

**EXCERPTS OF THE MINUTES OF A REGULAR  
MEETING OF THE MAYOR AND CITY COUNCIL OF  
THE CITY OF BAY MINETTE, ALABAMA  
HELD ON JANUARY 6, 2025**

The Mayor and City Council of the City of Bay Minette, Alabama, met in regular public session at City Hall in Bay Minette, Alabama at 6:00 o'clock, p.m., on the 6<sup>th</sup> day of January 2025.

Upon roll call, the following were found to be present:

	<b>PRESENT</b>	<b>ABSENT</b>
Robert A. Wills, Mayor	X	
Pete Sellers, Councilmember	X	
Mike, Phillips, Councilmember	X	
Matt Franklin, Councilmember	X	
William Taylor, Councilmember	X	
Shannon Clemmons, Councilmember	X	

Mayor Robert A. Wills acted as Chairman of the meeting and Rita Diedtrich, City Clerk, acted as Clerk of the meeting. The Chairman declared that a quorum was present and that the meeting was open for the transaction of business.

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The following ordinance was introduced in writing:

**ORDINANCE NO. 1055**

**AN ORDINANCE TO GRANT FUNDS IN ACCORDANCE WITH  
SECTION 94.01 OF THE CONSTITUTION OF ALABAMA OF 2022  
AND PROVIDE FOR THE ISSUANCE OF A NOT-TO-EXCEED  
\$2,000,000 LIMITED OBLIGATION PROJECT REVENUE  
WARRANT, SERIES 2025, TO BAY MINETTE HOTEL GROUP, LLC  
TO ENCOURAGE, PROMOTE AND SUPPORT ECONOMIC  
DEVELOPMENT IN THE CITY OF BAY MINETTE**

BE IT ORDAINED by the Mayor and City Council (the "Council") of the City of Bay Minette in the State of Alabama as follows:

**Section 1. Findings of Council.** Having made due and proper investigation of the matters hereinafter referred to, the Council hereby finds and determines:

(a) Bay Minette Hotel Group, LLC (the "Company") proposes to develop, own, and operate a Cobblestone Hotel franchise (the "Project") at a site (the "Hotel Site") within the corporate limits of the City.

(b) The Cooperative District of Bay Minette – Hotel Project (the "District") has been incorporated as a capital improvement cooperative district with the City, The Redevelopment Authority of the City of Bay Minette, and North Baldwin Utilities as its members.

(c) To induce the Company to proceed with the Project, the City is willing to (i) pay to the Company an amount equal to all City Sales and Use Tax Proceeds actually received by the City, net of collection costs, with respect to the Company's purchase of tangible personal property incorporated into the Project, (ii) grant the Company a 50% discount on the cost of certain plan reviews, permits, inspections, and like development and permitting charges, (iii) to the extent received by the City, remit or cause to be remitted to the Company one-half of the proceeds of the Cooperative District Fee, net of collection costs, to be charged by the District in the amount of two percent of the gross proceeds of certain business activities at the Hotel Site, (iv) make annual payments to the Company over a period of up to twenty years in amounts equal to the following portions of the proceeds of the City's Lodging Tax and Sales Tax received from taxpayers operating at the Hotel Site, net of collection costs: all of such proceeds during the first three years of the operation of the Project; six-sevenths of such proceeds during years four through six; five-sevenths of such proceeds during years seven through ten; and half of such proceeds during years eleven through twenty; all such incentives as more particularly described in and subject to the terms and conditions of the Project Agreement hereinafter referenced.

(d) In order to provide for the development of the Project and to provide for the obligations of the parties with respect thereto, it is in the best interests of the City to enter into a Project Development Agreement among the City, the District,



and the Company (the "Project Agreement"), in substantially the form presented at the meeting at which this Ordinance is adopted, which form of Project Agreement is attached hereto as Exhibit A and which is hereby incorporated in this Ordinance as if set out in full herein.

(e) To evidence the City's limited payment obligation under the Project Agreement, it is necessary, advisable and in the interest of the public that the City issue its Limited Obligation Project Revenue Warrant, Series 2025 (the "Warrant"), in an amount not to exceed \$2,000,000, to the Company.

(f) The Amendment to the Constitution of Alabama codified at Section 94.01 of the Constitution of Alabama of 2022 (the "Economic Development Amendment"), permits the City to take various actions for the purpose of economic and industrial development.

(g) In accordance with the requirements of the Economic Development Amendment, the City has caused notice of the meeting at which this Ordinance is adopted to be published in a newspaper in circulation in the City, which notice includes a summary description of the action proposed to be taken as authorized in this Ordinance.

(h) The public benefits to be realized through the development and operation of the Project are expected to include (i) increased tax revenues to the City, (ii) increased economic, business, and employment opportunities for City residents, and (iii) increased overall quality of life for City residents.

(i) Resolved, that the expenditure of public funds provided for in the Project Agreement and evidenced by the Warrant will serve the valid and sufficient public purpose of encouraging, promoting, and supporting economic development in the City, notwithstanding any incidental benefit accruing to the Company or any other private business or person.

**Section 2. Authorization of Project Agreement.** The Mayor and City Clerk are hereby authorized and directed to execute and deliver the Project Agreement on behalf of the City, in substantially the form attached as Exhibit A hereto with such changes as are approved by the Mayor, his execution of the Project Agreement constituting conclusive evidence of such approval.

**Section 3. Authorization of Warrant.** Pursuant to the applicable provisions of the constitution and laws of the State of Alabama, including particularly the Economic Development Amendment, the City is hereby authorized to issue the Warrant. The Warrant shall be issued as a single warrant in the amount of up to \$2,000,000, shall be dated the date of its delivery, shall be payable solely from the Project Proceeds (as defined in the Project Agreement), and shall contain and be subject to the terms and conditions set forth in the form of Warrant which is an exhibit to the Project Development Agreement attached hereto as Exhibit A and which is incorporated in this Ordinance as if set out in full herein. The Warrant shall not bear interest.



**Section 4. Source of Payment; Pledge of Certain Revenues.** The indebtedness evidenced and ordered paid by the Warrant is and shall be a limited obligation of the City and the full faith and credit of the City shall not be pledged to the payment thereof. The City does hereby appropriate and agree to use, and does hereby specially and irrevocably pledge, for payment of the principal of the Warrant as the same becomes due, the Project Proceeds (as defined in the Project Agreement). The City shall have no obligation to make any payment from other sources, including, without limitation, from any other lodging or sales taxes levied against the Hotel (as defined in the Project Agreement), or from increases in the rates at which the City Lodging Tax and the City Sales and Use Tax are levied which become effective hereafter.

