
CONTACT SHEET

Name: TNL Underground Corp

Federal Taxpayer ID: 88-3613226

Mailing Address: 4071 Great Falls Loop

City, State, & Zip Code: Middleburg, FL 32068

Telephone: 904 371-0056 **Fax:** N/A

Email: troy@tnlunderground.com

Submitted By: Troy Province

Title: President

Accounting Contact:

Name: Larita Province **Title:** Vice President

Email Address: larita@tnlunderground.com **Phone:** 904 383-2748

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM

A. MOBILIZATION	$21,213.00	LS
B. 3,600 LINEAR FEET OF NEW 8" WATER MAIN AS-BUILTS AND TESTING	$424,973.00	LS
C. ROADWAY/ DRIVEWAY AND ROW RESTORATION WITH SOD	$12,640.00	LS
TOTAL	$458,826.00	LS

This Bid is submitted by:

If Bidder is:

An Individual

Name (typed or printed): N/A

By: _____
(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: N/A

By: _____

(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"

BID PRICING FORM (CONTINUED)

A Corporation

Corporation Name: TNL Underground Corp (SEAL)

State of Incorporation: Florida

Type (General Business, Professional, Service, Limited Liability): Service

By: _____

(Signature -- attach evidence of authority to sign)

Name (typed or printed): Troy Province

Title: President

(CORPORATE SEAL)

JEREMY SNIDER
Commission # HH 475050
Expires December 20, 2027

Attest _____

Date of Qualification to do business in Florida is 08 /08 /2022

A Joint Venture

Name of Joint Venture: N/A

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____
(SEAL)

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "A-1"
BID PRICING FORM (CONTINUED)

By: _____

(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venture entity must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address _____
4071 Great Falls Loop
Middleburg, FL 32068

Phone No. 904 371-0056 Fax No. N/A

E-mail troy@tnlunderground.com

SUBMITTED on March 3rd 20 26.

State Contractor License No. CUC 1225983

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "B"

SWORN STATEMENT UNDER F.S. SECTION 287.133(3) (A), ON PUBLIC ENTITY CRIMES THIS FORM MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICER AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted with Bid, Proposal or Contract for Clinch Drive Water Main Extension.

2. This sworn statement is submitted by (entity) TNL Underground Corp whose business address is 4071 Great Falls Loop, Middleburg, FL 32068 and (if applicable) Federal Employer Identification Number (FEIN) is 88-3613226 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

3. My name is Troy Province and my relationship to the entity named above is President.

4. I understand that a "public entity crime" as defined in Paragraph 287.133(a) (g). Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any proposal or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

5. I understand that "convicted" or "conviction" as defined in paragraph 287.133(a) (b), Florida Statutes, means finding of guilt or a conviction of a public entity crime with or without an adjudication of guilt, in any federal or state trial court of records relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

6. I understand that an "affiliate" as defined in Paragraph 287.133(1) (a), Florida Statutes, means:

   1. A predecessor or successor of a person convicted of a public entity crime; or

   2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The City of Fernandina Beach, Florida ownership by one of shares constituting a controlling income among persons when not for fair interest in another person, or a pooling of equipment or income among persons when not for fair market value under a length agreement, shall be a prima facie case that one person controls another person. A person who was knowingly convicted of a public entity crime, in Florida during the preceding 36 months shall be considered an affiliate.

7. I understand that a "person" as defined in Paragraph 287.133(1) (e), Florida Statutes, means any natural person or entity organized under the laws of the state or of the United States with the legal power to enter into a binding contract for provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

8. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. (Please indicate which statement applies)

   X Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor affiliate of the entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

   ____ The entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. (Please attach a copy of the final order.)

   ____ The person or affiliate was placed on the convicted FIRM list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in public interest to remove the person or affiliate from the convicted FIRM list. (Please attach a copy of the final order.)

   ____ The person or affiliate has not been placed on the convicted FIRM list. (Please describe any action taken by, or pending with, the Department of General Services.)

_____ 3-3-26
Signature Date:

STATE OF FLORIDA
COUNTY OF Clay

Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this 3 day of March, 2026,

by Troy Province,

_____ Jeremy Snider
Notary Public Printed Name

My Commission Expires December 20, 2027

Personally Known _____ OR Produced Identification X ID Produced FL Drivers License

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

JEREMY SNIDER
Commission # HH 475050
Expires December 20, 2027

EXHIBIT "C"

DRUG-FREE WORKPLACE CERTIFICATION

The below-signed INDIVIDUAL/FIRM certifies that it has implemented a drug-free workplace program. In order to have a drug-free workplace prepare, a business shall:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or services a copy of the statement specified in paragraph 1.
4. In the statement in paragraph 1., notify the employees that, as a condition of working on the commodities or contractual services that are under proposal, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of nolo contendere to, any violation occurring in the workplace no later than five (5) working days after such conviction.
5. Impose a sanction on or require fine satisfactory participation in drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign this statement, I Certify that this firm complies fully with the above drug-free workplace requirements.

COMPANY: TNL Underground Corp

CITY: Middleburg STATE: FL ZIP CODE: 32068

SIGNATURE: _____ PHONE: 904 371-0056

NAME (TYPED OR PRINTED): Troy Province TITLE: President

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "D"
E-VERIFY STATEMENT

Bid/Proposal Number: ITB 26-08

Project Description: Clinch Drive Water Main Extension

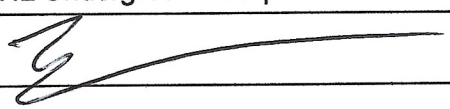
I/FIRM acknowledges and agrees to the following:

I/FIRM shall utilize the U.S. Department of Homeland Security's E-Verify system, in accordance with the terms governing use of the system, to confirm the employment eligibility of:

1. All persons employed by the FIRM during the term of the Contract to perform employment duties within Florida; and

2. All persons assigned by the FIRM to perform work pursuant to the contract with the Department.

Individual/Company/Firm: TNL Underground Corp

Authorized Signature: 

Title: President

Date: 3/3/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "E"
PROPOSER ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned, as an employee or agent of the Proposer, having the authority to sign a binding agreement on behalf of the corporation, company, or firm presenting this submittal, confirms understanding and/or agreement and/or takes exception with any statement in the following sections of this RFP document.

1. INTRODUCTION AND GENERAL INFORMATION
   Understands and agrees to all terms.

2. PROPOSAL INSTRUCTIONS, TERMS AND CONDITIONS
   Understands and agrees to all terms.

3. EVALUATION AND CONTRACT OVERVIEW
   Understands and agrees to all terms.

4. PROPOSER'S RESPONSE: SUBMITTAL INFORMATION
   Understands and agrees to all terms.

5. PROPOSER'S RESPONSE: PROPOSED TEAM
   Understands and agrees to all terms.

6. PROPOSER'S RESPONSE: PROPOSED COMPENSATION
   Understands and agrees to all terms.

Name: Troy Province Title: President

Signature: _____ Date: 3/3/2026

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "F"

CONFLICT OF INTEREST STATEMENT

This sworn statement is submitted with Bid, Proposal or Contract for Clinch Drive Water Main Extension.

This sworn statement is submitted by (entity) TNL Underground Corp whose business address is 4071 Great Falls Loop, Middleburg, FL 32068 and (if applicable) Federal Employer Identification Number (FEIN) is 88-3613226 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Troy Province and my relationship to the entity named above is President.

1. The above-named entity is submitting a Proposal for the City of Fernandina Beach.
2. The Affiant has made diligent inquiry and provides the information contained in the Affidavit based upon his/her own knowledge.
3. The Affiant states that only one submittal for the above proposal is being submitted and that the above-named entity has no financial interest in other entities submitting proposals for the same project.
4. Neither the Affiant nor the above-named entity has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraints of free competitive pricing in connection with the entity's submittal for the above proposal. This statement restricts the discussion of pricing data until the completion of negotiations if necessary and execution of the Contract for this project.
5. Neither the entity not its affiliates, nor anyone associated with them, is presently suspended or otherwise ineligible from participation in contract letting by any local, State, or Federal Agency.
6. Neither the entity nor its affiliates, nor anyone associated with them have any potential conflict of interest due to any other clients, contracts, or property interests for this project.
7. I certify that no member of the entity's ownership or management is presently applying for an employee position or actively seeking an elected position with the City of Fernandina Beach.
8. I certify that no member of the entity's ownership or management, or staff has a vested interest in any aspect of the City of Fernandina Beach.
9. In the event that a conflict of interest is identified in the provision of services, I, on behalf of the above-named entity, will immediately notify the City of Fernandina Beach.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

3-3-26
Signature Date:

STATE OF FLORIDA
COUNTY OF Clay
Sworn to (or affirmed) and subscribed before me by means of ☑ physical presence or ☐ online notarization, this 3 day of March, 20 26,

by Troy Province,

Jeremy Snider
Notary Public Printed Name

My Commission Expires December 20, 2027

Personally Known _____ OR Produced Identification X ID Produced FL Drivers License

JEREMY SNIDER
Commission # HH 475050
Expires December 20, 2027

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT "G"

NON-COLLUSION AFFIDAVIT

This sworn statement is submitted with Bid, Proposal or Contract for Clinch Drive Water Main Extension
This sworn statement is submitted by (entity) TNL Underground Corp whose business address is 4071 Great Falls Loop, Middleburg, FL 32068 and (if applicable) Federal Employer Identification Number (FEIN) is 88-3613226 (If a Sole Proprietor and you have no FEIN, include the last four (4) digits of your Social Security Number: _____.)

My name is Troy Province and my relationship to the entity named above is President.

1. The above named is fully informed respecting the preparation and contents of the attached submittal and of all pertinent circumstances respecting such submittal;
2. Such Submittal is genuine and is not a collusive or sham submittal;
3. Neither the said Submitter nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Submittal in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm, or person to fix the price or prices in the attached submittal or any other Bidder, or to fix any overhead, profit or cost element of the submittal price or the submittal price of any other Bidder, or to secure through any collusion, connivance, or unlawful agreement any advantage against the City of Fernandina Beach, Florida or any person interested in the proposed Contract; and
4. The price or prices quoted in the attached submittal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Signature 3-3-26 Date:

STATE OF FLORIDA
COUNTY OF Clay
Sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or ☐ online notarization, this 3 day of March, 2026,

by Troy Province,

Notary Public Jeremy Snider Printed Name

My Commission Expires December 20, 2027

Personally Known _____ OR Produced Identification ✓ ID Produced Florida Drivers license.

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

JEREMY SNIDER
Commission # HH 475050
Expires December 20, 2027

EXHIBIT "H"
DISPUTES DISCLOSURE FORM

Answer the following questions by placing as "X" after "YES" or "NO". If you answer "YES", please explain in the space provided, or via attachment.

Has your firm or any of its officers, received a reprimand of any nature or been suspended by the Department of Professional Regulations or any other regulatory agency or professional association within the last five (5) years?
YES___ NO_X_

Has your firm, or any member of your firm, been declared in default, terminated or removed from a contract or job related to the services your firm provides in the regular course of business within the last five (5) years?
YES_____NO_X_

Has your firm had against it or filed any request for equitable adjustment, contract claims, bid protest, or litigation in the past five (5) years that is related to the services your firm provides in the regular course of business?
YES_____NO_X_

If yes, state the nature of the request for equitable adjustment, contract claim, litigation, or protest, and state a brief description of the case, the outcome or status of the suit and the monetary amounts or extended contract time involved.

I hereby certify that all statements made are true and agree and understand that any misstatement or misrepresentation or falsification of facts shall be cause for forfeiture of rights for further consideration of this proposal for the City of Fernandina Beach.

TNL Underground Corp	3/3/2026
Firm	Date
	Troy Province President
Authorized Signature	Printed or Typed Name and Title

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

FEDERAL CONTRACT REQUIREMENTS

ARPA FUNDS 2022

Certification Regarding Lobbying

(To be submitted with each bid or offer exceeding $100,000)

EXHIBIT "I"

The undersigned certifies, to the best of his or her knowledge and belief, that:

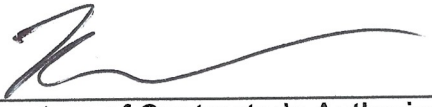
(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) The undersigned shall require that the language paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995).

The Contractor, TNL Underground Corp, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.



Signature of Contractor's Authorized Official

Troy Province President

Printed Name and Title of Contractor's Authorized Official

3/3/2026

Date

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether sub-awardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the sub-awardee, e.g., the first sub-awardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Sub-awardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitations for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Included prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503

Approved by
OMB 0348-
0046

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

Disclosure of Lobbying Activities
Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352 (See reverse for public burden disclosure)

Type of Federal Action:	**Status of Federal Action:**	**Report Type:**
a. contract A b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	a. bid/offer/application A b. initial award c. post-award	a. initial filing A b. material change

Name and Address of Reporting Entity:	**If Reporting Entity in No. 4 is Sub-awardee,** Enter Name and Address of Prime:
X Prime ____ Sub-awardee Tier____, if Known: **Congressional District, if known:** 4th	**Congressional District, if known:**
Federal Department/Agency: City of Fernandina Beach	**7. Federal Program Name/Description:** Unknown CFDA Number, *if applicable*: _____
Federal Action Number, *if known:* ITB 26-08 Clinch Drive Water Main Extension	**9. Award Amount,** *if known:* **$**
10. a. Name and Address of Lobbying Registrant *(if individual, last name, first name, MI):* TNL Underground Corp 4071 Great Falls Loop Middleburg, FL 32068	**b. Individuals Performing Services** *(including address if different from No. 10a)* *(last name, first name, MI):* Province, Troy L
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.	**Signature:** _____ **Print Name:** Troy Province **Title:** President **Telephone No.:** 904 371-0056 **Date:** 3/3/2026
Federal Use Only	**Authorized for Local Reproduction** **Standard Form - LLL** **(Rev. 7-97)**

THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL

EXHIBIT I-1: REQUIRED CONTRACT PROVISIONS

2 CFR 200.326 Contract provisions. The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards. The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non- Federal Entity Contracts Under Federal Awards.

All Contracts

THRESHOLD	PROVISION	CITATION
>$150,000 (Simplified Acquisition Threshold)	Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.	2 CFR 200 APPENDIX II (A)
>$10,000	All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.	2 CFR 200 APPENDIX II (B)
None	Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.	2 CFR 200 APPENDIX II (F)
None	Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government- wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.	2 CFR 200 APPENDIX II (H)
None	Records of non-Federal entities. The U.S. Department of Housing and Urban Development (HUD), Inspectors General, the Comptroller General of the United States, the Texas General Land Office (GLO), and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and	2 CFR 200.336

	discussion related to such documents.	
None	Financial records, supporting documents, statistical records, and all other non- Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:	2 CFR 200.333

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	(a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. (b) When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period. (c) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition. (d) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity. (e) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned. (f) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates). (1) If submitted for negotiation. If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission. (2) If not submitted for negotiation. If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation. ***THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL***	

None	Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms. (a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. (b) Affirmative steps must include: (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists; (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;	2 CFR 200.321

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	(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.	
Option Contract Language for contracts awarded prior to Grant Award	The contract award is contingent upon the receipt of CDBG-DR funds. If no such funds are awarded, the contract shall terminate.	Optional

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EO Clause for Construction Contracts > $10K including administration & engineering contracts associated with construction contracts

THRESHOLD	PROVISION	CITATION
>$10,000	Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60–1.3 must include the equal opportunity clause provided under 41 CFR 60–1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964–1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." 41 CFR 60-1.4 Equal opportunity clause. (b) Federally assisted construction contracts. (1) Except as otherwise provided, each administering agency shall require the inclusion of the following language as a condition of any grant, contract, loan, insurance, or guarantee involving federally assisted construction which is not exempt from the requirements of the equal opportunity clause: The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause: During the performance of this contract, the contractor agrees as follows: (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.	41 CFR §60-1.4(b) and 2 CFR 200 APPENDIX II (C)

	(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin. (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to	

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individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved

	in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States. The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract. The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules,	

regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

(c) Subcontracts. Each nonexempt prime contractor or subcontractor shall include the equal opportunity clause in each of its nonexempt subcontracts.

(d) Inclusion of the equal opportunity clause by reference. The equal opportunity clause may be included by reference in all Government contracts and subcontracts, including Government bills of lading, transportation requests, contracts for deposit of Government funds, and contracts for issuing and paying
U.S. savings bonds and notes, and such other contracts and subcontracts as the Director of OFCCP may designate.

(e) Incorporation by operation of the order. By operation of the order, the equal opportunity clause shall be considered to be a part of every contract and subcontract required by the order and the regulations in this part to include such a clause whether or not it is physically incorporated in such contracts and whether or not the contract between the agency and the contractor is written.

(f) Adaptation of language. Such necessary changes in language may be made in the equal opportunity clause as shall be appropriate to identify properly the parties and their undertakings.

[80 FR 54975, Sept. 11, 2015]

THRESHOLD	PROVISION	CITATION
>$2,000	*Compliance with the Davis-Bacon Act (40 U.S.C. 3141 et seq.) as supplemented by Department of Labor regulations (29 CFR part 5) and with the Copeland "Anti-Kickback" Act (18 U.S.C. 874; 40 U.S.C. 3145) as supplemented in Department of Labor regulations (29 CFR part 3):* Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.	2 CFR 200 APPENDIX II (D)
>$100,000	Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40	2 CFR 200 APPENDIX II (E)

	hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.	
>$150,000	Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).	2 CFR 200 APPENDIX II (G)
>$100,000	Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or	2 CFR 200 APPENDIX II (I) and 24 CFR §570.303

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	employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. ***THIS FORM MUST BE INCLUDED WITH BID/PROPOSAL***	

>$100,000	All Section 3 covered contracts shall include the following clause (referred to as the Section 3 clause): A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations. C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin. D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135. E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.	24 CFR §135.38

	F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts. G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i)	

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	preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).	
	A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. [78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]	2 CFR 200 APPEND IX II (J)
	Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.	42 U.S.C. 6201
	As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award. a. For purposes of this section: i. "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. ii. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.	2 CFR 200.322

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

"ATTACHMENT A"
LIST OF SUBCONTRACTORS

I Troy Province /DO, _____/DO NOT, propose to subcontract some of the work on this project.

I propose to subcontract work to the following contractors/firms:

CONTRACTOR/FIRM NAME:	ADDRESS:	DESCRIPTION OF WORK/SERVICES TO BE PERFORMED:	CONTRACT AMOUNT
J&K Underground Construction Company	450-106 SR13 N STE 312 St Johns, FL 32259	Directional Drill	$117,100.00
A&J Land Surveyors	5847 Luella Street Jacksonville, FL 32207	Survey	$15,000.00
Engineered Consulting Services	11554 Davis Creek Court Jacksonville, FL 32256	Geotechnical Testing	≤$5,000.00

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CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 2

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.2 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: Troy Province **TITLE:** President

ADDRESS: 4071 Great Falls Loop

CITY: Middleburg **STATE:** Florida

AUTHORIZED SIGNATURE: _____ **DATE:** 3/3/2026

CITY OF FERNANDINA BEACH
ITB 26-08
CLINCH DRIVE WATER MAIN EXTENSION

ADDENDUM No. 1

The following changes are applicable to the original documents and specifications of **ITB 26-08**. This Addendum No.1 now becomes part of the original Invitation to Bid and shall be acknowledged by attaching a copy of this Addendum, signed by an authorized representative of the person or firm submitting the bid. Failure to do so may disqualify the submittal.

Submitters shall thoroughly familiarize themselves with the contents of this Addendum before submitting their bid.

NAME: Troy Province **TITLE:** President

ADDRESS: 4071 Great Falls Loop

CITY: Middleburg **STATE:** Florida

AUTHORIZED SIGNATURE: _____ **DATE:** 3/3/2026

AIA Document A310

Bid Bond

KNOW ALL MEN BY THESE PRESENTS, that we TNL Underground Corp
4071 Great Falls Loop, Middleburg, FL 32068 (Here insert full name and address or legal title of Contractor)
as Principal, hereinafter called Principal, and, Nationwide Mutual Insurance Company
One West Nationwide Blvd Columbus, OH 43215 (Here insert lull name and address or legal title of Surety)
a corporation duly organized under the laws of the State of OH
as Surety, hereinafter called the Surety, are held and firmly bound unto The City of Fernandina Beach
1180 S. 5th Street, Fernandina Beach, FL 32034 (Here insert full name and address or legal title of Corporation
as Obligee, hereinafter called the Obligee, in the sum of
5% of Bid Dollars ($ 23,000.00),

for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for Clinch Drive Water Main Extension
1689 Clinch Drive (Here insert lull name and address description of project)

NOW THEREFORE, if the obligee shall accept the bid of the principal and the principal shall enter into Contract with the Obligee in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this 2 day of March , 20 26

(Witness)

TNL Underground Corp
(Principal) (Seal)
President
(Title)

Jennifer Jaume
(Witness)

Nationwide Mutual Insurance Company
(Surety) (Seal)
Greg C Smith

SEAL
NATIONWIDE MUTUAL INSURANCE COMPANY
COLUMBUS, OHIO
SURETY USE ONLY

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

GREG C SMITH, SCOTT K LEWIS, ALANA M TOMPKINS, JENNIFER CRUMP, PAMELA GLOVER, ROBERT VERSON NORTON, TODD MARKS, JASON H GRIFFITH, BENJAMIN NATHANIEL GILLELAND

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

UNLIMITED

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 20th day of August, 2021.

Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK COUNTY OF NEW YORK: ss
On this 20th day of August, 2021, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Stephanie Rubino McArthur
Notary Public, State of New York
No. 02MC6270117
Qualified in New York County
Commission Expires October 19, 2024

Notary Public
My Commission Expires
October 19, 2024

CERTIFICATE

I, Laura B. Guy, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 2 day of March, 2026.

Assistant Secretary

BDJ 1(08-21)00

TNL Underground Corp
CUC 1225983

4071 Great Falls Loop
Middleburg, FL 32068
904 371-0056

Proposal: **2/26/2026**
Clinch Dr Watermain Extension
Clinch Dr and Bonnieview Rd
Fernandina Beach, FL 32034

Engineer: McCranie and Associates

The following Proposal is based on the Civil Plans dated on April 2024

Site Construction	QTY	Units	**Bid Breakdown**
General Items			$ 83,713.00
Mobilization	1	LS	
Survey	1	LS	
Geotechnical Testing	1	LS	
Maintenance of Traffic	1	LS	
Water			$ 349,109.00
Open Cut (Asphalt)	56	SF	
Connect to Existing	2	EA	
8x8 Tee w/Sleeve	1	EA	
8in Gate Valve	8	EA	
6in Gate Valve	8	LF	
8in MJ Bends	3	EA	
8x6 MJ Tees	8	EA	
8in HDPE Pipe (HDD)	3903	EA	
8in DI Pipe	40	LF	
Hydrant Assemblies (includes Flow Test and Painting)	8	EA	
Connect to HDD (Fittings)	21	EA	
Sample Points	4	EA	
Fittings and Accessories	1	LS	
Pressure Test and Bact's	1	LS	
Restoration			$ 12,640.00
Asphalt Restoration	210	SF	
Landscape Restoration	580	SY	

This Proposal is good for 30 days, after which repricing may be required

Final pricing as of	2/26/2026	=	$ 445,462.00
		P&P Bond @ 3%	$ 13,363.86
		Grand Total	$ 458,825.86

Troy Province
President
904 371-0056
troy@tnlunderground.com

AIA Document A310

Bid Bond

KNOW ALL MEN BY THESE PRESENTS, that we TNL Underground Corp
4071 Great Falls Loop, Middleburg, FL 32068 (Here insert full name and address or legal title of Contractor)
as Principal, hereinafter called Principal, and, Nationwide Mutual Insurance Company
One West Nationwide Blvd Columbus, OH 43215 (Here insert lull name and address or legal title of Surety)
a corporation duly organized under the laws of the State of OH
as Surety, hereinafter called the Surety, are held and firmly bound unto The City of Fernandina Beach
1180 S. 5th Street, Fernandina Beach, FL 32034 (Here insert full name and address or legal title of Corporation
as Obligee, hereinafter called the Obligee, in the sum of
5% of Bid Dollars ($ 23,000.00),

for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for Clinch Drive Water Main Extension
1689 Clinch Drive (Here insert lull name and address description of project)

NOW THEREFORE, if the obligee shall accept the bid of the principal and the principal shall enter into Contract with the Obligee in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the obligee may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this 2 day of March , 20 26

(Witness)

TNL Underground Corp
(Principal) (Seal)
President
(Title)

Jennifer Jaume
(Witness)

Nationwide Mutual Insurance Company
(Surety) (Seal)
Greg C Smith

SEAL
NATIONWIDE MUTUAL INSURANCE COMPANY
COLUMBUS, OHIO
SURETY USE ONLY

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

GREG C SMITH, SCOTT K LEWIS, ALANA M TOMPKINS, JENNIFER CRUMP, PAMELA GLOVER, ROBERT VERSON NORTON, TODD MARKS, JASON H GRIFFITH, BENJAMIN NATHANIEL GILLELAND

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf any and all bonds and undertakings, and other obligatory instruments of similar nature, in penalties not exceeding the sum of

UNLIMITED

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 20th day of August, 2021.

Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK COUNTY OF NEW YORK: ss
On this 20th day of August, 2021, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Stephanie Rubino McArthur
Notary Public, State of New York
No. 02MC6270117
Qualified in New York County
Commission Expires October 19, 2024

Notary Public
My Commission Expires
October 19, 2024

CERTIFICATE

I, Laura B. Guy, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 2 day of March, 2026.

Assistant Secretary

BDJ 1(08-21)00

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e.g. 123456789, Smith Corp

Classification

Excluded Individual

Excluded Entity

Entity Name

e.g. ABC Inc

- J&K Underground Construction Company ×
- A&J Land Surveyors ×
- Engineered Consulting Services ×
- TNL Underground Corp ×

Unique Entity ID

e.g. HTYR9YJHK65L

CAGE / NCAGE

Enter CAGE/NCAGE Code

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Detail by Officer/Registered Agent Name

Florida Profit Corporation
TNL UNDERGROUND CORP

Filing Information

Document Number	P22000062758
FEI/EIN Number	88-3613226
Date Filed	08/08/2022
Effective Date	08/08/2022
State	FL
Status	ACTIVE

Principal Address

4071 GREAT FALLS LOOP
MIDDLEBURG, FL 32068

Mailing Address

4071 GREAT FALLS LOOP
MIDDLEBURG, FL 32068

Registered Agent Name & Address

PROVINCE, TROY
4071 GREAT FALLS LOOP
MIDDLEBURG, FL 32068

Officer/Director Detail

Name & Address

Title P

PROVINCE, TROY
4071 GREAT FALLS LOOP
MIDDLEBURG, FL 32068

Title VP

PROVINCE, LARITA
4071 GREAT FALLS LOOP
MIDDLEBURG, FL 32068

Annual Reports

Report Year	**Filed Date**

CITY OF FERNANDINA BEACH MANDATORY PRE-BID MEETING

ITB 26-08 Clinch Drive Water Main Extension

February 5, 2026 - 10:00AM Mandatory Pre-bid Meeting

Any bidder arriving after the meeting has concluded will not be considered.

DATE	ARRIVAL TIME	NAME	COMPANY	ADDRESS	EMAIL
02/05/2026	9:51	Nathan Poolson	American Civil Construction	-	nathan.poolson@americancivilconstruction.com
02/05/2026	9:52	Richard Triplett	A&J Land Surveyors, Inc.	5847 Luella St, Jax, FL	Richard@ajsurvey.com
02/05/2026	9:52	Jason James	Jax Utilities Mgmt	5495 Verna Blvd	Jjames@jaxum.com
02/05/2026	9:56	Ashton Johnson	TB Landmark construction Inc	11220 new Berlin Rd Jax FL	ashton+e+tblandmark.com
02/05/2026	9:56	Ken Coetzman	Maer Construction	40 Blanding Blvd	ken@maerconstruction.com
02/05/2026	10:00	Jason Brown	City of Fernandina Beach	1180 South 5th Street	JSbrown@FBFL.ORG.
02/05/2026	10:07	Tony Province	TNT Underground	4071 Great Falls Loop	tony@tntunderground.com
02/05/2026	10:09	Andre Desilet	City of Fernandina Beach	1180 S 5th St	adesilet@fbfl.us
02/05/2026					
02/05/2026					
02/05/2026					
02/05/2026					

CITY OF FERNANDINA BEACH BID OPENING TALLY

ITB 26-08 - March 3, 2026; 2:00PM

Bid Name: CLINCH DRIVE WATER MAIN EXTENSION

Attended by: Andre Desilet, Juan Brown, Wanda Weaks

DATE/TIME REC'D	COMPANY NAME/LOCATION	MOBILIZATION	3,600 LF NEW 8" WATERMAIN AS BUILTS AND TESTING	ROADWAY, DRIVEWAY, ROW RESTORATION WITH SOD	TOTAL PROJECT BID	BOND	EXHIBITS A-I	ADDENDUMS No. 1-2
03/03/26 12:39PM	TNL UNDERGROUND MIDDLEBURG, FL	21,213.00	424,973.00	12,640.00	458,826.00	✓	✓	✓
03/03/26 11:28AM	AMERICAN CIVIL CONST PALM COAST, FL	30,624.00	369,147.00	13,587.00	399,771.00	✓	✓	✓
03/03/26 9:35AM	TBLANDMARK JAX, FL	33,426.00	615,992.00	23,885.00	673,303.00	✓	✓	✓

This is a preliminary summary of the submittals as they were opened and announced at the bid opening. Contractor/Vendor should not assume award until after final/review/recommendation for award

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-46
City Commission Goals Fiscal Year 2025/2026

ITEM TYPE: Resolution (w/o fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-46.

SYNOPSIS: The City Commission conducted its annual goals/vision workshop on February 12, 2026, at the Fernandina Beach Golf Course Club House. Following discussion, scoring and ranking, the enclosed capital goals and operational goals were identified:

Capital Goals:
- Seawall segment(s) construction – 18
- Soccer fields (Ybor) construction – 16
- 115 South 2nd Street parcel acquisition – 14
- Atlantic Recreation Center replacement – 5
- Downtown revitalization - 3
- Brett's demolition and redevelopment – 2

Operational Goals:
- Customer service improvements – 15*
- Regain public trust – 12
- Chief Resilience Officer implementation – 12
- Marina operations transition – 9
- Dune protection ordinance improvements – 3
- Air/water quality monitoring - 2
- Golf Course management – 2

*The Commission specifically denoted Building Department (5 points); Code Enforcement (5 points).

This Resolution seeks approval to formalize the City Commission goals agreed upon and approved at their February 12, 2026, goals/vision workshop.

FISCAL IMPACT: Fiscal impact will be based upon City Commission direction.

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission adopt proposed Resolution 2026-46.

