



**KEYS COVE II
COMMUNITY DEVELOPMENT
DISTRICT**

**MIAMI-DADE COUNTY
SPECIAL BOARD MEETING
MAY 24, 2022
6:30 P.M.**

Special District Services, Inc.
8785 SW 165th Avenue, Suite 200
Miami, FL 33193

www.keyscove2cdd.org
786.303.3661 Telephone
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AGENDA
KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
Palm Breeze Clubhouse
1427 SE 24th Place
Homestead, Florida 33035
SPECIAL BOARD MEETING
May 24, 2022
6:30 p.m.

- A. Call to Order
- B. Proof of Publication.....Page 1
- C. Establish Quorum
- D. Additions or Deletions to Agenda
- E. Comments from the Public for Items Not on the Agenda
- F. Approval of Minutes
 - 1. May 12, 2022 Regular Board Meeting & Public Hearing Meeting.....Page 2
- G. Old Business
 - 1. Discussion Regarding Maverick Security Performance
- H. New Business
 - 1. Consider Resolution No. 2022-06 – Delegation Resolution (Refunding Bonds) Authorizes Refunding of Special Assessment Bonds, Series 2005 (*the following Exhibits are on file in the District’s office of records and copies of the Exhibits will be available at the meeting*)...Page 6
 - a. Trust Indenture (Exhibit A)
 - b. Escrow Deposit Agreement (Exhibit B)
 - 2. Consider Supplemental Assessment Methodology – Refunding Bonds, Series 2022.....Page 13
 - 3. Discussion Regarding Playground
- I. Administrative & Operational Matters
 - 1. Consider Approval of Engagement Letter with Squire Patton Boggs.....Page 19
 - 2. Consider Approval of Engagement Letter with FMSbonds, Inc.....Page 34
- J. Board Member & Staff Closing Comments
- K. Adjourn



Miscellaneous Notices

Published in Miami Daily Business Review on May 16, 2022

Location

Miami-Dade County, Florida

Notice Text

NOTICE OF SPECIAL BOARD
MEETING OF THE
KEYS COVE II COMMUNITY
DEVELOPMENT DISTRICT

The Board of Supervisors (the "Board") of the Keys Cove II Community Development District (the "District") will hold a Special Board Meeting on May 24, 2022, at 6:30 p.m. in the Palm Breeze Clubhouse located at 1427 SE 24th Place, Homestead, Florida 33035.

The purpose of the Special Board Meeting is for the Board to consider documents related to the refinancing of the bonds and any other District business which may come before the Board. A copy of the Agenda may be obtained from the District's website or at the offices of the District Manager, 8785 SW 165th Avenue, Suite 200, Miami, Florida 33193, during normal business hours. The meeting is open to the public and will be conducted in accordance with the provisions of Florida law for community development districts. Meetings may be continued as found necessary to a time and place specified on the record.

There may be occasions when one or two Supervisors will participate by telephone; therefore, a speaker telephone will be present at the meeting location so that Supervisors may be fully informed of the discussions taking place.

In accordance with the provisions of the Americans with Disabilities Act, any person requiring special accommodations or an interpreter to participate at these meetings should contact the District Manager at (786) 313-3661 and/or toll free at 1-877-737-4922, at least seven (7) days prior to the date of the meeting.

If any person decides to appeal any decision made with respect to any matter considered at this Special Board Meeting, such person will need a record of the proceedings and such person may need to ensure that a verbatim record of the proceedings is made at their own expense and which record includes the testimony and evidence on which the appeal is based.

Meetings may be cancelled from time to time without advertised notice.

Keys Cove II Community Development District

www.keyscove2cdd.org

5/16 22-10/0000596674M

**KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT
REGULAR BOARD MEETING & PUBLIC HEARING
MAY 12, 2022**

A. CALL TO ORDER

District Manager Armando Silva called the May 12, 2022, Regular Board Meeting of the Keys Cove II Community Development District (the “District”) to order at 6:35 p.m. in the Palm Breeze Clubhouse located at 1427 SE 24th Place, Homestead, Florida 33035.

B. PROOF OF PUBLICATION

Mr. Silva presented proof of publication that notice of the Regular Board Meeting had been published in the *Miami Daily Business Review* on April 22, 2022 and April 29, 2022, *as legally required*.

C. ESTABLISH A QUORUM

Mr. Silva determined that the attendance of Chairperson Melony Fogelstrom and Vice Chairperson Janine Ferreiro, and Supervisors Allen Llodra, and Cynthia Portillo.

Staff in attendance: District Manager Nancy Nguyen of Special District Services, Inc.; and General Counsel Gregory George of Billing, Cochran, Lyles, Mauro & Ramsey, P.A.

Others in attendance: Jon Kessler of FMSbonds, Miami, FL.

D. ADDITIONS OR DELETIONS TO THE AGENDA

There were no additions or deletions to the agenda.

E. COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA

There were no comments from the public for items not on the agenda.

