

AUTHORIZING ORDINANCE

relating to  
the issuance of  
Not to Exceed \$8,000,000.00  
City of Daphne, Alabama  
Limited Obligation Project Revenue Warrant (The Fortuna Hotel Project)  
Series 2026

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- Exhibit A - Legal Notice
- Exhibit B - Form of Investment Letter
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**CITY OF DAPHNE, ALABAMA  
ORDINANCE 2026-05**

**BE IT ORDAINED** by the City Council of the CITY OF DAPHNE, ALABAMA, as follows:

Section 1.     **Definitions and Use of Phrases.**

(a) Definitions. The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations:

“**Annual Term**” means the period from January 1 to December 31 of the applicable calendar year.

“**Authorized Denominations**” means, with respect to the principal of the Warrants, the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof.

“**Authorizing Ordinance**” or “**Ordinance**” means this ordinance, as it may be amended or supplemented, which is also referred to as the Warrant Ordinance under the Project Development Agreement.

“**Business Day**” means any day other than Saturday, Sunday or a day on which banking institutions are required or authorized to close in the City or in the City of New York, New York.

“**City**” means the City of Daphne, Alabama.

“**City Clerk**” means the City Clerk of the City.

“**City Council**” means the City Council of the City and includes any other governing body of the City that may succeed to the functions of said City Council.

“**City Treasurer**” means the Finance Director of the City.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Commencement of Operations**” has the meaning assigned in the Project Development Agreement.

“**Developer**” means TFH DAPHNE 2026, LLC, an Alabama limited liability company, and its successors and permitted assigns, including, without limitation, any affiliate of Developer, any lender, mortgagee, or beneficiary of a deed of trust, that acquires

Developer's interest in the Project, Project Site, or this Agreement by foreclosure, deed in lieu, assignment, or other transfer.

**“Drawing”** means each installment of principal advanced under the Warrants pursuant to the terms of this Authorizing Ordinance.

**“Economic Development Amendment”** means Amendments 750 and/or 772 to the *Constitution of Alabama of 1901*, as amended, codified as Section 94.01 of the *Official Recompilation of the Constitution of Alabama of 1901*.

**“Eligible Investments”** means (i) Federal Securities, (ii) Eligible Time Deposits, and (iii) to the extent that they are at the time legal investments for the City, any of the following: (1) any direct, general obligation of, or any obligation payment of the principal of and interest on which is unconditionally guaranteed by, any one or a combination of agencies or corporations created or controlled by the United States of America if and to the extent that the obligations of such agencies and corporations are secured by the full faith and credit of the United States of America, including, without limitation, the following agencies or corporations: the Export-Import Bank of the United States, the Federal Financing Bank, the Farmer's Home Administration, the Federal Housing Administration, the Maritime Administration, the Federal Home Loan Mortgage Corporation and the Government National Mortgage Association; (2) any repurchase agreement or reverse repurchase agreement with any Qualifying Bank provided that such agreement is secured by obligations or securities described in clauses (i), (ii) and (iii)(1) of this definition; and (3) any share or other investment unit representing a beneficial interest in any money market fund which is registered under the Investment Company Act of 1940, as from time to time amended (or successor provision of federal law), provided that the investment portfolio of such money market fund consists of obligations and securities described in clauses (i), (ii), (iii)(1) and (iii)(2) of this definition; and (4) any Treasury Receipt.

**“Eligible Time Deposits”** means any time deposit with, or any certificate of deposit issued by, (i) any Qualifying Bank or (ii) any bank or savings bank, provided in the latter case that such time deposit or certificate of deposit is fully insured by the Federal Deposit Insurance Corporation or any agency or instrumentality of the United States of America that may succeed to the functions of either thereof or is secured by a deposit of Federal Securities having a market value at all times not less than the principal amount of such time deposit or certificate of deposit.

**“Federal Securities”** means direct obligations of the United States of America.

**“Fiscal Year”** means a fiscal year of the City, which is the period beginning on October 1 of each calendar year and ending on September 30 of the then next ensuing calendar year.

**“fully paid”, “payment in full”,** or any similar expression with respect to the Warrants, means that all of the Warrants have been paid in full or duly provided for pursuant to Section 29 hereof.

**“Holder”** means the person in whose name the ownership of a Warrant is registered on the registry books of the Paying Agent pertaining to the Warrants.

**“Incentive Commencement Date”** has the meaning assigned in the Project Development Agreement.

**“Paying Agent”** means the City Treasurer in her capacity as registrar, transfer agent and paying agent with respect to the Warrants, or any successor thereto in such capacity as appointed by the City.

**“Project”** has the meaning ascribed to such term in the Project Development Agreement.

**“Project Development Agreement”** means that certain Special Economic Development Grant and Project Development Agreement to be dated the date of its delivery, between the City and the Developer.

**“Project Site”** means the Fortuna Hotel Project, a hotel and commercial development situated in the City at the property more particularly described as the Project Site in the Project Development Agreement.

**“Qualifying Bank”** means any bank which is a member of the Federal Deposit Insurance Corporation (or any department, agency or instrumentality of the United States of America that may succeed to the functions of such corporation) and whose certificates of deposit are rated “A” by Moody’s Investors Service, Inc. or its successor.

**“Special Pledged Taxes”** means seventy-five percent (75%) of the sales and use tax, lodgings tax and ad valorem tax levied by and paid to the City from business conducted in relation to the Project, or due to property owned, in the Project Site after Commencement of Operations through the Maturity Date (as defined in the Warrants), excluding any lodging tax levied by and paid to the City that is calculated on a dollar amount per night per room basis (but not excluding any lodging tax based on a percentage of the charge of such room, rooms, lodgings, or accommodations, including the charge for use or rental of personal property and services furnished in relation to such rooms).

**“Special Pledged Taxes Account”** means the Fortuna Hotel Project Pledged Tax Account established hereunder by Section 19 hereof and maintained by the Paying Agent.