Kimberly Elliott-Briley, Deputy City Clerk	02/26/2026
Jeremiah Glisson, Deputy City Manager	03/04/2026
Sarah Campbell, City Manager	03/04/2026
Teresa Prince, City Attorney	03/06/2026
Katie Newton, Downtown Coordinator	03/09/2026



Date: February 17, 2026

Submitted By: Caroline Best, City Clerk

COMMISSION ACTION: Adopt

RESOLUTION 2026-46

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, ADOPTING THE CITY COMMISSION GOALS FOR FISCAL YEAR 2025/2026; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Commission meets annually to discuss and develop goals for the coming year as well as long term visioning; and

WHEREAS, the City Commission, joined by staff and members of the public, conducted a goals/vision workshop on February 12, 2026, at the Fernandina Beach Golf Club, to consider such goals and vision; and

WHEREAS, following deliberation, scoring and ranking, capital goals and operational goals were identified, attached hereto as Exhibit A; and

WHEREAS, this Resolution formalizes the City Commission goals agreed upon and approved at their February 12, 2026, goals/vision workshop.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby adopts the 2025/2026 Capital Goals and Operational Goals, attached hereto as Exhibit A.

SECTION 2. The City Commission offers its direction and support to City staff to pursue and complete the Capital Goals and Operational Goals as indicated.

SECTION 3. The City Commission retains the ability, by subsequent Resolution, to amend or otherwise revise or add to the existing Capital Goals and Operational Goals, in the interests of the health, safety, and welfare of the City of Fernandina Beach.

SECTION 4. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener’s errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 5. This Resolution shall be effective immediately upon adoption.

ADOPTED this 17th day of March 2026.

CITY OF FERNANDINA BEACH

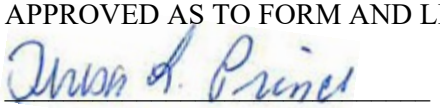
_____

JAMES ANTUN
Commissioner – Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:



TERESA L. PRINCE, ESQ.
City Attorney

2026 Commission Goals

Resolution 2026-46
Exhibit "A"

Capital Goals	Mayor Antun	Vice-Mayor Ayscue	Commissioner Minshew	Commissioner Poynter
Seawall segment(s) construction	5		3	5
Soccer fields (Ybor) construction	4		5	3
115 South 2nd parcel acquisition	3		4	4
Atlantic Rec Center replacement	2			1
Downtown Revitalization			1	2
Brett's Demolition & Redevelopment			2	
Operational Goals	**Mayor Antun**	**Vice-Mayor Ayscue**	**Commissioner Minshew**	**Commissioner Poynter**
Customer service improvements*	3		5	3
Regain Public Trust		5	4	
Chief Resilience Officer implementation	4		3	
Marina operations transition	5			2
Dune protection ordinance improvements			2	1
Air/Water quality monitoring	1		1	
Golf Course Management	2			

* Building Dept (5 points) and Code Enforcement (5 points) were specifically noted

2026 Commission Goals

Resolution 2026-46
Exhibit "A"

Commissioner Tuten	Total Score
5	18
4	16
3	14
2	5
	3
	2
Commissioner Tuten	Total Score
4	15
3	12
5	12
2	9
	3
	2
	2

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Resolution 2026-47
Property Acquisition — Budget Amendment(s) — 115 South 2nd Street and 0 South 2nd Street

ITEM TYPE: Resolution (w/ fiscal impact)

REQUESTED ACTION: Consider Resolution 2026-47.

SYNOPSIS: The City Commission, at their February 12, 2026, goal/vision workshop, reached majority consensus to pursue the acquisition of real property located at 115 South 2nd Street and 0 South 2nd Street, each owned by New England Flag Banner, Inc. k/n/a OnPoint Visuals, Inc. utilizing impact fee dollars.

The land area is two tracts totaling approximately 0.45 acres identified as Parcel No. 00-00-31-1800-0271-0070 (0.39 acres) on which an 18,088 square foot warehouse was constructed in 1925 which has no historical significance and is in a substantial state of structural deterioration and an adjacent vacant triangular tract identified as Parcel No. 00-00-31-1800-0271-0091 (0.06 acres). Staff recommends demolition pending receipt of Historic District Council approval.

Funding is available ($1.8 million) through the General Government Impact Fee Fund, which is for the purpose of general government expansion. These funds have a limited timeline and are not derived from property taxes. The balance of the funds will be paid from the current year General Fund Contingencies account.

New England Flag Banner, Inc. k/n/a OnPoint Visuals, Inc. listed the property for sale in the amount of $2,220,000. Based upon property appraisal estimates, the City Manager made a purchase offer, in the amount of $2,100,000, which has since been accepted. City staff estimates the warehouse demolition cost and closing costs will be approximately $125,000. If this Resolution is approved, demolition proceedings will begin upon receipt of Historic District Council approval.

FISCAL IMPACT: Funds are available for transfer in the amount of $1,867.845 from the 3101000 59990, Capital Expansion Reserve account, into the 3101000 56100, Project #26035, Capital Expansion Land account; and $357,155 from the 00118200 59900, General Fund Contingency fund, into the 3001000 56100, Project #26035, Capital Improvement Land account, for a total transfer amount of $2,225,000. This will increase the overall City budget by $357,155.

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): At the pleasure of the City Commission.

Glenn Akramoff, Deputy City Manager	03/09/2026
Kimberly Elliott-Briley, Deputy City Clerk	03/09/2026
Alisha Brown, Budget Analyst	03/09/2026
Jeremiah Glisson, Deputy City Manager	03/10/2026
Sarah Campbell, City Manager	03/10/2026
Teresa Prince, City Attorney	03/10/2026
Katie Newton, Downtown Coordinator	03/10/2026

Caroline Best

Date: February 16, 2026

Submitted By: Caroline Best, City Clerk

COMMISSION ACTION: Adopt

RESOLUTION 2026-47

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, APPROVING THE PURCHASE OF REAL PROPERTY LOCATED AT 115 SOUTH 2ND STREET AND 0 SOUTH 2ND STREET EACH OWNED BY NEW ENGLAND FLAG BANNER, INC. N/K/A ONPOINT VISUALS, INC. TOTALING APPROXIMATELY 0.45 ACRES; APPROVING THE ASSOCIATED BUDGET AMENDMENT(S); AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AUTHORIZING EXECUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Commission, at its February 12, 2026, Goals/Vision Workshop, reached majority consensus to pursue the acquisition of real property located at 115 South 2nd Street and 0 South 2nd Street, each owned by New England Flag Banner, Inc. n/k/a OnPoint Visuals, Inc.; and

WHEREAS, the two parcels are approximately 0.45 acres identified as Parcel No. 00-00-31-1800-0271-0070 (0.39 acres) on which a 18,088 square foot warehouse was constructed in 1925 and an adjacent, vacant triangular tract (0.06 acres) identified as Parcel No. 00-00-31-1800-0271-0091. The warehouse is in a significant state of structural deterioration; and

WHEREAS, New England Flag Banner, Inc. n/k/a OnPoint Visuals, Inc. listed the property for sale in the amount of $2,200,000. Based upon property survey estimates, the City Manager offered $2,100,000, which has since been accepted; and

WHEREAS, City staff estimates the closing costs to be $40,000 and estimates the warehouse demolition cost to be $85,000; and

WHEREAS, if this Resolution is approved, demolition proceedings will begin upon receipt of Historic District Council approval; and

WHEREAS, funds are available for transfer in the amount of $1,867.845 from the 3101000 59990, Capital Expansion Reserve account, into the 3101000 56100, Project #26035, Capital Expansion Land account; and $357,155 from the 00118200 59900, General Fund Contingency fund, into the 3001000 56100, Project #26035, Capital Improvement Land account, for a total transfer amount of $2,225,000, to fund the purchase of the property, including closing costs, and demolition of the warehouse; and

WHEREAS, approval of this budget amendment increases the total City budget by $357,155 from $243,562,354 to $243,919,509; and

WHEREAS, the City Commission wishes to purchase these parcels to increase the City's inventory of land for future municipal needs.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the Purchase and Sale Agreement for acquisition of real property located at 115 South 2nd Street, identified as Parcel No. 00-00-31-1800-0271-0070 and 0 South 2nd Street, identified as Parcel No. 00-00-31-1800-0271-0091, for approximately 0.45 acres of land, from New England Flag Banner, Inc. n/k/a OnPoint Visuals, Inc., in

the amount of Two Million, One Hundred Thousand Dollars and Zero Cents ($2,100,000), adjusted for closing costs and prorations, attached hereto as Exhibit A.

SECTION 2. The City Commission hereby approves transferring $1,867.845 from the 3101000 59990, Capital Expansion Reserve account, into the 3101000 56100, Project #26035, Capital Expansion Land account; and $357,155 from the 00118200 59900, General Fund Contingency fund, into the 3001000 56100, Project #26035, Capital Improvement Land account, for a total transfer amount of $2,225,000, to fund the purchase of the property, including closing costs, and demolition of the warehouse.

SECTION 3. The City Commission hereby approves using the transferred funds for closing costs, as negotiated by the City Manager and New England Flag Banner, Inc. n/k/a OnPoint Visuals, Inc., and to demolish the warehouse, upon receipt of Historic District Council approval.

SECTION 4. The City Manager is hereby authorized to execute the Purchase and Sale Agreement with New England Flag Banner, Inc. n/k/a OnPoint Visuals, Inc. for the property identified above, execute all closing documents required to complete the purchase of the property, upon review and approval of the City Attorney.

SECTION 5. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Resolution which do not make substantive changes or otherwise affect the intent of the Resolution, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 6. This Resolution shall become effective immediately.

ADOPTED this 17th day of March, 2026.

CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Commissioner-Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

Teresa L. Prince

_____
TERESA L. PRINCE, ESQ.
City Attorney

COMMERCIAL
PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT(the "Agreement") is dated and effective as of March 17, 2026 (the "Effective Date"), by and between NEW ENGLAND FLAG BANNER, n/k/a ONPOINT VISUALS, INC. a Massachusetts for profit corporation registered in Florida as a foreign entity to do business in Florida, whose address is P.O. Box 1560, Manchester, MA, 01944 ("SELLER"), and the CITY OF FERNANDINA BEACH, a municipal corporation having an address of 204 Ash Street, Fernandina Beach, FL 32034 (the "PURCHASER").

WHEREAS, SELLER is the owner in fee simple absolute of certain real property located in Fernandina Beach, Nassau County, Florida more particularly described in Exhibit A attached hereto and hereby incorporated by reference (the "Property"); and

WHEREAS, the execution of this document by the City Manager was approved by a majority vote of the Commission of the City of Florida on March 17, 2026 per Resolution No. 2026-47 attached as Exhibit C;

WHEREAS, subject to the terms and conditions of this Agreement, PURCHASER desires to receive from SELLER, and SELLER is willing to grant to PURCHASER, the option to purchase all right, title and interest in and to the Property;

NOW, THEREFORE, in consideration of the Escrow Deposit (as hereafter defined) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the SELLER hereby agrees to sell, and PURCHASER hereby agrees to purchase, the Property on the terms and conditions as follows:

1. Purchase Price: **$2,100,000**

Payment:

(a) Earnest Money Deposit:
(Earnest Money Deposit shall be delivered to the
Closing Agent within 3 business days
from Effective Date) **$ 21,000**

(b) Balance due at Closing: **$2,079,000**
(US Wire Transfer or certified funds or as otherwise
Required by the Closing Agent dated the date of Closing,
subject to adjustments and prorations)

2. Closing and Escrow Agent. The parties agree the Closing Agent and Escrow Agent for the purchase and sale of the Property shall be Andrea Lennon, P.A. and the Closing shall be held at Andrea Lennon, PA, 3391 S Fletcher Ave, Fernandina Beach, FL 32034.

3. Reserved.

4. Environmental Site Assessment. At any time prior to Closing (the "Inspection Period"), PURCHASER shall obtain, at its sole cost and expense, an environmental site assessment of the

Property ("ESA") to determine the existence and extent, if any, of any Hazardous Materials (as hereafter defined) on or affecting the Property, and shall provide SELLER with a true and correct copy of the ESA. In the event that the ESA confirms the presence of Hazardous Materials, either SELLER or PURCHASER may, in its sole discretion, terminate this Agreement for environmental matters by providing written notice to the other party prior to the expiration of the Inspection Period or within thirty (30) days of the PURCHASER's delivery of the ESA to SELLER, whichever occurs first (the "ESA Notice Period"), in which case the parties shall be relieved of any further obligations or liabilities hereunder (except for those that survive the termination or expiration of this Agreement). Should the parties elect not to so terminate this Agreement, SELLER, at SELLER's sole cost and expense, shall promptly commence and diligently pursue to completion such actions as are necessary to bring the Property into full compliance with Environmental Laws (as hereafter defined) and shall provide PURCHASER with documentation evidencing completion of such actions, which documentation shall be in form and substance satisfactory to PURCHASER in its sole discretion. If, despite diligent efforts, SELLER is unable to bring the Property into full compliance with Environmental Laws within fifty-five (55) days of the expiration of the ESA Notice Period (the "ESA Objection Cure Period"), PURCHASER, in its sole discretion, may elect to: (a) repeatedly extend the ESA Objection Cure Period for up to one year by written notice to SELLER prior to the expiration of the immediately preceding ESA Objection Cure Period; or (b) terminate this Agreement by providing notice to SELLER in accordance with paragraph 13, in which case the parties shall be relieved of any further obligations or liabilities hereunder (except for those that survive the termination or expiration of this Agreement).

In the event that the ESA confirms the presence of Hazardous Materials on or affecting the Property and the parties elect not to terminate this Agreement, SELLER shall defend, hold harmless, and indemnify PURCHASER (including its officers, directors, shareholders, partners, employees, members, principals, agents and representatives) and its successors and assigns (collectively, the "Purchaser Parties") from and against any and all Claims (as hereafter defined) and any and all losses, costs claims, liabilities, expenses, demands, fees and obligations that may at any time be imposed upon, incurred by, or asserted or awarded against any of the Purchaser Parties that relate to the presence of Hazardous Materials on or affecting the Property and for which SELLER is legally responsible and/or of which SELLER has knowledge as of the Closing.

As used herein, "Claims" means all demands, actions, causes of action, suits, proceedings, covenants, contracts, agreements, damages, claims, counterclaims, third-party claims, cross claims, contribution claims, indemnity claims, executions, judgments, losses, penalties, obligations and liabilities whatsoever, of every name, kind, type, nature or description, in law or in equity, arising under federal, state or local law or other statute, law, regulation or rule of any kind, whether known, unknown, direct, indirect, absolute, contingent, disclosed, undisclosed or capable or incapable of detection. As used herein, "Hazardous Materials" means any hazardous waste, hazardous substance, or hazardous material, as defined under any Environmental Law, or any pollutant, contaminant, radioactive or biological material or waste, or petroleum or petroleum related products or waste. As used herein, "Environmental Laws" shall mean all federal, state and local laws, including statutes, regulations, ordinances, codes, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements and other governmental restrictions relating to the protection of the environment or human health, welfare or safety, or to the emission, discharge, seepage, release or threatened release of any contaminant, chemical, waste, irritant, petroleum product, waste product, radioactive material, flammable or corrosive substance,

explosive, material containing or producing polychlorinated biphenyl, asbestos, hazardous or toxic substance, material or waste of any kind into the environment, including, without limitation, ambient air, surface water, ground water, or land including, but not limited to, the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource and Conservation and Recovery Act of 1976, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Federal Superfund Amendments and Reauthorization Act of 1986, Chapters 161, 253, 373, 376 and 403, Florida Statutes, Rules of the U.S. Environmental Protection Agency, Rules of the Florida Department of Environmental Protection, and the rules of the Florida water management districts now in effect.

5. Survey and Title. PURCHASER shall obtain and provide SELLER with true and correct copies of an ALTA survey of the Property from a certified professional surveyor licensed in the State of Florida and acceptable to PURCHASER, in its sole discretion (the "Survey"), and an ALTA title insurance commitment relative to the Property for an owner's policy of title insurance, including copies of all documents identified as Schedule B exceptions (the "Title Commitment"), from a title insurance company licensed in the State of Florida and acceptable to PURCHASER, in its sole discretion (the "Title Company"). If the Survey or Title Commitment discloses any matter(s) including, without limitation, defects in title which are not acceptable to PURCHASER, in its sole discretion (The "Title Objection(s)"), PURCHASER shall provide SELLER with written notice of such Title Objection(s) within five (5) days of the receipt of the Title Commitment by PURCHASER or two (2) days prior to Closing, whichever is later, and SELLER, at SELLER's sole cost and expense, shall promptly commence and diligently pursue to completion correction of such Title Objection(s) within thirty (30) days of the delivery of the Title Objections to SELLER (the "Title Objection Cure Period"). If, despite diligent efforts, SELLER is unable to remove the Title Objection(s) within the Title Objection Cure Period, PURCHASER, in its sole discretion, may elect to: (a) accept the Survey and Title Commitment in their their-current state, with a reduction in the Purchase Price in an amount mutually agreed upon by the parties; (b) accept the Survey and Title Commitment in their then-current state, with no reduction in the Purchase Price; (c) extend the Objection Cure Period to a date or dates designated by PURCHASER, during which time SELLER shall continue to use diligent efforts to remove the Title Objection(s); or (d) terminate this Agreement by providing notice to SELLER in accordance with paragraph 13, in which case the parties shall be relieved of any further obligations or liabilities hereunder (except for those that survive the termination or expiration of this Agreement). Without limitation of the foregoing, the parties acknowledge and agree that any encroachments, severances or reservations of oil, gas or other minerals, or oil, gas or other mineral leases affecting the Property shall be deemed Title Objections, and that the lien of general real estate taxes for the then-current tax fiscal year as of the Closing shall not constitute a Title Objection.

6. Closing. The closing of the transactions contemplated by this Agreement (the "Closing") shall take place **on or before the fiftieth (50th) day from the Effective Date and no later than May 6, 2026**, subject to extension for (a) the ESA Objection Cure Period (if applicable and as extended from time to time), or (b) the Title Option Cure Period (if applicable and as extended from time to time) or as otherwise provided herein. The Closing shall occur in the offices of the Closing Agent or by mail through the delivery of documents and items pursuant to escrow instructions that are consistent with this Agreement.

7. Closing Documents. The following shall collectively be referred to as the "Closing Documents."

(a) At Closing, SELLER shall execute and deliver:

(i) A Warranty Deed (the "Warranty Deed") for PARCEL ID# 00-00-31-1800-0271-0070 .39 acres 115 2nd Street BLOCK 271 LOTS 7 8 9 & 10 E OF RR R/W LOTS 24 THRU 27 IN OR 708/523 CITY OF FDNA in substantially the same form attached hereto and hereby incorporated by reference as Exhibit B, provided that the parties agree to modify the Deed to conform with the requirements of the State of Florida, as grantee, if necessary. A Quit Claim Deed for (the "Quit Claim Deed") for the triangle parcel identified as PARCEL ID# 00-00-31-1800-0271-0091, .06 acres, 0 2nd Street, Fernandina Beach, short/partial legal to be updated at Closing BLK 271 PT OF LOTS 9,10,11,12 IN OR 953/1856 CITY OF FDNA BEACH OF SEC 22-3N-28E (the "Triangle Parcel").

(ii) An affidavit against mechanics' liens and against parties in possession, and such other documents as may be required by the Title Company in order to remove standard ALTA title policy exceptions and issue an owner's policy of title insurance insuring marketable title to the Property to PURCHASER.

(iii) Any documents necessary to cure Title Objection(s) that have not been waived by PURCHASER.

(iv) Such authorizations, consents, and/or resolutions as may be required to demonstrate SELLER's authority to execute and deliver the Closing Documents and perform the transactions contemplated thereby.

(v) A settlement statement.

(vi) Such other documents, if any, necessary to close in accordance with the terms of this Agreement and fully and completely comply with all applicable laws, customs, practices and standards in the State of Florida.

(b) At Closing, PURCHASER shall execute and deliver:

(i) Such authorizations, consents, and/or resolutions as may be required to demonstrate PURCHASER's authority to execute and deliver the Closing Documents and perform the transactions contemplated thereby.

(ii) A settlement statement.

8. Closing Costs; Real Estate Taxes. At Closing, PURCHASER will pay documentary revenue stamp taxes, and all costs associated with the Title Commitment and the issuance of an owner's title insurance policy (ALTA Form "B" with Florida revisions) insuring marketable title to the Property in the amount of the Purchase Price, SELLER's Broker commission, SELLER's attorney fees and half the Closing Agent fee. The PURCHASER shall pay the cost of recording the Deeds and any other recordable instruments that PURCHASER and Title Company deem necessary to insure good and marketable title to the Property and half the Closing Agent Fee. At

Closing, real estate taxes will be prorated between the SELLER and PURCHASER for the period for which such taxes are assessed, regardless of when payable, If taxes and assessments for the fiscal year in which Closing occurs or any prior years have not been paid before Closing, PURCHASER shall be credited by SELLER at the time of Closing with an amount equal to such taxes and assessments.

9. SELLER's Representations and Warranties. SELLER makes the following representations and warranties, each of which is true and correct as of the Effective Date and shall be true and correct at Closing, and all of which shall survive the Closing or earlier termination or expiration of this Agreement. SELLER shall defend, hold harmless, and indemnify the Purchaser Parties from and against any and all Claims resulting from a breach of any of the following representations and warranties.

(a) Title to Property; Authority; Access. SELLER is the sole legal owner of the Property in fee simple. The Property is not currently subject to any written or oral lease, option, agreement of sale, claim, or legal proceeding except as specifically set forth herein. SELLER has the full power and authority to execute and fully perform this Agreement. There is legal and practical ingress and egress to and from the Property over public roads or by virtue of valid, recorded easements that run with the land for the use and benefit of and as appurtenances to the Property.

(b) Condition of Property. The SELLER is not aware of any facts that would adversely affect the PURCHASER's prospective acquisition of the Property, or that materially affect the value of the Property which could not readily observable by PURCHASER apart from such matters, if any, have been expressly disclosed to PURCHASER herein.

(c) Hazardous Materials. To the best of SELLER's knowledge: (i) the Property is not currently and has never been used for the manufacture, use, storage or disposal of any Hazardous Materials; (ii) no Hazardous Materials have ever been or are presently stored or located on the Property; and (iii) the Property is not currently and has never been subject to any Superfund or other lien or claim by any government regulatory agency or third party related to the release or threatened release of any Hazardous Materials and/or violation of any Environmental Laws. In the event that Hazardous Materials for which SELLER is legally responsible and/or of which SELLER has knowledge as of the Closing are found to exist, SELLER shall, in addition to defending, holding harmless, and indemnifying the Purchaser Parties as set forth in paragraph 4 above, promptly commence and diligently pursue to completion the clean up of such Hazardous Materials in a manner consistent with all applicable Environmental Laws and at SELLER's sole cost and expense. SELLER represents that the Property has been used by PURCHASER for nothing other than a restaurant/distillery.

(d) Broker. SELLER has dealt with a broker, finder, or other person in connection with the sale or negotiation of the sale of the Property to PURCHASER. SELLER warrants that SELLER's contract with Broker is the only agreement that could give rise to a claim for commission. SELLER shall not be responsible for any broker fee or commission other than that of SELLER's Broker, including any fee claimed by

a broker representing PURCHASER. SELLER shall indemnify and hold PURCHASER harmless from and against any losses, damages, costs, or expenses incurred by PURCHASER due to a breach of the foregoing warranty by SELLER.

(e) Government Farm Programs. The Property is not enrolled in the Agricultural Market Transition Act Program, the Conservation Reserve Program, the Wetland Reserve Program or any other program of the United States Department of Agriculture. The Property is not subject to any government cost-share contracts or other agreements which restrict either the use of the Property or the modification of any improvements located thereon.

(f) Parties in Possession. No parties other than SELLER are occupying, possessing, or have the right to possess all or any part of the Property.

(g) Authorization. The persons who have or will have executed and/or delivered this Agreement, the deed, any assignments and any and all other instruments, affidavits, certified resolutions and any other documents shall be or have been duly authorized to do so;

(h) Litigation. SELLER is not a party to any actions, suits, or proceedings of any kind or nature whatsoever, legal or equitable, affecting any portion of the Property or relating to or arising out of the ownership of the Property, in any court or before or by any federal, state, or local agency or other governmental instrumentality; there are no such actions, suits or proceedings pending;

(i) All bills for labor, services materials, and utilities, and all trade accounts, which could adversely affect title to the Property, are current;

(j) No work has been done upon, or materials delivered to, the Property prior to the date hereof which are not fully paid for, nor does any person, firm or corporation now have, nor shall it have after notice or passage of time, or otherwise, any lien or rights with respect to the Property or any part or parcel thereof as the result of services performed on, or materials delivered to, the Property;

(k) To the best of SELLER's knowledge, there are no violations of any federal, state or local law, ordinance, rule, regulation, statute or governmental code or ordinance affecting the Property.

(l) The SELLER is not aware of any facts that would adversely affect the PURCHASER's prospective acquisition of the Property, or that materially affect the value of the Property which could not readily observable by PURCHASER apart from such matters, if any, have been expressly disclosed to PURCHASER herein.

10. Risk of Loss; Condition of Property. SELLER assumes all risk of loss or damage to the Property prior to the date of Closing and represents and warrants that the Property shall be in the same or essentially the same condition at Closing as it is in as of the Effective Date, ordinary wear and tear excepted. Notwithstanding the foregoing, in the event that the condition of the Property

is altered by an act of God or other natural force beyond the control of SELLER, PURCHASER may elect, in its sole discretion, to terminate this Agreement by providing notice to SELLER in accordance with paragraph 13, in which case the parties shall be relieved of any further obligations or liabilities hereunder (except for those that survive the termination or expiration of this Agreement). In the event that the Property contains any abandoned personal property, refuse, garbage, junk, rubbish, trash and/or debris (collectively, "Refuse") as of the Effective Date, SELLER, at SELLER's sole cost and expense, shall promptly commence and diligently pursue to completion removal of all Refuse from the Property prior to the Closing. If, despite diligent efforts, SELLER is unable to remove the Refuse from the Property prior to the Closing, PURCHASER, in its sole discretion, may elect to: (a) extend the amount of time SELLER has to remove the Debris from the Property; (b) terminate this Agreement by providing notice to SELLER in accordance with paragraph 13, in which case the parties shall be relieved of any further obligations or liabilities hereunder (except for those that survive the termination or expiration of this Agreement); or (c) deduct the expense necessary to remove the Refuse from SELLER's sale proceeds at Closing.

11. Right to Enter Property. SELLER agrees that, from and after the Effective Date, PURCHASER and its agents shall have the right to enter the Property for all lawful purposes related to this Agreement including, without limitation, performing inspections of the Property relating to PURCHASER's intended use of the Property.

12. Assignment. This Agreement and/or the right to be named as the grantee on the Deed may not be assigned by PURCHASER without the prior written consent of the SELLER. SELLER may not assign this Agreement without the prior written consent of PURCHASER. Any assignment without consent shall be null and void.

13. Notice. All notices, demands or other communications given hereunder shall be in writing to the addresses set forth below, and shall be deemed to have been duly delivered (a) upon the delivery (or refusal to accept delivery) by personal delivery, messenger or overnight express delivery service (or, if such date is not on a business day, on the business day next following such date) or (b) by electronic mail, provided that delivery thereof can reasonably be demonstrated to have been made and received:

If to SELLER:	New England Flag Banner k/n/a OnPoint Visuals, Inc. P.O. Box 1560 Manchester, Massachusetts, 01944 Email:_____
with a copy to :	David H. Trevett, Esq. 6900 Tavistock Lakes Blvd, Suite 400 Orlando, FL 32827 Office 407-802-1060 Fax 407-537-7933 Email: david@dtrevattlaw.com
If to PURCHASER:	City of Fernandina Beach Sarah Cambell, City Manager 204 Ash Street Fernandina Beach, FL 32034

Office 904-310-3101
Email: scambell@fbfl.org

With a copy to:

City of Fernandina Beach
Teresa Prince, City Attorney
204 Ash Street
Office 904-310-3275
Fernandina Beach, FL 32034
Email: tprince@fbfl.org

Actual knowledge may obviate the need to formally give or receive notice if actual knowledge can be demonstrated by conduct or communications. Each party may change its notice address by providing notice of the new address to the other party.

14. Default. In the event that SELLER defaults in the performance of any of its obligations hereunder, PURCHASER, in its sole discretion, may elect to: (a) waive such default and proceed to Closing; (b) seek equitable relief to enforce specific performance of SELLER's obligations hereunder; or (c) terminate this Agreement and retain any and all rights and remedies that survive termination or expiration hereunder and receive the return of PURCHASER's Earnest Money Deposit.

In the event that the PURCHASER fails to complete the purchase of the Property within the time specified herein, except default by SELLER or any right provided to PURCHASER herein to terminate this Agreement, then all rights of PURCHASER hereunder shall automatically cease. Thereupon, PURCHASER shall forthwith return to SELLER any title evidence, surveys, or other similar documents received from SELLER, and PURCHASER shall execute a full and complete release of SELLER for any claims arising under or associated with this Agreement or the purchase of the Property, whereupon all rights and liabilities of the parties hereunder shall cease and terminate, except for any provisions which expressly survive termination of this Agreement and the Escrow Agent shall release the Earnest Money Deposit to the SELLER as liquidated damages, which shall be SELLER's sole remedy.

15. Time. Time is of the essence with respect to each and every provision of this Agreement.

16. Severability. Should any one or more of the provisions of this Agreement be determined to be invalid, unlawful or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby and each such provision shall be valid and remain in full force and effect.

17. Binding Effect. This Agreement shall bind and inure to the benefit of SELLER and PURCHASER and their respective heirs, legal representatives, successors and assigns. Whenever used, the singular shall include the plural and one gender shall include all genders.

18. Entire Agreement. This Agreement, together with all Exhibits incorporated herein by reference, constitutes the sole, exclusive, and entire agreement between the parties pertaining to the subject matter described herein and supersedes all prior dealings and writings between them with respect thereto. No supplement, modification or amendment to this Agreement shall be binding unless executed in writing by the parties. Notwithstanding the foregoing, the parties

acknowledge and agree that the description of the Property contained in Exhibit A is based on publicly-available Nassau County assessor records, and shall be replaced in the Closing Documents by the legal description of the Property in the Survey and Title Commitment, as approved by PURCHASER, without the necessity of the parties' written amendment to this Agreement.

19. Nonwaiver. PURCHASER's failure to insist upon strict performance of any covenant or condition of this Agreement, or to exercise any right or remedy herein contained, shall not be construed as a waiver or relinquishment of any rights or remedies that PURCHASER may have for any preceding or succeeding breach, default, or nonperformance by SELLER of any provision hereof.

20. Agreement Effective. This Agreement and any modifications, amendments or alterations hereto shall not be effective or binding upon either of the parties unless and until executed by both SELLER and PURCHASER.

21. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall, for all purposes, be deemed to be an original. All of such counterparts shall, when duly executed, together constitute one and the same Agreement. Facsimile and electronic signatures and a scanned PDF of the executed signature page shall have the same force and effect as executed originals.

22. Business Days. If any date, time period or deadline hereunder falls on a weekend or a state or federal holiday, then such date shall be extended to the next-occurring business day.

23. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Florida, without regard to its conflicts of laws rules or principles.

24. Survival. The terms of the following paragraphs of this Agreement shall survive the Closing and any termination or expiration of this Agreement: 3, 4, 5, 8, 9, and 14 through 23.