F. APPROVAL OF MINUTES

1. March 10, 2021, Regular Board Meeting

Mr. Silva presented the minutes of the March 10, 2022, Regular Board Meeting and asked if there were any changes. There being no changes, a **motion** was made by Ms. Ferreiro, seconded by Ms. Fogelstrom and unanimously passed to approve the minutes of the March 10, 2022, Regular Board Meeting, *as amended; changing the time on agenda item I.2., paragraph 2, line 4, from 12:00 p.m. to 6:30 p.m.; and removing them name “Raquel Castaneda” from agenda item I.3., paragraph 1, bullet point 4.*

NOTE: *At approximately 6:38 p.m., Mr. Silva recessed the Regular Meeting and simultaneously opened the Public Hearing.*

G. PUBLIC HEARING

1. Proof of Publication

Mr. Silva presented proof of publication that notice of the Public Hearing had been published in the *Miami Daily Business Review* on April 22, 2022 and April 29, 2022, *as legally required*.

2. Receive Public Comments on Fiscal Year 2022/2023 Final Budget

Mr. Silva opened the public comment portion of the public hearing to receive comments on the 2022/2023 fiscal year final budget and non-ad valorem special assessments. There being no comments, Mr. Silva closed the public comment portion of the Public Hearing.

3. Consider Resolution No. 2022-04 – Adopting a Fiscal Year 2022/2023 Final Budget

Mr. Silva presented Resolution No. 2022-04, entitled:

RESOLUTION NO. 2022-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT APPROVING AND ADOPTING A FISCAL YEAR 2022/2023 FINAL BUDGET INCLUDING NON-AD VALOREM SPECIAL ASSESSMENTS; AND PROVIDING AN EFFECTIVE DATE.

Mr. Silva stated that the document provides for approving and adopting the fiscal year 2022/2023 final budget and the non-ad valorem special assessment tax roll. A discussion ensued after which:

A **motion** was made by Ms. Ferreiro, seconded by Ms. Portillo and unanimously passed to approve and adopt Resolution No. 2022-04, *as presented*; thereby setting the 2022/2023 final budget and non-ad valorem special assessment tax roll.

NOTE: *At approximately 6:50 p.m., Mr. Silva closed the Public Hearing and simultaneously reconvened the Regular Meeting.*

H. OLD BUSINESS

1. Maverick Security – Performance Update

Mr. Silva advised that the Board that he had previously sent out a notice via email to Maverick Security regarding their decline in performance and areas of concern. Mr. Silva asked the Board if they've seen an improvement in Maverick Security's performance and the Board consensus was that they have not. A discussion ensued after which the Board directed Mr. Silva to send a final notice to Maverick Security informing them of the decrease in performance and that they have 30-days to rectify the issues.

I. NEW BUSINESS

1. Presentation Regarding Proposed Refinancing of Series 2005 Bonds

Mr. Silva introduced Jon Kessler, municipal bond consultant from FMSbonds, Inc., who was in attendance via conference call to review the potential for refinancing the Series 2005 Special Assessment Bonds. Mr. Kessler presented a handout containing information that outlined the refinancing opportunity and stated that the refinancing of the Series 2005 Special Assessment Bonds could possibly reduce debt assessments for the District, based on current interest rates. The debt assessment savings would be accomplished by refinancing the bonds from the current 5.5% interest rate to an approximately 3.63% interest rate. Regardless of where interest rates will be when the refunding bonds are sold, Mr. Kessler explained that

the Board could fix and/or set the minimum savings that the District would accept in order to move forward with the deal. In addition, Mr. Kessler advised that upon Board approval to move forward, they would need to approve the Non-Binding Proposal from SouthState Bank.

Mr. Kessler thanked the Board for their time and then dropped off the conference call at approximately 7:05 p.m.

A discussion ensued after which; a **motion** was made by Ms. Portillo, seconded by Ms. Ferreiro and unanimously passed to move forward with the refunding/refinancing of the Special Assessment Bonds, Series 2005; thus approving the non-binding proposal from SouthState Bank; and authorizes Staff to prepare required documents and ratings to facilitate the Refunding.

2. Consider Resolution No. 2022-05 – Adopting the Fiscal Year 2022/2023 Meeting Schedule

Mr. Silva presented Resolution No. 2022-05, entitled:

RESOLUTION NO. 2022-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT, ESTABLISHING A REGULAR MEETING SCHEDULE FOR FISCAL YEAR 2022/2023 AND SETTING THE TIME AND LOCATION OF SAID DISTRICT MEETINGS; AND PROVIDING AN EFFECTIVE DATE.

Mr. Silva provided an explanation for the document. A discussion ensued after which:

A **motion** was made by Ms. Portillo, seconded by Mr. Llodra and unanimously passed to approve and adopt Resolution No. 2022-, *as amended* (changed the meeting time to 12:00 p.m. on the 2nd Wednesday of select months); thereby setting the 2022/2023 regular meeting schedule and authorizing the publication of the annual meeting schedule, as required by law.

J. ADMINISTRATIVE & OPERATIONAL MATTERS

Mr. Silva stated that a Special Board meeting will be scheduled for May 24, 2022 to address matters pertaining to the refinancing of the series 2005 bonds and any District business that may come before the Board.

K. BOARD MEMBER & STAFF CLOSING COMMENTS

There were no Board Member or Staff closing comments.