The pledge of the Project Proceeds herein made and the agreements on the part of the City with respect to the application of the Project Proceeds contained in this Ordinance and the Project Agreement, are subject only to (i) any pledge of the City Sales and Use Tax or the City Lodging Tax for the benefit of the City's general obligation warrants, and (ii) the law-imposed requirement that, if necessary, the legitimate governmental expenses of operating the City must first be paid.

Notwithstanding anything to the contrary, the City shall have no obligation to pay to the Company or the holder of the Warrant any Project Proceeds after the Termination Date (as defined in the Project Agreement).

The City's obligation to pay the amounts due under the Warrant shall be subject to the express limitations provided herein and in the Warrant. The City shall have no obligation, legal or moral or otherwise, to make any payment other than from the limited sources, and in the limited amounts, as provided herein, in the Project Agreement, and in the Warrant. No interest shall accrue or be payable with respect to the Warrant.

**Section 5. Creation of Warrant Fund.** There is hereby created a special trust fund of the City, the full name of which shall be "City of Bay Minette, Alabama Limited Obligation Series 2025 Warrant Fund" and which is referred to in the Warrant as the "Series 2025 Warrant Fund". The City shall have the right to designate any bank or trust company as the depository for the Series 2025 Warrant Fund (herein called the "Depository"). The monies in the Series 2025 Warrant Fund shall be used to pay the principal of the Warrant as the same shall become due and payable. There shall be paid into the Series 2025 Warrant Fund, as soon as practicable after receipt by the City, all of the Project Proceeds.

All monies on deposit in the Series 2025 Warrant Fund shall be used for payment of the principal coming due on the Warrant. Any amounts remaining in the Series 2025 Warrant Fund after the payment in full of the principal of the Warrant may be withdrawn by the City and used for any lawful purpose.

The Series 2025 Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Series 2025 Warrant Fund is herein created. The Depository for the Series 2025 Warrant Fund shall at all times keep the monies on deposit with it in the Series 2025 Warrant Fund continuously secured for the benefit of the City and the holder of the Warrant.

**Section 6. Execution and Delivery of the Warrant.** The Mayor of the City is hereby authorized and directed to execute and deliver the Warrant. The Warrant shall be registered by the

City Treasurer or by the City Finance Director acting as the City Treasurer, in the records maintained by her, as a claim against the City and the Series 2025 Warrant Fund, which registration shall be made simultaneously with the issuance of the Warrant. The certificate of registration on the Warrant shall be executed by the said Treasurer or City Finance Director. The official seal of the City shall be impressed on the Warrant, and the said seal and the Warrant shall be attested by the signature of the City Clerk.

**Section 7. Contractual Provisions.** The provisions of this Ordinance shall constitute a contract between the City and the Holder of the Warrant. Upon payment in full of the principal of and interest on the Warrant, or upon cancellation of the Warrant as provided therein, the obligations of the City hereunder shall cease.

**Section 8. Severability.** The various provisions of this Ordinance are hereby declared to be severable. In the event any provisions hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this Ordinance.

The Chairman stated that unanimous consent was required for immediate consideration of and action on said ordinance and upon being put to vote, the following vote in favor of immediate consideration was recorded:

	YEAS	NAYS
Robert A. Wills, Mayor	X	
Pete Sellers, Councilmember	X	
Mike, Phillips, Councilmember	X	
Matt Franklin, Councilmember	X	
William Taylor, Councilmember	X	
Shannon Clemmons, Councilmember	X	

The Chairman thereupon declared that the vote for immediate consideration of and action on said ordinance had been unanimously carried. Councilmember Franklin thereupon moved that the said ordinance be finally adopted, which motion was seconded by Councilmember Sellers and, upon the said motion being put to vote, the following vote was recorded:

The Chairman then announced that the motion for adoption of said ordinance had been unanimously carried.



\* \* \*

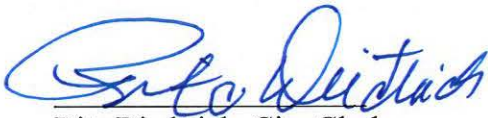
	YEAS	NAYS	ABSTAIN
Robert A. Wills, Mayor	X		
Pete Sellers, Councilmember	X		
Mike, Phillips, Councilmember			X
Matt Franklin, Councilmember	X		
William Taylor, Councilmember	X		
Shannon Clemmons, Councilmember	X		

Upon motion duly made, seconded and unanimously approved, the meeting was adjourned.



Robert A. Wills, Mayor  
City of Bay Minette, Alabama

Attest



Rita Diedtrich, City Clerk



**EXHIBIT A**  
**FORM OF PROJECT AGREEMENT**

# CLERK'S CERTIFICATE

I, Rita Diedtrich, Clerk of the City of Bay Minette, Alabama (the "City") DO HEREBY CERTIFY that the foregoing pages of typewritten Excerpts of Minutes pertaining to that certain Project Development Agreement referenced therein and the City's not-to-exceed \$2,000,000 Limited Obligation Project Revenue Warrant, Series 2025 constitute a true and correct copy of proceedings related to the City's Ordinance adopted on January 6, 2025, by the City Council in a meeting duly called and assembled, which was open to the public and at which a quorum was present and acting throughout, and that the original of said minutes appears on record in the Minute Book of the City which is in my custody and control.

Given under my hand and the seal of the City of Bay Minette, Alabama this 6<sup>th</sup> day of January, 2025.



Rita Diedtrich, City Clerk, City of Bay Minette, Alabama



**EXHIBIT A**  
**FORM OF PROJECT AGREEMENT**

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**PROJECT DEVELOPMENT AGREEMENT**

**among**

**CITY OF BAY MINETTE, ALABAMA,**

**THE COOPERATIVE DISTRICT OF BAY MINETTE – HOTEL PROJECT,**

**and**

**BAY MINETTE HOTEL GROUP, LLC**

**Dated as of \_\_\_\_\_, 2025**

## PROJECT DEVELOPMENT AGREEMENT

This **PROJECT DEVELOPMENT AGREEMENT** (this "Agreement") is made and entered into as of \_\_\_\_\_, 2025 among the **CITY OF BAY MINETTE, ALABAMA**, an Alabama municipal corporation (the "**City**"), **THE COOPERATIVE DISTRICT OF BAY MINETTE – HOTEL PROJECT**, an Alabama public corporation (the "**Cooperative District**"), and **BAY MINETTE HOTEL GROUP, LLC**, an Alabama limited liability company (the "**Company**"). The City, the Cooperative District, and the Company are sometimes collectively referred to as the "**Parties**" and individually as a "**Party**" herein.