**“Treasury Receipts”** means custodial receipts or other instruments evidencing ownership in future principal or interest payments, or both, with respect to United States Treasury obligations that have been deposited with a custodian or trustee pursuant to a custody or trust agreement which provides for the United States Treasury obligations underlying such custodial receipts or other instrument to be held in a separate account and for all payments of principal and interest received by such custodian or trustee with respect to such underlying obligations to be paid to the Holders of such custodial receipts or other

instruments in accordance with their respective ownership interests in such underlying obligations, provided that the custodian or trustee holding such underlying obligations must be a Qualifying Bank.

“**Warrant Fund**” means the Fortuna Hotel Project Warrant Debt Service Fund created in Section 20 hereof and maintained by the Paying Agent.

“**Warrant**” or “**Warrants**” means the City’s Limited Obligation Project Revenue Warrant (Fortuna Hotel Project), Series 2026, herein authorized to be issued.

(b) Use of Phrases. “Herein,” “hereby,” “hereunder,” “hereof,” “hereinbefore,” “hereinafter,” and other equivalent words refer to this ordinance as an entirety and not solely to any particular portion in which any such word is used. The definitions set forth in Section 1(a) hereof include both the singular and the plural. Wherever used herein, any pronoun or pronouns shall be deemed to include both singular and plural and to cover all genders.

Section 2. **Findings.** The City Council has ascertained and found and does hereby declare as follows:

(a) Pursuant to the authority granted to the City by the Economic Development Amendment, the City has entered into the Project Development Agreement.

(b) The undertakings by the City and the Developer in the Project Development Agreement including, without limitation, the undertaking regarding providing economic incentives to the Developer, meet the requirements for assistance by the City set forth in the Economic Development Amendment, because, among other things, the performance of the same will serve a valid and sufficient public purpose, notwithstanding any incidental benefit accruing to any private entity or entities.

(c) The City does not expect to have sufficient funds in the near future to pay all of the costs of the undertakings by the City in the Project Development Agreement.

(d) Pursuant to the Economic Development Amendment and Section 11-47-2 of the *Code of Alabama*, as amended, the City is authorized to issue the Warrants to provide funds for providing economic incentives to the Developer; the issuance of the Warrants by the City is necessary, desirable and in the public interest; the City has determined that it is in the City’s best interest to provide incentives in order to facilitate the Project (as defined in the Project Development Agreement) and that the development of the Project (i) will advance the economic development of the City, (ii) will promote the convenience, order, propriety and welfare of its citizens, (iii) is a direct benefit to the City and its residents as a result of increased tax revenues to the City, increased property values and additional economic activity in the area of the City surrounding the Project, the creation of new jobs in relation to the Project, and the proportion of tourism related activities and provision of lodging in relation to the City, and (iv) will increase the tax and revenues base of the City

and result in employment opportunities in the City, and thus is in the best interest of the City and serves a valid and sufficient public purpose.

(e) Pursuant to the Economic Development Amendment, the City has caused the Notice attached hereto as **Exhibit A** (the “Notice”) to be published on January 23, 2026 in *The Baldwin Times* with respect to certain actions proposed to be taken, and the Project Development Agreement proposed to be made and delivered, by the Developer, to provide for the economic development of the City thereby. The information set forth in the Notice is true and correct and the publication of the Notice is hereby satisfied and confirmed.

(f) The City finds and certifies that all procedural prerequisites of the Economic Development Amendment have been satisfied, including publication of the required public notice, and that the adoption of this Ordinance to authorize the Warrant is necessary, desirable, and in the public interest.

(g) It is necessary, desirable, and in the best interests of the taxpayers and citizens of the City for the City to deliver and perform the agreements and undertakings of the City set forth in the Project Development Agreement and this Ordinance.

(h) The City does hereby approve, ratify and confirm (i) the form and content of, and the statements set forth in, the Notice and (ii) the publication of the Notice as set forth in Section 1 of this resolution.

### Section 3. **Authorization and Description of the Warrants.**

(a) Authorization of Warrants. Pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly Section 11-47-2 of the *Code of Alabama* 1975, as amended, and the Economic Development Amendment, and for the purposes set forth in the preceding Section 2 hereof, there are hereby authorized to be issued by the City its Limited Obligation Project Revenue Warrant (The Fortuna Hotel Project), Series 2026, which shall be issued in the principal amount of \$8,000,000.00; provided, however, that if insufficient Special Pledged Taxes are available on the Maturity Date (as provided in the Warrants) to pay the total principal amount of \$8,000,000, no amounts in excess of the Special Pledged Taxes will be owed under the Warrant. The Warrants shall, subject to the provisions of Section 14 hereof, be dated the Issue Date, shall be numbered R-1 upwards and shall be issued initially to the Developer. The Warrants shall mature and become payable monthly on the last day of each month following the Incentive Commencement Date, in accordance with the Project Development Agreement, but not to be later than thirty (30) years from the date of issuance thereof pursuant to the Warrant Act, and shall not bear interest. The Warrants shall be initially issued and registered in the name of the Developer.

(b) Method of Payment. The principal of the Warrants shall be payable by check or draft mailed or otherwise delivered by the Paying Agent to the respective Holders thereof at their addresses as they appear on the registry books of the Paying Agent pertaining to the registration of the Warrants; provided that the Paying Agent’s records of

the principal payments and outstanding principal balance will be controlling and further provided that the final payment of such principal shall be made only upon surrender of the appropriate Warrants to the Paying Agent. The foregoing to the contrary notwithstanding, a Holder of \$1,000,000 or more in principal amount of the Warrants may make arrangements with the Paying Agent for payment of the principal of such Warrants by wire transfer to an account such Holder maintained at a bank in the continental United States or by any other method providing for payment in same-day funds that is acceptable to the Paying Agent.

(c) **Source of Payment.** The principal of the Warrants shall be payable solely from the proceeds, if any, of the Special Pledged Taxes. Neither the Warrants nor any of the agreements herein contained shall constitute a general indebtedness of the City. The general faith and credit of the City are not pledged for payment of the Warrants, which shall not be general obligations of the City. Neither this Authorizing Ordinance nor the Warrants shall be deemed to impose upon the City any obligation to pay the principal of the Warrants, except with the proceeds, if any, of the Special Pledged Taxes. The Warrants do not bear any interest. None of the agreements, representations and warranties made or implied in this Authorizing Ordinance shall ever impose any personal or pecuniary liability or charge upon the City, whether before or after the breach by the City of any such agreement, representation or warranty, except with respect to the proceeds, if any, of the Special Pledged Taxes. Nothing contained in this subsection shall, however, relieve the City from the performance of the several agreements and representations on its part herein contained or in the Project Development Agreement.