L. ADJOURNMENT

There being no further business to conduct, a **motion** was made by Ms. Fogelstrom, seconded by Ms. Portillo and passed unanimously to adjourn the Regular Board Meeting at 7:20 p.m.

Secretary/Assistant Secretary

Chairperson/Vice Chairperson

RESOLUTION NO. 2022-06

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF ITS \$3,264,000 SPECIAL ASSESSMENT REFUNDING BONDS, SERIES 2022; DETERMINING THE NEED FOR A NEGOTIATED PRIVATE PLACEMENT OF THE SERIES 2022 BONDS TO SOUTHSTATE BANK, N.A.; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE AND AN ESCROW DEPOSIT AGREEMENT; APPOINTING FMSBONDS, INC. AS PLACEMENT AGENT; PROVIDING FOR THE APPLICATION OF BOND PROCEEDS TO REFUND THE DISTRICT'S OUTSTANDING SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2005; APPOINTING THE TRUSTEE, PAYING AGENT, BOND REGISTRAR AND ESCROW AGENT; DESIGNATING THE SERIES 2022 BONDS AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" UNDER SECTION 265(B)(3) OF THE INTERNAL REVENUE CODE OF 1986; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE BONDS; MAKING CERTAIN DECLARATIONS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Keys Cove II Community Development District (the "District") is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, as amended (the "Act"), Chapter 190, Florida Statutes, by Section 1.01(A)(21) of the Miami-Dade County Home Rule Charter, and by Ordinance No. 05-133, enacted on July 7, 2005, effective July 17, 2005, by the Board of County Commissioners of Miami-Dade County, Florida; and

WHEREAS, the premises governed by the District consist of approximately 84 acres of land located entirely within the City of Homestead, Florida within Miami-Dade County, Florida (as more fully described in Exhibit A to the Trust Indenture (defined below), the "District Lands"); and

WHEREAS, the District was established for the purpose, among other things, of delivering certain community development services and facilities as authorized by the Act, including planning, financing, constructing, acquiring, owning, operating and maintaining the infrastructure and facilities benefiting District Lands, including certain roadway improvements, stormwater management facilities, a water distribution system and a sanitary sewer system for the benefit of the District Lands; and

WHEREAS, pursuant to the Master Trust Indenture, as supplemented by a First Supplemental Trust Indenture, each dated as of November 1, 2005 (collectively, the "Prior Indenture"), by and between the District and U.S. Bank Trust Company, National Association as successor trustee (the "Prior Trustee"), the District did, on November 21, 2005, issue \$11,745,000 original aggregate principal amount of Keys Cove II Community Development

District Special Assessment Revenue Bonds, Series 2005 (the “Series 2005 Bonds”), \$3,040,000 of which are currently outstanding; and

WHEREAS, the Board of Supervisors of the Keys Cove II Community Development District (herein, the “Board”), as the governing body of the District, hereby determines that it is in the best interest of the residents of the District to refund the Series 2005 Bonds currently outstanding (the “Refunded Bonds”) by the issuance of its Special Assessment Refunding Bonds, Series 2022, in the principal amount of \$3,264,000 (the “Series 2022 Bonds”); and

WHEREAS, there has been submitted to this meeting with respect to the issuance and sale of the Series 2022 Bonds and submitted to the Board:

- (a) a form of Trust Indenture by and between the District and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”) attached hereto as Exhibit A (the “Trust Indenture”); and
- (b) a form of Escrow Deposit Agreement by and between the District and U.S. Bank Trust Company, National Association, as escrow agent (in such capacity, the “Escrow Agent”) attached hereto as Exhibit B (the “Escrow Deposit Agreement”); and

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Keys Cove II Community Development District, as follows:

Section 1. Authorization of Issuance of Series 2022 Bonds; Details of the Series 2022 Bonds. There are hereby authorized and directed to be issued the Keys Cove II Community Development District Special Assessment Refunding Bonds, Series 2022 in the original aggregate principal amount \$3,264,000 (the “Series 2022 Bonds”), for the primary purpose of refunding the Refunded Bonds. The Series 2022 Bonds shall be issued under and secured by the Trust Indenture, the form of which by reference is hereby incorporated into this resolution as if set forth in full herein.

The District hereby determines that the Series 2022 Bonds shall be dated such date, shall mature in the amounts and at the times, shall bear interest at the rates and be redeemable at the redemption prices, all as set forth in the Trust Indenture attached hereto as Exhibit A.

Section 2. Trust Indenture. The District hereby approves the form of the Trust Indenture and authorizes the execution by the Chairperson or Vice Chairperson of the Board of Supervisors of the District (the “Chairperson” and “Vice Chairperson”, respectively) or any member of the Board of Supervisors designated by the Chairperson (each a “Designated Member”), and the attestation by the Secretary or any Assistant Secretary of the Board (collectively referred to herein as the “Secretary”), and the delivery of the Trust Indenture in substantially the form thereof attached hereto as Exhibit A, with such changes therein as shall be approved by the Chairperson, Vice Chairperson or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer’s approval and the District’s approval of any changes therein from the form of Trust Indenture attached hereto.