### Recitals

The Company expects and intends to develop, own, and operate a Cobblestone Hotel franchise (the "Project"), and, in doing so, reasonably expects, based upon the Company's experience in similar projects, that the Project will (i) result in the creation of approximately 10-15 full-time equivalent new jobs to be situated at the Project, and (ii) generate gross revenues of at least \$2,600,000 per year which are subject to the City Lodging Tax.

The City and the Cooperative District have agreed, based upon the expectations set forth above and other benefits to the City, to assist the Company as provided herein. The Company has agreed to construct the Project at the Hotel Site as provided herein. Pursuant to the applicable laws of the State of Alabama referenced herein and for the purposes referenced herein, the Parties have delivered this Agreement.

### Agreement

**NOW, THEREFORE**, for and in consideration of the premises, and the mutual covenants and agreements herein contained, the City and the Company hereby covenant and agree as follows:

#### I. Definitions

For purposes of this Agreement the following terms shall have the following meanings:

"**Annual Payment Date**" shall be the same day of the year during each year of the Term, beginning with the date that is fourteen (14) months after the Commencement Date, and being the same day of the year of each succeeding year.

"**Annual Period**" shall mean a period of twelve consecutive calendar months, commencing on the same day of the year as the Commencement Date.

"**City**" shall mean the City of Bay Minette, Alabama, an Alabama municipal corporation.

"**City Construction-Related Tax Proceeds**" shall have the meaning assigned in Section 5.5(1).

"**City Lodging Tax**" shall mean the privilege or license tax levied by the City pursuant to Article VIII of Chapter 6 of the Code of Ordinances of the City upon every person, firm, or corporation engaging in the business of renting or furnishing rooms, lodgings, or accommodations to transients, generally



determined by the application of a rate (currently seven percent) against gross receipts, or any substitute for such tax.

**“City Lodging Tax Proceeds”** for any Annual Period shall mean all proceeds of the City Lodging Tax actually received by the City from taxpayers operating at the Hotel Site during such Annual Period net of Collection Costs; provided, however, that if the City increases its rate at which the City Lodging Tax is imposed above seven percent no proceeds attributable to the rate increase shall be included in the definition of City Lodging Tax Proceeds for purposes of this Agreement.

**“City Sales and Use Tax”** shall mean, in connection with the calculation of the City Construction-Related Tax Proceeds, the privilege or license tax levied by the City pursuant to Article III of Chapter 6 of the Code of Ordinances of the City (commonly called sales and use taxes), or any substitute therefor, which consists of (a) the City Sales Tax, and (b) an excise (commonly called a use) tax on the storage, use or other consumption of tangible personal property (subject to exemptions of certain property as provided by law) within the City, generally measured by the sales price of such property.

**“City Sales Tax”** shall mean the component of the City Sales and Use Tax, consisting of a privilege or license (commonly called sales) tax on persons engaged in the business of selling at retail any tangible personal property within the City (subject to exemption of certain property as provided by law), generally measured by the gross sales or receipts of such businesses, or any substitute for such tax.

**“City Sales Tax Proceeds”** for any Annual Period shall mean, in connection with the calculation of the Project Annual Payments, all proceeds of the City Sales Tax actually received by the City from taxpayers operating at the Hotel Site during such Annual Period net of Collection Costs; provided, however, that if the City increases its rate at which the City Sales Tax is imposed above three percent no proceeds attributable to the rate increase shall be included in the definition of City Sales Tax Proceeds for purposes of this Agreement.

**“Collection Costs”** means, with respect to the collection of any applicable tax or fee revenues, the sum of (a) if and so long as tax or fee is self-administered by the City, an amount equal to five percent (5%) of the applicable revenues collected (which amount shall be retained by the City as an administrative fee to cover its overhead attributable to its in-house tax administration and collection efforts), (b) if and so long as the City or the Cooperative District engages a separate collection agent/administrator with respect to the tax or fee, all amounts charged by such collection agent/administrator, and (c) any out-of-pocket tax collection costs, such as reasonable attorneys’ fees, filing fees, auditing fees and litigation expenses incurred by the City.

**“Commence Construction”** shall mean that the Company possesses sufficient capital and/or has obtained binding commitments for sufficient capital to complete the acquisition, construction, and installation of the Project and has commenced and is diligently pursuing construction with adequate manpower.

**“Commencement Date”** shall mean the date that is the first day of the month following the date of the later to occur of the City’s issuance of a municipal business license or certificate of occupancy to the Company for the operation of the Project at the Hotel Site.

**“Company”** shall mean Bay Minette Hotel Group, LLC, an Alabama limited liability company.

**“Cooperative District”** shall mean the Cooperative District of Bay Minette – Hotel Project, a public corporation organized under the Cooperative District Law.

**“Cooperative District Fee”** shall mean the fee to be charged by the Cooperative District, pursuant to the Cooperative District Law and a resolution to be adopted by the board of directors of the Cooperative District, at the rate of two percent (2%) of the gross proceeds of tangible personal property or lodging and accommodations sold, leased, licensed, delivered, or rented, and all places of amusement or entertainment conducted or operated, by any person or entity at the Hotel Site.

**“Cooperative District Fee Proceeds”** means, for any Annual Period, the proceeds of the Cooperative District Fee actually received by or on behalf of the Cooperative District from persons or entities operating at the Hotel Site during such Annual Period, net of Collection Costs.

**“Cooperative District Law”** shall mean Chapter 99B, Title 11, Code of Alabama 1975.

**“Enabling Law”** shall mean Section 94.01 of the Constitution of Alabama of 2022.

**“Hotel”** shall mean (1) a Cobblestone Hotel franchise, or (2) another hotel franchise that is designated as a qualifying Hotel by the City in writing prior to its opening for business.

**“Hotel Site”** shall mean the real property that is located in the City of Bay Minette, Alabama comprised of Lots 1, 2, 3, and 4 of Block 130 as depicted and described in the Boundary and Topographic Survey attached hereto as Exhibit A.

**“Payment Date”** shall mean (a) with respect to the Project Annual Payments, each Annual Payment Date, and (b) with respect to the Project Construction-Related Payment, the thirtieth day following the Commencement Date.

**“Project”** shall mean the development and operation of the Hotel to be located at the Hotel Site.

**“Project Annual Payments”** shall mean, with respect to each Annual Period, the amount equal to one-half of the Cooperative District Fee Proceeds plus the following portion of the City Lodging Tax Proceeds and the City Sales Tax Proceeds:

(a) For Annual Periods 1 through 3, all of the City Lodging Tax Proceeds and the City Sales Tax Proceeds;

(b) For Annual Periods 4 through 6, six-sevenths of the City Lodging Tax Proceeds and the City Sales Tax Proceeds;

(c) For Annual Periods 7 through 10, five-sevenths of the City Lodging Tax Proceeds and the City Sales Tax Proceeds; and

(d) For Annual Periods 11 through 20, half of the City Lodging Tax Proceeds and the City Sales Tax Proceeds.