25. 1031 Exchange. Seller may elect to close the transaction as part of a Section 1031 exchange. Buyer agrees to cooperate with Seller in effectuating such exchange, provided that Buyer shall not incur any additional costs or liabilities as a result of such cooperation. Buyer acknowledges that Seller's ability to close as a Section 1031 exchange is not a condition to the transaction's closing.

ONCE EXECUTED BY BOTH PARTIES, THIS IS A LEGALLY BINDING CONTRACT. PLEASE CONSULT WITH AN ATTORNEY PRIOR TO SIGNING.

NEW ENGLAND FLAG BANNER, n/k/a ONPOINT VISUALS, INC.

By: _____
Printed Name: _____
Title: _____
Date Signed by Seller: _____

: CITY OF FERNANDINA BEACH, FL,

By: _____
Name: Sarah Cambell
Title: City Manager
Date Signed by Purchaser: _____

Approved as to form and legality for City: Attest:

_____ _____
Teresa L. Prince, City Attorney Caroline Best, City Clerk

EXHIBIT A

THE PROPERTY

[TO BE REPLACED IN CLOSING DOCUMENTS BY SURVEYED LEGAL DESCRIPTION]

Short Legals to Be updated from Tittle Commitment

Parcel 1:
PARCEL ID# 00-00-31-1800-0271-0070
.39 acres
115 2nd Street
BLOCK 271 LOTS 7 8 9 & 10 E OF RR R/W LOTS 24 THRU 27 IN OR 708/523 CITY OF FDNA BEACH

AND

Parcel 2: Previous transfer via Quit Claim Deed
PARCEL ID# 00-00-31-1800-0271-0091
.06 acres
0 2nd Street
BLK 271 PT OF LOTS 9,10,11,12 IN OR 953/1856 CITY OF FDNA BEACH OF SEC 22-3N-28E

EXHIBIT B

WARRANTY DEED

THIS WARRANTY DEED (the "Deed") is made this _____ day of _____, 201_ (the "Effective Date"), by the _____, having an address _____ ("Grantor") to _____., a _____ having an address of _____ (including, without limitation, its successors and assigns, "Grantee").

WITNESSETH: That Grantor, for and in consideration of the sum of Ten And No/l00 Dollars ($10.00) paid by Grantee, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys, and confirms unto Grantee, all of Grantor's right, title, and interest in and to the following described real estate, together with the improvements thereon, if any, situated in the County of Nassau and State of Florida, to wit:

[insert legal description (the "Property")].

SUBJECT TO all easements, restrictions, reservations and limitations of record, if any.

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining.

TO HAVE AND TO HOLD the same, together with all rights and appurtenances to the same, belonging unto the Grantee, and to its successors and assigns forever. And Grantor does hereby covenant to and with Grantee that Grantor is lawfully seized of the Property in fee simple, that Grantor has good right and lawful authority to sell and convey the Property, and that Grantor hereby fully warrants the title to the Property and will defend the same from all claims whatsoever.

Ad valorem taxes for the current year having been prorated as of the date hereof, payment thereof is expressly assumed by Grantee, as evidenced by Grantee's acceptance of the delivery hereof and the recordation hereof in the Real Property records of Nassau County, Florida.

IN WITNESS WHEREOF, the undersigned Grantor has executed this Deed as of the Effective Date.

Signed, Sealed and Delivered:

_____ _____

Print Name: _____ Name

_____

Print Name: _____

State of Florida)
)ss.
County of Nassau)

The foregoing instrument was acknowledged before me __ in person or ___ electronically this ___ day of _____, 2026, by _____, to me personally known, or has provided _____ as identification or is _____ personally known to me, and who, being by me duly sworn, acknowledged said instrument to be his or her free act and deed.

_____
Notary Public
Name: _____
My commission expires: _____

Please affix stamp in area designated above

EXHIBIT C
CITY RESOLUTION

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Ordinance 2026-06
Master Fee Schedule Amendment

ITEM TYPE: Ordinance (w/ fiscal impact)

REQUESTED ACTION: Consider Ordinance 2026-06 at First Reading.

SYNOPSIS: The City Commission must establish and amend user fees by Ordinance to ensure that the cost of providing services is covered by an appropriate user fee.

This Ordinance amends the Master Fee Schedule established by Ordinance 2025-14 to amend the City Manager's Office, Golf Club, Planning and Conservation, Streets, Public Works, Utilities, Water, Wastewater, and Parks and Recreation fee schedules, in Fiscal year 2025/2026.

Fiscal Year 2025/2026 Master Fee Schedule amendments are attached hereto in Exhibit A. All changes are highlighted yellow: underlined text represents added fees/language, ~~struck through~~ text represents removed fees/language.

FISCAL IMPACT: Fees for services, permits and facilities use will be charged accordingly.

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission approve proposed Ordinance 2026-06 at First Reading.

Scott Mikelson, Parks and Recreation Director	02/13/2026
Jeremiah Glisson, Deputy City Manager	02/23/2026
Kimberly Elliott-Briley, Deputy City Clerk	03/05/2026
Alisha Brown, Budget Analyst	03/05/2026
Susan Carless, Comptroller	03/08/2026
Sarah Campbell, City Manager	03/09/2026
Teresa Prince, City Attorney	03/09/2026
Katie Newton, Downtown Coordinator	03/10/2026

Submitted By: Kaitlyn Rivera, Parks and Recreation Deputy Director Date: January 27, 2026

COMMISSION ACTION: Approve

ORDINANCE 2026-06

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AMENDING THE MASTER FEE SCHEDULE ESTABLISHED BY ORDINANCE 2025-14 BY AMENDING THE CITY MANAGER'S OFFICE, GOLF CLUB, PLANNING AND CONSERVATION, STREETS, PUBLIC WORKS, UTILITIES, WATER, WASTEWATER, AND PARKS AND RECREATION FEE SCHEDULES; EXCLUDING WATER AND WASTEWATER CAPACITY FEES AND IMPACT FEES; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Commission must establish and amend user fees by Ordinance; and

WHEREAS, each year fees are reviewed and revised to ensure that the cost of providing services is fully covered by an appropriate user fee; and

WHEREAS, this Ordinance amends fees for the City Manager's Office, Golf Club, Planning and Conservation, Streets, Utilities, Water, and Wastewater (excluding Water and Wastewater Capacity Fees and Impact Fees).

NOW, THEREFORE, BE IT ENACTED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves amending the Master Fee Schedule established by Ordinance 2025-14 by amending the City Manager's Office, Golf Club, Planning and Conservation, Streets, Public Works, Utilities, Water, Wastewater, and Parks and Recreation fee schedules, in Fiscal year 2025/2026, attached hereto as Exhibit A.

SECTION 2. If any section, subsection, sentence, clause, phrase of this Ordinance, or the particular application thereof, shall be held invalid by any court, administrative agency or other body with appropriate jurisdiction, the remaining sections, subsections, sentences, clauses and phrases under application shall not be affected thereby.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Ordinance which do not make substantive changes or otherwise affect the intent of the Ordinance, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This Ordinance shall take effect upon the passage of Second Reading/Final Hearing.

ENACTED this ____ day of _____, 2026.

CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Commissioner – Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

_____
TERESA L. PRINCE, ESQ.
City Attorney

Date of First Reading: March 17, 2026
Date of Publication:
Date of Second Reading/Final Hearing:

City of Fernandina Beach **Municipal Airport**

Fee Schedule
Fiscal Year 2025/2026

Fee Type		Cost
Ground Lease Rental Rate (annually)		
	Aeronautical Land Lease Rate	$0.20/Square Foot
	Non-Aeronautical Land Lease Rate	$0.35/Square Foot*
	*Or appraised value (whichever is greater)	
Fixed Base Operator (FBO) and Specialized Aviation Service Operations Facility Leasehold (FBO or SASO)		
	Contact Airport Director for additional information	Facility Rent Charge or as Negotiated
Ground Leasehold (FBO or SASO)		
	Contact Airport Director for additional information	Facility Rent Charge or as Negotiated
Sublease to FBO		
	Authorized under FBO Lease	No Charge
	Aeronautical Use Not Authorized under FBO Lease	$150.00/year
	Non-Aeronautical Use Not Authorized under FBO Lease	As Negotiated
	Sublease to SASO by Leasehold SASO	$150.00/year
	Independent Aeronautical Operator or Mobile Service Provider doing Annual Business on the Airport	$150.00/year
	Independent Aeronautical Operator or Mobile Service Provider who does Five (5) Days or Less of Annual Business on the Airport to no more than One (1) Airport Client	$50.00/year
	Display Signage Fee at Airport Entrance	$10.00/day/side
Special Use Permit (non-based aircraft, contact Airport Director for additional information)		
	Banner Pickup	$300.00/year
	Balloon/Blimp Mooring	$25.00/day
Ultralight Aircraft Permit		
	Registration and Facility Use Permit	$125.00/year
Bulk Hangar Rates (Daily)		
	Single engine (≤ 40′ wingspan)	$30.00
	Single engine (> 40′ wingspan)	$65.00
	Multi engine (> 48′ wingspan)	$100.00
Bulk Hangar Rates (Monthly; adjusted annually per CPI)		
	Single engine (≤ 40′ wingspan)	$250.00
	Single engine (> 40′ wingspan)	$325.00
	Multi engine (> 48′ wingspan)	$500.00
Vehicle Parking/Storage Fee (Note: Improperly parked/non-permitted vehicles may be towed at owner's expense)		
	Daily (paved; < 24 hours)	No Charge
	Short-term parking (paved; ≤ 5 days, permit required)	No Charge
	Long-term parking (gravel; permit required)	$5.00/day; $60.00/month
Terminal Observation Deck (Capacity-115 Individuals)		
	General Public (open access, sunrise to sunset)	No Charge
	Airport Tenant/Fernandina Beach Employee (reserved access)	$50.00/hr: $250/day

	Others (reserved access)	$125.00/hr $650.00/day
	Government Agencies	No Charge
	Special Events	As Negotiated
	(Note: additional professional cleaning fee may be charged at sole discretion of Airport Director)	
Terminal Conference Room (Capacity - 46 Individuals)		
	Airport tenant/Fernandina Beach employee	$10.00/hr (2-hr minimum)
	Others	$35.00/hr (2-hr minimum) $235.00/day
	Government Agencies	No Charge
	(Note: Additional professional cleaning fee may be charged at sole discretion of Airport Director)	
Building Fees (2018 base rate, base rate adjusted annually per CPI or rental terms; pre-tax)		
	Buildings 1, 2, 3, 4, 5, 6, 7	$300.00/month
	Buildings 1-7 (w/ additional space)	$335.00/month
	Building 8	$400.00/month
	Building 8 (w/ additional space)	$435.00/month
	Building 9	$575.00/month
	Storage Units B, C, D, E, F, H	$5.60/sf/year
	Storage Units A, G	$12.00/sf/year
New Hangar/Building Fees (2022 base rate, rate adjusted annually per CPI or rental terms; pre-tax)		
	Units 53 and 55	$690.00/month
	Unit 54	$650.00/month
	Units 56 and 57	$775.00/month
	Unit 58	$865.00/month

Fee Schedule
Fiscal Year 2025/2026

Fee Type		Cost
All-inclusive Building Construction Permit		
Permit fees for new construction and additions include mechanical, plumbing, electrical and new roofs, commercial re-roof, and residential re-roofs changing roof material (such as asphalt to metal, tile for residential), demo and standalone commercial trades. Permit fees include administrative, building plan review, building inspections and retention of documents and electronic records.		
	Administrative Fee – Commercial Projects (non-refundable)	$50.00
	Administrative Fee – Residential Projects (non-refundable)	$35.00
	Minimum Permit	$45.00
	Base: Construction Cost ≤ $5,000,000.00	$7.50/$1,000.00
	Additional: Construction cost > $5,000,000.00 and ≤ $10,000,000.00	$3.50/$1,000.00
	Additional: Construction cost > $10,000,000.00	$2.00/$1,000.00
	Subcontractor permit processing fee	$35.00
	State of Florida DCA Surcharge F.S. 468.631	1% ($2.00 min)
	State of Florida DBPR Surcharge F.S. 553.721	1.5% ($2.00 min)
Building Permit Caps		
	If Contractor uses private provider for plans review & inspections	$100,000.00
	If Contractor uses City for plans review & inspections	$500,000.00
The City of Fernandina Beach Building Department compares International Code Council (ICC) Building Valuation Data (BVD) which provides the "average" construction costs per square foot, which can be used in determining permit fees for the Building Departments and the cost provided by the contactor of record to determine the construction cost for the proposed project.		
Revision Plan Review ***(NON-REFUNDABLE)***		
	Residential (≤ 5 sheets)	$35.00
	Residential (> 5 sheets)	$5.00 per additional sheet
	Commercial (≤ 5 sheets)	$75.00
	Commercial (> 5 sheets)	$5.00 per additional sheet
	Re-stamp plans for field copy (Residential)	$35.00
	Re-stamp plans for field copy (Commercial)	$35.00
Private Provider Refunds		
	Private Provider Plans Review & Inspections Refund (new construction, additions, remodels) includes private provider inspections partial and passed inspections; based on inspection summary report provided to the Building Official at the end of the project.	50% of All-inclusive Building Construction Permit fee.

	Private Provider Inspections Only (passed inspections; based on inspection summary report provided to the Building Official at the end of the project)	$35.00 per inspection
Note: Use of Private Provider MUST be pre-approved by Building Official upon application for permit.		
Other Building Permit Fees		
	Residential Gas (new and remodel)	$80.00 for first $1,000 job cost; $7.00 per additional $1,000 job cost
	Residential Gas (installation of tanks)	$75.00
	Water heater replacement	$50.00
	Siding/roof repair ≤ 100 sf	Exempt
	Siding/roof repair > 100 sf or all siding/roof replacement like material	$90.00
	Pre-fabricated accessory structures ≤ 150 sf	Exempt
	Pre-fabricated accessory structures > 151 sf and ≤250 sf	$80.00
	Pre-fabricated accessory structures > 251 sf	$80.00 for first $1,000 construction cost; $7.00 per additional $1,000 construction cost
	Construction Trailer	$50.00
	Commercial exterior coolers (per unit)	$160.00
	Mechanical changeout with NO electrical work	$50.00
	Irrigation	$50.00
	Renew expired/revoked permit (as approved by Building Official; permit must be within same Building Code)	$100.00
~~Re~~-Inspection Fees		
	Re-inspection	$50.00
Miscellaneous		
	Administrative letter of Code Determination	$150.00
	Fire/storm damage determination for power re-connection	$75.00
	Copies	See Clerk's Office Fee Schedule
	Documents uploaded on thumb drive	$25.00
After the Fact Permit Fees		
	After the fact permit fees are up to 4 times the building permit fee to be assigned by the Building Official or his/her designee. Contractors performing emergency repairs/replacements must apply for the proper permits online and identify the permit as an emergency repair/replacement.	≤ 4x original permit fee
Special Flood Hazard Area or Shaded "X" Fee		
	All permits within a Special Flood Hazard Area (SFHA) and/or Shaded "X" will have a Flood Admin fee applied. This fee covers plan review, Elevation Certificate (EC) review, inspections, and retention of flood documents.	$150.00

Fee Schedule
Fiscal Year 2025/2026

Fee Type		Cost
Local Business Tax Receipt (LBTR) (Ordinance 2008-25)		
	LBTR fee (annual)	See Municipal Code Section 74-80
	Copy of previously issued LBTR	$5.00
	Penalty for failure to obtain LBTR prior to conduct of business	$250.00 (plus required LBTR)
	LBTR re-inspection fee	$25.00
	Transfer of ownership	$3.00 minimum; 10% LBTR fee
Resort Rental Dwelling Permit (COFB LDC Section 26-10 1)		
	New application	$300.00
	Annual renewal	$200.00
	Copy of previously issued Resort Rental Dwelling permit	$5.00
	Transfer of ownership	$25.00
	Penalty for operating resort rental without appropriate permit (Section 26-101(h)(2), Municipal Code)	$1,000.00 Citation first violation; up to $250.00 per additional violation per day
Miscellaneous Permits		
	Dining with Dogs (F.S. 509.233; COFB LDC Section 6.02.13)	$40.00
	Copy of previously issued Dining with Dogs permit	$25.00
	Right-of-way Encroachment (COFB Ord. Sec. 70-2)	$35.00/yr
	Street artists/performers (COFB Ord. Chapter 70, Article III)	$300.00/yr
	Confiscation of illegal signs	$25.00/sign

Fee Schedule
Fiscal Year 2025/2026

Fee Type		Cost
Photocopies		
	8 ½ x 11	$0.15/page
	8 ½ x 11 (Double-sided)	$0.20/page
	8 ½ x 14	$0.15/page
	8 ½ x 14(Double-sided)	$0.20/page
	11 x17	$0.25/page
	Certified Copies	$1.00/copy
	CD	$0.50
	Thumb Drive	$8.00
Lien Letters		
	Regular Request (4 business days)	$20.00
	Rush Request (2 business days)	$40.00
Public Record Requests		
	Public Record Request Extensive Use Fee: Calculated when the nature or volume of requested public records is such to require extensive use of information, technology resources, extensive use of clerical or supervisory assistance, or both (50% deposit based upon estimated cost required at filing).	Actual Cost Incurred
City Hall Chambers Rental	Private Rate Civic Non-Profit	$210.00 ½ Day $420.00 Full Day $131.00 ½ day $262.00 Full Day

Fee Schedule
Fiscal Year 2025/2026

Fee Type	Cost
Permits & Licenses	
Horseback Riding Permit	$50.00/yr
Bingo License (per Municipal Code Section 14-28)	$50.00/yr
Adult Entertainment Application Fee (per Municipal Code Section 14-72)	$1000.00
Leases & Franchise Agreements	
Long-term leases, various City-owned facilities	As Negotiated
Sightseeing Tour Franchise Agreement	$1,500.00 (plus annual CPI, base 2022)
Paid Parking Area Fees *(Per Code of Ordinances Chapter 78, Article III, Division 2)*	*All paid parking area fees are non-refundable*
Hourly Parking Rate	$2.00-$4.00 to allow for dynamic pricing for no longer than 30 consecutive days
Annual Resident Digital Permit (first 2 per household or property owner)*	$0
Annual Resident Digital Permit (each additional)*	$24.00
Annual Non-Resident Digital Permit*	$124.00
Annual Paid Parking Area Resident Digital Permit (first 2 per household)+	$0
Annual Paid Parking Area Resident Digital Permit (each additional) +	$24.00
Monthly Digital Permit*	$60.00
~~Construction Parking Permit Application~~	~~$150, plus other applicable permit fees~~
Construction Parking Fee	per hour, per space, the hourly parking rate per space ~~or a monthly permit fee per space~~; must comply with Land Development Code 5.02.06, Municipal Code Sections 70-2, 78-105

*Annual and monthly digital permits allow the permit holder four hours of parking per day within the paid parking area. Any time after four hours shall be charged at the hourly rate (unless otherwise waived by the City Manager).

+Paid Parking Area Resident Digital Permits allow for unlimited time within the paid parking area.

Fee Schedule
Fiscal Year 2025/2026

Fee Type		Cost		
		Resident	**Non-Resident**	**Juniors (under 17)**
Greens Fees				
	18 Holes (w/cart)	$65.00	$75.00	$40.00
	18 Holes (walking)	$35.00	$45.00	$25.00
	9 Holes (w/cart)	$40.00	$50.00	$30.00
	9 Holes (walking)	$25.00	$30.00	$15.00
	Replay 18 Holes (cart)	$40.00	$50.00	-
	Replay 9 Holes (cart)	$30.00	$35.00	-
	Twilight 18 Holes (w/cart) 1:00pm & later (October – March) 3:00pm & later (September – April)	$45.00	$55.00	-
	Twilight 18 Holes (walking) 1:00pm & later (October – March 3:00pm & later (September – April)	$25.00	$35.00	-
	Twilight 9 Holes (w/cart) 1:00pm & later (October – March 3:00pm & later (September – April)	$30.00	$35.00	-
	Twilight 9 Holes (walking) 1:00pm & Later (October – March 3:00pm & later (September – April)	$15.00	$25.00	-
*Greens fees listed are standard fees. To ensure optimal usage of the course and to meet fluctuations in demand, the golf club general manager, at his/her discretion, may introduce dynamic pricing; however, the maximum rate will not exceed $125.00.				

Annual Memberships		**Resident**	**Non-Resident**
	Unlimited Membership (Includes Unlimited Green/Cart fees; Unlimited Range Balls; 20% discount on food, beverage, & merchandise)	$4,000.00	$4,500.00
	Single Membership (Fee includes Green Fees; 20% discount on food, beverage, merchandise, & option to purchase annual range plan)	$1,400.00	$1,600.00
	Couples Membership (Fee includes Green Fees; 20% discount on food, beverage, merchandise, & option to purchase annual range plan)	$2,000.00	$2,300.00
	Juniors Membership (17 & under) (Fee includes Green Fees; 20% discount on food, beverage, merchandise, & option to purchase annual range plan)	$400.00	$450.00
		Members	**Non-Members**
Walking/Cart Fees			
Walking Fee – 18 holes		$15.00	-
Walking Fee – 9 holes		$10.00	-
Cart Fee – 18 holes		$25.00	-
Cart Fee – 9 holes		$15.00	-
Lighthouse Driving Range Fees		**Members**	**Non-Members**
Buckets			
Small Bucket (25 Balls)		$7.00	$10.00
Medium Bucket (75 Balls)		$12.00	$15.00
Large Bucket (100 Balls)		$18.00	$20.00
Annual Range Plan (Offered to Annual Memberships only)		$499.00	Not Offered
Banquet Room Rentals		**Cost**	
	1-50 Guests	$400.00	
	51-100 Guests	$475.00	
	101+ Guests	$600.00	
	Banquet Room for Meeting Space	$100.00/hr	
	Non-profit usage w/food & beverage (daytime only)	No Charge	
Vehicle/Parking Pass Fee (Golf Club Parking Lot)		**Cost**	
	Overnight vehicles, automobiles only, per space	$25.00/day	

Impact Fee Schedule
Fiscal Year 2025/2026

Fee Type		Cost
Residential Development (per sf of heated area)		
	Public Facilities	$0.443
	Fire Protection	$0.360
	Police Protection	$0.264
	Parks and Recreation	$2.885
Non-Residential Development (per sf of floor area)		
	Public Facilities	$0.443
	Fire Protection	$0.360
	Police Protection	$0.264
	Parks and Recreation	$0.00

*Impact fees established via Ordinance 2018-44. **NO INCREASES IN FEES SINCE 2018.**

Fee Schedule
Fiscal Year 2025/2026

Fee Type		Cost (per linear foot)		
Transient Dockage peak season & holiday rates may apply*		**Daily**	**Weekly**	**Monthly**
	Vessels less than 70’	$2.50-$4.00	$15.00 - $20.00	$30.00 – $40.00
	Vessels 70’ – 99’	$2.75- $4.25	$16.50 - $22.00	$33.00 - $44.00
	Vessels 100’ – 149’	$3.00-$4.50	$18.00 - $24.00	$36.00 - $48.00
	Vessels 150’ - 199’	$3.25-$4.75	$19.50 - $26.00	$36.00 - $50.00
	Vessels 200’ – 250’	$3.50-$5.00	$21.00 - $28.00	$36.00 - $50.00
Special Events, Holidays, and Peak Demand Subject to Higher Rates*				
Commercial Landings				
	Per Day	$40.00		
	Per Year	$1,500.00		
Long Term Dockage (Currently on Waitlist – Contract Required)*		**Cost (per linear foot)**		
	Non-Commercial: per linear foot per month, billed monthly.	$25.00		
	Commercial: per linear foot per month, billed monthly.	$27.50		
Electric Rates		**Daily**	**Weekly**	**Monthly**
	30 amp	$6.00	$30.00	$60.00
	50 amp	$12.00	$72.00	$125.00
	100 amp	$25.00	$125.00	$350.00
	110 volt			$10.00
Fuel Markup - Cost + percentage depending upon market conditions		25% - 40% markup		
Transient Water Tank Fee		**Cost**		
Small Tank up to 50 gallons		$8.00 plus tax		
Large Tank over 50 gallons		$12.00 plus tax		
Excessive water use will result in additional fees		Over 2000 gal = $0.04 per gal		
Mooring Field (First Come, First Served)		**Cost**		
	Per Night	$30.00 - $35.00		
	Per Week	$180.00 - $240.00		
	Per Month	$595.00 - $790.00		
Dinghy Dock (Vessels less than 12' Only) Includes Amenities				
	Per Day	$10.00 - $13.00		
	Per Week	$50.00 - $60.00		
Dock N Dine - limit 3 hours				
	Vessels up to 25′	$15.00		
	Vessels 26′ to 35′	$20.00		
	Vessels over 35′	$40.00		
Pump Out – fuel dock location or pump out boat		$5.00		
Pump Out Cart Service Fee		$25.00 - $50.00		
Credit Card Fees		Service fees & ACH when applicable		

Contractors Fee (Check in at Ships Store, provide current COI)	$20.00/day $500.00/yr
Garbage Disposal/Dumpster Fee	$65.00
Cancellation Policy *(credits for future stays are at the discretion of Marina management)*	Standard stays: 48 hours Holiday stays: 72 hours Special event stays: 72 hours
Amenities	Boaters lounge, laundry, showers, WiFi
Commercial Hybrid – annual slip holders that occupy transient dockage	Averaged annual transient fee, not less than current commercial rate
*** To optimize Marina operations and accommodate fluctuations in demand, the Marina General Manager may, at their discretion, implement dynamic pricing. Accordingly, price ranges are provided with the lowest end of the range representing the base rate which is applied during non-peak periods.**	

Fee Schedule
Fiscal Year 2025/2026

Fee Type		**Cost**	
Administrative Fees		**Resident**	**Non-Resident**
	Non-Resident Annual Fee	-	$30.00
	City Resident ID Card (first card: no charge)	$10.00 (replacement)	-
Youth Services			
	After School Program	$65.00	$81.00
	After School Program Fee (for each additional sibling)	$55.00	$71.00
	Summer Camp Weekly Rate	$95.00	$119.00
	Summer Camp Weekly Rate (for each additional sibling)	$85.00	$109.00
	Group Swim Lessons	$10.00/lesson	$12.00/lesson
	(Manatee and Sea Turtle Levels) Safety Initiative	Free	$12.00/lesson
	Private Swim Lessons (4 lessons)	$120.00	$150.00
Aquatics			
	Daily Public Swim/Lap Swim	$5.00	$7.00
	10 Visits Pool Pass	$40.00	$50.00
	1 Month Individual Membership	$40.00	$50.00
	1 Month Couples Membership	$60.00	$75.00
	1 Month Family Membership	$75.00	$95.00
	4 Month Individual Membership	$144.00	$180.00
	4 Month Couples Membership	$216.00	$270.00
	4 Month Family Membership	$270.00	$342.00
	Annual Individual Membership	$384.00	$480.00
	Annual Couples Membership	$576.00	$720.00
	Annual Family Membership	$720.00	$912.00
Pool Rentals			
	Private Pool Rental, 2 hrs (1-40 ppl) MLK	$200.00	$250.00
	Each Additional Hour	$100.00	$125.00
Aqua Aerobics			
	Aqua Aerobics Daily Fee	$7.00	$10.00
	10 Visits Aqua Pass	$60.00	$75.00
	Aqua Aerobics 1 Month Membership	$60.00	$75.00
	Aqua Aerobics 4 Month Membership	$216.00	$270.00
	Aqua Aerobics Annual Membership	$576.00	$720.00
Fitness Room			
	Daily Pass	$5.00	$7.00
	10 Visit Fitness Pass	$30.00	$40.00
	1 Month Individual Membership	$30.00	$40.00

	1 Month Couples Membership	$45.00	$60.00
	4 Month Individual Membership	$108.00	$144.00
	4 Month Couples Membership	$162.00	$216.00
	Annual Individual Membership	$288.00	$384.00
	Annual Couples Membership	$432.00	$576.00
	Open Gymnasium Use (Basketball, Volleyball, Soccer)	$3.00	$5.00
Combination -Fitness & Pool		**Resident**	**Non-Resident**
	1 Month Individual Membership	$65.00	$82.00
	1 Month Couples Membership	$98.00	$123.00
	4 Month Individual Membership	$234.00	$295.00
	4 Month Couples Membership	$353.00	$443.00
	Annual Individual Membership	$624.00	$787.00
	Annual Couples Membership	$940.00	$1,180.00
Indoor Facility Rentals			
	Attendant (per hour)	$25.00	$25.00
	Additional Rental Time (per hour)	$100.00	$100.00
	Membrane Structure (Bounce house/tent)	$25.00 (per Structure)	$25.00 (per Structure)
	Sound System (per day)	$50.00	$50.00
	Meeting Fee (ARC Aquatics Classroom, MLK Auditorium, Peck Instructor Room) 2hs Max Monday – Friday 8am – 8pm, Saturday 8am – 4pm	$25.00/hr	$25.00/hr
Atlantic Recreation Center (ARC)			
	ARC Auditorium Private Half Day/Full Day	$350.00/$700.00	$438.00/$876.00
	ARC Auditorium Commercial Half Day/Full Day	$625.00/$1,250.00	
	ARC Auditorium Civic/ Non-profit Half Day/Full Day	$225.00/$450.00	
Martin Luther King Jr. Recreation Center (MLK)			
	Aqua Aerobics 1 Month Membership	$60.00	$75.00
	Aqua Aerobics 4 Month Membership	$216.00	$270.00
	Aqua Aerobics Annual Membership	$576.00	$720.00
Fitness Room			
	Daily Pass	$5.00	$7.00
	10 Visit Fitness Pass	$30.00	$40.00
	1 Month Individual Membership	$30.00	$40.00
	1 Month Couples Membership	$45.00	$60.00
	4 Month Individual Membership	$108.00	$144.00
	4 Month Couples Membership	$162.00	$216.00
	Annual Individual Membership	$288.00	$384.00
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	Open Gymnasium Use (Basketball, Volleyball, Soccer)	$3.00	$5.00
Combination -Fitness & Pool		**Resident**	**Non-Resident**
	1 Month Individual Membership	$65.00	$82.00
	1 Month Couples Membership	$98.00	$123.00
	4 Month Individual Membership	$234.00	$295.00
	4 Month Couples Membership	$353.00	$443.00
	Annual Individual Membership	$624.00	$787.00
	Annual Couples Membership	$940.00	$1,180.00
Indoor Facility Rentals			
	Attendant (per hour)	$25.00	$25.00
	Additional Rental Time (per hour)	$100.00	$100.00
	Membrane Structure (Bounce house/tent)	$25.00 (per Structure)	$25.00 (per Structure)
	Sound System (per day)	$50.00	$50.00
	Meeting Fee (ARC Aquatics Classroom, MLK Auditorium, Peck Instructor Room) 2hs Max Monday – Friday 8am – 8pm, Saturday 8am – 4pm	$25.00/hr	$25.00/hr
Atlantic Recreation Center (ARC)			
	ARC Auditorium Private Half Day/Full Day	$350.00/$700.00	$438.00/$876.00
	ARC Auditorium Commercial Half Day/Full Day	$625.00/$1,250.00	
	ARC Auditorium Civic/ Non-profit Half Day/Full Day	$225.00/$450.00	
Martin Luther King Jr. Recreation Center (MLK)			
	MLK Auditorium Private Half Day/Full Day	$225.00/$450.00	$280.00/$560.00
	MLK Auditorium Commercial Half Day/Full Day	$395.00/$790.00	
	MLK Auditorium Civic/Non-profit Half Day/Full Day	$150.00/$300.00	
Peck Center			
	Peck Auditorium Private Half Day / Full Day	$210.00/$420.00	$263.00/$526.00
	Peck Auditorium Commercial Half Day/ Full Day	$325.00/$650.00	
	Peck Auditorium Civic/Non-profit Half Day/Full Day	$131.00/$262.00	
	Peck Gym Private Half Day/Full Day	$300.00/$600.00	$375.00/$750.00
	Peck Gym Birthday Parties (2hrs; 1 attendant)	$150.00	$188.00
	Peck Gym Commercial Half Day/Full Day	$400.00/$800.00	
	Peck Gym Civic/Non-Profit Half Day/Full Day	$175.00/$350.00	
	Peck Instructor Room Private Half Day/Full Day	$150.00/$300.00	$187.00/$374.00
	Peck Instructor Room Commercial Half Day/Full Day	$225.00/$450.00	
	Peck Instructor Room Civic/Non-Profit Half Day/Full Day	$75.00/$150.00	
	Long-term Office Lease Space	Consumer Price Index (CPI)	
Outdoor Facility Rentals (Outdoor)			
Marquee Signs (Main Beach, ARC, or MLK)			
	Marquee (per day/per side)	$25.00	
	Marquee (existing tenant; per day/per side)	$20.00	
Park Pavilions			
	Private/Civic Non-Profit Half Day/ Full Day	$38.00/$76.00	$47.00/$94.00
	Private/Civic Non-Profit Half Day/ Full Day (w/electricity)	$63.00/$126.00	$79.00/$158.00
	Commercial Half Day/ Full Day	$75.00/$150.00	