Section 3. Negotiated Private Placement. It is hereby determined by the District that a negotiated private placement of the Series 2022 Bonds to the Bank will best effectuate the purposes of the Act, is in the best interests of the District and is necessitated by, in general, the characteristics of the issue and prevailing market conditions and specifically, the following additional reasons:

- (a) because it offers (i) borrowing on more favorable terms than the District could command in the market, and (ii) flexibility of financing which could not be obtained in a sale through competitive bidding; and
- (b) the District will not be adversely affected if the Series 2022 Bonds are not sold pursuant to a competitive sale.

Section 4. Sale of the Series 2022 Bonds. The proposal submitted by the Bank offering to purchase the Series 2022 Bonds upon the terms and conditions set forth in the Trust Indenture, is hereby approved by the District. The disclosure and truth-in-bonding statement of the Bank, as required by Section 218.385, Florida Statutes, as amended, to be delivered to the District prior to the issuance and delivery of the Series 2022 Bonds, will be entered into the official records of the District.

Section 5. Authorization of Refunding of Refunded Bonds. The Board hereby authorizes the refunding of the Refunded Bonds in the manner provided in the Escrow Deposit Agreement with a portion of the proceeds of the Series 2022 Bonds and other legally available moneys of the District relating to the Refunded Bonds.

Section 6. Escrow Deposit Agreement; Prior Trustee. The District hereby approves the form of the Escrow Deposit Agreement between the District and the Escrow Agent attached hereto as Exhibit B and authorizes the execution by the Chairperson, Vice Chairperson or any Designated Member, and the impression of the seal of the District on and attestation of by the Secretary, and the delivery of the Escrow Deposit Agreement in substantially the form thereof attached hereto as Exhibit B, with such changes therein as shall be approved by the Chairperson, Vice Chairperson or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer's approval and the District's approval of any changes therein from the form of Escrow Deposit Agreement attached hereto. The Prior Trustee is hereby directed to give in the name of the District, a notice of optional redemption with respect to the Refunded Bonds no later than the date of delivery of the Series 2022 Bonds.

Section 7. Appointment of Trustee, Paying Agent, Bond Registrar, Escrow Agent and Placement Agent. U.S. Bank Trust Company, National Association is hereby appointed Trustee, Paying Agent and Bond Registrar for the Series 2022 Bonds under the Trust Indenture and Escrow Agent under the Escrow Deposit Agreement. In addition, the appointment of FMSbonds, Inc. to serve as Placement Agent in connection with the negotiated private placement of the Series 2022 Bonds is hereby ratified and approved.

Section 8. Designation of Series 2022 Bonds as Bank Qualified. The District hereby designates the Series 2022 Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The District

does not reasonably anticipate that the District, any subordinate entities of the District, and any issuers of debt “on behalf” of the District will during the calendar year 2022 issue more than \$10,000,000 of “tax-exempt” obligations, exclusive of those obligations described in Section 265(b)(3)(C)(ii) of the Code.

Section 9. Further Official Action; Ratification of Prior and Subsequent Acts. The Chairperson, the Secretary and each member of the Board and any other proper official of the District are each hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or desirable for carrying out the transactions contemplated by this resolution. In the event that the Chairperson or the Secretary is unable to execute and deliver the documents herein contemplated, such documents shall be executed and delivered by the respective designee of such officer or official or any other duly authorized officer or official of the District herein authorized. The Secretary or any Assistant Secretary is hereby authorized and directed to apply and attest the official seal of the District to any agreement or instrument authorized or approved herein that requires such a seal and attestation. All of the acts and doings of such members of the Board, the officers of the District, and the agents and employees of the District, which are in conformity with the intent and purposes of this resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Section 10. Severability. If any section, paragraph, clause or provision of this resolution shall be held to be invalid or ineffective for any reason, the remainder of this resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

Section 11. Public Meetings. It is hereby found and determined that all formal actions of the District concerning and relating to the adoption of this resolution and the consummation of the transactions contemplated by this resolution were adopted in open meetings of the District, and that all deliberations of the District that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

Section 12. Effective Date. This resolution shall take effect immediately upon the adoption hereof.

ADOPTED in public session of the Board of Supervisors of Keys Cove II Community Development District, this 24th day of May, 2022.

[SEAL]

**KEYS COVE II COMMUNITY
DEVELOPMENT DISTRICT**

ATTEST:

Secretary/Assistant Secretary

By: _____
Chairperson/Vice Chairperson,
Board of Supervisors

EXHIBIT A
FORM OF TRUST INDENTURE

EXHIBIT B
FORM OF ESCROW DEPOSIT AGREEMENT



**Keys Cove II
Community Development District**

**First Supplemental
Special Assessment Methodology Report
Special Assessment Refunding Bonds, Series 2022**

May 24, 2022

Submitted by:

Special District Services, Inc.