Section 4. **Optional Redemption Provisions.** The Warrants shall be subject to redemption and prepayment prior to their maturity, at the option of the City, in whole or in part, at any time and at a redemption price equal to the principal amount thereof to be redeemed.

Section 5. **Pledge of Special Pledged Tax; Deposit in Special Pledged Tax Account.** The proceeds, if any, of the Special Pledged Taxes are hereby irrevocably pledged for the payment of the principal of the Warrants or for the purchase of the same on the open market. The said pledge shall begin on the date of Commencement of Operations and end on the twenty-fifth (25th) anniversary of the Incentive Commencement Date, or such earlier date on which the Warrants shall have been paid in full or defeased in accordance with the provisions of Section 29 of this Authorizing Ordinance. The City represents that the said pledge for the Warrants is the only pledge made of the proceeds of the Special Pledged Taxes.

The City covenants that it will deposit, no later than ten (10) calendar days after the last Business Day of each calendar month, the Special Pledged Taxes into the Special Pledged Taxes Account; provided that, if there is a default in the payment of principal on the Warrants, the City shall immediately, upon the receipt of the said Special Pledged Taxes, deposit the same in the Special Pledged Taxes Account and immediately cause such Special Pledged Taxes, in appropriate amounts, to be paid to Developer from the Special Pledged Taxes Account and/or Warrant Fund to cure such default.

Section 6. **Mandatory Sinking Fund Redemptions.** The Warrants are required to be redeemed on the last day of each month, commencing on the applicable month immediately following the Commencement of Operations, and on each month thereafter, with the final scheduled mandatory redemption to occur on the date that is the earlier of (i) twenty five (25) years after the Incentive Commencement Date or (ii) the principal amount of the Warrant (\$8,000,000.00) is paid in full, but not to be later than January 1, 2061, with the amount of each annual redemption of principal amount being equal to the amount of funds in the Special Pledged Taxes Account. The Warrants shall be redeemed at a redemption price equal to the principal amount to be redeemed. The redemption price shall be payable on each scheduled redemption date to the Holders of record as forty-five (45) days next preceding the date fixed for such redemptions.

Section 7. **Purchase of Warrants for Retirement.** The City may at any time and from time to time purchase Warrants for retirement using funds from the Warrant Purchase Fund, provided that (i) City shall provide Developer or Holder at least thirty (30) days prior written notice of such purchase, (ii) no purchase shall reduce or defer the City's obligations to deposit Special Pledged Taxes, and (iii) if less than all of the Warrant is purchased, application of the retired principal to scheduled payments shall be as directed by the Holder (or, absent direction, pro rata across remaining scheduled payments).

Section 8. **Form of Warrants.** The Warrants, the registration certificate, the City Treasurer's Certificate and the assignment pertaining thereto shall be in substantially the following forms, with such insertions, omissions and other variations, as may be necessary to conform to the provisions of this Authorizing Ordinance:

\* \* \* \* \*

(Form of Warrant)

**THIS WARRANT HAS NOT BEEN REGISTERED (i) UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON THE EXEMPTIONS PROVIDED BY SAID ACT, OR (ii) UNDER ANY STATE SECURITIES LAW, IN RELIANCE UPON APPLICABLE EXEMPTIONS, AND MAY NOT BE TRANSFERRED WITHOUT REGISTRATION EXCEPT PURSUANT TO AN EXEMPTION THEREFROM.**

**This Warrant may be transferred only to (i) an investment company registered under the Investment Company Act of 1940; (ii) a bank, as defined in Section 3(a)(2) of the Securities Act of 1933 (the "1933 Act"), whether acting in its individual or fiduciary capacity; (iii) an insurance company, as defined in Section 2(13) of the 1933 Act; or (iv) a sophisticated investor possessing sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Warrant. Each transferee shall be required to execute and deliver to the City an investment letter substantially in the form attached as Exhibit B to the hereinafter defined Authorizing Ordinance.**

**THIS WARRANT DOES NOT BEAR INTEREST**

**UNITED STATES OF AMERICA  
STATE OF ALABAMA  
CITY OF DAPHNE, ALABAMA  
LIMITED OBLIGATION PROJECT REVENUE WARRANT  
(THE FORTUNA HOTEL PROJECT)  
SERIES 2026 (TAXABLE)**

**DATE OF WARRANT**

**MATURITY DATE**

[ \_\_\_\_\_ ], 2026

Not later than [ \_\_\_\_\_ ], 20[ \_\_\_\_ ], as provided below

Subject to prior payment and other provisions as herein provided, the City Treasurer of the City of Daphne, Alabama, a municipal corporation in the State of Alabama (herein called the "City"), is hereby ordered and directed to pay to TFH DAPHNE 2026, LLC, an Alabama limited liability company, or its permitted registered assigns, to whom the City acknowledges itself indebted in the principal amount hereafter set out, the principal sum of EIGHT MILLION AND NO/100 U.S. DOLLARS (\$8,000,000.00) solely from the Special Pledged Taxes deposited in the Series 2026 Warrant Fund, at the times and in the manner hereinafter provided on the date specified above. This Warrant shall be in the principal amount outstanding from time to time from the date hereof (the "Issue Date"), until the maturity hereof. This Warrant shall not bear interest. The final principal amount of this Warrant shall be payable only upon presentation and surrender of this Warrant at the office of the City Treasurer at City Hall in Daphne, Alabama, or his or her successor as Paying Agent under the ordinance providing for the issuance of the Warrant hereinafter referred to (said office of the City Treasurer, together with his or her successors in such capacity, being herein called the "Paying Agent"). Notwithstanding any of the foregoing, a registered owner of \$1,000,000 or more in principal amount of the Warrant may make arrangements with the Paying Agent for payment of the principal of the Warrant to be made by wire transfer to an account of such registered owner maintained at a bank in the continental United States or by any other method providing for payment in same-day funds that is acceptable to the Paying Agent.