	Commercial Half Day/ Full Day (w/electricity)	$100.00/$200.00	
Waterfront Park Pavilion structures			
	Private Half Day/ Full Day	$38.00/$76.00	$47.00/$94.00
	Civic/Non-Profit Half Day/ Full Day	$38.00/$76.00	$47.00/$94.00
	Commercial Half Day/ Full Day	$100.00/$200.00	
Waterfront Park Pavilion w/ stage			
	Private Half Day/ Full Day	$150.00/$300.00	$188.00/$375.00
	Civic/Non-Profit Half Day/ Full Day	$150.00/$300.00	$188.00/$375.00
	Commercial Half Day/ Full Day	$395.00/$790.00	
Waterfront Park Open Green Space			
	Private Half Day/ Full Day	$200.00/$400.00	$250.00/$500.00
	Civic/Non-Profit Half Day/Full Day	$200.00/$400.00	
	Commercial Half Day/Full Day	$450.00/$900.00	
Open/Green Space			
	Private Half Day/ Full Day	$200.00/$400.00	$250.00/$500.00
	Commercial Half Day/ Full Day	$450.00/$900.00	
	Civic/Non-Profit Half Day/ Full Day	$150.00/$300.00	
Athletic Fields (8:00am to 10:00pm)		**Resident**	**Non-Resident**
	Private Day/Night	$250.00	$313.00
	Commercial (Per Field)	$500.00	
	Civic/Non-Profit (Per Field)	$188.00	
	Field Prep (if requested) (Per Field)	$100.00	
	Lights (between 6:00pm – 10:00pm) (Per Field)	$50.00/hr	
City-Based Non-Profit Youth Sport Organizations/Leagues			
	Water-Based (pools)	$25.00/hour	-
	Land-Based (fields, courts, parks)	$4.00/player/ season	-
Facility Tours & Access			
Amelia Island Lighthouse			
	Public Lighthouse Tour (adult)	$10.00	$10.00
	Public Lighthouse Tour (<12 years old)	$5.00	$5.00
	Private Lighthouse Tour (Weekday)	$200.00	$200.00
	Private Lighthouse Tour (Weekend)	$250.00	$250.00
	Lighthouse DVD	$15.00	$15.00
	Lighthouse Climbing Fee	$12.00	$12.00
Beach Access Wheelchairs			
	Beach Wheelchair Use	Free (damage or failure to return will result in replacement charge)	
Special Events			
City Fees & Permits			
	Special Events Permit	$50.00	
	Banner Permit (Centre/8th; streetlamps)	$30.00	
	Banner Hanging Fee (Centre/8th)	$75.00	
	Banner Hanging Fee (Street Lamps; per pole)	$15.00	
	Commercial Running/Biking Events (per participant)	$5.00	
	Security Deposit (For Approved Event)	$250.00	
	Filming Permit Fee (per day; with 15 days' notice)	$200.00	
	Parade Permit Fee	$25.00	

	Membrane (Bounce House/Tent) Permit	$25.00 (per Structure)	
	Main Beach Skate Park (Civic/Non-Profit)	$100.00	
	Utility - Water Usage Fee (per day)	$75.00	$94.00
	Utility - Power Usage Fee (per day)	$75.00	$94.00
Street Closure Fees (requires City Commission approval)			
	Closure of Downtown Centre Street (per day/per block)	$2,000.00	
	Closure of Downtown Side Street (per day/per block)	$1,000.00	
Parking Fees		**Resident**	**Non-Resident**
	Private Parking Lot Half Day/ Full Day	$250.00/$500.00	$312.00/$624.00
	Commercial Parking Lot Half Day/ Full Day	$500.00/$1,000.00	
	Civic/Non-Profit Parking Lot Half Day/ Full Day	$150.00/$300.00	
	Overnight Parking Fee (per vehicle)	$25.00	
Rentable Equipment		**Resident**	**Non-Resident**
	Barricades (ea.; includes delivery)	$20.00	
	Cones (ea.; includes delivery)	$5.00	
	Picnic Table Fee (up to three tables)	$100.00	
	Waterfront Park Large Picnic Table (18ft, fits 12 people)	$75.00	$94.00
Bosque Bello Cemetery			
	Cemetery Lots	$1,700.00	$2,100.00
	Tree Lot (Cremated Internments Only)	$566.00	$700.00
	Deed Transfer Fee	$75.00	$75.00
	Burial Permits (Includes Disinterment)	$50.00	$50.00
	Monument Permits	$50.00	$50.00
	Cancellation of Auto Pay	$50.00	$50.00
	Buy Back Price for lot sold for $50 or less	$200.00	
	Buy Back Price for lot sold for $51-$100	$300.00	
	Buy Back Price for lot sold for $350-$450	$600.00	
	Buy Back Price for lot sold for $525-$600	$800.00	
	Buy Back Price for lot sold for $795 and up	$1,000.00	

Fee Schedule
Fiscal Year 2025/2026

Fee Type		Cost
Board of Adjustment (BOA)		
	Administrative Appeal	$500.00
	Variance (Single-Family Residential)	$1,500.00
	Variance (Other)	$3,500.00
Historic District Council (HDC)		
	Certificate of Approval: Staff	$25.00
	Certificate of Approval ("after-the-fact"): Staff	$100.00
	Certificate of Approval: Board (Single-Family Residential)	$250.00
	Certificate of Approval: Conceptual (Single-Family Residential) (including Final)	$250.000
	Certificate of Approval: Board (Other)	$400.00
	Certificate of Approval: Conceptual (Other) (including Final)	$400.00
	Certificate of Approval ("after-the-fact"): Board	$1,500.00
	Demolition of Primary Structure- Non-Contributing	$1,500.00
	Demolition of Primary Structure-Contributing	$7,500.00
	Variance (Single-Family Residential)	$1,500.00
	Variance (Other)	$3,500.00
	Application Amendment (ea.)	½ original Cert. of App. Fee
	News Rack Permit (New; Municipal Code Section 70-7)	$15.00
	News Rack Permit (Renewal; Municipal Code Section 70-7)	$15.00
Planning Advisory Board (PAB)		
	Future Land Use Map Amendment (Large Scale)	$5,000.00
	Future Land Use Map Amendment (Small Scale)	$2,500.00
	Comprehensive Plan Text Amendment	$5,000.00
	Change of Zoning Designation (Large-Scale)	$5,000.00
	Change of Zoning Designation (Small-Scale)	$2,500.00
	Land Development Code Text Amendment	$1,500.00
	Water/Sewer Agreement	$300.00
	Voluntary Annexation	$2,000.00
	PUD Modification	$1,500.00
	Vacation of/Opening of Public Right-of-Way	$3,500.00
	New Telecommunications Structure	$2,500.00
	Collocation/modification of Telecom Structure (within Right-of-Way)	$50.00
	Small Cell (Telecom) outside Right-of-Way (per Application)	$250.00
	Application Revision(s) (ea.)	$400.00
Technical Review Committee (TRC)		
	TRC Engineering Review (external)	Consultant hourly rate
	TRC "First Step" (staff consultation)	No Charge
	TRC Site Plan Review (including 2 re-submittals)	$400.00 + 2% of infrastructure cost (max. $4,400.00)
	Additional resubmittal (ea.)	½ orig. Plan Review fee

	Re-Plat/Preliminary Plat (< 20 units)	$3,000.00
	Re-Plat/Preliminary Plat (> 20 units)	$5,000.00
	Re-Plat/Final Plat	$1,500.00
	Plat Amendment	$400.00
Community Redevelopment Area (CRA) Projects		
	TRC Engineering Review (external)	Consultant hourly rate
	TRC "First Step" (staff consultation)	No Charge
	TRC Site Plan Review (including 2 re-submittals)	$1,000.00
	Additional resubmittal (ea.)	$500.00
	Re-Plat/Preliminary Plat (< 20 units)	$3,000.00
	Re-Plat/Preliminary Plat (> 20 units)	$5,000.00
	Re-Plat/Final Plat	$1,500.00
	Plat Amendment	$400.00
Other Fees		
	Change of Use Determination Letter	$50.00
	Minor Amendment to Local Development Order	$150.00
	Extension to Local Development Order (2 extensions allowed)	$50.00
Site Infrastructure Permit		
	First $1,000.00 of job cost	$160.00
	Each additional $1,000.00 of job cost	$14.00
Grade, Excavate & Fill		
	1st $1,000.00 of job cost	$80.00
	Each additional $1,000.00 of job cost	$7.00
Tree Removal Permit		
	Tree Inspection (≤ 5 trees)	$200.00
	Tree Inspection (> 5 trees)	$500.00
	Tree Removal (per tree)	$150.00
	Revision for add'l tree (per tree)	$150.00
	"In Lieu" (per inch [DBH] of remediated tree	$100.00
Zoning Review Permit		
	Non-structural fence	$50.00
	Concrete/Asphalt Pad > 150 s.f.	$50.00
	Exempted accessory Structures (<12′ ridge ht, ≤ 150 s.f., non-aluminum)	$100.00
	Exempted Residential Deck (≤ 12″ above grade and ≤ 150 s.f.)	$100.00
	After-the-Fact Zoning Permit Fee	$200.00
Right of Way Use Permit		
	Right of Way Use	$35.00
	After-the-Fact Right of Way Use Permit Fee	$100.00
Temporary Use Permit (as provided in LDC Section 5.02.00)		
	Seasonal Sales	$100.00
	Movable Module Storage Units (PODs) (14-day permit)	$25.00
	Construction Trailer/Model Home/Sales Office	$100.00

	Tent Permit (includes Seasonal Fee + Tent Fee + Fire Marshal Fee)	$160.00
Sign Permit (based upon value of sign)		
	$0-$100	$60.00
	$101-$500	$70.00
	$501-$1,000	$80.00
	Each $1,000 > $1,000	$7.00
Administrative		
	Large-Scale Plan Review (with building permit; commercial, single-family residential, additions > 625 s.f.)	$250.00
	Small-Scale Plan Review (with building permit; accessory structures > 150 s.f., additions < 625 s.f.; screen/patio enclosures)	$100.00
	Expedited Plan Review (with building permit; 5 business days)	$500.00
	Dept of Environmental Protection Letter (incl. one revision)	$200.00
	Dept of Environmental Protection Letter (add'l revision; ea.)	$35.00
	Zoning Confirmation Letter	$100.00
	Due Diligence Letter	$250.00
	Minor Subdivision/Lot Line Adjustment	$600.00
	Context Sensitive Review Determination	$400.00
	NSF Check Fee	$40.00 or 5% of face value (whichever is greater; max $200)
	Public School Concurrency Administrative Review Fee	$100.00
Plan Paper Copies		
	Comprehensive Plan	$50.00
	Land Development Code	$50.00
	Community Redevelopment Area Design Guidelines	$50.00
	Design Guidelines for Downtown or Old Town	$50.00
Miscellaneous Fees		
	Administrative Waiver	$400.00
	Administrative Waiver (for Tree Protection only)	$100.00
	Traffic Concurrency Determination	$5,000.00
	Parking in Lieu Fee (surface space)	$2,000.00
	Parking in Lieu Fee (structure space)	$9,000.00
Ron Sapp Egans Creek Greenway (non-exclusive use)		
	Half Day Commercial Use	$400.00
	Full Day Commercial Use	$600.00
	City-led Tour (12 years old - adult), per person	$10.00
	City-led Tour (<12 years old)), per person	$5.00
	Commercial Tour Permit (month)	$40.00
	Commercial Tour Permit (year)	$400.00
	School Use Permit (month)	$40.00
	School Use Permit (year)	$400.00

Police

Fee Schedule
Fiscal Year 2025/2026

Fee Type		Cost
Services		
	Copy of Accident/Incident Report	$5.00
	Fingerprinting	$20.00
	Background Check	$25.00
Special Events (three-hour minimum duration)		
	Patrol Officer (single day event < 10 hrs)	$50.00
	Patrol Officer (> 10 hrs or more than one day event)	$65.00
	Patrol Officer (all federal holidays)	$60.00
	Supervisor (required for ea. 4 Patrol; single day event < 10 hrs)	$60.00
	Supervisor (> 10 hrs or more than one day event)	$75.00
	Supervisor (all federal holidays)	$70.00
	Police Service Aide (single day event < 10 hrs)	$35.00

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Fire

Fee Type		Cost
Plan Reviews		
	Site Plan Review (Technical Review Committee)	$100.00
	Multifamily/comm. Structures (1 review, 1 rough, 1 final inspection.)	35% of Building Permit Fee
	First re-submittal	No charge
	Second re-submittal	$110.00
	Third re-submittal	4x original fee
	Minor revised plan review (after approval)	$40.00
	Review of new plans after approval	$68.00
Inspection Fees		
	Penalty for starting work without Fire Permit	2x original permit fee
	Re inspection for unprepared site	$55.00
	Each additional re-inspection for unprepared site	$110.00
	After hours/weekend/holiday inspections (2 hours allocated)	$110.00
	After hours/weekend/holiday inspections (ea. additional hour)	$55.00
	Annual/periodic/mandated State inspections	$50.00
	Annual/periodic/mandated State Inspections (facility > 3,000 sf)	$50.00 + $7.00/1,000 sf ($300 maximum)
Fire Sprinkler Systems (Note: Fees below include cost of review, one hydrostatic inspection, & one final inspection)		
	Fee for systems with < 50 heads	$80.00
	Fee for systems with > 50 heads	$80.00 (+$1.00/head)
	Additional hydrostatic test inspections	$54.00 ea.
	Private fire service water mains	$100.00
	Standpipe Systems (if permitted separately)	$100.00
	Fire Pumps	$60.00
Fire Alarm Systems (Note: Fees below include cost of plan review, & one final function test)		
	Fire alarm control panel and < 10 devices	$60.00
	Fire alarm control panel and > 10 devices	$60.00 (+$1.50/device)
Kitchen Hoods (Note: Fees below include cost of plan review of 1 system, a light test, and one final inspection.)		
	Commercial kitchen exhaust hood	$60.00
	Kitchen hood fire suppression system	$60.00
Other Permits/Services		
	Address assignments	$20.00
	Address assignment verification letter	$20.00
	Aircraft hangars	$50.00
	Aircraft refueling vehicles	$50.00
	Bonfires	$100.00
	Carnivals and fairs	$50.00
	Cutting and welding operations	$50.00

	Explosives	$100.00
	Fire insurance rating verification letter	$10.00
	Public fireworks display	$100.00
	Hot work operations	$50.00
	Local Business Tax Receipt (LBTR) inspection	$25.00
	Miscellaneous construction/installation	$50.00
	Temporary sale of consumer fireworks	$50.00
	Tents, canopies, other membrane structures	$25.00
	Other required permits (FL Fire Prevention Code)	$50.00
Special Events Services (three-hour minimum)		
	Fire Engine	$82.00/hr
	Ambulance	$48.00/hr
	Firefighter/Paramedic (single day event < 10 hrs)	$45.00/hr
	Firefighter/Paramedic (> 10 hrs or more than one day event)	$60.00/hr
	Firefighter/Paramedic (all federal holidays)	$55.00/hr
	Supervisor (required for ea. 5 FF; single day event < 10 hrs)	$55.00/hr
	Supervisor (> 10 hrs or more than one day event)	$70.00/hr
	Supervisor (all federal holidays)	$65.00/hr
	Ocean Rescue Lifeguard (2 guard min; 1 guard/35 swimmers)	$35.00/hr
	Polaris/ATV	$22.00/hr
	Jet Ski	$35.00/hr
Emergency Medical Service Transport Services		
	Basic Life Support (BLS)	$600.00
	Advanced Life Support 1 (ALS1)	$750.00
	Advanced Life Support 2 (ALS2)	$775.00
	Treatment and no Transport (TNT)	$75.00
	Mileage	$13.00 mile

Fee Schedule
Fiscal Year 2025/2026

Monthly Residential Sanitation Rate Schedule – Effective 1/01/2025 per Contract	
Service Description	Price Includes 1 Pull Per Week and Recycle
1 Toter	~~$28.73~~ $29.88
2 Toters	~~$57.46~~ $59.76
1 Toter with Roll Out/In Service	~~$40.87~~ $42.50
2 Toters with Roll Out/In Service	~~$81.74~~ $85.01
Additional Toter w/o Recycle	~~$10.97~~ $11.41
Excess Charges	
Appliances & White Goods (per Item)	~~$26.66~~ $27.73
10-yard roll-off (per haul)	~~$311.48~~ $323.94
20-yard roll-off price (per haul)	~~$311.48~~ $323.94
30-yard roll-off price (per haul)	~~$311.48~~ $323.94
Garbage compactor price per haul	~~$336.71~~ $350.18
Special Clean-up of Right-of-Way	~~$171.27/hour~~ $178.12/hour
Special Clean-up (Rear Loader, Driver & Helper)	~~$171.27/hour~~ $178.12/hour
Special Clean-up (Grapple Truck Operator)	~~$171.27/hour~~ $178.12/hour
Note: The refuse contract between the City and Waste Management allows for an annual increase.	

Fee Schedule
Fiscal Year 2025/2026

Streets

Fee Type		Cost
Yard Waste		
	Weekly Collection	$6.39
	Excess Collection (over 5 cubic yards)	$51.90 minimum (each pile is individually evaluated)
Miscellaneous		
	Right-of-way removal (unpermitted items [excluding temporary signs; see Code Enforcement])	$100.00
	After-the-Fact Right of Way Permit Fee	$100.00
	Permit Inspection Fee	$45.00
	Permit Re-Inspection Fee	$50.00

Fee Schedule
Fiscal Year 2025/2026

Water

Fee Type		Cost
Base Charges (Meter Size; Monthly)		
	Single-Family Residential 5/8 inch	$14.31
	Single-Family Residential 1.0 inch	$33.02
	Single-Family Residential 2.0 inch	$101.61
	Single-Family Residential 3.0 inch	$201.37
	Single-Family Residential 4.0 inch	N/A
	Single-Family Residential 6.0 inch	N/A
Other Uses (Meter Size; Monthly) *		
	Other Uses 5/8 inch	$14.31
	Other Uses 1.0 inch	$33.02
	Other Uses 2.0 inch	$101.61
	Other Uses 3.0 inch	$201.37
	Other Uses 4.0 inch	$313.59
	Other Uses 6.0 inch	$625.42
	Multi-Family (ea. additional unit)	$12.46
	Multi-Commercial (ea. additional unit)	$14.31
Commodity Charges (monthly)		
	Residential Use (per 100 cu ft; < 400 cu ft)	$1.42
	Residential Use (per 100 cu ft; 400 - 1000 cu ft)	$1.89
	Residential Use (per 100 cu ft; 1000 - 1600 cu ft)	$2.00
	Residential Use (per 100 cu ft; 1600 - 2400 cu ft)	$2.24
	Residential Use (per 100 cu ft; > 2400 cu ft)	$2.73
	Other use (per 100 cubic feet; unlimited) *	$1.89
Fire Line & Hydrant Charges (monthly)		
	2.0-inch	$7.84
	4.0-inch	$24.48
	6.0-inch	$48.98
	8.0-inch	$78.36
	10.0-inch	$112.64
	Hydrant (Connection Only)	$44.28
~~*Note: Above charges incur a 25% surcharge for properties located outside Fernandina Beach corporate limits.*~~		
~~**General service customers represent all customers that are not single family residential*~~		
Connection Charges		
	Service Connection (per Connection)	$2,000.00
	Service Connection >2 inch (per Connection)	Actual Cost
	Road Bore	Actual Cost
	2.0-inch Extension (per foot)	Actual Cost
	4.0-inch Extension (per foot)	Actual Cost

	6.0-inch Extension (per foot)	Actual Cost
	8.0-inch Extension (per foot)	Actual Cost
Meter Installation		
	5/8-inch, 3/4 inch	$250.00
	1.0 inch	$334.78
	~~> 1.0~~ inch 2.0 inch	~~Actual Cost~~ $1,088.09
	3.0 inch	$2,776.49
	4.0 inch	$4,275.80
	Additional meter box next to existing	$750.00
Note: Above charges incur a 25% surcharge for properties located outside Fernandina Beach corporate limits.		
**General service customers represent all customers that are not single family residential*		
Miscellaneous Services		
	Customer Deposit (New Applicants; Delinquent Customers)	3 Months of Service
	Returned Check or Electronic Funds Transfer Charge (per Occurrence)	Return of $50 or less = $25.00 Charge Return exceeding $50.00 but less than $300.00 = $30.00 Charge Return exceeding $300.00 = $40.00 charge or up to 5% of the face v alue, whichever is greater (max: $200)
	Turn-on/Turn-off for Non-Payment (per Occurrence)	$65.00
	Hydrant Flow Test (per Hydrant)	$100.00
	Backflow Device Testing (per Backflow)	$100.00
	Account Processing Fee (per Occurrence)	$10.00
	Service Call (per Occurrence)	$45.00
	After Hours Service Call (per Occurrence)	$145.00
	Late Payment Fee	18% annually
	Fire Hydrant Installation	~~$4,500.00~~ $6,000.00
	Fireline Connection	Actual Cost
	Fire Hydrant Relocation	Actual Cost
	Raise Service	$500.00
	Upgrade Service	$500.00
	Relocate Service	$500.00
	Dewatering Service	Actual Cost
	Road Overlay	Actual Cost
	Sidewalk Repair	Actual Cost
	Driveway Repair	Actual Cost
	DOT Permit Fee	$1,500.00
	FDEP Permit Fee	$1,500.00
	Inspection Fee	$45.00
	Re-Inspection Fee	$50.00
Note: The City reserves the right to charge the costs of repairs for damage caused to City property.		

Fee Schedule
Fiscal Year 2025/2026

Wastewater

Fee Type		Cost
Base Charges (Meter Size; Monthly)		
	Single-Family Residential 5/8 inch	$35.91
	Single-Family Residential 1.0 inch	$86.56
	Single-Family Residential 2.0 inch	$272.33
	Single-Family Residential 3.0 inch	$542.53
	Single-Family Residential 4.0 inch	$958.88
Other Uses (Meter Size; Monthly)		
	Other Uses 5/8 inch	$35.91
	Other Uses 1.0 inch	$86.56
	Other Uses 2.0 inch	$272.33
	Other Uses 3.0 inch	$542.53
	Other Uses 4.0 inch	$958.88
	Multi-family (each Additional Unit)	$33.79
	Wastewater Only (Residential Use; per Dwelling Unit)	$58.95
	Multi-commercial (each Additional Unit with Fixtures)	$35.91
Commodity Charges		
	Residential Use (per 100 cu ft; Max. 1000 cu ft)	$2.70
	Non-residential Use (per 100 cu ft; Unlimited) (*)	$2.70
~~*Note: the above charges incur a 25% surcharge for properties located outside Fernandina Beach corporate limits.*~~		
~~** General service customers represent customers that are not single family residential.*~~		
Industrial Facilities		
Note: Only domestic-type wastewater will be accepted from industrial sites. All industrial wastewaters will be metered at the discharge of the industrial customer's lift station. This meter will be accessible and read monthly by the City and annually checked by the customer and city for accuracy.		
	Per 12,775 Gallons	$71.37
Septic Tank Waste Disposal		
	Private/Commercial Disposal of Domestic Septic Waste (per Gallon)	$0.069
	Sample/Analysis for BOD (per CM; Subject to 82-181) and Subject to Same Requirements of 82-181)	$58.35
Connection Charges		
	Service Connection (per connection)	Actual Cost
	Sewer Meter	Actual Cost
	Road Bore	Actual Cost
	Core Manhole Bore for Service	Actual Cost
	2.0-inch Extension (per foot)	Actual Cost

	4.0-inch Extension (per foot)	Actual Cost
	6.0-inch Extension (per Foot)	Actual Cost
	8.0-inch Extension (per Foot)	Actual Cost
Note: the above charges incur a 25% surcharge for properties located outside Fernandina Beach corporate limits.		
** General service customers represent customers that are not single family residential.*		
Miscellaneous Services		
	Service Call (per occurrence)	$45.00
	After Hours Service Call (per occurrence)	$145.00
	Service Line Investigation (TV Truck & Vactor)	$360.00
	Sewer Smoke Test	$180.00
	Road Repair	Actual Cost
	Road Overlay	Actual Cost
	Sidewalk Repairs	Actual Cost
	Driveway Repairs	Actual Cost
	Sewer Main Tap	Actual Cost
	Dewatering Service	Actual Cost
	DOT Permit Fee	$1,500.00
	FDEP Permit Fee	$1,500.00
	Inspection Fee	$45.00
	Re-Inspection Fee	$50.00
	FOG Variance Application Fee	$150.00
	FOG ~~Non-Compliance~~ Notice of Violation (NOV)	$500.00 (per offense)
Note: The City reserves the right to charge the costs of repairs for damage caused to City property.		

Fee Schedule
Fiscal Year 2025/2026

Stormwater

Fee Type		Cost
Base Charges (monthly)		
	Residential Single Family (per Residential Unit)	$14.36
	Residential Single-Family w/ Private Stormwater System (per Residential Unit)	$7.18
	Residential Multi-Family (per Residential Unit)	$7.18
	Residential Multi-Family w/ Private Stormwater System (per Residential Unit)	$3.60
	Commercial (per Commercial Unit)	$14.36
	Commercial w/ Private Stormwater System (per Commercial Unit)	$7.18
	Multi-unit Commercial (per Commercial Unit)	$7.18
	Multi-unit Commercial w/ Private Stormwater System (per Commercial Unit)	$3.60
Miscellaneous Services		
	Inspection Fee	$45.00
	Re-Inspection Fee	$50.00
Note: The City reserves the right to charge the costs of repairs for damage caused to City property.		

Fee Schedule
Fiscal Year 2025/2026

Utilities

Fee Type		Cost
Administrative Fees		
	Large Scale Plan Review *(for permits for County properties with more than 5 pages)*	$1,000.00
	Small Scale Plan Review *(for permits for County properties with up to 5 pages)*	$500.00
Penalty Fees (per Offense)		
	Non-Compliance	$500.00
	Illegal/Illicit Dumping	$500.00
	Unapproved Connections	$500.00
	Operating w/out Permits or Locates	$100.00

ORDINANCE 2025-14

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AMENDING THE MASTER FEE SCHEDULE ESTABLISHED BY ORDINANCE 2025-09 BY AMENDING THE CITY MANAGER'S OFFICE FEE SCHEDULE TO PROVIDE FOR PAID PARKING FEES WITHIN THE PAID PARKING AREA IN FY 2025/2026; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Fernandina Beach must establish and amend user fees by Ordinance; and

WHEREAS, each year fees are reviewed and revised to ensure that the cost of providing services is fully covered by an appropriate user fee; and

WHEREAS, the City is enacting a paid parking program, requiring an amendment to the City Manager's Office fee schedule to include the new paid parking fees within the paid parking area.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the amending the Master Fee Schedule by amending the City Manager’s Office fee schedule to include paid parking fees within the paid parking area, attached hereto as Exhibit A, for Fiscal Year 2025/2026.

SECTION 2. If any section, subsection, sentence, clause, phrase of this Ordinance, or the particular application thereof, shall be held invalid by any court, administrative agency or other body with appropriate jurisdiction, the remaining sections, subsections, sentences, clauses and phrases under application shall not be affected thereby.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener’s errors of this Ordinance which do not make substantive changes or otherwise affect the intent of the Ordinance, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This Ordinance shall take effect upon the passage of Second Reading/Final Hearing.

ENACTED this 6th day of January, 2026.

CITY OF FERNANDINA BEACH



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JAMES ANTUN
Commissioner – Mayor

ATTEST:

Caroline Best

CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

Teresa L. Prince

TERESA L. PRINCE, ESQ.
City Attorney

Date of First Reading: November 4, 2025/December 2, 2025
Date of Publication: December 24, 2025
Date of Second Reading/Final Hearing: January 6, 2026

City of Fernandina Beach

Scrivener's Error Correction:
~~Resolution~~ Ordinance 2025-14
Exhibit "A"
Office of the City Manager

Fee Schedule
Fiscal Year 2025-2026

Fee Type	Cost
Permits & Licenses	
Horseback Riding Permit	$50.00/yr
Bingo License (per Municipal Code Section 14-28)	$50.00/yr
Adult Entertainment Application Fee (per Municipal Code Section 14-72)	$1000.00
Leases & Franchise Agreements	
Long-term leases, various City-owned facilities	As Negotiated
Sightseeing Tour Franchise Agreement	$1,500.00 (plus annual CPI, base 2022)
Paid Parking Area Fees *(Per Code of Ordinances Chapter 78, Article III, Division 2)*	*All paid parking area fees are non-refundable*
Hourly Parking Rate	$2.00-$4.00 to allow for dynamic pricing for no longer than 30 consecutive days
Annual Resident Digital Permit (first 2 per household or property owner)*	$0
Annual Resident Digital Permit (each additional)*	$24.00
Annual Non-Resident Digital Permit*	$124.00
Annual Paid Parking Area Resident Digital Permit (first 2 per household)[+]	$0
Annual Paid Parking Area Resident Digital Permit (each additional)[+]	$24.00
Monthly Digital Permit*	$60.00
Construction Parking Permit Application	$150, plus other applicable permit fees
Construction Parking Fee	per hour, per space, the hourly parking rate per space or a monthly permit fee per space; must comply with Land Development Code 5.02.06, Municipal Code Sections 70-2, 78-105

*Annual and monthly digital permits allow the permit holder four hours of parking per day within the paid parking area. Any time after four hours shall be charged at the hourly rate (unless otherwise waived by the City Manager).