2501A Burns Road
Palm Beach Gardens, Fla. 33410

Toll Free: 877.737.4922

Fax: 561.630.4923

www.sdsinc.org

Keys Cove II (the “Development”) is a residential development consisting of approximately 84 acres and is located in the incorporated area of City of Homestead, Florida. The Keys Cove II Community Development District (the “District”) is co-terminus with the Development and is planned for 523 Condominium Townhomes (the “Townhomes”) and 406 Executive Townhomes (the “Executive Townhomes”). The District has been established within the Development pursuant to Chapter 190, Florida Statutes, as amended, to provide for the construction, and/or acquisition financing, long-term administration and management of certain public infrastructure benefiting the community.

In November 2005, the District issued its Special Assessment Revenue Bonds, Series 2005 (the “Series 2005 Bonds”) in the principal amount of \$11,745,000 to pay for acquisition and/or construction of certain public improvement specially benefiting the lands within the District.

The District is now contemplating issuing Special Assessment Refunding Bonds, Series 2022 (the “Series 2022 Bonds”) for the primary purpose of refunding the Series 2005 Bonds and to, among other things, take advantage of interest rate savings. The anticipated effect of the refunding of the Series 2005 Bonds will result in a decrease of the total amount of annual debt assessments per unit. The purpose of this report is to reallocate the debt assessments that secured the Series 2005 Bonds and now secure the Series 2022 Bonds (herein the “Series 2022 Special Assessments”) to secure the Series 2022 Bonds as a result of the refunding of the Series 2005 Bonds.

Table A provides a computation of the annual non-ad valorem assessments assessed, imposed and levied against and peculiar to each assessable residential unit subject to the Series 2022 Special Assessments and demonstrates that the Series 2022 Special Assessments provide sufficient revenue to meet the maximum annual debt service requirement for the Series 2022 Bonds.

In order to ensure that there is sufficient revenue from the Series 2022 Special Assessments to pay the Series 2022 Bonds, the District is required to perform an analysis which requires a determination of the amount of Series 2022 Special Assessments assessed, imposed and levied against and peculiar to each product type in order to meet the required debt service on the Series 2022 Bonds. Based on a par amount of the Series 2022 Bonds of \$3,264,000, the maximum annual debt service is \$304,744.75, which has not been adjusted to include a 4% discount for early payment of assessments, a 1% fee for the Tax Collector, and a 1% service fee for the Property Appraiser (see attached Table B and Table C).

The benefit findings and methodology described in the Final Special Assessment Methodology Report with the date of November 14, 2005 and adopted by the District Board of Supervisors still apply and are incorporated herein by reference. In that regard, it is concluded that the special benefits remain unchanged as they flow peculiar to each unit within the District and that the apportionment of the special benefits for the Series 2022 Special Assessments remains fair and reasonable. It is also concluded that the Series 2022 Special Assessments remain not in excess of the special benefits peculiar to the property as apportioned.

This First Supplemental Special Assessment Methodology Report supersedes anything to the contrary contained in the Final Special Assessment Methodology Report dated November 14, 2005 prepared by Special District Services, Inc.

Certain data and information relied on in this Report was provided by others. Special District Services, Inc. makes no representations regarding said information beyond restatement of the factual information necessary for compilation of this Report.

Special District Services, Inc. does not represent the Keys Cove II Community Development District as a Municipal Advisor or Securities Broker nor is Special District Services, Inc. registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Special District Services, Inc. does not provide the Keys Cove II Community Development District with financial advisory services or offer investment advice in any form.

**TABLE A
KEYS COVE II
COMMUNITY DEVELOPMENT DISTRICT**

**CALCULATION OF ANNUAL DEBT ASSESSMENT
SERIES 2005 / SERIES 2022**

	SERIES 2005 BOND DEBT	SERIES 2022 BOND DEBT
Maximum Annual Debt Service	\$ 343,588.00	\$ 304,744.75
Maximum Annual Debt Service Assessment to be Collected	\$ 365,519.15	\$ 324,196.54
Total Number of Residential Units*	423	423
Estimated Annual Debt Service per Residential Unit	See Table B	See Table B
Maximum Annual Debt Service per Residential Unit	See Table B	See Table B

*314 Townhome Condominiums and 189 Executive Townhomes have prepaid Bond Debt

TABLE B
KEYS COVE II
COMMUNITY DEVELOPMENT DISTRICT

ALLOCATION OF DEBT ASSESSMENT
SERIES 2005 / SERIES 2022

Keys Cove II - Series 2005

Unit Type	Number of Units*	Maximum Annual Debt Assessment Per Unit	**Adjusted Maximum Annual Debt Assessment Per Residential Unit	**Adjusted Maximum Annual Debt Assessment
Townhome Condominiums	206	\$ 731.82	\$ 778.53	\$ 160,376.88
Executive Townhomes	217	\$ 888.63	\$ 945.36	\$ 205,142.27
TOTALS	423	n/a	n/a	\$ 365,519.15

*314 Townhome Condominiums and 189 Executive Townhomes have prepaid Bond Debt.

** Adjusted for 1% collection fee for the County Tax Collector, 1% service fee for the County Property Appraiser, and 4% discount for early payment of taxes.