**“Project Area”** shall mean the real property that is located in the City of Bay Minette, Alabama and depicted or described in the Certificate of Incorporation of the Cooperative District as the area in which the District proposes to acquire or construct its improvements.

**“Project Construction-Related Payment”** shall have the meaning assigned in Section 5.5(1).

**“Project Payments”** shall mean the Project Annual Payments and the Project Construction-Related Payment. For purposes of the Total Commitment and the outstanding balance of the Warrant, each grant of a Project Permitting Discount shall also be treated as a Project Payment.



**“Project Permitting Discounts”** shall have the meaning assigned in Section 5.5.

**“Project Proceeds”** means those portions of the City Lodging Tax Proceeds, the City Sales Tax Proceeds, the Cooperative District Fee Proceeds, and the City Construction-Related Tax Proceeds that comprise the Project Payments.

**“Subsequent Hotel Site Owner”** shall mean a person or entity which acquires the Hotel Site and operates the Hotel at the Hotel Site.

**“Term”** shall mean the period of time beginning on the date of this Agreement and ending on the Termination Date.

**“Termination Date”** shall mean:

(1) the earlier of (a) the first Payment Date that is more than 20 years after the Commencement Date (whether or not the aggregate Project Payments at that time have equaled the Total Commitment), or (b) the Payment Date on which the City shall have paid as Project Payments (including each Project Permitting Discount) an aggregate amount equal to the Total Commitment; or

(2) if earlier than the dates specified in clause (1) above, (a) the date after the Commencement Date on which the Hotel operated by the Company (or a Subsequent Hotel Site Owner) shall cease to operate or does not operate at the Hotel Site on a continuous basis, except that if such cessation of operations shall be the result of fire, storm or other hazard, the Termination Date as so determined shall not occur until the date that is 6 months after the date of cessation of operations, or (b) the date that this Agreement is otherwise terminated in accordance with the terms hereof.

**“Total Commitment”** shall mean the amount of \$2,000,000.

**“Warrant”** shall have the meaning set forth in Section 5.3.

## **II. Representations and Warranties**

(a) The City hereby represents and warrants as follows:

(1) The City has taken all necessary action required by the Enabling Law to authorize this Agreement and the obligations of the City hereunder, and by proper municipal action the City has duly authorized the execution, delivery and performance of this Agreement.

(2) The Warrant shall be issued, sold and delivered to the Company, upon condition that this Agreement is enforceable against the City in accordance with the terms hereof.

(3) The issuance of the Warrant for the purposes set forth in this Agreement will result in direct financial benefits to the City.

(b) The Cooperative District hereby represents and warrants as follows:

(1) The Cooperative District is organized and existing as a public corporation under the Cooperative District Law.

(2) The Cooperative District has taken all necessary action required by the Cooperative District Law to authorize this Agreement and the obligations of the Cooperative



District hereunder, and by proper corporate action the Cooperative District has duly authorized the execution, delivery and performance of this Agreement.

(c) The Company hereby represents and warrants as follows:

(1) The Company has all necessary corporate power and authority to enter into and perform its obligations hereunder and by proper action the Company has duly authorized the execution, delivery and performance of this Agreement.

(2) The Company intends to acquire the Hotel Site and has all necessary power and authority to acquire and construct the Project as contemplated herein.

(3) The Company has been granted a franchise to operate the Hotel at the Hotel Site.

(4) The Company reasonably anticipates that the Project will result in the creation of approximately 10-15 full time equivalent new jobs to be situated at the Project.

(5) The Company reasonably anticipates that the Project will generate gross lodging revenues of at least \$2,600,000 per year.

### **III. Duration of Agreement**

The obligations of the City and the Company hereunder shall arise on the date hereof and shall continue until the end of the Term.

### **IV. Obligations of the Company**

#### **4.1 General**

In consideration of the agreements and covenants of the City in this Agreement, the Company covenants and agrees that the Company shall duly and punctually observe and perform all of the agreements hereof.

#### **4.2 The Project**

The Company shall acquire, construct and equip the Project, including the improvements generally shown on Exhibit B attached hereto. Without limiting the generality of the foregoing, such improvements shall include a not less than 53-room Cobblestone Hotel franchise. The Company shall Commence Construction of the Project not later than March 30, 2025, and shall diligently pursue the completion of the Project. The Company hereby agrees that if the Commencement Date does not occur on or before July 31, 2026, the City shall have the right to terminate this Agreement immediately upon delivery of notice of termination to the Company without the need to allow any cure period that might otherwise apply with respect to an Event of Default.

#### **4.3 Operation of Project**

From and after the Commencement Date the Company shall operate the Project as a Hotel, on a continuous basis throughout the Term, subject only to temporary closure due to weather or other events of force majeure beyond the Company's reasonable control (not including any recession, economic downturn, or the like).

#### **4.4 Expenses**

Each Party shall be solely responsible for all costs and expenses incurred by it in the negotiation and preparation of this Agreement and relating to its compliance with the provisions hereof.

#### **4.5 Compliance with Laws.**

The Company shall cause all construction activities with respect to the Project to be conducted in compliance with all applicable laws, ordinances, rules and regulations of any governmental authority, including, without limitation, all applicable licenses, permits, building codes, restrictive covenants, zoning and subdivision ordinances and flood, disaster and environmental protection laws.

#### **4.6 Indemnification of City and Cooperative District**

The Company shall release, save, hold harmless, defend, and indemnify the City, its elected officials, officers, employees, and agents, and the Cooperative District, its members, directors, officers, employees and agents, from and against any and all claims, suits, liabilities, costs, damages, expenses or losses incurred or suffered by any of them arising from or in connection with (a) the Company's breach or default in the performance of any obligation hereunder, (b) any activity or omission of the Company or any of Company's agents, contractors or employees in connection with the Project, including, without limitation, the construction thereof, and (c) all reasonable costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or action. Without limiting any other remedy available to the City in accordance with this Agreement, the City may collect any amounts due to the City or the Cooperative District from the Company under this Agreement, including but not limited to any amounts due to the City or the Cooperative District under this Section 4.6, by setoff against the Project Payments.