[+]Paid Parking Area Resident Digital Permits allow for unlimited time within the paid parking area.

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Fiscal Year 2025-2026

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Business Impact Estimate

This form should be included in the agenda packet for the item under which the proposed ordinance is to be considered and must be posted on the City of Fernandina Beach's website by the time notice of the proposed ordinance is published.

Proposed ordinance's title/reference:

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AMENDING THE MASTER FEE SCHEDULE ESTABLISHED BY ORDINANCE 2025-09 BY AMENDING THE CITY MANAGER'S OFFICE FEE SCHEDULE TO PROVIDE FOR PAID PARKING FEES WITHIN THE PAID PARKING AREA IN FY 2025/2026; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

This Business Impact Estimate is provided in accordance with section 166.041(4), Florida Statutes. If one or more boxes are checked below, this means the City of Fernandina Beach is of the view that a business impact estimate is not required by state law[1] for the proposed ordinance, but the City of Fernandina Beach is, nevertheless, providing this Business Impact Estimate as a courtesy and to avoid any procedural issues that could impact the enactment of the proposed ordinance. This Business Impact Estimate may be revised following its initial posting.

- ☐ The proposed ordinance is required for compliance with Federal or State law or regulation;
- ☐ The proposed ordinance relates to the issuance or refinancing of debt;
- ☒ The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- ☒ The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the municipal government;
- ☐ The proposed ordinance is an emergency ordinance;
- ☐ The ordinance relates to procurement; or
- ☐ The proposed ordinance is enacted to implement the following:
  a. Part II of Chapter 163, Florida Statutes, relating to growth policy, county and municipal planning, and land development regulation, including zoning, development orders, development agreements and development permits;
  b. Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;
  c. Section 553.73, Florida Statutes, relating to the Florida Building Code; or
  d. Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code.

[1] See Section 166.041(4)(c), Florida Statutes.

In accordance with the provisions of controlling law, even notwithstanding the fact that an exemption noted above may apply, the City of Fernandina Beach hereby publishes the following information:

1. Summary of the proposed ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals and welfare):

The proposed ordinance makes changes to the City's Master Fee Schedule, as provided for in various sections of the City's Municipal Code. This publication of the Master Fee Schedule includes changes to the City Manager's Office fee schedule to provide for the implementation of the City's paid parking program. The revenue generated from these fees will support downtown revitalization, resiliency, and other infrastructure developments.

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City of Fernandina Beach, if any:
(a) An estimate of direct compliance costs that businesses may reasonably incur;
(b) Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible; and
(c) An estimate of the City of Fernandina Beach's regulatory costs, including estimated revenues from any new charges or fees to cover such costs.

The proposed ordinance will have a direct impact on anyone who parks in the established paid parking area. However, City residents and property owners within the paid parking area are able to obtain up to 2 annual permits per property/household at no cost. Also, all monthly and annual permit holders may park for the first four hours free and pay the hourly rate thereafter. Residents who live within the paid parking area may park two vehicles for free during all paid parking enforcement hours.

3. Good faith estimate of the number of businesses likely to be impacted by the proposed ordinance:

The proposed ordinance is crafted to be broadly applicable.

4. Additional information the governing body deems useful (if any):

The "Schedule of Fees and Charges," is approved annually by the City Commission via Ordinance to ensure oversight and democratic decision-making. This safeguards against arbitrary changes and ensures adjustments align with broader municipal goals.

ORDINANCE 2025-09

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, ESTABLISHING AND AMENDING FEES FOR THE AIRPORT, BUILDING, BUSINESS SERVICES, CODE ENFORCEMENT, CEMETERY, CITY CLERK'S OFFICE, CITY MANAGER'S OFFICE, FIRE, GOLF CLUB, MARINA, PARKS AND RECREATION, PLANNING AND CONSERVATION, POLICE, SANITATION, STORMWATER, STREETS, WASTEWATER, WATER, AND IMPACT FEES, EXCLUDING WATER AND SEWER CAPACITY FEES, FOR FY 2025/2026; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Fernandina Beach must establish and amend user fees by Ordinance; and

WHEREAS, each year fees are reviewed and revised to ensure that the cost of providing services is fully covered by an appropriate user fee; and

WHEREAS, the fees for the Airport, Building, Business Services, Code Enforcement, Cemetery, City Clerk's Office, City Manager's Office, Fire, Golf Course, Marina, Parks and Recreation, Planning and Conservation, Police, Sanitation, Stormwater, Streets, Wastewater, Water, and Impact Fees (excluding Water and Wastewater Capacity Fees) have been reviewed and revised based on the cost to provide services and facility rentals.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, THAT:

SECTION 1. The City Commission hereby approves the amended Master Fee Schedule, attached hereto as Exhibit A, consisting of the Airport, Building, Business/Code Enforcement, Cemetery, City Clerk's Office, City Manager's Office, Fire, Golf Club, Marina, Parks and Recreation, Planning and Conservation, Police, Sanitation, Stormwater, Streets, Wastewater, Water, and Impact Fees, excluding Water and Wastewater Capacity Fees, for Fiscal Year 2025/2026.

SECTION 2. If any section, subsection, sentence, clause, phrase of this Ordinance, or the particular application thereof, shall be held invalid by any court, administrative agency or other body with appropriate jurisdiction, the remaining sections, subsections, sentences, clauses and phrases under application shall not be affected thereby.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Ordinance which do not make substantive changes or otherwise affect the intent of the Ordinance, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This Ordinance shall take effect on October 1, 2025.

ENACTED this 16th day of September, 2025.

CITY OF FERNANDINA BEACH

JAMES ANTUN
Commissioner – Mayor

ATTEST:

CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:

TERESA L. PRINCE, ESQ.
City Attorney

Date of First Reading: August 19, 2025
Date of Publication: September 3, 2025
Date of Second Reading/Final Hearing: September 16, 2025

City of Fernandina Beach **Municipal Airport**

Fee Schedule
Fiscal Year 2025-2026

Fee Type		Cost
Ground Lease Rental Rate (annually)		
	Aeronautical Land Lease Rate	$0.20/Square Foot
	Non-Aeronautical Land Lease Rate	$0.35/Square Foot*
	*Or appraised value (whichever is greater)	
Fixed Base Operator (FBO) and Specialized Aviation Service Operations Facility Leasehold (FBO or SASO)		
	Contact Airport Director for additional information	Facility Rent Charge or as Negotiated
Ground Leasehold (FBO or SASO)		
	Contact Airport Director for additional information	Facility Rent Charge or as Negotiated
Sublease to FBO		
	Authorized under FBO Lease	No Charge
	Aeronautical Use Not Authorized under FBO Lease	$150.00/year
	Non-Aeronautical Use Not Authorized under FBO Lease	As Negotiated
	Sublease to SASO by Leasehold SASO	$150.00/year
	Independent Aeronautical Operator or Mobile Service Provider doing Annual Business on the Airport	$150.00/year
	Independent Aeronautical Operator or Mobile Service Provider who does Five (5) Days or Less of Annual Business on the Airport to no more than One (1) Airport Client	$50.00/year
	Display Signage Fee at Airport Entrance	$10.00/day/side
Special Use Permit (non-based aircraft, contact Airport Director for additional information)		
	Banner Pickup	$300.00/year
	Balloon/Blimp Mooring	$25.00/day
Ultralight Aircraft Permit		
	Registration and Facility Use Permit	$125.00/year
Bulk Hangar Rates (Daily)		
	Single engine (≤ 40′ wingspan)	$30.00
	Single engine (> 40′ wingspan)	$65.00
	Multi engine (> 48′ wingspan)	$100.00
Bulk Hangar Rates (Monthly; adjusted annually per CPI)		
	Single engine (≤ 40′ wingspan)	$250.00
	Single engine (> 40′ wingspan)	$325.00
	Multi engine (> 48′ wingspan)	$500.00
Vehicle Parking/Storage Fee (Note: Improperly parked/non-permitted vehicles may be towed at owner's expense)		
	Daily (paved; < 24 hours)	No Charge
	Short-term parking (paved; ≤ 5 days, permit required)	No Charge
	Long-term parking (gravel; permit required)	$5.00/day; $60.00/month
Terminal Observation Deck (Capacity-115 Individuals)		
	General Public (open access, sunrise to sunset)	No Charge
	Airport Tenant/Fernandina Beach Employee (reserved access)	$50.00/hr: $250/day

	Others (reserved access)	$125.00/hr $650.00/day
	Government Agencies	No Charge
	Special Events	As Negotiated
	(Note: additional professional cleaning fee may be charged at sole discretion of Airport Director)	
Terminal Conference Room (Capacity - 46 Individuals)		
	Airport tenant/Fernandina Beach employee	$10.00/hr (2-hr minimum)
	Others	$35.00/hr (2-hr minimum) $235.00/day
	Government Agencies	No Charge
	(Note: Additional professional cleaning fee may be charged at sole discretion of Airport Director)	
Building Fees (2018 base rate, base rate adjusted annually per CPI or rental terms; pre-tax)		
	Buildings 1, 2, 3, 4, 5, 6, 7	$300.00/month
	Buildings 1-7 (w/ additional space)	$335.00/month
	Building 8	$400.00/month
	Building 8 (w/ additional space)	$435.00/month
	Building 9	$575.00/month
	Storage Units B, C, D, E, F, H	$5.60/sf/year
	Storage Units A, G	$12.00/sf/year
New Hangar/Building Fees (2022 base rate, rate adjusted annually per CPI or rental terms; pre-tax)		
	Units 53 and 55	$690.00/month
	Unit 54	$650.00/month
	Units 56 and 57	$775.00/month
	Unit 58	$865.00/month

Fee Schedule
Fiscal Year 2025-2026

Fee Type		Cost
All-inclusive Building Construction Permit		
Permit fees for new construction and additions include mechanical, plumbing, electrical and new roofs, commercial re-roof, and residential re-roofs changing roof material (such as asphalt to metal, tile for residential), demo and standalone commercial trades. Permit fees include administrative, building plan review, building inspections and retention of documents and electronic records.		
	Administrative Fee – Commercial Projects (non-refundable)	$50.00
	Administrative Fee – Residential Projects (non-refundable)	$35.00
	Minimum Permit	$45.00
	Base: Construction Cost ≤ $5,000,000.00	$7.50/$1,000.00
	Additional: Construction cost > $5,000,000.00 and ≤ $10,000,000.00	$3.50/$1,000.00
	Additional: Construction cost > $10,000,000.00	$2.00/$1,000.00
	Subcontractor permit processing fee	$35.00
	State of Florida DCA Surcharge F.S. 468.631	1% ($2.00 min)
	State of Florida DBPR Surcharge F.S. 553.721	1.5% ($2.00 min)
Building Permit Caps		
	If Contractor uses private provider for plans review & inspections	$100,000.00
	If Contractor uses City for plans review & inspections	$500,000.00
The City of Fernandina Beach Building Department compares International Code Council (ICC) Building Valuation Data (BVD) which provides the "average" construction costs per square foot, which can be used in determining permit fees for the Building Departments and the cost provided by the contactor of record to determine the construction cost for the proposed project.		
Revision Plan Review ***(NON-REFUNDABLE)***		
	Residential (≤ 5 sheets)	$35.00
	Residential (> 5 sheets)	$5.00 per additional sheet
	Commercial (≤ 5 sheets)	$75.00
	Commercial (> 5 sheets)	$5.00 per additional sheet
	Re-stamp plans for field copy (Residential)	$35.00
	Re-stamp plans for field copy (Commercial)	$35.00
Private Provider Refunds		
	Private Provider Plans Review & Inspections Refund (new construction, additions, remodels) includes private provider inspections partial and passed inspections; based on inspection summary report provided to the Building Official at the end of the project.	50% of All-inclusive Building Construction Permit fee.

	Private Provider Inspections Only (passed inspections; based on inspection summary report provided to the Building Official at the end of the project)	$35.00 per inspection
Note: Use of Private Provider MUST be pre-approved by Building Official upon application for permit.		
Other Building Permit Fees		
	Residential Gas (new and remodel)	$80.00 for first $1,000 job cost; $7.00 per additional $1,000 job cost
	Residential Gas (installation of tanks)	$75.00
	Water heater replacement	$50.00
	Siding/roof repair ≤ 100 sf	Exempt
	Siding/roof repair > 100 sf or all siding/roof replacement like material	$90.00
	Pre-fabricated accessory structures ≤ 150 sf	Exempt
	Pre-fabricated accessory structures > 151 sf and ≤250 sf	$80.00
	Pre-fabricated accessory structures > 251 sf	$80.00 for first $1,000 construction cost; $7.00 per additional $1,000 construction cost
	Construction Trailer	$50.00
	Commercial exterior coolers (per unit)	$160.00
	Mechanical changeout with NO electrical work	$50.00
	Irrigation	$50.00
	Renew expired/revoked permit (as approved by Building Official; permit must be within same Building Code)	$100.00
~~Re~~-Inspection Fees		
	Re-inspection	$50.00
Miscellaneous		
	Administrative letter of Code Determination	$150.00
	Fire/storm damage determination for power re-connection	$75.00
	Copies	See Clerk's Office Fee Schedule
	Documents uploaded on thumb drive	$25.00
After the Fact Permit Fees		
	After the fact permit fees are up to 4 times the building permit fee to be assigned by the Building Official or his/her designee. Contractors performing emergency repairs/replacements must apply for the proper permits online and identify the permit as an emergency repair/replacement.	≤ 4x original permit fee
Special Flood Hazard Area or Shaded "X" Fee		
	All permits within a Special Flood Hazard Area (SFHA) and/or Shaded "X" will have a Flood Admin fee applied. This fee covers plan review, Elevation Certificate (EC) review, inspections, and retention of flood documents.	$150.00

Fee Schedule
Fiscal Year 2025-2026

Fee Type		Cost
Local Business Tax Receipt (LBTR) (Ordinance 2008-25)		
	LBTR fee (annual)	See Municipal Code Section 74-80
	Copy of previously issued LBTR	$5.00
	Penalty for failure to obtain LBTR prior to conduct of business	$250.00 (plus required LBTR)
	LBTR re-inspection fee	$25.00
	Transfer of ownership	$3.00 minimum; 10% LBTR fee
Resort Rental Dwelling Permit (COFB LDC Section 26-10 1)		
	New application	$300.00
	Annual renewal	$200.00
	Copy of previously issued Resort Rental Dwelling permit	$5.00
	Transfer of ownership	$25.00
	Penalty for operating resort rental without appropriate permit (Section 26-101(h)(2), Municipal Code)	$1,000.00 Citation first violation; up to $250.00 per additional violation per day
Miscellaneous Permits		
	Dining with Dogs (F.S. 509.233; COFB LDC Section 6.02.13)	$40.00
	Copy of previously issued Dining with Dogs permit	$25.00
	Right-of-way Encroachment (COFB Ord. Sec. 70-2)	$35.00/yr
	Street artists/performers (COFB Ord. Chapter 70, Article III)	$300.00/yr
	Confiscation of illegal signs	$25.00/sign

Fee Schedule
Fiscal Year 2025-2026

Fee Type		Cost
Photocopies		
	8 ½ x 11	$0.15/page
	8 ½ x 11 (Double-sided)	$0.20/page
	8 ½ x 14	$0.15/page
	8 ½ x 14(Double-sided)	$0.20/page
	11 x17	$0.25/page
	Certified Copies	$1.00/copy
	CD	$0.50
	Thumb Drive	$8.00
Lien Letters		
	Regular Request (4 business days)	$20.00
	Rush Request (2 business days)	$40.00
Public Record Requests		
	Public Record Request Extensive Use Fee: Calculated when the nature or volume of requested public records is such to require extensive use of information, technology resources, extensive use of clerical or supervisory assistance, or both (50% deposit based upon estimated cost required at filing).	Actual Cost Incurred
City Hall Chambers Rental	Private Rate Civic Non-Profit	$210.00 ½ Day $420.00 Full Day $131.00 ½ day $262.00 Full Day

Fee Schedule
Fiscal Year 2025-2026

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Fee Schedule
Fiscal Year 2025-2026

Fee Type		Cost		
		Resident	**Non-Resident**	**Juniors (under 17)**
Greens Fees ~~- Peak Season (October - March)~~*				
	18 Holes (w/cart)	~~$60.00~~ $65.00	~~$70.00~~ $75.00	$40.00
	18 Holes (walking)	~~$36.00~~ $35.00	~~$46.00~~ $45.00	~~$26.00~~ $25.00
	9 Holes (w/cart)	$40.00	$50.00	$30.00
	9 Holes (walking)	~~$26.00~~ $25.00	~~$31.00~~ $30.00	~~$16.00~~ $15.00
	Replay 18 Holes (cart)	$40.00	$50.00	-
	Replay 9 Holes (cart)	$30.00	$35.00	-
	Twilight 18 Holes (w/cart~~, 1:00pm & later~~) 1:00pm & later (October – March) 3:00pm & later (September – April)	~~$40.00~~ $45.00	~~$50.00~~ $55.00	-
	Twilight 18 Holes (walking~~, 1:00pm & later~~) 1:00pm & later (October – March 3:00pm & later (September – April)	~~$26.00~~ $25.00	~~$36.00~~ $35.00	-
	Twilight 9 Holes (w/cart~~, 1:00pm & later~~) 1:00pm & later (October – March 3:00pm & later (September – April)	$30.00	$35.00	-
	Twilight 9 Holes (walking~~, 1:00pm & later~~) 1:00pm & Later (October – March 3:00pm & later (September – April)	~~$16.00~~ $15.00	~~$26.00~~ $25.00	-
~~Greens Fees - Off Season (April - September)~~*				
	~~18 Holes (w/cart)~~	~~$55.00~~	~~$65.00~~	~~$35.00~~
	~~18 Holes (walking)~~	~~$33.00~~	~~$43.00~~	~~$23.00~~
	~~9 Holes (w/cart)~~	~~$35.00~~	~~$45.00~~	~~$25.00~~
	~~9 Holes (walking)~~	~~$23.00~~	~~$28.00~~	~~$13.00~~
	~~Replay 18 Holes (cart)~~	~~$35.00~~	~~$45.00~~	~~-~~
	~~Replay 9 Holes (cart)~~	~~$25.00~~	~~$30.00~~	~~-~~
	~~Twilight 18 Holes (w/cart, 3:00pm & later)~~	~~$35.00~~	~~$45.00~~	~~-~~
	~~Twilight 18 Holes (walking, 3:00pm & later)~~	~~$23.00~~	~~$33.00~~	~~-~~
	~~Twilight 9 Holes (w/cart, 3:00pm & later)~~	~~$25.00~~	~~$30.00~~	~~-~~
	~~Twilight 9 Holes (walking, 3:00pm & later)~~	~~$13.00~~	~~$23.00~~	~~-~~

*Greens fees listed are standard fees. To ensure optimal usage of the course and to meet fluctuations in demand, the golf ~~course~~ club general manager, at his/her discretion, may introduce dynamic pricing; however, the maximum rate will not exceed $~~70~~125.00.

***Annual* Memberships**		**Resident**	**Non-Resident**
	Unlimited Membership (Includes Unlimited Green/Cart fees; ~~Discounted TopTracer fees~~; Unlimited Range Balls; 20% discount on food, beverage, & merchandise)	~~$3,750.00~~ $4,000.00	~~$4,250.00~~ $4,500.00
	Single Membership (Fee includes Green Fees; 20% discount on food, beverage, ~~&~~ merchandise, & option to purchase annual range plan)	~~$1,250.00~~ $1,400.00	~~$1,450.00~~ $1,600.00
	Couples Membership (Fee includes Green Fees; 20% discount on food, beverage, ~~&~~ merchandise, & option to purchase annual range plan)	~~$1,750.00~~ $2,000.00	~~$2,050.00~~ $2,300.00
	Juniors Membership (17 & under) (Fee includes Green Fees; 20% discount on food, beverage, ~~&~~ merchandise, & option to purchase annual range plan)	~~$300.00~~ $400.00	~~$350.00~~ $450.00
		Members	**Non-Members**
Walking/Cart Fees			
Walking Fee – 18 holes		$15.00	-
Walking Fee – 9 holes		$10.00	-
Cart Fee – 18 holes		~~$22.00~~ $25.00	-
Cart Fee – 9 holes		~~$12.00~~ $15.00	-
Lighthouse Driving Range Fees ~~(powered by TopTracer)~~		**Members**	**Non-Members**
Buckets			
	Small Bucket (~~w/TopTracer~~25 Balls)	$7.00	~~$9.00~~ $10.00
	~~Large~~ Medium Bucket (~~w/TopTracer~~ 75 Balls)	$12.00	~~$14.00~~ $15.00
	~~XL~~ Large Bucket (~~w/TopTracer~~ 100 Balls)	$18.00	$20.00
	Annual Range Plan (Offered to Annual Memberships Only)	~~$399.00~~ $499.00	Not Offered
~~Bay Pricing~~			
	~~Mon-Thurs Unlimited Balls~~	~~$25.00/hr~~	~~$30.00/hr~~
	~~Fri-Sun Unlimited Balls~~	~~$40.00/hr~~	~~$45.00/hr~~
Banquet Room Rentals		**Cost**	
	1-50 Guests	~~$350.00~~ $400.00	
	51-100 Guests	~~$450.00~~ $475.00	
	101+ Guests	~~$550.00~~ $600.00	
	Banquet Room for Meeting Space	~~$75.00/hr~~ $100.00/hr	
	Non-profit usage w/food & beverage (daytime only)	No Charge	
Vehicle/Parking Pass Fee (Golf Club Parking Lot)		**Cost**	
	~~Daily Fee~~	~~$20.00~~ $25.00/day	

Impact Fee Schedule
Fiscal Year 2025-2026

Fee Type		Cost
Residential Development (per sf of heated area)		
	Public Facilities	$0.443
	Fire Protection	$0.360
	Police Protection	$0.264
	Parks and Recreation	$2.885
Non-Residential Development (per sf of floor area)		
	Public Facilities	$0.443
	Fire Protection	$0.360
	Police Protection	$0.264
	Parks and Recreation	$0.00

*Impact fees established via Ordinance 2018-44. **NO INCREASES IN FEES SINCE 2018.**

Fee Schedule
Fiscal Year 2025-2026

Fee Type		Cost (per linear foot)		
Transient Dockage* peak season & holiday rates may apply*		**Daily**	**Weekly**	**Monthly**
	Vessels less than 70'	$2.50-~~$3.00~~ $4.00	$15.00 - $20.00	$30.00 – $40.00
	Vessels 70' – 99'	$2.75-~~$3.25~~ $4.25	$16.50 - $22.00	$33.00 - $44.00
	Vessels 100' – 149'	$3.00-~~$3.50~~ $4.50	$18.00 - $24.00	$36.00 - $48.00
	Vessels 150' - 199'	$3.25-~~$3.75~~ $4.75	$19.50 - $26.00	$36.00 - $50.00
	Vessels 200' – 250'	$3.50-~~$4.00~~ $5.00	$21.00 - $28.00	$36.00 - $50.00
Special Events, & Holidays, and Peak Demand Subject to Higher Rates*				
Commercial Landings				
	Per Day	$40.00		
	Per Year	$1,500.00		
Long Term Dockage (Currently on Waitlist – Contract Required)**		**Cost (per linear foot)**		
	Non-Commercial: per linear foot per month, billed monthly.	$25.00 ~~- $30.00~~		
	Commercial: per linear foot per month, billed monthly.	$27.50 ~~- $32.50~~		
Electric Rates		**Daily**	**Weekly**	**Monthly**
	30 amp	$6.00	$30.00	$60.00
	50 amp	$12.00	$72.00	$125.00
	100 amp	$25.00	$125.00	$350.00
	110 volt			$10.00
Fuel Markup - Cost + percentage depending upon market conditions		25% - 40% markup		
Transient Water Tank Fee		**Cost**		
Small Tank up to 50 gallons		$8.00 plus tax		
Large Tank over 50 gallons		$12.00 plus tax		
Excessive water use will result in additional fees		Over 2000 gal = $0.04 per gal		
Mooring Field (First Come, First Served)		**Cost**		
	Per Night	$30.00 - $35.00		
	Per Week	$180.00 - $240.00		
	Per Month	$595.00 - $790.00		
Dinghy Dock (Vessels less than 12' Only) Includes Amenities				
	Per Day	$10.00 - $13.00		
	Per Week	$50.00 - $60.00		
Dock N Dine - limit 3 hours				
	Vessels up to 25′	$15.00		
	Vessels 26′ to 35′	$20.00		
	Vessels over 35′	$40.00		
Pump Out – fuel dock location or pump out boat		$5.00		
Pump Out Cart Service Fee		$25.00 - $50.00		
Credit Card Fees		Service fees & ACH when applicable		

Fernandina Harbor Marina

Contractors Fee (Check in at Ships Store, provide current COI)	$20.00 ~~per~~ /day $500.00/yr
Garbage Disposal/Dumpster Fee	$65.00
Cancellation Policy *(credits for future stays are at the discretion of Marina management)*	Standard stays: 48 hours Holiday stays: 72 hours Special event stays: 72 hours
Amenities	Boaters lounge, laundry, showers, WiFi
Commercial Hybrid – annual slip holders that occupy transient dockage	Averaged annual transient fee, not less than current commercial rate
*** To optimize Marina operations and accommodate fluctuations in demand, the Marina General Manager may, at their discretion, implement dynamic pricing. Accordingly, price ranges are provided with the lowest end of the range representing the base rate which is applied during non-peak periods.** **~~** The ranges for long term dockages apply to new/incoming slip holders ONLY. All current tenants are locked in the bottom base rate.~~**	

Fee Schedule
Fiscal Year 2025-2026

Fee Type		**Cost**	
Administrative Fees		**Resident**	**Non-Resident**
	Non-Resident Annual Fee	-	$30.00
	City Resident ID Card (first card: no charge)	$10.00 (replacement)	-
Youth Services			
	After School Program	$65.00	$81.00
	After School Program Fee (for each additional sibling)	$55.00	$71.00
	Summer Camp Weekly Rate	$95.00	$119.00
	Summer Camp Weekly Rate (for each additional sibling)	$85.00	$109.00
	Group Swim Lessons	$10.00/lesson	$12.00/lesson
	(Manatee and Sea Turtle Levels) Safety Initiative	Free	$12.00/lesson
	Private Swim Lessons (4 lessons)	$120.00	$150.00
Aquatics			
	Daily Public Swim/Lap Swim	$5.00	$7.00
	10 Visits Pool Pass	$40.00	$50.00
	1 Month Individual Membership	$40.00	$50.00
	1 Month Couples Membership	$60.00	$75.00
	1 Month Family Membership	$75.00	$95.00
	4 Month Individual Membership	$144.00	$180.00
	4 Month Couples Membership	$216.00	$270.00
	4 Month Family Membership	$270.00	$342.00
	Annual Individual Membership	$384.00	$480.00
	Annual Couples Membership	$576.00	$720.00
	Annual Family Membership	$720.00	$912.00
Pool Rentals			
	Private Pool Rental, 2 hrs (1-40 ppl) MLK ~~or ARC~~	$200.00	$250.00
	Each Additional Hour	$100.00	$125.00
	~~Private Pool Rental, 2 hrs (41-60 ppl) ARC only~~	~~$240.00~~	~~$300.00~~
	~~Each additional hour~~	~~$120.00~~	~~$150.00~~
Aqua Aerobics			
	Aqua Aerobics Daily Fee	$7.00	$10.00
	10 Visits Aqua Pass	$60.00	$75.00

	Aqua Aerobics 1 Month Membership	$60.00	$75.00
	Aqua Aerobics 4 Month Membership	$216.00	$270.00
	Aqua Aerobics Annual Membership	$576.00	$720.00
Fitness ~~& Weight~~ Room			
	Daily Pass	$5.00	$7.00
	10 Visit Fitness Pass	$30.00	$40.00
	1 Month Individual Membership	$30.00	$40.00
	1 Month Couples Membership	$45.00	$60.00
	4 Month Individual Membership	$108.00	$144.00
	4 Month Couples Membership	$162.00	$216.00
	Annual Individual Membership	$288.00	$384.00
	Annual Couples Membership	$432.00	$576.00
	Open Gymnasium Use (Basketball, Volleyball, Soccer)	$3.00	$5.00
Combination -Fitness~~, Weight Room,~~ & Pool		**Resident**	**Non-Resident**
	1 Month Individual Membership	$65.00	$82.00
	1 Month Couples Membership	$98.00	$123.00
	4 Month Individual Membership	$234.00	$295.00
	4 Month Couples Membership	$353.00	$443.00
	Annual Individual Membership	$624.00	$787.00
	Annual Couples Membership	$940.00	$1,180.00
Indoor Facility Rentals			
	Attendant (per hour)	$25.00	$25.00
	Additional Rental Time (per hour)	$100.00	$100.00
	Membrane Structure (Bounce house/tent)	$25.00 (per Structure)	$25.00 (per Structure)
	Sound System (per day~~, ARC & Peck Center~~)	$50.00	$50.00
	Meeting Fee (ARC Aquatics Classroom, MLK Auditorium, Peck Instructor Room) 2hs Max Monday – Friday 8am – 8pm, Saturday 8am – 4pm	$25.00/hr	$25.00/hr
Atlantic Recreation Center (ARC)			
	ARC Auditorium Private Half Day/Full Day	$350.00/$700.00	$438.00/$876.00
	ARC Auditorium Commercial Half Day/Full Day	$625.00/$1,250.00	
	ARC Auditorium Civic/ Non-profit Half Day/Full Day	$225.00/$450.00	
Martin Luther King Jr. Recreation Center (MLK)			