Keys Cove II - Series 2022

Unit Type	Number of Units*	Maximum Annual Debt Assessment Per Unit	**Adjusted Maximum Annual Debt Assessment Per Residential Unit	**Adjusted Maximum Annual Debt Assessment
Townhome Condominiums	206	\$ 649.08	\$ 690.51	\$ 142,245.98
Executive Townhomes	217	\$ 788.17	\$ 838.48	\$ 181,950.56
TOTALS	423	n/a	n/a	\$ 324,196.54

*314 Townhome Condominiums and 189 Executive Townhomes have prepaid Bond Debt.

**TABLE C
KEYS COVE II
COMMUNITY DEVELOPMENT DISTRICT**

**ALLOCATION OF DEBT
SERIES 2005 / SERIES 2022**

Keys Cove II - Series 2005

Unit Type	Number of Units*	Debt Allocation Per Unit	Debt Allocation Per Unit Type
Townhome Condominiums	206	\$ 7,092.65	\$ 1,461,086.26
Executive Townhomes	217	\$ 8,612.51	\$ 1,868,913.74
TOTALS	423	n/a	\$ 3,330,000.00

*314 Townhome Condominiums and 189 Executive Townhomes have prepaid Bond Debt.

Keys Cove II - Series 2022

Unit Type	Number of Units*	Debt Allocation Per Unit	Debt Allocation Per Unit Type
Townhome Condominiums	206	\$ 6,952.08	\$ 1,432,127.80
Executive Townhomes	217	\$ 8,441.81	\$ 1,831,872.20
TOTALS	423	n/a	\$ 3,264,000.00

*314 Townhome Condominiums and 189 Executive Townhomes have prepaid Bond Debt.

May 9, 2022

Board of Supervisors
Keys Cove II Community Development District
c/o Special District Services, Inc.
2501 Burns Road, Suite A
Palm Beach Gardens, Florida 33410

**Re: Keys Cove II Community Development District Special Assessment Refunding
Bonds, Series 2022**

Dear Ladies and Gentlemen:

On behalf of Squire Patton Boggs (US) LLP (“Squire Patton Boggs” or the “Firm”), I am pleased to submit this letter to you, setting forth an estimate of our legal fees and expenses to serve as Bond Counsel in connection with the referenced bonds (the “Bonds”) to be issued by Keys Cove II Community Development District (the “District”).

A written engagement agreement is required or recommended by the law of professional ethics in the jurisdictions in which we practice law. The engagement agreement between us consists of this letter and the enclosed Standard Terms and Conditions of Engagement (“Standard Terms”). The engagement agreement is designed to address our responsibilities to each other and to outline for the District certain important matters that are best established early as we form an attorney-client relationship with the District in this matter.

The engagement agreement responds to requirements in the rules of professional ethics and is intended to achieve a better understanding between us. We request that the District review this agreement carefully. By proceeding with this engagement the District will be indicating to us that it has done so. It is important that the District review and understand the terms of our relationship, such as the section on “Conflicts of Interest.”

The Firm’s services as Bond Counsel will include those customarily provided by Bond Counsel in an issue such as the Bonds, including the rendering of our legal opinion (the “Bond Opinion”), provided that the proceedings for the issuance of the Bonds have been completed to our satisfaction. The Bond Opinion will address the legality and validity of the Bonds, the excludability of interest on the Bonds from gross income for federal income tax purposes and certain tax aspects of the Bonds under the laws of the State of Florida. We will address the Bond

47 Offices in 20 Countries

Squire Patton Boggs (US) LLP is part of the international legal practice Squire Patton Boggs, which operates worldwide through a number of separate legal entities.

Please visit squirepattonboggs.com for more information.

Opinion to the District and will deliver it on the date that the District delivers the Bonds to their purchaser in exchange for the purchase price (the “Closing”).

Based upon: (i) our current understanding of the terms, structure, size and schedule of the proposed financing, (ii) the duties and responsibilities we will undertake in connection therewith, and (iii) the time we anticipate devoting to the financing, we estimate our combined Bond Counsel fee will be approximately \$37,500. The foregoing fee may vary if material changes in the structure or schedule of the financing occur, or if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility. If at any time we believe that circumstances require an adjustment of our original fee estimate, we will so advise the District in order to discuss a mutually agreeable adjustment in the Bond Counsel fee. We will also bill the District for all client charges made or incurred in connection with our representation, such as photocopying, courier charges, transcript binding charges and other related expenses. Please note that payment of such fees and other charges is due upon Closing.


It is our understanding that the placement agent for the Bonds will be FMSbonds, Inc. (the “Placement Agent”). Squire Patton Boggs conducts a national practice in the area of public finance that involves the representation of issuers, investment banking firms and other parties in the issuance of governmental and private activity debt obligations. The Firm also conducts a national and international corporate law practice that includes the representation of financial institutions and other businesses in transactions, litigation and other matters. As a result of the extent and diversity of that practice, the Firm may currently represent or have previously represented the Placement Agent or the entity selected to serve as trustee for the Bonds in matters unrelated to the District or the issuance of the Bonds. The Firm may also commence such representations during the time it is representing the District. Considering the lack of relationship that such other matters have to the District or to the Bonds, the Firm does not expect any such other representations to conflict with its fulfillment of its professional obligations to the District.