### **V. Agreements and Obligations of the City and the District**

#### **5.1 Nature, Amount and Duration of Project Payments**

(1) The City hereby agrees to pay the Project Construction-Related Payment to the Company in arrears on the 30<sup>th</sup> day after the Commencement Date in accordance with Section 5.5. The obligation of the City for the payment of the Project Construction-Related Payment:

(a) is a limited obligation payable solely from the City Construction-Related Tax Proceeds;

(b) shall never constitute a general obligation, or a charge against the general credit or taxing powers, of the City within the meaning of any constitutional provision or statutory limitation whatsoever;

(c) shall be due on the 30<sup>th</sup> day after the Commencement Date; and

(d) shall not include any payment attributable to City Construction-Related Tax Proceeds after the Commencement Date.

(2) The City hereby agrees to pay to the Company in arrears on each Annual Payment Date during the Term the Project Annual Payments determined by the City to be due and payable on such Annual Payment Date. The obligation of the City for the payment of the Project Annual Payments:

(a) is a limited obligation payable solely from the Project Proceeds;



(b) shall never constitute a general obligation, or a charge against the general credit or taxing powers, of the City within the meaning of any constitutional provision or statutory limitation whatsoever;

(c) shall commence on the first Payment Date after the Commencement Date; and

(d) shall not include any payment attributable to the City Lodging Tax Proceeds, the City Sales Tax Proceeds, or the Cooperative District Fee Proceeds after the last day of the last Annual Period in the Term.

(3) The maximum amount of the Project Payments together with the aggregate Project Permitting Discounts (as defined in Section 5.5) that the City shall pay and provide under this Agreement and the Warrant shall be limited to and shall not exceed the Total Commitment.

(4) The City shall have no obligation to pay any amount under this Agreement and the Warrant (a) prior to the date on which the Hotel opens for business at the Hotel Site, or (b) from and after the Termination Date.

## **5.2 Determination and Payment of Project Payments**

On the 30<sup>th</sup> day after the Commencement Date, the City shall: (a) determine the Project Construction-Related Payment to be made for the period ending on the Commencement Date; and (b) pay to the Company, as purchaser of the Warrant, such Project Construction-Related Payment as determined under Section 5.1(1).

On each Annual Payment Date, the City shall: (a) determine the Project Annual Payment (if any) to be made for the then immediately preceding Annual Period; and (b) pay to the Company, as purchaser of the Warrant, such amount of Project Annual Payment as determined under Section 5.1(2).

## **5.3 The Warrant**

(1) The obligation of the City to pay the Project Payments and to grant the Project Permitting Discounts hereunder shall be evidenced by a single limited obligation revenue warrant payable solely from, and secured by a pledge of, so much of the Project Proceeds as shall be necessary to pay the Project Payments, in form and of content as the form of warrant attached to this Agreement as Exhibit C (the "Warrant").

(2) The Warrant shall not bear interest, shall be issued in the principal amount equal to the Total Commitment, shall be dated the date of delivery, and shall mature on the Termination Date.

(3) The Warrant shall be duly executed, sealed, and attested by the City, and shall be registered by the City as a conditional claim against so much of the Project Proceeds as shall be necessary to pay the Project Payments with respect to such warrant and the warrant fund established therefor as therein provided.

(4) The Warrant shall be registered and transferred as provided therein.

(5) Each Project Permitting Discount granted by the City shall be treated as a Project Payment for purposes of the outstanding balance of the Warrant and the Total Commitment.



#### **5.4 Special Agreements of the City**

(1) All proceedings of the governing body of the City heretofore had and taken, and all resolutions and orders adopted pursuant thereto with respect to the levy and collection of the City Lodging Tax and the City Sales and Use Tax, are hereby ratified and confirmed in all respects from and after the effective date thereof.

(2) The City covenants and agrees:

(a) The City shall, as long as this Agreement and the Warrant shall be outstanding, continue to levy and to provide for the assessment and collection of the City Lodging Tax and the City Sales and Use Tax at rates not less than those in effect on the date of this Agreement.

(b) Except to the extent provided hereunder or required by state law, the City shall not apply any of the City Lodging Tax Proceeds or the City Sales and Use Tax Proceeds which are allocable to or included as part of Project Payments for the payment of any governmental expenses of operating the City other than Collection Costs of such taxes, as herein provided.

#### **5.5 Construction-Related Incentives**

(1) On or before the 30<sup>th</sup> day after the Commencement Date, the City shall pay to the Company (the “**Project Construction-Related Payment**”) an amount equal to all City Sales and Use Taxes proceeds actually received by the City, net of Collection Costs, with respect to the Company’s purchase of tangible personal property incorporated into the Project (the “**City Construction-Related Tax Proceeds**”). No City Sales and Use Taxes paid after the Commencement Date shall be included in the City Construction-Related Tax Proceeds.

(2) The City shall grant the Company a 50% discount on the cost of plan reviews, permits, inspections, and like development and permitting charges that the City controls and which are imposed prior to the Commencement Date (the “**Project Permitting Discounts**”). This discount shall not apply to the City’s business license tax levied pursuant to Article II of Chapter 6 of the City’s Code of Ordinances or any other tax levied by the City.

#### **5.6 Cooperative District Fee**

(1) The Cooperative District will charge the Cooperative District Fee pursuant to the Cooperative District Law and a resolution to be adopted by the board of directors of the Cooperative District. The Cooperative District shall (a) provide one-half of the Cooperative District Fee Proceeds to the Company as funding or reimbursement for capital expenditures incurred to acquire, construct, and equip the Project, thereby enabling the development of the Project (subject to Section 5.1(3)), and (b) use the other one-half of the Cooperative District Fee Proceeds for such infrastructure improvements within the Project Area as the Cooperative District shall determine. The Cooperative District shall cause all of the Cooperative District Fee Proceeds to be initially paid to the City pursuant to Section 11-99B-11(4) of the Cooperative District Law, payable in monthly installments. The City, on behalf of the Cooperative District, shall pay one-half of the Cooperative District Fee Proceeds to the Company as part of the Project Annual Payments and shall retain one-half of the Cooperative District Fee Proceeds to be used for the aforementioned infrastructure improvements on behalf of the Cooperative District.

(2) The Cooperative District hereby appoints the City as collection agent for the Cooperative District Fee, from which the City will retain Collection Costs. Furthermore, the Cooperative District hereby



authorizes the City to retain one-half of the Cooperative District Fee Proceeds and to expend the same on behalf of the District for infrastructure improvements within the Project Area.

(3) The Company acknowledges that, as a seller of lodging and accommodations and tangible personal property at the Hotel Site, the Company will be subject to the Cooperative District Fee. The Company will collect the Cooperative District Fee from its patrons and remit the same to the City, as collection agent for the Cooperative District, in accordance with this Agreement and the resolution of the board of directors of the Cooperative District pursuant to which the Cooperative District Fee is charged.