	MLK Auditorium Private Half Day/Full Day	$225.00/$450.00	$280.00/$560.00
	MLK Auditorium Commercial Half Day/Full Day	$395.00/$790.00	
	MLK Auditorium Civic/Non-profit Half Day/Full Day	$150.00/$300.00	
Peck Center			
	Peck Auditorium Private Half Day / Full Day	$210.00/$420.00	$263.00/$526.00
	Peck Auditorium Commercial Half Day/ Full Day	$325.00/$650.00	
	Peck Auditorium Civic/Non-profit Half Day/Full Day	$131.00/$262.00	
	Peck Gym Private Half Day/Full Day	$300.00/$600.00	$375.00/$750.00
	Peck Gym Birthday Parties (2hrs; 1 attendant)	$150.00	$188.00
	Peck Gym Commercial Half Day/Full Day	$400.00/$800.00	
	Peck Gym Civic/Non-Profit Half Day/Full Day	$175.00/$350.00	
	Peck Instructor Room Private Half Day/Full Day	$150.00/$300.00	$187.00/$374.00
	Peck Instructor Room Commercial Half Day/Full Day	$225.00/$450.00	
	Peck Instructor Room Civic/Non-Profit Half Day/Full Day	$75.00/$150.00	
	Long-term Office Lease Space	~~$8.97/sq ft~~ Consumer Price Index (CPI)	
Outdoor Facility Rentals (Outdoor)			
Marquee Signs (Main Beach, ARC, or MLK)			
	Marquee (per day/per side)	$25.00	
	Marquee (existing tenant; per day/per side)	$20.00	
Park Pavilions			
	Private/Civic Non-Profit Half Day/ Full Day	$38.00/$76.00	$47.00/$94.00
	Private/Civic Non-Profit Half Day/ Full Day (w/electricity)	$63.00/$126.00	$79.00/$158.00
	Commercial Half Day/ Full Day	$75.00/$150.00	
	Commercial Half Day/ Full Day (w/electricity)	$100.00/$200.00	
Open/Green Space			
	Private Half Day/ Full Day	$200.00/$400.00	$250.00/$500.00
	Commercial Half Day/ Full Day	$450.00/$900.00	
	Civic/Non-Profit Half Day/ Full Day	$150.00/$300.00	
Athletic Fields (~~Day:~~ ~~6~~8:00am to ~~6~~10:00pm~~; Night: 6:00pm to 10:00pm; includes lights~~)		**Resident**	**Non-Resident**
	Private Day/Night	~~$100.00/$150.00~~ $250.00	~~$125.00/$188.00~~ $313.00
	Commercial ~~Day/Night~~ (Per Field)	~~$200.00/$300.00~~$500.00	
	Civic/Non-Profit ~~Day/Night~~ (Per Field)	~~$75.00/$113.00~~ $188.00	
	Field Prep (if requested) (Per Field)	$100.00	
	Lights (between 6:00pm – 10:00pm) (Per Field)	$50.00/hr	
City-Based Non-Profit Youth Sport Organizations/Leagues			
	Water-Based (pools)	$25.00/hour	-
	Land-Based (fields, courts, parks)	$4.00/player/ season	-
Facility Tours & Access			
Amelia Island Lighthouse			

	Public Lighthouse Tour (adult)	$10.00	$10.00
	Public Lighthouse Tour (<12 years old)	$5.00	$5.00
	Private Lighthouse Tour (Weekday)	$200.00	$200.00
	Private Lighthouse Tour (Weekend)	$250.00	$250.00
	Lighthouse DVD	$15.00	$15.00
	Lighthouse Climbing Fee	~~$25.00~~ $12.00	~~$25.00~~ $12.00
Beach Access Wheelchairs			
	Beach Wheelchair Use	Free (damage or failure to return will result in replacement charge)	
Special Events			
City Fees & Permits			
	Special Events Permit	$50.00	
	Banner Permit (Centre/8th; streetlamps)	$30.00	
	Banner Hanging Fee (Centre/8th)	$75.00	
	Banner Hanging Fee (Street Lamps; per pole)	$15.00	
	Commercial Running/Biking Events (per participant)	$5.00	
	Security Deposit (For Approved Event/~~Parade~~)	$250.00	
	Filming Permit Fee (per day; with 15 days' notice)	$200.00	
	Parade Permit Fee	$25.00	
	~~Tent Permit Fee~~ Membrane (Bounce House/Tent) Permit	$25.00 (per Structure)	
	Main Beach Skate Park (Civic/Non-Profit)	$100.00	
	Utility - Water Usage Fee (per day)	$75.00	$94.00
	Utility - Power Usage Fee	$75.00	$94.00
Street Closure Fees (requires City Commission approval)			
	Closure of Downtown Centre Street (per day/per block)	~~$1,000.00~~$2,000.00	
	Closure of Downtown Side Street (per day/per block)	~~$500.00~~ $1,000.00	
Parking Fees		**Resident**	**Non-Resident**
	Private Parking Lot Half Day/ Full Day	$250.00/$500.00	$312.00/$624.00
	Commercial Parking Lot Half Day/ Full Day	$500.00/$1,000.00	
	Civic/Non-Profit Parking Lot Half Day/ Full Day	$150.00/$300.00	
	Overnight Parking Fee (per vehicle)	$25.00	
Rentable Equipment			
	Barricades (ea.; includes delivery)	$20.00	
	Cones (ea.; includes delivery)	$5.00	
	Picnic Table Fee (up to three tables)	$100.00	
Bosque Bello Cemetery			
	Cemetery Lots	$1,700.00	$2,100.00
	Tree Lot (Cremated Internments Only)	$566.00	$700.00
	Deed Transfer Fee	$75.00	$75.00
	Burial Permits (Includes Disinterment)	$50.00	$50.00
	Monument Permits	$50.00	$50.00
	Cancellation of Auto Pay	$50.00	$50.00
	Buy Back Price for lot sold for $50 or less	$200.00	
	Buy Back Price for lot sold for $51-$100	$300.00	
	Buy Back Price for lot sold for $350-$450	$600.00	
	Buy Back Price for lot sold for $525-$600	$800.00	
	Buy Back Price for lot sold for $795 and up	$1,000.00	

Fee Schedule
Fiscal Year 2025-2026

Fee Type		Cost
Board of Adjustment (BOA)		
	Administrative Appeal	$500.00
	Variance (Single-Family Residential)	$1,500.00
	Variance (Other)	$3,500.00
Historic District Council (HDC)		
	Certificate of Approval: Staff	$25.00
	Certificate of Approval ("after-the-fact"): Staff	$100.00
	Certificate of Approval: Board (Single-Family Residential)	$250.00
	Certificate of Approval: Conceptual (Single-Family Residential) (including Final)	$250.000
	Certificate of Approval: Board (Other)	$400.00
	Certificate of Approval: Conceptual (Other) (including Final)	$400.00
	Certificate of Approval ("after-the-fact"): Board	$1,500.00
	Demolition of Primary Structure- Non-Contributing	$1,500.00
	Demolition of Primary Structure-Contributing	$7,500.00
	Variance (Single-Family Residential)	$1,500.00
	Variance (Other)	$3,500.00
	Application Amendment (ea.)	½ original Cert. of App. Fee
	News Rack Permit (New; Municipal Code Section 70-7)	$15.00
	News Rack Permit (Renewal; Municipal Code Section 70-7)	$15.00
Planning Advisory Board (PAB)		
	Future Land Use Map Amendment (Large Scale)	$5,000.00
	Future Land Use Map Amendment (Small Scale)	$2,500.00
	Comprehensive Plan Text Amendment	$5,000.00
	Change of Zoning Designation (Large-Scale)	$5,000.00
	Change of Zoning Designation (Small-Scale)	$2,500.00
	Land Development Code Text Amendment	$1,500.00
	Water/Sewer Agreement	$300.00
	Voluntary Annexation	$2,000.00
	PUD Modification	$1,500.00
	Vacation of/Opening of Public Right-of-Way	$3,500.00
	New Telecommunications Structure	$2,500.00
	Collocation/modification of Telecom Structure (within Right-of-Way)	$50.00
	Small Cell (Telecom) outside Right-of-Way (per Application)	$250.00
	Application Revision(s) (ea.)	$400.00
Technical Review Committee (TRC)		
	TRC Engineering Review (external)	Consultant hourly rate
	TRC "First Step" (staff consultation)	No Charge
	TRC Site Plan Review (including 2 re-submittals)	$400.00 + 2% of infrastructure cost (max. $4,400.00)

	Additional resubmittal (ea.)	½ orig. Plan Review fee
	Re-Plat/Preliminary Plat (< 20 units)	$3,000.00
	Re-Plat/Preliminary Plat (> 20 units)	$5,000.00
	Re-Plat/Final Plat	$1,500.00
	Plat Amendment	$400.00
Community Redevelopment Area (CRA) Projects		
	TRC Engineering Review (external)	Consultant hourly rate
	TRC "First Step" (staff consultation)	No Charge
	TRC Site Plan Review (including 2 re-submittals)	$1,000.00
	Additional resubmittal (ea.)	$500.00
	Re-Plat/Preliminary Plat (< 20 units)	$3,000.00
	Re-Plat/Preliminary Plat (> 20 units)	$5,000.00
	Re-Plat/Final Plat	$1,500.00
	Plat Amendment	$400.00
Other Fees		
	Change of Use Determination Letter	$50.00
	Minor Amendment to Local Development Order	$150.00
	Extension to Local Development Order (2 extensions allowed)	$50.00
Site Infrastructure Permit		
	First $1,000.00 of job cost	$160.00
	Each additional $1,000.00 of job cost	$14.00
Tree Removal Permit		
	Tree Inspection (≤ 5 trees)	$200.00
	Tree Inspection (> 5 trees)	$500.00
	Tree Removal (per tree)	$150.00
	Revision for add'l tree (per tree)	$150.00
	"In Lieu" (per inch [DBH] of remediated tree	$100.00
Zoning Review Permit		
	Non-structural fence	$50.00
	Concrete/Asphalt Pad > 150 s.f.	$50.00
	Exempted accessory Structures (<12′ ridge ht, ≤ 150 s.f., non-aluminum)	$100.00
	Exempted Residential Deck (≤ 12″ above grade and ≤ 150 s.f.)	$100.00
-	After-the-Fact Zoning Permit Fee	$200.00
Right of Way Use Permit		
	Right of Way Use	$35.00
	After-the-Fact Right of Way Use Permit Fee	$100.00
Temporary Use Permit (as provided in LDC Section 5.02.00)		
	Seasonal Sales	$100.00
	Movable Module Storage Units (PODs) (14-day permit)	$25.00
	Construction Trailer/Model Home/Sales Office	$100.00
	Tent Permit (includes Seasonal Fee + Tent Fee + Fire Marshal Fee)	$160.00
Sign Permit (based upon value of sign)		
	$0-$100	$60.00
	$101-$500	$70.00

	$501-$1,000	$80.00
	Each $1,000 > $1,000	$7.00
Administrative		
	Large-Scale Plan Review (with building permit; commercial, single-family residential, additions > 625 s.f.)	$250.00
	Small-Scale Plan Review (with building permit; accessory structures > 150 s.f., additions < 625 s.f.; screen/patio enclosures)	$100.00
	Expedited Plan Review (with building permit; 5 business days)	$500.00

	Dept of Environmental Protection Letter (incl. one revision)	$200.00
	Dept of Environmental Protection Letter (add'l revision; ea.)	$35.00
	Zoning ~~Certification~~ Confirmation Letter	$100.00
	Due Diligence Letter	$250.00
	Minor Subdivision/Lot Line Adjustment	$600.00
	Context Sensitive Review Determination	$400.00
	NSF Check Fee	$40.00 or 5% of face value (whichever is greater; max $200)
	Public School Concurrency Administrative Review Fee	$100.00
Plan Paper Copies		
	Comprehensive Plan	$50.00
	Land Development Code	$50.00
	Community Redevelopment Area Design Guidelines	$50.00
	Design Guidelines for Downtown or Old Town	$50.00
Miscellaneous Fees		
	Administrative Waiver	$400.00
	Administrative Waiver (for Tree Protection only)	$100.00
	Traffic Concurrency Determination	~~$2,500.00~~$5,000.00
	Parking in Lieu Fee (surface space)	$2,000.00
	Parking in Lieu Fee (structure space)	$9,000.00
Ron Sapp Egans Creek Greenway (non-exclusive use)		
	Half Day Commercial Use	$400.00
	Full Day Commercial Use	$600.00
	City-led Tour (12 years old - adult), per person	$10.00
	City-led Tour (<12 years old)), per person	$5.00
	Commercial Tour Permit (month)	$40.00
	Commercial Tour Permit (year)	$400.00
	School Use Permit (month)	$40.00
	School Use Permit (year)	$400.00

Fee Schedule
Fiscal Year 2025-2026

Police

Fee Type		Cost
Services		
	Copy of Accident/Incident Report	$5.00
	Fingerprinting	~~$15.00~~$20.00
	Background Check	~~$20.00~~$25.00
Special Events (three-hour minimum duration)		
	Patrol Officer (single day event < 10 hrs)	~~$45.00/hr~~$50.00
	Patrol Officer (> 10 hrs or more than one day event)	~~$60.00/hr~~$65.00
	Patrol Officer (all federal holidays)	~~$55.00/hr~~$60.00
	Supervisor (required for ea. 4 Patrol; single day event < 10 hrs)	~~$55.00/hr~~$60.00
	Supervisor (> 10 hrs or more than one day event)	~~$70.00/hr~~$75.00
	Supervisor (all federal holidays)	~~$65.00/hr~~$70.00
	Police Service Aide (single day event < 10 hrs)	~~$29.00/hr~~$35.00

Fire

Fee Type		Cost
Plan Reviews		
	Site Plan Review (Technical Review Committee)	$100.00
	Multifamily/comm. Structures (1 review, 1 rough, 1 final inspection.)	35% of Building Permit Fee
	First re-submittal	No charge
	Second re-submittal	$110.00
	Third re-submittal	4x original fee
	Minor revised plan review (after approval)	$40.00
	Review of new plans after approval	$68.00
Inspection Fees		
	Penalty for starting work without Fire Permit	2x original permit fee
	Re inspection for unprepared site	$55.00
	Each additional re-inspection for unprepared site	$110.00
	After hours/weekend/holiday inspections (2 hours allocated)	$110.00
	After hours/weekend/holiday inspections (ea. additional hour)	$55.00

	Annual/periodic/mandated State inspections	$50.00
	Annual/periodic/mandated State Inspections (facility > 3,000 sf)	$50.00 + $7.00/1,000 sf ($300 maximum)
Fire Sprinkler Systems (Note: Fees below include cost of review, one hydrostatic inspection, & one final inspection)		
	Fee for systems with < 50 heads	$80.00
	Fee for systems with > 50 heads	$80.00 (+$1.00/head)
	Additional hydrostatic test inspections	$54.00 ea.
	Private fire service water mains	$100.00
	Standpipe Systems (if permitted separately)	$100.00
	Fire Pumps	$60.00
Fire Alarm Systems (Note: Fees below include cost of plan review, & one final function test)		
	Fire alarm control panel and < 10 devices	$60.00
	Fire alarm control panel and > 10 devices	$60.00 (+$1.50/device)
Kitchen Hoods (Note: Fees below include cost of plan review of 1 system, a light test, and one final inspection.)		
	Commercial kitchen exhaust hood	$60.00
	Kitchen hood fire suppression system	$60.00
Other Permits/Services		
	Address assignments	$20.00
	Address assignment verification letter	$20.00
	Aircraft hangars	$50.00
	Aircraft refueling vehicles	$50.00
	Bonfires	$100.00
	Carnivals and fairs	$50.00
	Cutting and welding operations	$50.00
	Explosives	$100.00
	Fire insurance rating verification letter	$10.00
	Public fireworks display	$100.00
	Hot work operations	$50.00
	Local Business Tax Receipt (LBTR) inspection	$25.00
	Miscellaneous construction/installation	$50.00
	Temporary sale of consumer fireworks	$50.00
	Tents, canopies, other membrane structures	$25.00
	Other required permits (FL Fire Prevention Code)	$50.00
Special Events Services (three-hour minimum)		
	Fire Engine	$82.00/hr
	Ambulance	$~~41.00~~/48.00/hr
	Firefighter/Paramedic (single day event < 10 hrs)	$45.00/hr
	Firefighter/Paramedic (> 10 hrs or more than one day event)	$60.00/hr

	Firefighter/Paramedic (all federal holidays)	$55.00/hr
	Supervisor (required for ea. 5 FF; single day event < 10 hrs)	$55.00/hr
	Supervisor (> 10 hrs or more than one day event)	$70.00/hr
	Supervisor (all federal holidays)	$65.00/hr
	Ocean Rescue Lifeguard (2 guard min; 1 guard/35 swimmers)	$35.00/hr
	Polaris/ATV	$22.00/hr
	Jet Ski	$35.00/hr
Emergency Medical Service Transport Services		
	Basic Life Support (BLS)	$600.00
	Advanced Life Support 1 (ALS1)	$750.00
	Advanced Life Support 2 (ALS2)	$775.00
	Treatment and no Transport (TNT)	$75.00
	Mileage	$13.00 mile

Fee Schedule
Fiscal Year 2025-2026

Monthly Residential Sanitation Rate Schedule – Effective 1/01/2025 per Contract	
Service Description	Price Includes 1 Pull Per Week and Recycle
1 Toter	$28.73
2 Toters	$57.46
1 Toter with Roll Out/In Service	$40.87
2 Toters with Roll Out/In Service	$81.74
Additional Toter w/o Recycle	$10.97
Excess Charges	
Appliances & White Goods (per Item)	$26.66
10-yard roll-off (per haul)	$311.48
20-yard roll-off price (per haul)	$311.48
30-yard roll-off price (per haul)	$311.48
Garbage compactor price per haul	$336.71
Special Clean-up of Right-of-Way	$171.27/hour
Special Clean-up (Rear Loader, Driver & Helper)	$171.27/hour
Special Clean-up (Grapple Truck Operator)	$171.27/hour
Note: The refuse contract between the City and Waste Management allows for an annual increase.	

Fee Schedule
Fiscal Year 2025-2026

Streets

Fee Type		Cost
Yard Waste		
	Weekly Collection	~~$6.16~~ $6.39
	Excess Collection (over 5 cubic yards)	~~$50~~ $51.90 minimum (each pile is individually evaluated)
Miscellaneous		
	Right-of-way removal (unpermitted items [excluding temporary signs; see Code Enforcement])	$100.00

Fee Schedule
Fiscal Year 2025-2026

Water

Fee Type		Cost
Base Charges (Meter Size; Monthly)		
	Single-Family Residential 5/8 inch	~~$13.64~~ $14.31
	Single-Family Residential 1.0 inch	~~$31.48~~ $33.02
	Single-Family Residential 2.0 inch	~~$96.86~~ $101.61
	Single-Family Residential 3.0 inch	~~$191.96~~ $201.37
	Single-Family Residential 4.0 inch	N/A
	Single-Family Residential 6.0 inch	N/A
Other Uses (Meter Size; Monthly) *		
	Other Uses 5/8 inch	~~$13.64~~ $14.31
	Other Uses 1.0 inch	~~$31.48~~ $33.02
	Other Uses 2.0 inch	~~$96.86~~ $101.61
	Other Uses 3.0 inch	~~$191.96~~ $201.37
	Other Uses 4.0 inch	~~$298.94~~ $313.59
	Other Uses 6.0 inch	~~$596.21~~ $625.42
	Multi-Family (ea. additional unit)	~~$11.88~~ $12.46
	Multi-Commercial (ea. additional unit)	~~$13.64~~ $14.31
Commodity Charges (monthly)		
	Residential Use (per 100 cu ft; < 400 cu ft)	~~$1.35~~ $1.42
	Residential Use (per 100 cu ft; 400 - 1000 cu ft)	~~$1.80~~ $1.89
	Residential Use (per 100 cu ft; 1000 - 1600 cu ft)	~~$1.91~~ $2.00
	Residential Use (per 100 cu ft; 1600 - 2400 cu ft)	~~$2.14~~ $2.24
	Residential Use (per 100 cu ft; > 2400 cu ft)	~~$2.60~~ $2.73
	Other use (per 100 cubic feet; unlimited) *	~~$1.80~~ $1.89
Fire Line & Hydrant Charges (monthly)		
	2.0-inch	~~$7.47~~ $7.84
	4.0-inch	~~$23.34~~ $24.48
	6.0-inch	~~$46.69~~ $48.98
	8.0-inch	~~$74.70~~ $78.36
	10.0-inch	~~$107.38~~ $112.64
	Hydrant (Connection Only)	~~$42.21~~ $44.28
Note: Above charges incur a 25% surcharge for properties located outside Fernandina Beach corporate limits.		
**General service customers represent all customers that are not single family residential*		
Connection Charges		
	Service Connection (per Connection)	$2,000.00
	Service Connection >2 inch (per Connection)	Actual Cost

	Road Bore	Actual Cost
	2.0-inch Extension (per foot)	Actual Cost
	4.0-inch Extension (per foot)	Actual Cost
	6.0-inch Extension (per foot)	Actual Cost
	8.0-inch Extension (per foot)	Actual Cost
Meter Installation		
	5/8-inch, 3/4 inch	$250.00
	1.0 inch	$334.78
	> 1.0 inch	Actual Cost
	Additional meter box next to existing	$750.00
Miscellaneous Services		
	Customer Deposit (New Applicants; Delinquent Customers)	3 Months of Service
	Returned Check or Electronic Funds Transfer Charge (per Occurrence)	Return of $50 or less = $25.00 Charge Return exceeding $50.00 but less than $300.00 = $30.00 Charge Return exceeding $300.00 = $40.00 charge or up to 5% of the face v alue, whichever is greater (max: $200)
	Turn-on/Turn-off for Non-Payment (per Occurrence)	$65.00
	Hydrant Flow Test (per Hydrant)	$100.00
	Backflow Device Testing (per Backflow)	$100.00
	Account Processing Fee (per Occurrence)	$10.00
	Service Call (per Occurrence)	$45.00
	After Hours Service Call (per Occurrence)	$145.00
	Late Payment Fee	18% annually
	Fire Hydrant Installation	$4,500.00
	Fireline Connection	~~$1,500.00~~ Actual Cost
	Fire Hydrant Relocation	Actual Cost
	Raise Service	$500.00
	Upgrade Service	$500.00
	Relocate Service	$500.00
	Dewatering Service	Actual Cost
	Road Overlay	Actual Cost
	Sidewalk Repair	Actual Cost
	Driveway Repair	Actual Cost
	DOT Permit Fee	$1,500.00
	FDEP Permit Fee	$1,500.00
	Inspection Fee	$45.00
	Re-Inspection Fee	$50.00
Note: The City reserves the right to charge the costs of repairs for damage caused to City property.		

Fee Schedule
Fiscal Year 2025-2026

Wastewater

Fee Type		Cost
Base Charges (Meter Size; Monthly)		
	Single-Family Residential 5/8 inch	~~$34.23~~ $35.91
	Single-Family Residential 1.0 inch	~~$82.52~~ $86.56
	Single-Family Residential 2.0 inch	~~$259.61~~ $272.33
	Single-Family Residential 3.0 inch	~~$517.19~~ $542.53
	Single-Family Residential 4.0 inch	~~$914.09~~ $958.88
Other Uses (Meter Size; Monthly)		
	Other Uses 5/8 inch	~~$34.23~~ $35.91
	Other Uses 1.0 inch	~~$82.52~~ $86.56
	Other Uses 2.0 inch	~~$259.61~~ $272.33
	Other Uses 3.0 inch	~~$517.19~~ $542.53
	Other Uses 4.0 inch	~~$914.09~~ $958.88
	Multi-family (each Additional Unit)	~~$32.21~~ $33.79
	Wastewater Only (Residential Use; per Dwelling Unit)	~~$56.20~~ $58.95
	Multi-commercial (each Additional Unit with Fixtures)	~~$34.23~~ $35.91
Commodity Charges		
	Residential Use (per 100 cu ft; Max. 1000 cu ft)	~~$2.57~~ $2.70
	Non-residential Use (per 100 cu ft; Unlimited) (*)	~~$2.57~~ $2.70
Note: the above charges incur a 25% surcharge for properties located outside Fernandina Beach corporate limits.		
** General service customers represent customers that are not single family residential.*		
Industrial Facilities		
Note: Only domestic-type wastewater will be accepted from industrial sites. All industrial wastewaters will be metered at the discharge of the industrial customer's lift station. This meter will be accessible and read monthly by the City and annually checked by the customer and city for accuracy.		
	Per 12,775 Gallons	~~$68.04~~ $71.37
Septic Tank Waste Disposal		
	Private/Commercial Disposal of Domestic Septic Waste (per Gallon)	$0.069
	Sample/Analysis for BOD (per CM; Subject to 82-181) and Subject to Same Requirements of 82-181)	$58.35
Connection Charges		
	Service Connection (per connection)	Actual Cost
	Road Bore	Actual Cost
	Core Manhole Bore for Service	Actual Cost
	2.0-inch Extension (per foot)	Actual Cost
	4.0-inch Extension (per foot)	Actual Cost

	6.0-inch Extension (per Foot)	Actual Cost
	8.0-inch Extension (per Foot)	Actual Cost
Miscellaneous Services		
	Service Call (per occurrence)	$45.00
	After Hours Service Call (per occurrence)	$145.00
	Road Repair	Actual Cost
	Road Overlay	Actual Cost
	Sidewalk Repairs	Actual Cost
	Driveway Repairs	Actual Cost
	Sewer Main Tap	Actual Cost
	Dewatering Service	Actual Cost
	DOT Permit Fee	$1,500.00
	FDEP Permit Fee	$1,500.00
	Inspection Fee	$45.00
	Re-Inspection Fee	$50.00
	FOG Variance Application Fee	$150.00
	FOG Non-Compliance	$500.00 (per offense)
Note: The City reserves the right to charge the costs of repairs for damage caused to City property.		

Fee Schedule
Fiscal Year 2025-2026

Stormwater

Fee Type		Cost
Base Charges (monthly)		
	Residential Single Family (per Residential Unit)	~~$13.69~~ $14.36
	Residential Single-Family w/ Private Stormwater System (per Residential Unit)	~~$6.84~~ $7.18
	Residential Multi-Family (per Residential Unit)	~~$6.84~~ $7.18
	Residential Multi-Family w/ Private Stormwater System (per Residential Unit)	~~$3.43~~ $3.60
	Commercial (per Commercial Unit)	~~$13.69~~ $14.36
	Commercial w/ Private Stormwater System (per Commercial Unit)	~~$6.84~~ $7.18
	Multi-unit Commercial (per Commercial Unit)	~~$6.84~~ $7.18
	Multi-unit Commercial w/ Private Stormwater System (per Commercial Unit)	~~$3.43~~ $3.60
Miscellaneous Services		
	Inspection Fee	$45.00
	Re-Inspection Fee	$50.00
Note: The City reserves the right to charge the costs of repairs for damage caused to City property.		

Fee Schedule
Fiscal Year 2025-2026

Utilities

Fee Type		Cost
Penalty Fees (per Offense)		
	Non-Compliance	$500
	Illegal/Illicit Dumping	$500
	Unapproved Connections	$500
	Operating w/out Permits or Locates	$100

NOTICE OF PUBLIC HEARING
CITY COMMISSION
CITY OF FERNANDINA BEACH

NOTICE IS HEREBY GIVEN that a Public Hearing is scheduled for **Tuesday, January 6, 2026, at 6:00 PM** in the City Commission Chambers, 204 Ash Street Fernandina Beach, Florida to consider the following application:

ORDINANCE 2025-14

AN ORDINANCE OF THE City Commission of the City of Fernandina Beach, FLORIDA, AMENDING THE MASTER FEE SCHEDULE ESTABLISHED BY ORDINANCE 2025-09 BY AMENDING THE CITY MANAGER'S OFFICE FEE SCHEDULE TO PROVIDE FOR PAID PARKING FEES WITHIN THE PAID PARKING AREA IN FY 2025/2026; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Interested parties may appear at said hearing and be heard as to the advisability of any action, which may be considered. Any persons with disabilities requiring accommodations in order to participate in this program or activity should contact 310-3115, TTY/TDD 711 or through the Florida Relay Service at 1-800-955-8771 at least 24 hours in advance to request such accommodation.

IF ANY PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE BOARD/ COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH HEARING, S/HE WILL NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

Copies of the applications with description by metes and bounds and the ordinance can be obtained in the office of the City Clerk, City Hall, 204 Ash Street, between the hours of 8:00 AM – 5:00 PM, Monday through Friday. For information on the application, please contact the Staff of the City Clerk's Office at 310-3115.

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Ordinance 2026-04
(Legislative) Land Development Code Text Amendment - Conservation Lands Signage

ITEM TYPE: Ordinance (w/o fiscal impact)

REQUESTED ACTION: Consider Ordinance 2026-04 at Second Reading.

SYNOPSIS: LDC text amendment to establish regulations and design criteria for conservation signage. Currently, the ordinance prohibits signs on properties designated as Conservation (CON) zones. The suggested ordinance aims to allow certain signage on conservation lands which acknowledges donors, sponsors, or partners who have played a role in the acquisition, restoration, or management of these areas, all while maintaining the natural character and ecological integrity of the land. The language in red in Exhibit A reflects a change recommended by the Planning Advisory Board in 5.05.02(1) to clarify the reference to five (5) acres and changes recommended by the City Attorney in 5.05.02(6) to address the requirements of the permit.

The City Commission, at their February 17, 2026, regular meeting, approved Ordinance 2026-04 at First Reading.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission approve proposed Ordinance 2026-04 at Second Reading.

Margaret Pearson, Planning and Conservation Manager	03/03/2026
Glenn Akramoff, Deputy City Manager	03/03/2026
Kimberly Elliott-Briley, Deputy City Clerk	03/05/2026
Jeremiah Glisson, Deputy City Manager	03/09/2026
Sarah Campbell, City Manager	03/09/2026
Teresa Prince, City Attorney	03/09/2026
Katie Newton, Downtown Coordinator	03/10/2026

Katie A Newton

Date: February 24, 2026

Submitted By: Katie Newton, Downtown Coordinator

COMMISSION ACTION: Enact

ORDINANCE 2026-04

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AMENDING LAND DEVELOPMENT CODE SECTION 5.03.00 SIGNS TO PERMIT LIMITED SIGNAGE ON CONVERSATION LANDS FOR THE RECOGNITION OF DONORS, SPONSORS, OR PARTNERS WHO HAVE CONTRIBUTED TO THE ACQUISITION, RESTORATION, OR STEWARDSHIP OF SUCH PROPERTIES, WHILE PRESERVING THE NATURAL CHARACTER AND ECOLOGICAL INTEGRITY OF THESE LANDS; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Commission adopted a unified Land Development Code ("LDC") on September 5, 2006, which became effective on October 1, 2006; and

WHEREAS, the City of Fernandina Beach has applied for a LDC text amendment to create a new LDC Section 5.05.00 Specific Provisions for Recognition Signage to allow limited signage on conservation lands for the recognition of donors, sponsors, or partners who have contributed to the acquisition, restoration, or stewardship of such properties, while preserving the natural character and ecological integrity of these lands and specifically adding design standards for signage; and

WHEREAS, notice of public hearing on such amendments was published in the News Leader, a newspaper of general circulation in Fernandina Beach, Nassau County, Florida, on November 26, 2025; and

WHEREAS, the Planning Advisory Board ("PAB"), acting as the City's Local Planning Agency has established priorities regarding LDC amendments that focus on Community Character, the protection and conservation of Natural Resources, and Sustainability; and

WHEREAS, the PAB, acting as the City's Local Planning Agency, considered the application at its Regular Meeting on Wednesday, December 10, 2025, and unanimously recommended approval; and

WHEREAS, it is the intention of the City Commission that sections of this Ordinance may be renumbered or relettered and that the administrative correction of typographical and/or scrivener's errors which do not affect the intent may be authorized by the City Manager or his or her designee, without need of public hearing, by filing a corrected or recodified copy of same with the City Clerk.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH AS FOLLOWS:

SECTION 1. PURPOSE AND INTENT. The City Commission finds that the Land Development Code Amendments, attached hereto as Exhibit A, establishes regulations and design criteria for conservation signage and that the Ordinance aims to allow restricted signage on conservation lands to acknowledge donors, sponsors, or partners who have played a role in the acquisition, restoration, or management of these areas, all while maintaining the natural character and ecological integrity of the land.