We appreciate the opportunity to serve as Bond Counsel to the District in connection with the issuance of the Bonds. Any of the following alternative methods for acceptance of this engagement agreement will be effective: (i) signing and returning the copy of this letter that is enclosed for that purpose, or (ii) assigning us work, including continuing any previous assignment of work, or (iii) sending us a letter or e-mail clearly referencing this engagement agreement and agreeing to it. However, even if you accept this engagement agreement by methods (ii) or (iii), I would appreciate it if you would confirm your acceptance by countersigning the enclosed copy of this letter and returning it to me. If you do not agree with one or more of the provisions of the engagement agreement, please contact me so that we can try to address your concerns. If we do not receive a written objection within two weeks, you will be bound by this engagement agreement (although, as explained in the attached Standard Terms, you can terminate our services at any time). Of course, if you have any questions or concerns regarding the foregoing, please call me at 305-577-7048.

Board of Supervisors
Keys Cove II Community Development District
May 9, 2022
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We look forward to working with you on this financing.

SQUIRE PATTON BOGGS (US) LLP

By: 
Name: Pedro H. Hernandez
Title: Partner

**Letter and Standard Terms Accepted,
including section on “Conflicts of Interest”**

KEYS COVE II COMMUNITY DEVELOPMENT
DISTRICT

By: _____
Name:
Title:

Date: _____, 2022

Enclosure

Standard Terms and Conditions of Engagement Applicable Worldwide

The engagement agreement with you includes the accompanying cover letter and, as applicable, any separate Matter Acknowledgment Letter (collectively and individually “Engagement Letter”). It also consists of these additional Terms and Conditions of Engagement applicable worldwide and any Terms and Conditions of Engagement applicable for particular jurisdictions (collectively and individually “Standard Terms and Conditions of Engagement” or “Standard Terms”). The engagement agreement is the means by which you are retaining the Firm (as defined in these Standard Terms) to provide legal services. “You” and “yours” refers to our client(s) defined more fully below in the section entitled WHO IS OUR CLIENT. For your convenience, set forth below are the topics covered in these Standard Terms:

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THE FIRM

“Squire Patton Boggs” is the collective trade name for an international legal practice comprised of partnerships or other entities authorized to practice law in various nations or other jurisdictions. The “Firm” means Squire Patton Boggs (US) LLP,¹ Squire Patton Boggs (UK) LLP,² Squire Patton Boggs (AU),³ or Squire Patton Boggs (MEA) LLP,⁴ and/or an affiliate listed at <https://www.squirepattonboggs.com/en/footer/legal-notices> in all cases including the entity or entities lawfully permitted to practice law in the jurisdiction or jurisdictions necessary or appropriate to provide your legal services. Your engagement in this instance is with the entity⁵ which sent you these Standard Terms and, as applicable, with such other Squire Patton Boggs entity or entities necessary or appropriate for your legal services, in which case the entity which sent you these Standard Terms is acting on their behalf. These Standard Terms apply to your relationship with all Squire Patton Boggs entities which provide you services. “We” or “us” or “our” refer not only to the entity sending you these Standard Terms, but also to all Squire Patton Boggs

¹ Squire Patton Boggs (US) LLP is a limited liability partnership organized under the laws of the State of Ohio, USA.

² Squire Patton Boggs (UK) LLP (trading as Squire Patton Boggs) is a Limited Liability Partnership registered in England and Wales with number OC 335584 authorised and regulated by the Solicitors Regulation Authority. A list of the members and their professional qualifications is open to inspection at 7 Devonshire Square, London, EC2M 4YH.

³ Squire Patton Boggs (AU) is a general partnership established under the laws of Western Australia.

⁴ Squire Patton Boggs (MEA) LLP is a limited liability partnership organized under the laws of Washington, D.C.

⁵ Squire Patton Boggs includes partnerships or other entities in a number of different nations. Due to local laws on regulation of the legal profession, the formal legal name may differ in some nations.

entities unless the context or applicable law requires reference only to the specific entity or entities you contract with. The use of “Squire Patton Boggs” as a trade or business name or brand by all or any of such entities shall not imply that the international legal practice is itself engaged in the provision of legal or other services. For further information please see www.squirepattonboggs.com.

This engagement agreement shall apply to all matters for which you might now or in the future request our assistance, unless of course you and we agree in the future to an updated version of this engagement agreement or to a new or revised engagement agreement expressly referring to and superseding this engagement agreement in whole or in part. We encourage you to retain this engagement agreement.

WHAT PROFESSIONALS WILL PROVIDE THE LEGAL SERVICES?

In most cases one of our lawyers will be your principal contact. From time to time that attorney may delegate parts of your work to other lawyers or to legal assistants or nonlegal personnel in the Firm or to outside “contract” personnel.