This warrant is the duly authorized warrant of the City designated a Limited Obligation Project Revenue Warrant (The Fortuna Hotel Project), Series 2026, in the principal amount of \$8,000,000.00 (herein called the "Warrant"). The Warrant has been issued pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly

Amendment 772 to the *Constitution of Alabama of 1901* (codified as Section 94.01 of the *Official Recompilation of the Constitution of Alabama of 1901*) and Section 11-47-2 of the *Code of Alabama of 1975*, and an ordinance providing for the issuance of the Warrant duly adopted by the City Council of the City on February 2, 2026, (the "Authorizing Ordinance").

The Warrant is subject to redemption, at the option of the City, in whole or in part, at any time. Such redemption shall be at and for a redemption price equal to the principal amount thereof to be redeemed.

The Warrant is subject to scheduled mandatory redemption on the last day of each month, commencing on the applicable month immediately following the Commencement of Operations (as defined in the Special Economic Development Grant and Project Development Agreement between the City of Daphne, Alabama and TFH DAPHNE 2026, LLC, an Alabama limited liability company, dated as of February 2, 2026 (the "Development Agreement")), and on each month thereafter, with the final scheduled mandatory redemption to occur on the date that is the earlier of (i) twenty five (25) years after the Incentive Commencement Date (as defined in the Development Agreement) or (ii) the principal amount of the Warrant (\$8,000,000.00) is paid in full, but not to be later than January 1, 2061, at and for a redemption price equal to the principal amount thereof to be redeemed. The principal amount to be so redeemed on each such last day of each month is set forth in Section 6 of the Authorizing Ordinance.

By the execution of this Warrant, the City acknowledges that it is indebted to the payee hereof in the principal amount hereof in accordance with the terms hereof and solely from the sources of payment provided for herein. The indebtedness evidenced and ordered paid by this Warrant is not a general obligation of the City, and the full faith and credit of the City are not pledged for payment thereof. The said Warrant is payable solely from the proceeds of the City's "Special Pledged Taxes." For purposes of this Warrant, the "Special Pledged Taxes" shall have the meaning assigned in Section 1 of the Authorizing Ordinance, levied by and paid to the City from business conducted at The Fortuna Hotel Project more particularly described in the Authorizing Ordinance as the "Project Site." The pledge of the Special Pledged Taxes shall end at midnight on that certain date that is twenty five (25) years from the Incentive Commencement Date, or such earlier date on which the Warrant shall be paid in full or shall have been defeased in accordance with the provisions of Section 29 of the ordinance providing for the issuance of the Warrant. The City's obligation to make payments on this Warrant and to pledge the Special Pledged Taxes to repayment of this Warrant is subject to the terms and conditions of the Project Development Agreement and the Authorizing Ordinance. The Special Pledged Taxes are hereby pledged to the payment, and for the benefit, of this Warrant, subject to, in accordance with *Johnson v. Sheffield*, 183 So. 265 (Ala. 1938), the law-imposed requirement that, if necessary, there must first be paid from all funds and revenues for the City (including without limitation the Special Pledged Taxes) the legitimate and necessary governmental expenses of operating the City.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered as a claim against the City in the manner provided by law; that all conditions, actions and things required by the constitution and laws of the State of Alabama to exist, be performed or happen precedent to or in the issuance of this Warrant do exist, have been

performed and have happened in due and legal form; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

The Warrants are issuable only as a fully registered Warrant in the denomination of \$100,000 or any integral multiple of \$5,000 in excess thereof. Provision is made in the Authorizing Ordinance for the exchange of the Warrant for a like aggregate principal amount of Warrants in authorized denominations, all upon the terms and subject to the conditions set forth in the Authorizing Ordinance.

Subject to the terms of an investment letter to be executed by the registered Holders hereof, this Warrant is transferable by the registered Holder hereof, in person or by authorized attorney, only pursuant to the requirements and conditions of the Project Development Agreement and the Authorizing Ordinance, only on the books of the Paying Agent, only upon surrender of this Warrant to the Paying Agent for cancellation, and upon receipt of an executed investment letter from the transferee in the form attached to the Authorizing Ordinance, and upon any such transfer a new Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Authorizing Ordinance. Each Holder, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Paying Agent are concerned, this Warrant may be transferred only in accordance with the provisions of the Project Development Agreement and the Authorizing Ordinance and the terms of an investment letter executed by the registered Holders hereof.

The Paying Agent shall not be required to transfer or exchange this Warrant during the period following the close of the Paying Agent's business on the forty-fifth day next preceding the date fixed for redemption of this Warrant.

The ordinance providing for the issuance of the Warrant provides that all payments by the City or the Paying Agent to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. ANY TRANSFEREE OF THIS WARRANT TAKES IT SUBJECT TO ALL PAYMENTS OF PRINCIPAL IN FACT MADE WITH RESPECT HERETO.

Execution by the Paying Agent of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed with the signature of the Mayor, has caused a facsimile of its official seal to be hereunto imprinted, has caused this warrant to be attested by the signature of its City Clerk, and has caused this warrant to be dated the date hereinafter specified.

CITY OF DAPHNE, ALABAMA

By \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

**REGISTRATION CERTIFICATE**

I hereby certify that this warrant has been duly registered by me at the time of issuance as a claim against City of Daphne, in the State of Alabama, and the Series 2026 Warrant Fund referred to herein.

\_\_\_\_\_  
Treasurer of City of Daphne

**VALIDATION CERTIFICATE**

Validated and confirmed by judgment of the Circuit Court of Baldwin County, State of Alabama entered on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_  
Clerk of Circuit Court of Baldwin County, State of Alabama

**REGISTRATION OF OWNERSHIP**

This warrant is recorded and registered on the warrant register of City of Daphne in the name of the last owner named below. The principal of this warrant shall be payable only to or upon the order of such registered owner.