## **VI. Events of Default and Remedies**

### **6.1 Events of Default**

Any one or more of the following shall constitute an event of default by the City, the Cooperative District, or the Company hereunder (an "Event of Default") under this Agreement (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) default in the performance, or breach, of any covenant or warranty of the City in this Agreement, and the continuance of such default or breach for a period of 30 days after there has been given, by registered or certified mail, to the City by the Company a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder, provided that if such default is of a kind which cannot reasonably be cured within such thirty-day period, the City shall have a reasonable period of time within which to cure such default, provided that it begins to cure the default promptly after its receipt of such written notice and proceeds in good faith, and with due diligence, to cure such default; or initiation of bankruptcy, reorganization, liquidation, dissolution or receivership proceedings of the City, whether voluntary or involuntary, or the City's making an assignment for the benefit of creditors;

(b) default in the performance, or breach, of any covenant or warranty of the Cooperative District in this Agreement, and the continuance of such default or breach for a period of 30 days after there has been given, by registered or certified mail, to the Cooperative District by the Company a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder, provided that if such default is of a kind which cannot reasonably be cured within such thirty-day period, the Cooperative District shall have a reasonable period of time within which to cure such default, provided that it begins to cure the default promptly after its receipt of such written notice and proceeds in good faith, and with due diligence, to cure such default; or initiation of bankruptcy, reorganization, liquidation, dissolution or receivership proceedings of the Cooperative District, whether voluntary or involuntary, or the Cooperative District's making an assignment for the benefit of creditors; or

(c) default in the performance, or breach, of any covenant or warranty of the Company in this Agreement, and the continuance of such default or breach for a period of 30 days after there has been given, by registered or certified mail, to the Company by the City a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder, provided that if such default is of a kind which cannot reasonably be cured within such thirty-day period, the Company shall have a reasonable period of time within which to cure such default, provided that it begins to cure the default promptly after its receipt of such written notice and proceeds in good faith, and with due diligence, to cure such default; or initiation of bankruptcy, reorganization, liquidation, dissolution or receivership proceedings of the

Company, whether voluntary or involuntary, or the Company's making an assignment for the benefit of creditors.

## **6.2 Remedies**

Each Party hereto may (subject to Section 6.3) proceed to protect its rights and interests by suit in equity, action at law or other appropriate proceedings, whether for the specific performance of any covenant or agreement of any other Party herein contained or in aid of the exercise of any power or remedy available at law or in equity.

The City may terminate this Agreement if either (a) the Company does not Commence Construction within the time required by Section 4.2, or (b) the Commencement Date does not occur by the date specified in Section 4.2. In either such event, the termination shall be effective immediately upon delivery of written notice of termination to the Company with no requirement to allow any cure period that would otherwise be applicable under Section 6.1.

## **6.3 Remedies Subject to Applicable Law**

All rights, remedies and powers provided by this Agreement may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that the same will not render this Agreement invalid or unenforceable.

# **VII. Provisions of General Application**

## **7.1 Severability Clause**

The provisions of this Agreement or the Warrant shall be severable. In the event any provision this Agreement or the Warrant shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any of the remaining provisions hereof or thereof.

## **7.2 Prior Agreements Cancelled**

This Agreement shall completely and fully supersede all other prior agreements, both written and oral, among the Parties hereto relating to the matters contained herein. None of the Parties hereto shall hereafter have any rights under any of such prior agreements but shall look to this Agreement for definition and determination of all of their respective rights, liabilities and responsibilities relating to the matters contained herein.

## **7.3 Counterparts**

This Agreement may be executed in counterparts, each of which shall constitute but one and the same agreement.

## **7.4 Binding Effect; No Third Party Beneficiaries**

This Agreement shall inure to the benefit solely of the Parties hereto and their permitted successors and assigns, and no other person or entity is an intended beneficiary hereof or shall have any right to enforce the provisions hereof.



## **7.5 Notices**

(1) 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, or sent by overnight courier, addressed as follows:

(a) if to the City:

City Hall  
City of Bay Minette, Alabama  
301 D'Olive Street  
Bay Minette, Alabama 36057  
Attention: Mayor

(b) if to the Company:

Bay Minette Hotel Group, LLC  
114 North Hoyle Avenue  
Bay Minette, Alabama 36507  
Attention: J. Myles Reed

(c) if to the Cooperative District:

City Hall  
The Cooperative District of Bay Minette – Hotel Project  
c/o City of Bay Minette, Alabama  
301 D'Olive Street  
Bay Minette, Alabama 36057  
Attention: Mayor

(2) Any such notice or other document shall be deemed to be received as of the date delivered, if delivered personally, or as of three (3) days after the date deposited in the mail, if mailed, or the next business day, if sent by overnight courier.

## **7.6 Delegation and Assignment of this Agreement**

(1) Neither the City nor the Cooperative District shall have any authority or power to, and shall not, delegate to any person the duty or obligation to observe or perform any agreement or obligation of the City hereunder. Nothing in this section, however, shall prevent the City or the Cooperative District from engaging appropriate consultants, experts, agents or outside representatives to perform the City's or the Cooperative District's obligations under this Agreement on behalf of the City or the Cooperative District.

(2) The City shall not have any authority or power to, and shall not, assign to any person any right of the City hereunder or any interest of the City herein.

(3) The Company may transfer or assign to any person all of its rights, title and interest in this Agreement only to a Subsequent Hotel Site Owner that assumes the obligations of the Company hereunder, or to a lender or collateral agent as security for a loan with respect to the Project, in either case upon not less than thirty (30) days prior written notice to the City (subject to City approval of any Subsequent Hotel Site Owner as required by Article I). No other assignment or transfer by the Company of its rights, title or interest in this Agreement may be permitted without the prior written consent of the City, which consent shall not be unreasonably withheld.

## **7.7 Amendments**

This Agreement may be amended or supplemented only by an instrument in writing duly authorized, executed and delivered by each Party hereto.

**7.8 No Joint Venture**

Nothing in this Agreement shall create any joint venture, partnership or other relationship between or among any of the Parties. The City shall not by virtue of this Agreement be deemed to have any ownership interest in the Hotel Site or the Project and neither the City nor the Cooperative District shall have and liability arising out of the operation of the Project by the Company, its successors or assigns.

**7.9 Governing Law**

This Agreement shall be governed exclusively by the laws of the State of Alabama.

**7.10 Forum for Disputes**

Any suit, action, or proceeding by any party hereto against any other party hereto arising out of or relating to this Agreement or any transaction contemplated hereby shall only be brought in the state courts in Baldwin County, Alabama, and each party hereto hereby submits to the exclusive jurisdiction of such courts for the purpose of any such suit, action, or proceeding.