SECTION 2. SEVERABILITY. If any section, sentence, clause, or phrase of this Ordinance is held to be invalid or unconstitutional by any Court of competent jurisdiction, the holding shall in no way affect the validity of the remaining portions of this Ordinance.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Ordinance which do not make substantive changes or otherwise affect the intent of the Ordinance, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This Ordinance shall become effective immediately upon adoption.

ENACTED this 17th day of March 2026.

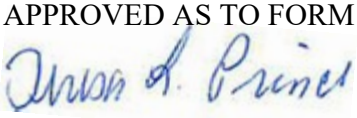
CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Commissioner – Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:



_____
TERESA L. PRINCE, ESQ.
City Attorney

Date of First Reading: February 17, 2026
Date of Publication: March 4, 2026
Date of Second Reading/Final Hearing: March 17, 2026

5.05.00 Specific Provisions for Recognition Signage

5.05.01 Purpose and Intent

The purpose of the section is to permit limited signage on conservation lands for the recognition of donors, sponsors, or partners who have contributed to the acquisition, restoration, or stewardship of such properties, while preserving the natural character and ecological integrity of these lands.

5.05.02 Design Standards for Conservation Signs

A. Recognition signage shall be limited to conservation (CON) zoned properties. Signs shall be for the purpose of acknowledging donors, sponsors or partners and shall not contain advertising or promotional content and are subject to the following standards.

1. Sign is limited to one (1) and shall not exceed six (6) square feet in area for parcels of less than five (5) acres and sixteen (16) square feet for parcels of five (5) acres or larger. In no case shall the sign exceed five (5) feet in height.
2. Materials shall be durable, natural in appearance and compatible with the surrounding environment.
3. Signs shall be setback five (5) feet from all property lines and located at designated entry points, trailheads, or interpretive observational areas, and not within sensitive habitats.
4. Language shall be limited to recognition. Example "The property preserved through the generosity of (Name/Organization).
5. The sponsoring entity shall be responsible for maintaining the sign in good condition.
6. The City reserves the right to remove or relocate signage if it becomes damaged, poses a safety hazard or conflicts with conservation goals. The permit application must include at least the following: (i) permission for the City to access the property, (ii) explicit authorization for the City to enter the property and remove or relocate the sign for the specific reasons outlined in 5.05.02(6), (iii) an indemnification clause where the owner agrees to protect the City from any claims related to the removal or relocation of the sign, and (iv) acknowledgment that if the sign is removed, it will be deemed the property of the City, allowing the City to handle it according to its surplus property disposal procedures.

5.05.03 Sign Permits Required

Application for a recognition sign shall be submitted in accordance with **5.03.03 Sign Permits Required.** The signage will be reviewed for compliance with the ordinance and any applicable building code standards.

Explanation: Establishes regulations and design criteria for conservation signage. Currently, the ordinance prohibits signs on properties designated as Conservation (CON) zones. The suggested ordinance aims to allow restricted signage on conservation lands to acknowledge donors, sponsors, or partners who have played a role in the acquisition, restoration, or management of these areas, all while maintaining the natural character and ecological integrity of the land.

Business Impact Estimate

This form should be included in the agenda packet for the item under which the proposed ordinance is to be considered and must be posted on the website by the time notice of the proposed ordinance is published.

Proposed ordinance's title/reference: **2026-XXX**

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AMENDING THE LAND DEVELOPMENT CODE (LDC) SECTION 5.03.00 SIGNS TO PERMIT LIMITED SIGNAGE ON CONVERSATION LANDS FOR THE RECOGNITION OF DONORS, SPONSORS, OR PARTNERS WHO HAVE CONTRIBUTED TO THE ACQUISITION, RESTORATION, OR STEWARDSHIP OF SUCH PROPERTIES, WHILE PRESERVING THE NATURAL CHARACTER AND ECOLOGICAL INTEGRITY OF THESE LANDS; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

This Business Impact Estimate is provided in accordance with section 166.041(4), Florida Statutes. If one or more boxes are checked below, this means the City of Fernandina Beach is of the view that a business impact estimate is not required by state law[1] for the proposed ordinance, but the City of Fernandina Beach is, nevertheless, providing this Business Impact Estimate as a courtesy and to avoid any procedural issues that could impact the enactment of the proposed ordinance. This Business Impact Estimate may be revised following its initial posting.

- ☐ The proposed ordinance is required for compliance with Federal or State law or regulation;
- ☐ The proposed ordinance relates to the issuance or refinancing of debt;
- ☐ The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- ☐ The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the municipal government;
- ☐ The proposed ordinance is an emergency ordinance;
- ☐ The ordinance relates to procurement; or
- ☒ The proposed ordinance is enacted to implement the following:
    a. Part II of Chapter 163, Florida Statutes, relating to growth policy, county and municipal planning, and land development regulation, including zoning, development orders, development agreements and development permits;
    b. Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;
    c. Section 553.73, Florida Statutes, relating to the Florida Building Code; or

[1] See Section 166.041(4)(c), Florida Statutes.

d. Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code.

In accordance with the provisions of controlling law, even notwithstanding the fact that an exemption noted above may apply, the City of Fernandina Beach hereby publishes the following information:

1. Summary of the proposed ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals and welfare):

This Land Development Code (LDC) Text Amendment creates a new LDC Section 5.05.00 Specific Provisions for Recognition Signage to allow limited signage on conservation lands for the recognition of donors, sponsors, or partners who have contributed to the acquisition, restoration, or stewardship of such properties, while preserving the natural character and ecological integrity of these lands and specifically adding design standards for signage. Allowing such sign would call attention to the use and protections on the land, promotes appreciation for conservation areas, and celebrates those who chose to donate their land to this cause. Conservation areas contribute tremendously to the sense of place in Fernandina Beach. Areas zoned conservation not only promotes passive physical activity and offers safe harbors for wildlife, it ensures vital ecosystem services (such as air and water filtration, flood mitigation, and preserving biodiversity) remain intact. Simply adding the possibility of placing signage to recognize donors, sponsors, and partners would encourage more people to donate their land and celebrate those who have already done so.

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City of Fernandina Beach, if any:

(a) An estimate of direct compliance costs that businesses may reasonably incur if the ordinance is enacted: **$0.00**

(b) Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible: **None**

(c) An estimate of the City of Fernandina Beach regulatory costs, including estimated revenues from any new charges or fees to cover such costs: **$0.00**

Direct impacts involve the cost associated with the maintenance of property. The City currently maintains such city owned conservation property within the City.

3. Good faith estimate of the number of businesses likely to be impacted by the proposed ordinance: **None, businesses will not be affected by the proposed ordinance.**

4. Additional information the governing body deems useful (if any): **None**

Outlook

Online Form Submittal: Planning Advisory Board (PAB)

From noreply@civicplus.com <noreply@civicplus.com>
Date Wed 11/19/2025 3:45 PM
To Planning Info <planninginfo@fbfl.org>

CAUTION: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender, were expecting this email, and know the content is safe.

Planning Advisory Board (PAB)

Planning Advisory Board (PAB) Application
USE THIS FORM TO Request actions to affect changes to property (zoning changes, annexations, allowable uses, subdivisions).

Fees	LDC Text Amendment ($1,500)
IMPORTANT NOTES	

Pre-Application Meeting
To guide you through the process and ensure that your application is understood and properly processed, you'll need to meet with a City Planner prior to submitting your application. Completed applications are due 42 days prior to the Planning Advisory Board meeting date.

Please see the Land Development Code (LDC) for detailed information:	LDC Text Amendment – see LDC Section 11.01.08.
The LDC is available for review at	www.fbfl.us/LDC
Application Requirements	*Field not completed.*
Have you met with a planner for a pre-application meeting?	Yes
What was the date of your pre-application meeting?	11/19/2025
PROPERTY INFORMATION	Property information can be found at the Nassau County Property Appraiser's Website → Map Search

Site Address	204 Ash St
City	Fernandina Beach
State	Florida
Zip	32034
Parcel ID #(s)	0
Lot	0
Block	0
Subdivision	0
Zoning District	C-3
Future Land Use Designation	General Commercial
Do you authorize the installation of a temporary City notice sign on your property?	YES
REVIEW TYPE	LDC Text Amendment

OWNER OF RECORD

As recorded with the Nassau County Property Appraiser

First Name	Sarah
Last Name	Campbell
Company (if applicable)	City of Fernandina Beach
Mailing Address	204 Ash Street
City	Fernandina Beach
State	Florida
Zip	32034
Telephone Number	904-310-3480
Email Address	planninginfo@fbfl.city

OWNER'S AGENT

If other than owner. If an agent will be representing the owner, an Owner's Authorization For Agent Representation form must be included

First Name	Margaret
Last Name	Pearson

Mailing Address	204 Ash Street
City	Fernandina Beach
State	Florida
Zip	32034
Telephone Number	9043103480
E-mail Address	planninginfo@fbfl.city

PROJECT INFORMATION

Previous Planning/Zoning Approvals	*Field not completed.*
Summary of Request (more detailed information to be provided in required letter of intent)	Text amendment about conservation signage.
Certification	By signing below, I certify that the information contained in this application is true and correct to the best of my knowledge at the time of the application. , I acknowledge that I understand and have complied with all of the submittal requirements and procedures., I AGREE THAT A POSTING NOTICE WILL BE INSTALLED ON THE PROPERTY(IES) IN QUESTION AND THAT SAID SIGN WILL ONLY BE REMOVED BY STAFF AFTER THE MEETING OR BROUGHT BACK TO CITY HALL BY APPLICANT.

I/We understand that the City Staff may install a Notice of Hearing sign on the property 14 days before the scheduled heating and that the sign must only be removed after the hearing by City Staff, unless, the applicant or property owner brings the Notice of Hearing back to City Hall.

Applicant First Name	Margaret
Applicant Last Name	Pearson
Today's Date	11/17/2025
Upload Supporting Documentation	LDC Amendment Letter.docx
Upload 2	*Field not completed.*
Upload 3	*Field not completed.*
Upload 4	*Field not completed.*

Email not displaying correctly? View it in your browser.

5.05.00 Specific Provisions for Recognition Signage

5.05.01 Purpose and Intent

The purpose of the section is to permit limited signage on conservation lands for the recognition of donors, sponsors, or partners who have contributed to the acquisition, restoration, or stewardship of such properties, while preserving the natural character and ecological integrity of these lands.

5.05.02 Design Standards for Conservation Signs

A. Recognition signage shall be limited to conservation (CON) zoned properties. Signs shall be for the purpose of acknowledging donors, sponsors or partners and shall not contain advertising or promotional content and are subject to the following standards.

1. Sign is limited to one (1) and shall not exceed six (6) square feet in area for parcels of five (5) acres or less and sixteen (16) square feet for parcels of five (5) acres or larger. In no case shall the sign exceed five (5) feet in height.
2. Materials shall be durable, natural in appearance and compatible with the surrounding environment.
3. Signs shall be setback five (5) feet from all property lines and located at designated entry points, trailheads, or interpretive observational areas, and not within sensitive habitats.
4. Language shall be limited to recognition. Example "The property preserved through the generosity of (Name/Organization).
5. The sponsoring entity shall be responsible for maintaining the sign in good condition.
6. The City reserves the right to remove or relocate signage if it becomes damaged, poses a safety hazard or conflicts with conservation goals.

5.05.03 Sign Permits Required

Application for a recognition sign shall be submitted in accordance with **5.03.03 Sign Permits Required.** The signage will be reviewed for compliance with the ordinance and any applicable build code standards.

Explanation: Establishes regulations and design criteria for conservation signage. Currently, the ordinance prohibits signs on properties designated as Conservation (CON) zones. The suggested ordinance aims to allow restricted signage on conservation lands to acknowledge donors, sponsors, or partners who have played a role in the acquisition, restoration, or management of these areas, all while maintaining the natural character and ecological integrity of the land.

DRAFT

MINUTES
PLANNING ADVISORY BOARD
REGULAR MEETING
DECEMBER 10, 2025
5:00 PM
CITY HALL COMMISSION CHAMBERS
204 ASH STREET
FERNANDINA BEACH, FL 32034

1. CALL TO ORDER 5:00
ROLL CALL/ DETERMINATION OF QUORUM

MEMBERS PRESENT:

Richard Doster (Chair)	Victoria Robas
Nick Gillette	Peter Stevenson
Barbara Gingher	Mark Bennett

MEMBERS ABSENT:
Daphne Forehand (Vice-Chair)

OTHERS PRESENT:
Margaret Pearson, Planning Manager
Mia Sadler, Planner
Teresa Prince, City Attorney
Mackennah Tarmey, Recording Secretary

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF MEETING MINUTES

3.1 Approval of Minutes for the Regular Meeting of November 12, 2025.

ACTION TAKEN: A motion was made by Member Robas, seconded by Member Stevenson, to approve the Minutes for the Regular Meeting of November 12, 2025, with the noted amendment.

Vote upon passage of the motion was taken by voice vote, and being all ayes, carried.

4. OLD BUSINESS

There were no Old Business cases to be presented.

5. NEW BUSINESS

5.1 ***(Legislative)*** **PAB 2025-0016 - FUTURE LAND USE MAP AMENDMENT, LOT 8-9-10 BELVEDERE AVENUE** - The City of Fernandina Beach requests a change of the Future Land use Map category from Low Density Residential (LDR) to Conservation (CON) for the three parcels of land identified as 00-00-31-178A-0002-0080, 00-00-31-178A-0002-0090, and 00-00-31-178A-0002-0100 totaling 0.39 acres of land.

Ms. Pearson introduced the Staff Report analysis and recommended approval. Staff finds the request to be sufficiently compliant with the Comprehensive Plan, Land Development Code and City Commission goals to increase conservation land use and zoning acreage.

Board Discussion was opened.

Member Stevenson stated that he did not review the legal analysis in detail due to its length but assumed it was sufficient given that it was extensive and notarized. Several other members concurred.

ACTION TAKEN: A motion was made by Member Stevenson, seconded by Member Gillette, to recommend approval of PAB 2025-0016 to the City Commission; AND that PAB case 2025-0016 as presented is sufficiently compliant with the Comprehensive Plan and Land Development Code and applicable Florida Statutes to be approved at this time.

Vote upon passage of the motion was taken by voice vote, and being all ayes, carried.

5.2 ***(Quasi-Judicial)*** **PAB 2025-0017 - ZONING MAP AMENDMENT, LOT 8-9-10 BELVEDERE AVENUE** - The City of Fernandina Beach requests a change to the Zoning Map category from Low Density Residential (R-1) to Conservation (CON) for the three parcels of land identified as 00-00-31-178A-0002-0080, 00-00-31-178A-0002-0090, and 00-00-31-178A-0002-0100 totaling 0.39 acres of land.

Ms. Pearson presented the Staff Report analysis and recommended approval.

Public Hearing was opened.

Joel McCarthy, 2120 Belvedere Road, owner of Lots 10 and 11, asked whether conservation designation is the same as wetlands. Ms. Pearson responded that the parcels may be wetlands and that Conservation zoning of the properties would render the land undevelopable.

Margaret Kirkland, 1377 Plantation Point Drive, speaking on behalf of Conserve Nassau, said she is appreciative of the person who donated this land to conservation.

Member Stevenson commented that it is great that land is being moved into conservation and that the City should think about creating a "roadmap" for people to facilitate the process of being able to move parts of their lands into conservation.

Kim Wolford, 1315 Broome Street, stated that she has been working with Ms. Kirkland and the Planning & Conservation Department on developing a general program along with signage aimed at improving public education and awareness regarding available conservation options. Member Stevenson suggested that Ms. Wolford contact City Clerk Best about making a special presentation during the City Commission meeting.

Public Hearing was closed.

ACTION TAKEN: A motion was made by Member Stevenson, seconded by Member Gillette, to recommend approval of PAB 2025-0017 to the City Commission as per Staff recommendation; AND that PAB case 2025-0017 as presented is sufficiently compliant with the Comprehensive Plan and Land Development Code and applicable Florida Statutes to be approved at this time.

Vote upon passage of the motion was taken by voice vote, and being all ayes, carried.

5.3 ***(Legislative)*** **- PAB 2025-0018 - CITY OF FERNANDINA BEACH**
The City of Fernandina Beach requests a Land Development Code (LDC) Text Amendment to LDC Section 5.03.00 Signs, to permit limited signage on conservation lands for the recognition of donors, sponsors, or partners who have contributed to the acquisition, restoration, or stewardship of such

properties, while preserving the natural character and ecological integrity of these lands.

Ms. Pearson introduced the case and provided a brief presentation. She explained that Conservation-zoned properties are not specifically addressed in the Land Development Code under signage regulations; however, certain provisions of the Code do allow temporary signage on Conservation land. Ms. Pearson recommended approval of the case in order to align signage practices with the goals for Conservation-zoned properties.

Chair Doster asked whether property owners interested in selling or donating their land to the City should be contacted. Ms. Pearson responded that Ms. Kathy Russell in the Conservation Department would be the appropriate point of contact.

Member Robas asked about the size of the signage shown in the presentation, and Ms. Pearson provided the dimensions.

Member Robas also emphasized the importance of recognizing land donors but expressed concern about maintaining consistency in signage. She noted that inconsistent signage could create visual clutter and encouraged the establishment of a standard to minimize disruption to the landscape.

Member Stevenson stated that he supports recognition efforts and shared his view that some level of "advertising" is inherent in this type of signage.

Ms. Prince asked whether the proposal applied only to land donated to the City.

Ms. Pearson explained that signage requests may also come from land trusts or state entities that wish to recognize their involvement or donation. She stated that the intent is to allow signage while establishing provisions and guidelines to ensure quality and consistency. Ms. Pearson noted that while Conservation zoned lands currently allow temporary signage, the goal is not to encourage it, as temporary signage could be repeatedly installed and removed without maintaining design standards. She further explained that clearer guidelines would help address signage on both publicly and privately owned Conservation zoned properties.

Additional discussion followed regarding the proposed amendment, including clarification of the intent to allow recognition signage from land trusts and other donors while establishing clear design standards, permitting requirements, and limits on size, placement, and environmental sensitivity. Board members discussed consistency in signage appearance, sign permitting process, and the need for proportionality between sign size and land area, as well as concerns about viewshed impacts and long-term maintenance. Several members emphasized the importance of adopting uniform standards applicable to both public and private conservation lands, while others expressed a desire for clearer language before implementation.

ACTION TAKEN: A motion was made by Member Gillette, seconded by Member Stevenson, to recommend approval of PAB 2025-0018 to the City Commission for a Land Development Code (LDC) Text Amendment to LDC Section 5.03.00 Signs, with the noted amendment to LDC Section 5.05.02 (A)(1); that property of 5 acres or less shall not exceed a maximum signage size of 6 square feet, and that properties larger than 5 acres shall not exceed a maximum signage size of 16 square feet.

Vote upon passage of the motion was taken by voice vote, and being all ayes, carried.

5.4 ***(Legislative)*** **- PAB 2025-0020 - CITY OF FERNANDINA BEACH**

The City of Fernandina Beach requests a Land Development Code (LDC) Text Amendment to LDC Section 11.08.04 Specific Penalties for Violation of Tree Permit Requirements, and Table 11.08.04 Fines for Unauthorized Tree Removal (2 or more), to clarify the calculations of fines and establish minimum fine associated with Multi-Family, Subdivisions, Mixed-Use, and Non-Residential violations.

Ms. Pearson introduced the case and provided a brief presentation on the proposed text amendment, noting that the amendment aligns with the City's conservation goals and the character of the community.

Member Stevenson stated that the amendment would clarify the Land Development Code and reduce potential misinterpretation.

Ms. Prince concurred and referenced a City policy that had been applied in past tree removal enforcement cases, including proceedings before the Special Magistrate. She explained that the policy prioritized fines based on tree size, with larger trees carrying higher penalties to serve as a deterrent. She noted that during an appeal, questions arose addressing the authority to establish this policy and asked whether fines would be assessed by tree size, per tree, or based on the total number of trees removed. Ms. Pearson responded that the proposed amendment specifies that fines would be assessed based on the size of the tree removed.

Ms. Prince presented several hypothetical scenarios, and Member Gillette suggested that additional clarification may be needed regarding which property types would be subject to the fines, including legal considerations related to "lot of record."

The Board discussed potential revisions to the language.

Public Comment was opened.

Margaret Kirkland, speaking on behalf of Conserve Nassau, stated that the penalties were established for a reason and expressed support for clearer fine assessment criteria. She added that many of the affected sites are likely to be heavily impervious and stated that higher fines for tree removal are appropriate given the environmental impacts.

ACTION TAKEN: A motion was made by Member Gillette, seconded by Member Stevenson, to recommend approval of PAB 2025-0020 to the City Commission for Land Development Code (LDC) Text Amendment to LDC Section 11.08.04 Specific Penalties for Violation of Tree Permit Requirements, and Table 11.08.04 Fines for Unauthorized Tree Removal (2 or more), to clarify the calculations of fines and establish minimum fine associated with Multi-Family, Subdivisions, Mixed-Use, and Non-Residential violations.

Vote upon passage of the motion was taken by voice vote, and being all ayes, carried.

6. BOARD BUSINESS

Member Gillette provided an update on impact fees, noting that state law allows a 50% increase in fees, with potential for higher increases under extreme circumstances. He explained that for the County to collect fees from the City, an interlocal agreement is typically required. Some entities, such as the school board, have agreements in place, while others do not, resulting in situations where the City pays fees to the County but cannot charge back, effectively creating double taxation for residents.

Member Stevenson inquired about the next County meeting for final adoption, and there was discussion regarding its scheduling.

Member Gillette also addressed mobility fees, explaining that county projects are focused east of I-95 and highlighting how City funds are being used for County infrastructure projects, potentially creating inequities for the City. He proposed drafting a new interlocal agreement to ensure fairness and suggested that the board draft a letter to the County.

Kim Wolford, 1315 Broome Street, thanked Mr. Gillette and asked how residents could be involved; he recommended contacting the County commissioner representing the City. Further discussion ensued regarding fee allocation, fines, and County arguments.

Ms. Prince provided input, and Mr. Akramoff shared past experiences and county perspectives, including challenges with transportation in large developments. Member Gillette clarified how the fee charts were developed, emphasizing that the City bears much of the burden. Member Robas noted that the fees impact housing affordability.

The Board discussed next steps for drafting a letter to the County, emphasizing that it must be submitted to the City Commission for approval. Ms. Wolford noted that the City generates a significant portion of the County's tax revenue and expressed concern about the imbalance in fee allocation, which Member Gillette agreed with.

7. STAFF REPORT

8. PUBLIC COMMENT

9. ADJOURNMENT 6:52

_____ _____

Mackennah Tarmey, Recording Secretary Richard Doster, Chair

NOTICE OF PUBLIC HEARING
PLANNING ADVISORY BOARD
CITY OF FERNANDINA BEACH

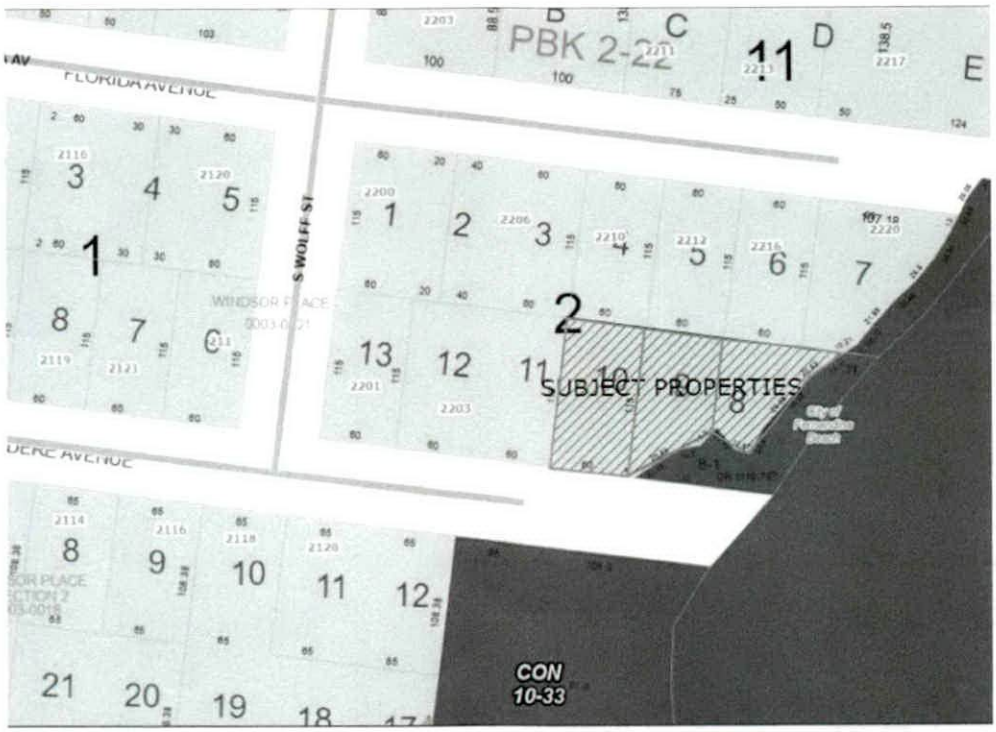
NOTICE IS HEREBY GIVEN that a Public Hearing is scheduled for **Wednesday, December 10, 2025, at 5:00 p.m.** in the City Commission Chambers, 204 Ash Street Fernandina Beach, Florida to consider the following:

LAND DEVELOPMENT CODE (LDC) TEXT AMENDMENTS
PAB CASE 2025-0018: CITY OF FERNANDINA BEACH REQUESTS AMENDMENTS TO LDC SECTION 5.03.00 SIGNS TO PERMIT LIMITED SIGNAGE ON CONSERVATION LANDS FOR THE RECOGNITION OF DONORS, SPONSORS, OR PARTNERS WHO HAVE CONTRIBUTED TO THE ACQUISITION, RESTORATION, OR STEWARDSHIP OF SUCH PROPERTIES, WHILE PRESERVING THE NATURAL CHARACTER AND ECOLOGICAL INTEGRITY OF THESE LANDS.

LAND DEVELOPMENT CODE (LDC) TEXT AMENDMENTS
PAB CASE 2025-0020
CITY OF FERNANDINA BEACH REQUESTS AMENDMENTS TO LDC SECTION 11.08.04 SPECIFIC PENALTIES FOR VIOLATION OF TREE PERMIT REQUIREMENTS WITH TABLE 11.08.04 FINES FOR UNAUTHORIZED TREE REMOVAL (2 OR MORE) TO CLARIFY THE CALCULATION OF THE FINES AND TO ESTABLISH MINIMUM FINE ASSOCIATED WITH MULTI-FAMILY, SUBDIVISIONS, MIXED USE, AND NON-RESIDENTIAL VIOLATIONS.

PAB 2025-0016 -FUTURE LAND USE MAP AMENDMENT CITY OF FERNANDINA BEACH REQUEST A FUTURE LAND USE MAP AMENDMENT FROM LOW DENSITY RESIDENTIAL TO CONSERVATION FOR THE THREE PARCELS OF LAND IDENTIFIED AS LOT 8-9-10 BELVEDERE AVENUE PARCEL ID'S 00-00-31-178A-0002-0080, 00-00-31-178A-0002-0090, AND 00-00-31-178A-0002-0100 TOTALING 0.39 ACRES OF LAND.

PAB 2025-0017 - ZONING MAP AMENDMENT CITY OF FERNANDINA BEACH REQUEST A ZONING MAP AMENDMENT FROM R-1 (LOW DENSITY RESIDENTIAL) TO CON (CONSERVATION) FOR THE THREE PARCELS OF LAND IDENTIFIED AS 00-00-31-178A-0002-0080, 00-00-31-178A-0002-0090, AND 00-00-31-178A-0002-0100 TOTALING 0.39 ACRES OF LAND.



Interested parties may appear at said hearing and be heard as to the advisability of any action which may be considered. Any person with disabilities requiring accommodations in order to participate in this program or activity should contact 310-3100, TTY 711, (TTY number for all City offices) or through the Florida Relay Service at 711 at least 24 hours in advance to request such accommodation. The PAB serves as an advisory committee. Every application is submitted to the City Commission for final decision making. Copies of the applications may be inspected in the office of the Planning Department, City Hall, 204 Ash Street, between the hours of 8:00 AM – 5:00 PM, Monday through Friday. To make an appointment with a planner, please call 904-310-3480.

March 4, 2026
News Leader Edition

NOTICE OF PUBLIC HEARING
CITY COMMISSION
CITY OF FERNANDINA BEACH

NOTICE IS HEREBY GIVEN that a Public Hearing is scheduled for **Tuesday, March 17, 2026, at 6:00 PM** in the City Commission Chambers, 204 Ash Street Fernandina Beach, Florida to consider the following application:

ORDINANCE 2026-04

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AMENDING LAND DEVELOPMENT CODE SECTION 5.03.00 SIGNS TO PERMIT LIMITED SIGNAGE ON CONVERSATION LANDS FOR THE RECOGNITION OF DONORS, SPONSORS, OR PARTNERS WHO HAVE CONTRIBUTED TO THE ACQUISITION, RESTORATION, OR STEWARDSHIP OF SUCH PROPERTIES, WHILE PRESERVING THE NATURAL CHARACTER AND ECOLOGICAL INTEGRITY OF THESE LANDS; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Interested parties may appear at said hearing and be heard as to the advisability of any action, which may be considered. Any persons with disabilities requiring accommodations in order to participate in this program or activity should contact 904-310-3115, TTY/TDD 711 or through the Florida Relay Service at 1-800-955-8771 at least 24 hours in advance to request such accommodation.

IF ANY PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE BOARD/ COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH HEARING, S/HE WILL NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Ordinance 2026-05
(*Legislative)* Land Development Code Text Amendment - Violation of Tree Permit Requirements

ITEM TYPE: Ordinance (w/o fiscal impact)

REQUESTED ACTION: Consider Ordinance 2026-05 at Second Reading.

SYNOPSIS: LDC text amendment to clarify the calculation of the fines and to retain a minimum fine associated with multi-family, subdivisions, mixed use, and non-residential violations. The language in red in Exhibit A clarifies that the reference to single lot of record includes single-family homes, duplexes and triplexes to address a comment raised by the Planning Advisory Board.

The City Commission, at their February 17, 2026, regular meeting, approved Ordinance 2026-05 at First Reading.

FISCAL IMPACT: N/A

CITY ATTORNEY COMMENTS: No additional comments.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission approve proposed Ordinance 2026-05 at Second Reading.