<u>Date of Registration</u>	<u>In Whose Name Registered</u>	<u>Signature of Authorized Officer of City</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**ASSIGNMENT**

For value received, \_\_\_\_\_ hereby sell(s), assign(s) and transfer(s) unto \_\_\_\_\_ this warrant and hereby irrevocably constitute(s) and appoint(s) \_\_\_\_\_ attorney to transfer this warrant on the books of the within named City with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the fact of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

\_\_\_\_\_  
(Bank, Trust Company or Firm\*)

By \_\_\_\_\_  
(Authorized Officer)

Medallion Number: \_\_\_\_\_

\*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchange Medallion Program (SEMP) or New York Stock Exchange Medallion Signature Program (MSP)

\* \* \* \* \*

**Section 9. Execution of Warrants by City.** The Warrants shall be executed on behalf of the City by the Mayor and attested by the City Clerk, and the seal of the City shall be impressed on each of the Warrants; provided that the signatures of the said Mayor and the City Clerk on the Warrants may be facsimile or electronic signatures of the said officers imprinted thereon, and the seal of the City appearing on the Warrants may be facsimile or electronic of such seal imprinted thereon (it being understood that a condition to the validity of each Warrant is the appearance on such Warrant of a Registration Certificate, substantially in the form hereinabove provided, executed by the manual signature of an authorized officer of the Paying Agent and a City Treasurer’s Certificate, substantially in the form hereinabove provided, executed by the manual, electronic, or facsimile signature of the City Treasurer of the City). Signatures on the Warrants by persons who are officers of the City at the times such signatures were written or printed shall continue to be effective although such persons cease to be such officers prior to the delivery of the Warrants, whether initially issued or exchanged for Warrants of different denominations from those initially issued.

**Section 10. Registration Certificate on Warrants.** A registration certificate by the Paying Agent, in substantially the form hereinabove recited, duly executed by the manual signature

of an authorized officer of the Paying Agent, shall be endorsed on each of the Warrants and shall be essential to its validity. The City may impose no fee for registration or transfer other than customary out-of-pocket costs (e.g., shipping). Upon written direction from the Developer or Holder, the City shall make payments directly to any designated lender or permitted assignee until revoked by written notice.

**Section 11. City Treasurer's Certificate on Warrants.** A City Treasurer's Certificate by the City Treasurer of the City, in substantially the form hereinabove recited, duly executed by the manual, electronic, or facsimile signature of the said officer, shall be endorsed on each of the Warrants and shall be essential to its validity. Such certificate shall be conclusive of the due registration of the claim against the City represented by the Warrants.

**Section 12. Registration and Transfer of Warrants.** The Warrants shall be registered as to principal and shall be transferable only on the registry books of the Paying Agent pertaining to the Warrants, subject to the terms of an investment letter executed by the initial Holder of the Warrants. The Paying Agent shall be the registrar and transfer agent of the City and shall keep at its office proper registry and transfer books in which it will note the registration and transfer of such Warrants as are presented for those purposes, all in the manner and to the extent hereinafter specified. The Warrants shall be transferable only on the transfer books of the Paying Agent. No transfer of any Warrants shall be valid hereunder unless such Warrants are presented at the office of the Paying Agent with written power to transfer signed by the registered owner thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Paying Agent whereupon the City shall execute, and the Paying Agent shall authenticate and deliver to the transferee a new Warrant, registered in the name of such transferee and of like tenor as that presented for transfer. The person in whose name any Warrant is registered on the books of the Paying Agent shall be the sole person to whom or on whose order payments on account of the principal thereof thereon may be made. The Warrants may not be assigned, hypothecated, pledged, or transferred except upon the prior written consent of the City as set forth in a resolution of the governing body of the City with respect thereto, unless such assignment, hypothecation, pledge, or transfer is permitted under the Project Development Agreement, e.g. Sections 5.04, 6.06, and 8.06 of the Project Development Agreement, which are incorporated herein by reference as if set forth in full. Each registered owner of any of the Warrants, by receiving or accepting such Warrants, shall consent and agree and shall be estopped to deny that, insofar as the City and the Paying Agent are concerned, the Warrants may be transferred only in accordance with the provisions of this Authorizing Ordinance, the Project Development Agreement and the terms of the investment letter, the form of which is attached as **Exhibit B** hereto. Notwithstanding the foregoing or anything herein or in the Project Development Agreement to the contrary, the City acknowledges and agrees that Developer's lender(s), mortgagee(s), beneficiary(ies) under a deed of trust, equity investor(s), or other parties holding interest in the Project or Developer may require a collateral assignment of the Developer's rights under the Warrants. In the event that any such collateral assignment is required, Developer shall have the right to collaterally assign its rights under this Ordinance and/or Warrants, whether at the closing of a construction loan or another time and from time to time. As a component of such collateral assignment of Developer's rights under this Ordinance and/or the Warrant, the City shall execute and deliver such consent(s) of collateral assignment and/or estoppel certificates in the form and substance reasonably required by Developer and/or such aforementioned interested parties for

the Project, and if required by Developer and/or such aforementioned interest parties pursuant to the express terms of such collateral assignment form, the City will make payments under the Warrant directly to such interest parties.

The Paying Agent shall not be required to register or transfer any Warrant duly called for redemption (in whole or in part), during the period following the close of business of the Paying Agent's business on the forty-fifth (45<sup>th</sup>) day next preceding the date fixed for such redemption.

The Warrants may be transferred only to (i) an investment company registered under the Investment Company Act of 1940; (ii) a bank, as defined in Section 3(a)(2) of the Securities Act of 1933 (the "1933 Act"), whether acting in its individual or fiduciary capacity; (iii) an insurance company, as defined in Section 2(13) of the 1933 Act; (iv) a sophisticated investor possessing sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Warrants; or (v) Developer's lender(s), mortgagee(s), beneficiary(ies) under a deed of trust, equity investor(s), other parties holding interest in the Project or Project Site, or successor fee simple owners of the Project Site. Each transferee shall be required to execute and deliver to the City an investment letter in the form attached as **Exhibit B** hereto.

Section 13. **Exchange of Warrants.** Upon the request of the Holder of the Warrants, the City shall execute, and the Paying Agent shall register and deliver, upon surrender to the Paying Agent of such Warrant in exchange therefor, a Warrant in different Authorized Denominations of the same maturity and interest rate and together aggregating the same principal amount as the then unpaid principal of the Warrant so surrendered, all as may be requested by the person surrendering such Warrant or Warrants; provided that the Paying Agent shall not be required so to register and deliver any of the Warrants in exchange for others during the period following the close of the Paying Agent's business on the forty-fifth (45<sup>th</sup>) day next preceding the date fixed for redemption of such Warrant or Warrants.