[Signatures Follow Beginning Next Page]

**IN WITNESS WHEREOF**, the City has caused this Agreement to be executed in its name, under seal, and the same attested, all by officers thereof duly authorized thereunto, and has caused this Agreement to be dated the date and year first above written.

**CITY OF BAY MINETTE, ALABAMA**

By: \_\_\_\_\_  
Robert A. Wills  
Its Mayor

[S E A L]

ATTEST: \_\_\_\_\_  
Rita Diedtrich  
Its City Clerk

[Signatures Continued on Next Page]



**IN WITNESS WHEREOF**, the Cooperative District has caused this Agreement to be executed in its name, under seal, and the same attested, all by officers thereof duly authorized thereunto, and has caused this Agreement to be dated the date and year first above written.

**THE COOPERATIVE DISTRICT OF BAY MINETTE  
– HOTEL PROJECT**

By: \_\_\_\_\_  
Robert A. Wills  
Chairman of its Board of Directors

[S E A L]

ATTEST: \_\_\_\_\_  
Tammy Smith  
Its Secretary

[Signatures Continued on Next Page]

**IN WITNESS WHEREOF**, the Company has caused this Agreement to be executed in its name, under seal, by an officer thereof duly authorized thereunto, and has caused this Agreement to be dated the date and year first above written.

**BAY MINETTE HOTEL GROUP, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[Exhibits Follow Beginning Next Page]

## **EXHIBIT A**

### **Hotel Site**

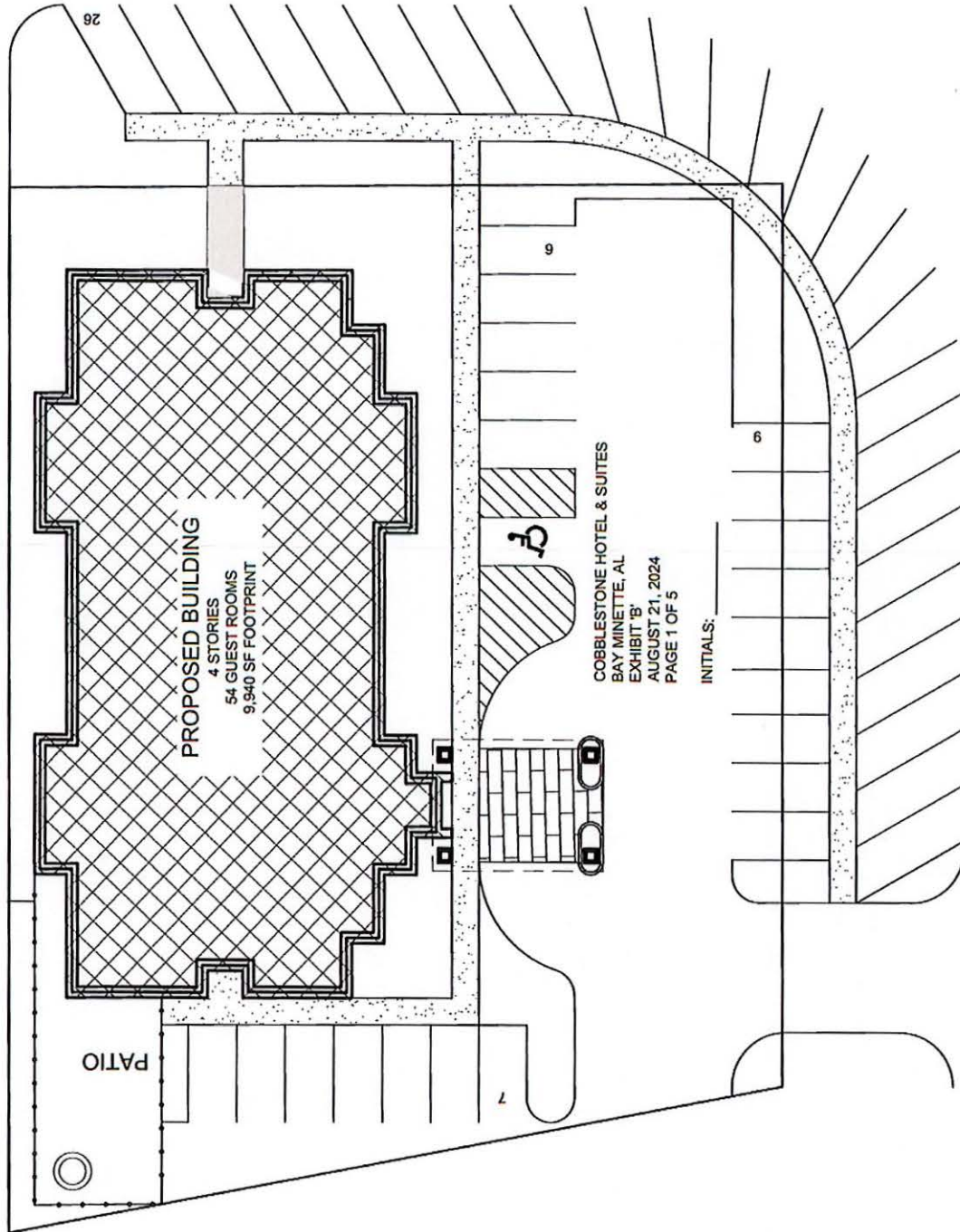
ALL OF LOTS 1, 2, 3, 4, AND 5, OF BLOCK 130 IN HAND LAND COMPANY'S ADDITION TO THE TOWN OF BAY MINETTE, ALABAMA, WHICH LIES SOUTH OF THE RIGHT OF WAY OF U.S. HIGHWAY NUMBER 31, ACCORDING TO THE OFFICIAL MAP NS, AT PAGES 158, ET SEQ., BALDWIN COUNTY, ALABAMA RECORDS



## **EXHIBIT B**

### **Planned Improvements**

D'OLIVE STREET AKA HIGHWAY 31  
70' RIGHT OF WAY PER ALDOT MAP FOR PROJECT NUMBER STR-02-2-010-021  
(100' RIGHT OF WAY PER DEED FROM HAND LAND COMPANY TO BALDWIN COUNTY RECORDED JANUARY 25, 1906)



WEST FIRST STREET (100' R/W)

MCMILLAN AVENUE (100' R/W)



**EXHIBIT C**  
**Form of Warrant**

THIS WARRANT HAS NOT BEEN REGISTERED (i) UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON THE EXEMPTION PROVIDED BY SECTION 4(2) OF 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 DOES NOT BEAR INTEREST**