Margaret Pearson, Planning and Conservation Manager	03/03/2026
Glenn Akramoff, Deputy City Manager	03/05/2026
Kimberly Elliott-Briley, Deputy City Clerk	03/09/2026
Jeremiah Glisson, Deputy City Manager	03/09/2026
Sarah Campbell, City Manager	03/09/2026
Teresa Prince, City Attorney	03/09/2026
Katie Newton, Downtown Coordinator	03/10/2026

Katie A Newton

Submitted By: Katie Newton, Downtown Coordinator

Date: February 24, 2026

COMMISSION ACTION: Enact

ORDINANCE 2026-05

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AMENDING LAND DEVELOPMENT CODE SECTION 11.08.04 SPECIFIC PENALTIES FOR VIOLATION OF TREE PERMIT REQUIREMENTS WITH TABLE 11.08.04 FINES FOR UNAUTHORIZED TREE REMOVAL (2 OR MORE) TO CLARIFY THE CALCULATION OF THE FINES AND TO RETAIN MINIMUM FINE ASSOCIATED WITH MULTI-FAMILY, SUBDIVISIONS, MIXED USE, AND NON-RESIDENTIAL VIOLATIONS AND AN APPEAL OF SUCH FINES SHALL BE TO THE SPECIAL MAGISTRATE IN ACCORDANCE WITH CITY CODE OF ORDINANCES SECTION 2-399; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Commission adopted a unified Land Development Code ("LDC") on September 5, 2006, which became effective on October 1, 2006; and

WHEREAS, the City of Fernandina Beach has applied for an LDC text amendment to LDC Section 11.08.04 Specific Penalties for Violation of Tree Permit Requirements to clarify the calculation of the fines and to retain a minimum fine associated with multi-family, subdivisions, mixed use, and non-residential violations for tree removal without a permit and to confirm that appeal of such fines shall be to the special magistrate in accordance with City Code of Ordinances Section 2-399; and

WHEREAS, notice of public hearing on such amendments was published in the News Leader, a newspaper of general circulation in Fernandina Beach, Nassau County, Florida, on November 26, 2025; and

WHEREAS, the Planning Advisory Board ("PAB"), acting as the City's Local Planning Agency has established priorities regarding LDC amendments that focus on Community Character, the protection and conservation of Natural Resources, and Sustainability; and

WHEREAS, the PAB, acting as the City's Local Planning Agency, considered the application at its Regular Meeting on Wednesday, December 10, 2025, and unanimously recommended approval; and

WHEREAS, it is the intention of the City Commission that sections of this Ordinance may be renumbered or relettered and that the administrative correction of typographical and/or scrivener's errors which do not affect the intent may be authorized by the City Manager or his or her designee, without need of public hearing, by filing a corrected or recodified copy of same with the City Clerk.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH AS FOLLOWS:

SECTION 1. PURPOSE AND INTENT. The City Commission finds that the Land Development Code Amendments, attached hereto as Exhibit A, clarifies the calculation of the fines and retains a minimum fine associated with multi-family, subdivisions, mixed use, and non-residential violations.

SECTION 2. SEVERABILITY. If any section, sentence, clause, or phrase of this Ordinance is held to be invalid or unconstitutional by any Court of competent jurisdiction, the holding shall in no way affect the validity of the remaining portions of this Ordinance.

SECTION 3. The City Manager, or his or her designee, may administratively correct typographical and/or scrivener's errors of this Ordinance which do not make substantive changes or otherwise affect the intent of the Ordinance, upon receiving approval of the City Attorney, by filing a corrected or recodified copy of same with the City Clerk.

SECTION 4. This Ordinance shall become effective immediately upon adoption.

ENACTED this 17th day of March, 2026.

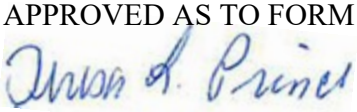
CITY OF FERNANDINA BEACH

_____
JAMES ANTUN
Commissioner – Mayor

ATTEST:

_____
CAROLINE BEST
City Clerk

APPROVED AS TO FORM AND LEGALITY:



_____
TERESA L. PRINCE, ESQ.
City Attorney

Date of First Reading: February 17, 2026
Date of Publication: March 4, 2026
Date of Second Reading: March 17, 2026

11.08.04 Specific Penalties for Violation of Tree Permit Requirements

A. When unauthorized removal of trees has occurred, the owner shall submit a fines and restoration plan within thirty (30) days after being cited for the violation.

Individual residential property owner(s) of a single-family home, duplex or triplex ~~lot of record~~ will be fined ~~$1,000 for the first unauthorized tree removal violation and subject to additional fines~~ as provided in Table 11.08.04 and required to comply with restoration planting criteria. Multi-family, subdivisions, mixed use, and non-residential landowner(s) will be fined ~~$5,000 for the first unauthorized tree removal violation and subject to additional fines as provided~~ as provided in Table 11.08.04, or a minimum of $5,000; whichever is greater and required to comply with restoration planting criteria.

Table 11.08.04 Fines for Unauthorized Tree Removal ~~(2 or More)~~

Size of Tree Removed (DBH)	*Fine Amount Per Tree*
6-17"	*$1,000*
18-25"	*$5,000*
26-35"	*$15,000*
36" DBH and above	*$20,000*

F. An appeal of such fines shall be to the special magistrate in accordance with Sec. 2-399. Special magistrate enforcement and appeal procedure of the City Code of Ordinances.

Explanation: Currently the ordinance lacks clarity regarding the calculation of fines when more than one tree is removed. The suggested ordinance intends to clarify the calculation of the fines and to retain a minimum fine associated with multi-family, subdivisions, mixed use, and non-residential violations.

Business Impact Estimate

This form should be included in the agenda packet for the item under which the proposed ordinance is to be considered and must be posted on the website by the time notice of the proposed ordinance is published.

Proposed ordinance's title/reference: **2026-XXX**

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AMENDING THE LAND DEVELOPMENT CODE (LDC) SECTION 11.08.04 SPECIFIC PENALTIES FOR VIOLATION OF TREE PERMIT REQUIREMENTS WITH TABLE 11.08.04 FINES FOR UNAUTHORIZED TREE REMOVAL (2 OR MORE) TO CLARIFY THE CALCULATION OF THE FINES AND TO RETAIN MINIMUM FINE ASSOCIATED WITH MULTI-FAMILY, SUBDIVISIONS, MIXED USE, AND NON-RESIDENTIAL VIOLATIONS AND AN APPEAL OF SUCH FINES SHALL BE TO THE SPECIAL MAGISTRATE IN ACCORDANCE WITH CITY CODE OF ORDINANCES SECTION 2-399; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

This Business Impact Estimate is provided in accordance with section 166.041(4), Florida Statutes. If one or more boxes are checked below, this means the City of Fernandina Beach is of the view that a business impact estimate is not required by state law[1] for the proposed ordinance, but the City of Fernandina Beach is, nevertheless, providing this Business Impact Estimate as a courtesy and to avoid any procedural issues that could impact the enactment of the proposed ordinance. This Business Impact Estimate may be revised following its initial posting.

- ☐ The proposed ordinance is required for compliance with Federal or State law or regulation;
- ☐ The proposed ordinance relates to the issuance or refinancing of debt;
- ☐ The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- ☐ The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the municipal government;
- ☐ The proposed ordinance is an emergency ordinance;
- ☐ The ordinance relates to procurement; or
- ☒ The proposed ordinance is enacted to implement the following:
    a. Part II of Chapter 163, Florida Statutes, relating to growth policy, county and municipal planning, and land development regulation, including zoning, development orders, development agreements and development permits;
    b. Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;

[1] See Section 166.041(4)(c), Florida Statutes.

c. Section 553.73, Florida Statutes, relating to the Florida Building Code; or
d. Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code.

In accordance with the provisions of controlling law, even notwithstanding the fact that an exemption noted above may apply, the City of Fernandina Beach hereby publishes the following information:

1. Summary of the proposed ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals and welfare):

This LDC text amendment to LDC Section 11.08.04 Specific Penalties for Violation of Tree Permit Requirements is to clarify the calculation of the fines and to retain a minimum fine associated with multi-family, subdivisions, mixed use, and non-residential violations for tree removal without a permit and to confirm that appeal of such fines shall be to the special magistrate in accordance with City Code of Ordinances Section 2-399. The Planning Advisory Board (PAB), acting as the City's Local Planning Agency has established priorities regarding LDC amendments that focus on Community Character, the protection and conservation of Natural Resources, and Sustainability and considered the application and held a public hearing at its Regular Meeting on Wednesday, December 10, 2025, and unanimously recommended approval

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City of Fernandina Beach, if any:

(a) An estimate of direct compliance costs that businesses may reasonably incur if the ordinance is enacted: **$0.00**

(b) Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible: **None, this is a clarification of fines not a fee**

(c) An estimate of the City of Fernandina Beach regulatory costs, including estimated revenues from any new charges or fees to cover such costs: **$0.00**
Direct impacts involve the cost associated with fines for unauthorized removal of trees. The City currently regulates tree removal and requires permitting for such tree removal within the City.

3. Good faith estimate of the number of businesses likely to be impacted by the proposed ordinance: **None.**

4. Additional information the governing body deems useful (if any): **None**

From: noreply@civicplus.com
To: Planning Info
Subject: Online Form Submittal: Planning Advisory Board (PAB)
Date: Wednesday, November 19, 2025 1:19:17 PM

CAUTION: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender, were expecting this email, and know the content is safe.

Planning Advisory Board (PAB)

Planning Advisory Board (PAB) Application
USE THIS FORM TO Request actions to affect changes to property (zoning changes, annexations, allowable uses, subdivisions).

Fees	LDC Text Amendment ($1,500)

IMPORTANT NOTES

Pre-Application Meeting
To guide you through the process and ensure that your application is understood and properly processed, you'll need to meet with a City Planner prior to submitting your application. Completed applications are due 42 days prior to the Planning Advisory Board meeting date.

Please see the Land Development Code (LDC) for detailed information:	LDC Text Amendment – see LDC Section 11.01.08.
The LDC is available for review at	www.fbfl.us/LDC
Application Requirements	*Field not completed.*
Have you met with a planner for a pre-application meeting?	Yes
What was the date of your pre-application meeting?	11/19/2025
PROPERTY INFORMATION	Property information can be found at the Nassau County Property Appraiser's Website → Map Search
Site Address	204 Ash St

City	Fernandina Beach
State	Florida
Zip	32034
Parcel ID #(s)	0
Lot	0
Block	0
Subdivision	0
Zoning District	C-3
Future Land Use Designation	General Commercial
Do you authorize the installation of a temporary City notice sign on your property?	YES
REVIEW TYPE	LDC Text Amendment

OWNER OF RECORD
As recorded with the Nassau County Property Appraiser

First Name	Sarah
Last Name	Campbell
Company (if applicable)	City of Fernandina Beach
Mailing Address	204 Ash Street
City	Fernandina Beach
State	Florida
Zip	32034
Telephone Number	904-310-3480
Email Address	planninginfo@fbfl.city

OWNER'S AGENT
If other than owner. If an agent will be representing the owner, an Owner's

Authorization For Agent Representation form must be included

First Name	Margaret
Last Name	Pearson
Mailing Address	204 Ash Street
City	Fernandina Beach
State	Florida
Zip	32034
Telephone Number	9043103480
E-mail Address	planninginfo@fbfl.city
PROJECT INFORMATION	
Previous Planning/Zoning Approvals	*Field not completed.*
Summary of Request (more detailed information to be provided in required letter of intent)	Request for text amendment on tree protection.
Certification	By signing below, I certify that the information contained in this application is true and correct to the best of my knowledge at the time of the application. , I acknowledge that I understand and have complied with all of the submittal requirements and procedures., I AGREE THAT A POSTING NOTICE WILL BE INSTALLED ON THE PROPERTY(IES) IN QUESTION AND THAT SAID SIGN WILL ONLY BE REMOVED BY STAFF AFTER THE MEETING OR BROUGHT BACK TO CITY HALL BY APPLICANT.

I/We understand that the City Staff may install a Notice of Hearing sign on the property 14 days before the scheduled heating and that the sign must only be removed after the hearing by City Staff, unless, the applicant or property owner brings the Notice of Hearing back to City Hall.

Applicant First Name	Margaret
Applicant Last Name	Pearson
Today's Date	11/17/2025

Upload Supporting Documentation	LDC Amendment Letter.docx
Upload 2	*Field not completed.*
Upload 3	*Field not completed.*
Upload 4	*Field not completed.*

11.08.04 Specific Penalties for Violation of Tree Permit Requirements

A. When unauthorized removal of trees has occurred, the owner shall submit a fines and restoration plan within thirty (30) days after being cited for the violation.

Individual residential property owner(s) of a single lot of record will be fined ~~$1,000 for the first unauthorized tree removal violation and subject to additional fines~~ as provided in Table 11.08.04 and required to comply with restoration planting criteria. Multi-family, subdivisions, mixed use, and non-residential landowner(s) will be fined ~~$5,000 for the first unauthorized tree removal violation and subject to additional fines as provided~~ as provided in Table 11.08.04, or a minimum of $5,000; whichever is greater and required to comply with restoration planting criteria.

Table 11.08.04 Fines for Unauthorized Tree Removal ~~(2 or More)~~

Size of Tree Removed (DBH)	*Fine Amount Per Tree*
6-17"	*$1,000*
18-25"	*$5,000*
26-35"	*$15,000*
36" DBH and above	*$20,000*

F. An appeal of such fines shall be to the special magistrate in accordance with Sec. 2-399. Special magistrate enforcement and appeal procedure of the City Code of Ordinances.

Explanation: Currently the ordinance lacks clarity regarding the calculation of fines when more than one tree is removed. The suggested ordinance intends to clarify the calculation of the fines and to establish a minimum fine associated with multi-family, subdivisions, mixed use, and non-residential violations.

DRAFT

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MINUTES
PLANNING ADVISORY BOARD
REGULAR MEETING
DECEMBER 10, 2025
5:00 PM
CITY HALL COMMISSION CHAMBERS
204 ASH STREET
FERNANDINA BEACH, FL 32034

1. CALL TO ORDER 5:00
ROLL CALL/ DETERMINATION OF QUORUM

MEMBERS PRESENT:

Richard Doster (Chair)	Victoria Robas
Nick Gillette	Peter Stevenson
Barbara Gingher	Mark Bennett

MEMBERS ABSENT:
Daphne Forehand (Vice-Chair)

OTHERS PRESENT:
Margaret Pearson, Planning Manager
Mia Sadler, Planner
Teresa Prince, City Attorney
Mackennah Tarmey, Recording Secretary

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF MEETING MINUTES

3.1 Approval of Minutes for the Regular Meeting of November 12, 2025.

ACTION TAKEN: A motion was made by Member Robas, seconded by Member Stevenson, to approve the Minutes for the Regular Meeting of November 12, 2025, with the noted amendment.

Vote upon passage of the motion was taken by voice vote, and being all ayes, carried.

4. OLD BUSINESS

There were no Old Business cases to be presented.

5. NEW BUSINESS

5.1 ***(Legislative)*** **PAB 2025-0016 - FUTURE LAND USE MAP AMENDMENT, LOT 8-9-10 BELVEDERE AVENUE** - The City of Fernandina Beach requests a change of the Future Land use Map category from Low Density Residential (LDR) to Conservation (CON) for the three parcels of land identified as 00-00-31-178A-0002-0080, 00-00-31-178A-0002-0090, and 00-00-31-178A-0002-0100 totaling 0.39 acres of land.

Ms. Pearson introduced the Staff Report analysis and recommended approval. Staff finds the request to be sufficiently compliant with the Comprehensive Plan, Land Development Code and City Commission goals to increase conservation land use and zoning acreage.

Board Discussion was opened.

Member Stevenson stated that he did not review the legal analysis in detail due to its length but assumed it was sufficient given that it was extensive and notarized. Several other members concurred.

ACTION TAKEN: A motion was made by Member Stevenson, seconded by Member Gillette, to recommend approval of PAB 2025-0016 to the City Commission; AND that PAB case 2025-0016 as presented is sufficiently compliant with the Comprehensive Plan and Land Development Code and applicable Florida Statutes to be approved at this time.

Vote upon passage of the motion was taken by voice vote, and being all ayes, carried.

5.2 ***(Quasi-Judicial)*** **PAB 2025-0017 - ZONING MAP AMENDMENT, LOT 8-9-10 BELVEDERE AVENUE** - The City of Fernandina Beach requests a change to the Zoning Map category from Low Density Residential (R-1) to Conservation (CON) for the three parcels of land identified as 00-00-31-178A-0002-0080, 00-00-31-178A-0002-0090, and 00-00-31-178A-0002-0100 totaling 0.39 acres of land.

Ms. Pearson presented the Staff Report analysis and recommended approval.

Public Hearing was opened.

Joel McCarthy, 2120 Belvedere Road, owner of Lots 10 and 11, asked whether conservation designation is the same as wetlands. Ms. Pearson responded that the parcels may be wetlands and that Conservation zoning of the properties would render the land undevelopable.

Margaret Kirkland, 1377 Plantation Point Drive, speaking on behalf of Conserve Nassau, said she is appreciative of the person who donated this land to conservation.

Member Stevenson commented that it is great that land is being moved into conservation and that the City should think about creating a "roadmap" for people to facilitate the process of being able to move parts of their lands into conservation.

Kim Wolford, 1315 Broome Street, stated that she has been working with Ms. Kirkland and the Planning & Conservation Department on developing a general program along with signage aimed at improving public education and awareness regarding available conservation options. Member Stevenson suggested that Ms. Wolford contact City Clerk Best about making a special presentation during the City Commission meeting.

Public Hearing was closed.

ACTION TAKEN: A motion was made by Member Stevenson, seconded by Member Gillette, to recommend approval of PAB 2025-0017 to the City Commission as per Staff recommendation; AND that PAB case 2025-0017 as presented is sufficiently compliant with the Comprehensive Plan and Land Development Code and applicable Florida Statutes to be approved at this time.

Vote upon passage of the motion was taken by voice vote, and being all ayes, carried.

5.3 ***(Legislative)*** **- PAB 2025-0018 - CITY OF FERNANDINA BEACH**
The City of Fernandina Beach requests a Land Development Code (LDC) Text Amendment to LDC Section 5.03.00 Signs, to permit limited signage on conservation lands for the recognition of donors, sponsors, or partners who have contributed to the acquisition, restoration, or stewardship of such

properties, while preserving the natural character and ecological integrity of these lands.

Ms. Pearson introduced the case and provided a brief presentation. She explained that Conservation-zoned properties are not specifically addressed in the Land Development Code under signage regulations; however, certain provisions of the Code do allow temporary signage on Conservation land. Ms. Pearson recommended approval of the case in order to align signage practices with the goals for Conservation-zoned properties.

Chair Doster asked whether property owners interested in selling or donating their land to the City should be contacted. Ms. Pearson responded that Ms. Kathy Russell in the Conservation Department would be the appropriate point of contact.

Member Robas asked about the size of the signage shown in the presentation, and Ms. Pearson provided the dimensions.

Member Robas also emphasized the importance of recognizing land donors but expressed concern about maintaining consistency in signage. She noted that inconsistent signage could create visual clutter and encouraged the establishment of a standard to minimize disruption to the landscape.

Member Stevenson stated that he supports recognition efforts and shared his view that some level of "advertising" is inherent in this type of signage.

Ms. Prince asked whether the proposal applied only to land donated to the City.

Ms. Pearson explained that signage requests may also come from land trusts or state entities that wish to recognize their involvement or donation. She stated that the intent is to allow signage while establishing provisions and guidelines to ensure quality and consistency. Ms. Pearson noted that while Conservation zoned lands currently allow temporary signage, the goal is not to encourage it, as temporary signage could be repeatedly installed and removed without maintaining design standards. She further explained that clearer guidelines would help address signage on both publicly and privately owned Conservation zoned properties.

Additional discussion followed regarding the proposed amendment, including clarification of the intent to allow recognition signage from land trusts and other donors while establishing clear design standards, permitting requirements, and limits on size, placement, and environmental sensitivity. Board members discussed consistency in signage appearance, sign permitting process, and the need for proportionality between sign size and land area, as well as concerns about viewshed impacts and long-term maintenance. Several members emphasized the importance of adopting uniform standards applicable to both public and private conservation lands, while others expressed a desire for clearer language before implementation.

ACTION TAKEN: A motion was made by Member Gillette, seconded by Member Stevenson, to recommend approval of PAB 2025-0018 to the City Commission for a Land Development Code (LDC) Text Amendment to LDC Section 5.03.00 Signs, with the noted amendment to LDC Section 5.05.02 (A)(1); that property of 5 acres or less shall not exceed a maximum signage size of 6 square feet, and that properties larger than 5 acres shall not exceed a maximum signage size of 16 square feet.

Vote upon passage of the motion was taken by voice vote, and being all ayes, carried.

5.4 ***(Legislative)*** **- PAB 2025-0020 - CITY OF FERNANDINA BEACH**

The City of Fernandina Beach requests a Land Development Code (LDC) Text Amendment to LDC Section 11.08.04 Specific Penalties for Violation of Tree Permit Requirements, and Table 11.08.04 Fines for Unauthorized Tree Removal (2 or more), to clarify the calculations of fines and establish minimum fine associated with Multi-Family, Subdivisions, Mixed-Use, and Non-Residential violations.

Ms. Pearson introduced the case and provided a brief presentation on the proposed text amendment, noting that the amendment aligns with the City's conservation goals and the character of the community.

Member Stevenson stated that the amendment would clarify the Land Development Code and reduce potential misinterpretation.

Ms. Prince concurred and referenced a City policy that had been applied in past tree removal enforcement cases, including proceedings before the Special Magistrate. She explained that the policy prioritized fines based on tree size, with larger trees carrying higher penalties to serve as a deterrent. She noted that during an appeal, questions arose addressing the authority to establish this policy and asked whether fines would be assessed by tree size, per tree, or based on the total number of trees removed. Ms. Pearson responded that the proposed amendment specifies that fines would be assessed based on the size of the tree removed.

Ms. Prince presented several hypothetical scenarios, and Member Gillette suggested that additional clarification may be needed regarding which property types would be subject to the fines, including legal considerations related to "lot of record."

The Board discussed potential revisions to the language.

Public Comment was opened.

Margaret Kirkland, speaking on behalf of Conserve Nassau, stated that the penalties were established for a reason and expressed support for clearer fine assessment criteria. She added that many of the affected sites are likely to be heavily impervious and stated that higher fines for tree removal are appropriate given the environmental impacts.

ACTION TAKEN: A motion was made by Member Gillette, seconded by Member Stevenson, to recommend approval of PAB 2025-0020 to the City Commission for Land Development Code (LDC) Text Amendment to LDC Section 11.08.04 Specific Penalties for Violation of Tree Permit Requirements, and Table 11.08.04 Fines for Unauthorized Tree Removal (2 or more), to clarify the calculations of fines and establish minimum fine associated with Multi-Family, Subdivisions, Mixed-Use, and Non-Residential violations.

Vote upon passage of the motion was taken by voice vote, and being all ayes, carried.

6. BOARD BUSINESS

Member Gillette provided an update on impact fees, noting that state law allows a 50% increase in fees, with potential for higher increases under extreme circumstances. He explained that for the County to collect fees from the City, an interlocal agreement is typically required. Some entities, such as the school board, have agreements in place, while others do not, resulting in situations where the City pays fees to the County but cannot charge back, effectively creating double taxation for residents.

Member Stevenson inquired about the next County meeting for final adoption, and there was discussion regarding its scheduling.

Member Gillette also addressed mobility fees, explaining that county projects are focused east of I-95 and highlighting how City funds are being used for County infrastructure projects, potentially creating inequities for the City. He proposed drafting a new interlocal agreement to ensure fairness and suggested that the board draft a letter to the County.

Kim Wolford, 1315 Broome Street, thanked Mr. Gillette and asked how residents could be involved; he recommended contacting the County commissioner representing the City. Further discussion ensued regarding fee allocation, fines, and County arguments.

Ms. Prince provided input, and Mr. Akramoff shared past experiences and county perspectives, including challenges with transportation in large developments. Member Gillette clarified how the fee charts were developed, emphasizing that the City bears much of the burden. Member Robas noted that the fees impact housing affordability.

The Board discussed next steps for drafting a letter to the County, emphasizing that it must be submitted to the City Commission for approval. Ms. Wolford noted that the City generates a significant portion of the County's tax revenue and expressed concern about the imbalance in fee allocation, which Member Gillette agreed with.

7. STAFF REPORT

8. PUBLIC COMMENT

9. ADJOURNMENT 6:52

_____ _____

Mackennah Tarmey, Recording Secretary Richard Doster, Chair

NOTICE OF PUBLIC HEARING
PLANNING ADVISORY BOARD
CITY OF FERNANDINA BEACH

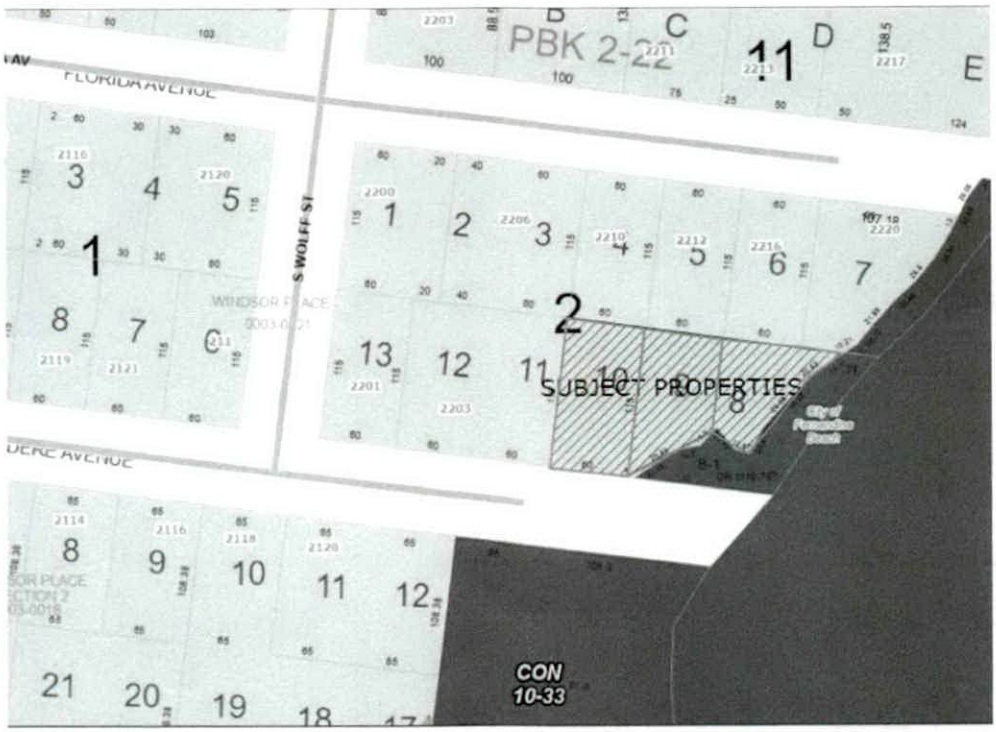
NOTICE IS HEREBY GIVEN that a Public Hearing is scheduled for **Wednesday, December 10, 2025, at 5:00 p.m.** in the City Commission Chambers, 204 Ash Street Fernandina Beach, Florida to consider the following:

LAND DEVELOPMENT CODE (LDC) TEXT AMENDMENTS
PAB CASE 2025-0018: CITY OF FERNANDINA BEACH REQUESTS AMENDMENTS TO LDC SECTION 5.03.00 SIGNS TO PERMIT LIMITED SIGNAGE ON CONSERVATION LANDS FOR THE RECOGNITION OF DONORS, SPONSORS, OR PARTNERS WHO HAVE CONTRIBUTED TO THE ACQUISITION, RESTORATION, OR STEWARDSHIP OF SUCH PROPERTIES, WHILE PRESERVING THE NATURAL CHARACTER AND ECOLOGICAL INTEGRITY OF THESE LANDS.

LAND DEVELOPMENT CODE (LDC) TEXT AMENDMENTS
PAB CASE 2025-0020
CITY OF FERNANDINA BEACH REQUESTS AMENDMENTS TO LDC SECTION 11.08.04 SPECIFIC PENALTIES FOR VIOLATION OF TREE PERMIT REQUIREMENTS WITH TABLE 11.08.04 FINES FOR UNAUTHORIZED TREE REMOVAL (2 OR MORE) TO CLARIFY THE CALCULATION OF THE FINES AND TO ESTABLISH MINIMUM FINE ASSOCIATED WITH MULTI-FAMILY, SUBDIVISIONS, MIXED USE, AND NON-RESIDENTIAL VIOLATIONS.

PAB 2025-0016 -FUTURE LAND USE MAP AMENDMENT CITY OF FERNANDINA BEACH REQUEST A FUTURE LAND USE MAP AMENDMENT FROM LOW DENSITY RESIDENTIAL TO CONSERVATION FOR THE THREE PARCELS OF LAND IDENTIFIED AS LOT 8-9-10 BELVEDERE AVENUE PARCEL ID'S 00-00-31-178A-0002-0080, 00-00-31-178A-0002-0090, AND 00-00-31-178A-0002-0100 TOTALING 0.39 ACRES OF LAND.

PAB 2025-0017 - ZONING MAP AMENDMENT CITY OF FERNANDINA BEACH REQUEST A ZONING MAP AMENDMENT FROM R-1 (LOW DENSITY RESIDENTIAL) TO CON (CONSERVATION) FOR THE THREE PARCELS OF LAND IDENTIFIED AS 00-00-31-178A-0002-0080, 00-00-31-178A-0002-0090, AND 00-00-31-178A-0002-0100 TOTALING 0.39 ACRES OF LAND.



Interested parties may appear at said hearing and be heard as to the advisability of any action which may be considered. Any person with disabilities requiring accommodations in order to participate in this program or activity should contact 310-3100, TTY 711, (TTY number for all City offices) or through the Florida Relay Service at 711 at least 24 hours in advance to request such accommodation. The PAB serves as an advisory committee. Every application is submitted to the City Commission for final decision making. Copies of the applications may be inspected in the office of the Planning Department, City Hall, 204 Ash Street, between the hours of 8:00 AM – 5:00 PM, Monday through Friday. To make an appointment with a planner, please call 904-310-3480.

March 4, 2026
News Leader Edition

NOTICE OF PUBLIC HEARING
CITY COMMISSION
CITY OF FERNANDINA BEACH

NOTICE IS HEREBY GIVEN that a Public Hearing is scheduled for **Tuesday, March 17, 2026, at 6:00 PM** in the City Commission Chambers, 204 Ash Street Fernandina Beach, Florida to consider the following application:

ORDINANCE 2026-05

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA, AMENDING LAND DEVELOPMENT CODE SECTION 11.08.04 SPECIFIC PENALTIES FOR VIOLATION OF TREE PERMIT REQUIREMENTS WITH TABLE 11.08.04 FINES FOR UNAUTHORIZED TREE REMOVAL (2 OR MORE) TO CLARIFY THE CALCULATION OF THE FINES AND TO RETAIN MINIMUM FINE ASSOCIATED WITH MULTI-FAMILY, SUBDIVISIONS, MIXED USE, AND NON-RESIDENTIAL VIOLATIONS AND AN APPEAL OF SUCH FINES SHALL BE TO THE SPECIAL MAGISTRATE IN ACCORDANCE WITH CITY CODE OF ORDINANCES SECTION 2-399; AUTHORIZING ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Interested parties may appear at said hearing and be heard as to the advisability of any action, which may be considered. Any persons with disabilities requiring accommodations in order to participate in this program or activity should contact 904-310-3115, TTY/TDD 711 or through the Florida Relay Service at 1-800-955-8771 at least 24 hours in advance to request such accommodation.

IF ANY PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE BOARD/ COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH HEARING, S/HE WILL NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.