The registration, transfer and exchange of Warrants (other than pursuant to Section 17 hereof) shall be without expense of the Holder or transferee. In every case involving any transfer, registration or exchange, such Holder shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange.

Section 14. **Dating of Warrants.** All Warrants shall be dated the date of their delivery.

Section 15. **[Reserved]**

Section 16. **Persons Deemed Owners of Warrants.** The City and the Paying Agent may deem and treat the person in whose name a Warrant is registered as the absolute owner thereof for all purposes; they shall not be affected by notice to the contrary; and all payments by any of them to the person in whose name a Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same.

Section 17. **Replacement of Mutilated, Lost, Stolen or Destroyed Warrants.** In the event any Warrant is mutilated, lost, stolen or destroyed, the City may execute and deliver a new Warrant of like tenor as that mutilated, lost, stolen or destroyed Warrants, if there is first furnished to the City and the Paying Agent evidence of such loss, theft or destruction satisfactory to each of them, together with indemnity satisfactory to each of them. The City may charge the Holder with the expense of issuing any such new Warrant.

Section 18. **General Provisions Respecting Redemption of Warrants.** Any optional redemption of the Warrants pursuant to the Authorizing Ordinance shall be effected in the following manner:

(a) The City Council shall adopt a resolution in which it shall call for redemption, when they are by their terms subject to redemption, of the Warrants (and, in case less than the entire outstanding principal amount of the Warrants is to be redeemed, the principal amount thereof to be redeemed).

(b) The City (or the Paying Agent on its behalf) shall also cause to be forwarded by United States registered or certified mail to the registered owner of each Warrant the principal of which is to be redeemed in whole or in part, at the address of such registered owner as such address appears on the registry books of the Paying Agent pertaining to the Warrants, a notice stating the following: the Warrants bearing stated numbers (and, in case less than the entire outstanding principal amount of any Warrant is to be redeemed, the principal amount thereof to be redeemed) have been called for redemption and will become due and payable at the specified redemption price on a specified redemption date. Such notice shall be so mailed not more than sixty (60) nor less than thirty (30) days prior to the date fixed for redemption, but Holders of the Warrants may waive by written notice the requirements of this subparagraph with respect to the Warrants held by them without affecting the validity of the call for redemption of any other Warrant.

(c) Not later than the date fixed for redemption, the City (i) shall deposit or cause to be deposited with, or otherwise make available to, the Paying Agent the total redemption price of the Warrants so called for redemption, and (ii) shall furnish to the Paying Agent a certified copy of the resolution referred to in the foregoing subparagraph (a) of this section.

When the provisions of the foregoing subparagraphs (a), (b) and (c) of this Section 18 have been complied with, the Warrants so called for redemption (or, in the case of the Warrants called for redemption in part, the portions thereof called for redemption) shall become due and payable (at the place or places at which the same shall be payable), at the redemption price and on the redemption date specified in such notice, anything herein or in the Warrants to the contrary notwithstanding, and the Holders of such Warrants shall then and there surrender them for redemption at the principal office of the Paying Agent in exchange for and conditioned upon one or more new Warrants in Authorized Denominations and in an aggregate principal amount equal to the unredeemed portion of the Warrant so surrendered, all as shall be requested by the Holder of such Warrant so called for partial redemption; and out of the moneys so deposited with it, the Paying Agent shall make provision for payment of the Warrants (or portions thereof) so called for redemption, at the redemption price and on the redemption date so specified.

Section 19. **Special Pledged Taxes Account.** There is hereby created an escrow account, the name of which shall be the “The Fortuna Hotel Project Special Pledged Taxes Account,” which shall be maintained as long as any of the Warrants are outstanding and unpaid. The Paying Agent shall be the depository, custodian and disbursing agent for the Special Pledged Taxes Account. Upon request of Developer or a Holder, the City or Paying Agent shall from time to time provide reasonable documentation evidencing amounts held in the Special Pledged Taxes Account.

Moneys on deposit in the Special Pledged Taxes Account shall be held therein and transferred to other funds from time to time in accordance with the provisions of Section 23 hereof.

Section 20. **Warrant Fund.** There is hereby created a special escrow fund, the name of which shall be the “The Fortuna Hotel Project Warrant Debt Service Fund,” for the purpose of providing for the payment of the principal of the Warrants. The Warrant Fund shall be maintained until the principal of the Warrants shall have been paid in full, payment duly provided therefor in a manner which will cause the Warrants to be no longer outstanding, or the pledge of the Special Pledged Taxes has expired pursuant to the Project Development Agreement or the Authorizing Ordinance. The Paying Agent shall be the depository, custodian and disbursing agent for such fund. Upon request of Developer or a Holder, the City or Paying Agent shall from time to time provide reasonable documentation evidencing amounts held in the Warrant Fund. No transfer from the Warrant Fund to other City purposes shall occur until payment in full/defeasance of the Warrant or expiration of the pledge under this Ordinance.

Any moneys paid into the Warrant Fund shall be used solely for payment of the principal of the Warrants as the same mature and come due or the redemption price of Warrants as the same shall come due. All amounts deposited in the Warrant Fund shall be applied to the payment of principal of the Warrants within the timeframes specified in the Project Development Agreement.

Section 21. **[Reserved]**

Section 22. **[Reserved]**

Section 23. **Flow of Funds among Special Pledged Taxes Account and the Warrant Fund.** The moneys on deposit in the Special Pledged Taxes Account shall be paid into the Warrant Fund in an amount equal to the principal amount to be redeemed, in immediately available funds, on or before the applicable redemption date, until the Warrants are paid in full and at times and based on the schedule provided in this Ordinance and the Project Development Agreement.