**UNITED STATES OF AMERICA  
STATE OF ALABAMA**

**CITY OF BAY MINETTE, ALABAMA  
LIMITED OBLIGATION PROJECT REVENUE WARRANT,  
SERIES 2025**

**No. 1**

**DATED DATE:**

\_\_\_\_\_, 2025

**MATURITY DATE:**

Termination Date

**CITY OF BAY MINETTE, ALABAMA**, an Alabama municipal corporation (the “Issuer”), for value received, hereby acknowledges that it is indebted in the principal sum of

**TWO MILLION AND NO/100 DOLLARS  
(\$2,000,000)**

or such lesser amount of Project Payments as shall be payable pursuant to the Agreement hereinafter referenced, and hereby directs its Treasurer to pay (but solely out of the Project Proceeds deposited in the Series 2025 Warrant Fund hereinafter designated) such principal sum to

**Bay Minette Hotel Group, LLC,**

or registered assigns (the “Holder”), without interest, on each Payment Date, until and including the first to occur of (i) payment in full of the principal amount hereof or (ii) the Maturity Date specified above.

**Authority for Issuance**

This warrant is issued pursuant to the authority of the constitution and laws of the state of Alabama, including particularly and without limitation Section 94.01 of the Official Recompilation of the Constitution of Alabama of 2022 and Section 11-47-2 of the Code of Alabama (1975) (collectively, the “Enabling Law”), and that certain Project Development Agreement dated \_\_\_\_\_, 2025 (the “Agreement”) between the Issuer, The Cooperative District of Bay Minette – Hotel Project and Bay Minette Hotel Project, LLC, an Alabama limited liability company, in evidence of the City’s obligation to make the Project Payments to the Company pursuant to the Agreement.

Capitalized terms used hereinbefore and hereinafter without definition shall have the respective meanings assigned thereto in the Agreement.



Reference is made to the provisions of the Agreement, to and by which all of which provisions the Holder, by acceptance of this warrant, assents and agrees to be bound. To the extent of any conflict between the terms hereof and the terms of the Agreement, as the same may be amended from time to time, the terms of the Agreement shall be determinative, and any assignee or subsequent Holder hereof shall take subject to any such amendment.

### **Payment**

Payment of this warrant shall be made to the Holder at the address shown on the registration books maintained by the Issuer; provided the final payment of principal of this warrant shall be made only upon presentation and surrender of this warrant to the Issuer for cancellation.

Each payment of principal made on this warrant shall be reflected by the Issuer on the books maintained by the Issuer with respect to this warrant. Upon written request therefor, the Issuer will provide to the Holder from time to time the unpaid principal amount hereof.

All payments of principal of this warrant by the Issuer shall be made at par in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts, and shall be valid and effectual to satisfy and discharge the liability of the Issuer upon this warrant to the extent of the amounts so paid.

The person in whose name this warrant is registered on the books of the Issuer shall be deemed and regarded as the absolute owner hereof for all purposes and payment of the principal of this warrant shall be made only to or upon the order of the Holder hereof, and neither the Issuer nor any agent of the Issuer shall be affected by any notice to the contrary.

### **Security**

This warrant is a limited obligation of the Issuer payable solely from the Project Payments as provided in the Agreement.

This warrant shall never constitute a charge against the general credit or taxing powers of the Issuer within the meaning of any constitutional provision or statutory limitation whatsoever.

The Issuer has established a special fund designated "Series 2025 Warrant Fund" (the "Series 2025 Warrant Fund") for the payment of this warrant and has obligated itself to pay or cause to be paid into the Series 2025 Warrant Fund, solely from the Project Payments, sums sufficient to provide for the payment of this warrant in accordance with the terms and conditions of this Agreement.

### **Prepayment and Redemption**

The Issuer may, on any date, pay in advance the entire unpaid principal amount of this warrant or any lesser portion or portions thereof by paying to the Holder the principal amount to be prepaid without premium or penalty.

### **Registration and Transfer**

This warrant is registered in the name of the Holder on the book of registration maintained for that purpose by the Issuer. This warrant may be transferred only upon surrender hereof to the Issuer for the transfer, together with the written request of the Holder addressed to the Issuer, and

recordation of such transfer on said book of registration and endorsement hereon by the Issuer. Upon presentation to the Issuer for transfer, this warrant must be accompanied by a written instrument or instruments of transfer satisfactory to the Issuer, in form of the Assignment attached hereto, duly executed by the Holder or his attorney duly authorized in writing, and the Issuer shall endorse on the schedule attached hereto for such purpose the principal amount of this warrant unpaid. No service charge shall be made for any transfer or exchange hereinbefore referred to, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

### **General**

No covenant or agreement contained in this warrant or in the Agreement shall be deemed to be a covenant or agreement of any officer, agent, employee, or member of the governing body of the Issuer in the individual capacity thereof and none of such parties or persons nor any officer executing this warrant shall be liable personally on this warrant or be subject to any personal liability or accountability by reason of the issuance of this warrant.

It is hereby recited, certified and declared 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 in the manner provided by law, that this warrant represents a valid claim against the Series 2025 Warrant Fund, that all acts, conditions and things required by the constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the execution, registration and issuance of this warrant, the adoption of the resolution and order approving the Agreement, and the execution and delivery of the Agreement, have happened, do exist and have been performed in due time, form and manner as so required by law and that the principal amount of this warrant, together with all other indebtedness of the Issuer, are within every debt and other limit prescribed by the constitution and laws of the State of Alabama.

**IN WITNESS WHEREOF**, the Issuer has caused this warrant to be executed in its name and on its behalf by the Mayor of the Issuer, has caused its corporate seal to be affixed hereto and the same attested by the Clerk of the Issuer, and has caused this warrant to be dated the date and year first above written.

**CITY OF BAY MINETTE, ALABAMA**

By: \_\_\_\_\_  
Its Mayor

[S E A L]

ATTEST: \_\_\_\_\_  
Its Clerk

**Registration Certificate**

I hereby certify that this warrant has been duly registered by me as a claim against City of Bay Minette, in the State of Alabama, and the Series 2025 Warrant Fund referred to herein.

\_\_\_\_\_  
Treasurer of City of Bay Minette, Alabama



### Registration of Ownership

This warrant is recorded and registered on the warrant register of City of Bay Minette, Alabama 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 Issuer</u>
_____	Bay Minette Hotel Group, LLC	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

### Endorsement by Issuer of Unpaid Principal on Date of Transfer

<u>Date of Transfer</u>	<u>Principal Unpaid</u>	<u>Signature of Authorized Officer of Issuer</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 Issuer with full power of substitution in the premises.

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

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

\_\_\_\_\_  
(Bank or Trust Company)

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

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

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