Section 24. **[Reserved]**

Section 25. **Transfers or Payments Made through Transfers of Balances of Eligible Investments.** Whenever any provisions of this Authorizing Ordinance requires a transfer or payment of moneys to be made from any fund or account created under this Authorizing Ordinance to any other fund or account created under such ordinance, then, to the extent that the moneys held in the fund or account from which such transfer or payment is to be made are at the time invested in Eligible Investments, the Paying Agent may, in lieu of liquidating such Eligible Investments to

obtain cash for making such payments or transfer, effect such payment or transfer by transferring, in its records, pertaining to such funds and accounts, Eligible Investments, or a portion thereof, in a principal amount equal to the amount of the required transfer or payment, provided that any required transfer or payment of moneys from one fund or account to another fund or account may be made by transferring principal amounts of Eligible Investments only if (i) such investments shall be authorized herein as investments for moneys held in the fund or account to which any principal amount of such investments shall be transferred and (ii) such investments shall mature, or be subject to redemption at the option of the Holder, on or before the date for which the required transfer or payment shall be needed in cash for the purposes of such fund or account.

**Section 26. Investment of Moneys in Funds and Accounts.** Subject to the right of the City specified below to direct the investment of moneys in the funds and accounts created hereunder, moneys held in any fund or account created hereunder shall be continuously invested and reinvested by the Paying Agent in Eligible Investments which shall have the highest interest rate or profit potential among Eligible Investments reasonably known and available to the Paying Agent in the ordinary course of its business and which shall mature on such dates (or be subject to redemption at the option of the Holder thereof on such dates and at such stated prices) as will assure the availability of cash in each such fund or account to make any payments therefrom required by the provisions hereof. Subject to the provisions of Section 25 hereof, any Eligible Investments acquired by the Paying Agent pursuant to the provisions of this section shall be deemed at all times to constitute part of the fund or account from which the moneys were withdrawn to acquire such investments, and all income earned, profits realized and losses suffered by reason of the acquisition or disposition of such investments shall be credited or charged, as the case may be, to the particular fund or account to which such investment belongs except that earnings on investments in the Warrant Fund shall be deposited in the Special Pledged Taxes Account. In any determination of the amount of moneys at any time held in any trust fund or account created hereunder, all investments at any time forming a part thereof shall be valued at their then market value.

The Paying Agent may sell, redeem or otherwise convert into cash any Eligible Investments constituting a part of any of the funds or accounts created hereunder to the extent necessary (as the Paying Agent shall determine in the exercise of its sole discretion) to provide cash in such funds or accounts for any payments required by the provisions hereof to be made therefrom or to facilitate the transfers of moneys between various funds and accounts as may from time to time be required or permitted by the provisions hereof. Upon written request of an authorized representative of the City, the Paying Agent shall cause any investments constituting part of any of such funds or accounts to be sold, redeemed or otherwise converted into cash, but only if, in the case of investments constituting part of the Warrant Fund, such sale, redemption or other conversion into cash will not jeopardize the payment, when due, of the principal of the Warrants or the redemption price of any Warrants required to be redeemed.

In making any investment of moneys held in any of the funds or accounts created hereunder, the Paying Agent will follow such instructions as may be given to it by an authorized representative of the City, but only if and to the extent that such instructions are not inconsistent with the applicable provisions hereof. The Paying Agent shall not be liable for any losses incurred in connection with investments made or disposed of in accordance with the provisions of this

section. Notwithstanding anything herein, the selection, holding, or disposition of any Eligible Investments (and any gain or loss thereon) shall not reduce, defer, or excuse the City's obligations to deposit Special Pledged Taxes into the Warrant Fund and to apply such amounts to Warrant payments in required amounts and when due.

Section 27. **Commingling of Moneys in Separate Funds and Accounts.** Any provisions of the Authorizing Ordinance to the contrary notwithstanding, moneys held in any fund or account created hereunder may be commingled and combined with moneys held in another fund or account for the purpose of making investments under the provisions of Section 26 hereof, subject to the following conditions:

- (a) all interest, income or profit realized from any such commingled investment shall be credited, and all losses resulting therefrom shall be charged, to each such fund or account in the same respective proportions as the amount invested from each such fund or account bears to the total amount so invested; and
- (b) no moneys forming a part of any such fund or account shall be invested in any investments other than such as are herein expressly authorized for such fund or account.

Section 28. **Resignation of Paying Agent; Appointment of Successor.** The Paying Agent may resign and be discharged from the duties hereby created by causing written notice specifying the effective date of such resignation to be forwarded by United States registered or certified mail, postage prepaid, to the City and to every registered owner of a Warrant. Unless the effective date of the Paying Agent's resignation shall coincide with the appointment of a successor Paying Agent by the registered owner of the Warrant as herein provided, such date shall be at least thirty (30) days after the date on which notice to the City and the registered owners of the Warrant shall have been mailed.

If the Paying Agent shall resign, be dissolved, be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor shall be appointed by the City. Every successor Paying Agent appointed pursuant to this section, unless it is the City acting through its officer or employee, shall be a trust company or bank authorized to administer trusts and having, at the time of its acceptance of such appointment, capital, surplus and undivided profits of not less than \$100,000,000, if there be such an institution willing, qualified and able to accept appointment as Paying Agent on reasonable and customary terms. The City shall provide Developer and any Holder reasonable written notice of any such events and reasonable documentation specifying the successor Paying Agent and shall, at City's sole costs and expense, pay all fees and changes in the connection with the replacement of the Paying Agent.

Section 29. **Payment.** When the Warrants shall have been paid and discharged in full, and there shall have been paid all fees and charges of the City and the Paying Agent due or to become due through the date on which the Warrant is retired, then the obligations of this Authorizing Ordinance and the Warrants, except as provided below, shall cease, terminate and

become null and void, and thereupon the Trustee shall release this Indenture, including the cancellation and discharge of the lien hereof.

Section 30. **Award of Warrants.** The Warrants are awarded to the Developer in consideration of its undertakings as provided in the Project Development Agreement.

Section 31. **Reporting; Project-Level Accounting; Confidentiality.** The City shall provide monthly deposit reports and quarterly accountings of Special Pledged Taxes and Warrant Fund activity in reasonable detail available from City records and shall maintain reasonable account coding to track Project receipts where practicable. Confidential taxpayer data will be handled consistent with applicable law; non-public information furnished by Developer shall be treated as confidential to the maximum extent permitted by law.

Section 32. **Denominations of Warrants as Initially Issued and Initial Registered Owners.** The Warrants shall be initially issued as a single fully registered Warrant payable to the Developer in accordance with the schedule provided in this Ordinance and the Project Development Agreement.

Section 33. **Provisions for Payment at Par.** Each bank or office at which the Warrants shall at any time be payable by acceptance of its duties as paying agent therefor, shall be construed to have agreed thereby with the Holders of the Warrants that it will make, out of the funds supplied to it for that purpose, all remittances of principal on the Warrants in bankable funds at par without any deduction for exchange or other costs, fees or expense. The City agrees with the Holders of the Warrants that the City will pay all charges for fees and expenses which may be made by such bank in the making of remittances in bankable funds of the principal of the Warrants.

Section 34. **Assignments; Lender Protections; Direct Payment; Estoppel Certificates; Transfers.** Developer may assign or collaterally assign its rights under this Ordinance and the Warrant to any Lender or assignee in accordance with Sections 5.04, 6.06, and 8.06 of the Project Development Agreement or as otherwise permitted thereunder, and subject to the terms of the Investment Letter. The City shall execute consents/recognitions and estoppel certificates reasonably requested and, if directed in writing by Developer or Holder, shall make payments directly to such Lender/assignee. Any Lender/assignee shall have the right to cure Developer defaults within the same periods afforded to Developer after notice. Upon written request by Developer (or any designated purchaser, transferee, or Lender), the City shall within fifteen (15) days deliver an estoppel certificate in the form reasonably requested by Developer (customary contents), permitted to be relied upon by the addressee and its successors/assigns.

Section 35. **Creation of Contract.** The provisions of the Authorizing Ordinance shall constitute a contract between the City and each Holder of the Warrants.

Section 36. **Covenant by Developer.** The Developer acknowledges that the City has advised it that the City intends to redeem the Warrants on the earliest practicable date and to redeem them as sufficient funds are available from the Special Pledged Taxes Account from time-to-time. The Developer shall also provide the City's Executive Financial Director estimated

construction commencement dates and estimated construction completion dates, as requested in writing by the said Executive Financial Director.

Section 37. **Notice.** All notices, demands, consents, certificates or other communications hereunder shall be in writing, shall be sufficiently given and shall be deemed given when delivered personally to the party or to an officer of the party to whom the same is directed, or mailed by registered or certified mail, postage prepaid, return receipt requested, or sent by overnight courier, addressed as follows:

- (a) If to the Developer:

TFH Daphne 2026, LLC  
c/o 68 Ventures  
707 Belrose Ave.  
Daphne, AL 36526  
Attention: Nathan Cox; Caldwell Cunningham; Cameron Thatcher

*with a copy to:*

Byrd Campbell, P.A.  
180 Park Avenue North, Suite 2A  
Winter Park, FL 32789  
Attention: James Campbell; James Wallace; Jake Paglialonga

- (b) If to the Paying Agent:

City of Daphne, Alabama  
Attention: Mayor  
1705 Main Street  
Daphne, Alabama 36526

*with a copy to:*

Adams and Reese, LLP  
Attention: A. Patrick Dungan  
11 North Water Street, Suite 23200  
Mobile, Alabama 36602

Any party may change its address for receiving notice by giving notice of a new address in the manner provided herein.

Any such notice or other document shall be deemed to be received as of the date delivered, if delivered personally, or the next business day, if sent by overnight courier.

Section 38. **Provisions of Authorizing Ordinance Severable.** The provisions of the Authorizing Ordinance are hereby declared to be severable. In the event any provision hereof shall

be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of the Authorizing Ordinance.

Section 39. **Closing.** The Mayor is authorized to take all actions which may be necessary or desirable to sell and close on the Warrants, including but not limited to signing the necessary documents, certificates and instruments relating to this Authorizing Ordinance, the Warrants and the Project Development Agreement on behalf of the City, and taking all other steps that the Mayor, in his sole discretion, may deem necessary. The Mayor and the City Clerk and City Treasurer are each authorized to take all actions and to execute all documents necessary to complete the issuance of the Warrants.

Section 40. **Validation Proceedings.** Subject to the terms of the Project Development Agreement, the Council hereby authorizes and directs Adams and Reese LLP, to file a complaint in the Circuit Court of Baldwin County, Alabama, commencing judicial proceedings for the validation of the Warrant (including without limitation, validation of the issuance of the Warrant, the sources for the payment of the Warrant, and the proceedings authorizing the issuance of the Warrant) and to take such actions and follow such procedures as in their judgment shall be necessary for the successful prosecution of such suit. Such validation proceedings may present for judicial determination such issue or issues as such law firm may consider to be necessary and appropriate in order to address and resolve any legal uncertainties related to the issuance of the Warrant. Validation shall encompass this Ordinance, the Project Development Agreement, the Warrant, and the pledge of Special Pledged Taxes, to the extent required by applicable law.

Section 41. **Special Economic Development Grant and Project Development Agreement.** The Mayor and City Clerk are hereby authorized to execute and deliver on behalf of the City a Project Development Agreement in substantially the form attached hereto as **Exhibit C**, with any revisions thereto as may be approved by the Mayor of the City, with such execution and delivery to be conclusive proof of the Mayor's approval.

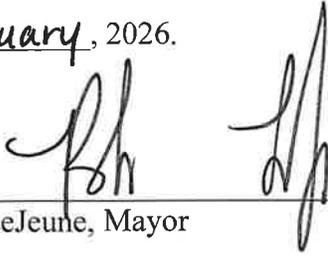
Section 42. **Repealing Clause.** All prior ordinances, orders, resolutions or proceedings of the City Council, in conflict with the provisions of this Ordinance, shall be, and the same are, hereby repealed, rescinded and set aside, but only to the extent of such conflict.

Section 43. **Governing Law.** This Authorizing Ordinance shall be governed by the laws of the State of Alabama.

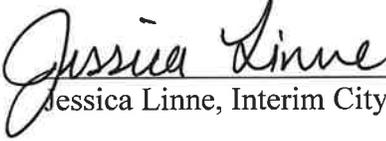
*[City Clerk signature page to follow]*

ADOPTED this 2<sup>nd</sup> day of February, 2026.

[S E A L]

  
\_\_\_\_\_  
Robin LeJeune, Mayor

ATTEST:

  
\_\_\_\_\_  
Jessica Linne, Interim City Clerk