OUR SERVICES TO YOU

In our letter that presents these Standard Terms to you, or in a separate Matter Acknowledgement Letter, we will describe the matter or case in which we will be representing you. Unless we agree in writing to expand the scope of our representation, an important part of our engagement agreement is that we are not your counsel in other matters, and you will not rely upon us to provide legal services for matters other than that described in the relevant letter. For example, unless specified in the relevant letter, our representation of you does not include any responsibility for: review of your insurance policies to determine the possibility of coverage relating to this matter; for notification of your insurance carriers about

the matter; advice to you about your disclosure obligations under securities laws or any other laws or regulations; or advice on tax consequences. The description of the nature and scope of our services in any letter or e-mail concerning the inception of our engagement is generally made at the beginning of our representation and is sometimes, of necessity, described in broad terms. The actual nature and extent of our representation may be narrower and more precise and is to be determined over the life of the representation by your requests for our legal services and our response based on the letters, e-mails, or other documents exchanged between us. Of course, you and we can enter into an additional engagement agreement for services outside any general description in any letters or e-mails at the beginning of our engagement. If at any time you do not have a clear understanding of the legal services to be provided or if you have questions regarding the scope of our services, we are relying on you to communicate with us.

We will apply our professional skill, experience and judgment to achieve your objectives in accordance with the honored standards of our profession that all attorneys are required to uphold. However, we cannot guarantee the outcome of any matter. Any expression of our professional judgment regarding your matter or the potential outcome is, of course, limited by our knowledge of the facts and based on the law at the time of expression. It is also subject to any unknown or uncertain factors or conditions beyond our control, including the unpredictable human element in the decisions of those with whom we deal in undertaking your representation.

We will comply properly and fully with the duty of confidentiality as described in the rules of professional conduct governing our profession which provide special and stringent protection for ethically protected information concerning our representation of you (hereinafter client “confidential information”). In compliance with such rules on confidential information and this

engagement agreement, we will not disclose to any other client or use against you any of your confidential Information and likewise will not disclose to you the confidential information of any other client or use that client's confidential information against it.

Your responsibilities to us in each representation that you ask us to undertake include providing full, complete and accurate instructions and other information to us in sufficient time to enable us to provide our services effectively.

WHO IS OUR CLIENT?

An essential condition of our representation is that our only client is the person or entity identified in the accompanying letter. In the absence of an express identification of our client in the text of the letter, our client is the person or entity to whom the letter is addressed, even though in certain instances the payment of our fees may be the responsibility of others. In situations in which our client is an entity, we have addressed the letter to an authorized representative of the client. Throughout these standard terms, "you" refers to the entity that is our client, not the individual addressed.

Unless specifically stated in our letter, our representation of you does not extend to any of your affiliates and we do not assume any duties with respect to your affiliates. You are our only client. Unless we state specifically in our letter, we do not represent a corporate family or other group of which you may be a part, do not represent its members other than you, and do not owe them any duties. For example, if you are a corporation, our representation does not include any of your direct or indirect parents, subsidiaries, sister corporations, partnerships, partners, joint ventures, joint venture partners, any entities in which you own an interest, or, for you or your affiliates, any employees, officers, directors, or shareholders. If you are a partnership or limited liability company, our representation

does not extend to the individual partners of the partnership or members of the limited liability company. If you are a joint venture, our representation does not extend to the participants. If you are a trade association, our representation excludes members of the trade association. If you are a governmental entity, our representation does not include other governmental entities, including other agencies, departments, bureaus, boards or other parts of the same government. If you are an individual, our representation does not include your spouse, siblings, or other family members. If you are a trust, you are our only client. The beneficiaries are not our clients, nor is the trustee in any capacity other than as the fiduciary for the particular trust in our representation. It would be necessary for related parties, including all those listed above, to enter into a written engagement agreement with us much like this one before they would become clients and we would assume duties towards them. You should know that our engagement agreements with a number of other clients have a similar provision.

If you provide us with any confidential information of your related parties or any other entities or individuals during our representation of you, we will treat it as your information and maintain its confidentiality in accordance with our duties to you as our client under applicable law, but insofar as applicable law permits us to agree on our respective rights and duties, you are the only party to whom we owe duties regarding such information.

Except as specifically agreed by both of us, the advice and communications that we render on your behalf are not to be disseminated to or relied upon by any other parties without our written consent.

CONFLICTS OF INTEREST

Squire Patton Boggs is international with over half of our lawyers based in Offices outside the United States. Our clients inside and outside the U.S. should understand that this provision

is designed to treat all of our clients on the same basis and that the result of this provision is similar to the result otherwise applicable under the professional standards for lawyers in almost all jurisdictions outside the U.S. (and under the Texas Disciplinary Rules of Professional Conduct). Since our legal practice began over 100 years ago, thousands of corporations, other businesses, individuals, governmental bodies, trusts, estates, and other clients have asked our lawyers to represent them, in many cases in large and usual matters. With over 10,000 current clients, you should understand that during the course of our representation of you we may represent any other client in any kind of matter; you should not assume any exceptions. Information on the nature of our clients and practice is available upon request and on the internet. An advantage to proceeding with our representation of you may be the services of specific individuals, or of a large team, or of a special nature, or in particular jurisdictions. We understand and agree that this is not an exclusive agreement, and you are free to retain any other counsel of your choosing in this and other matters. We commit that the lawyers who are personally working for you will not work for any other client adverse to you throughout the representation unless you agree otherwise. Further, throughout the representation we commit that our other lawyers shall not represent any other client with interests materially and directly adverse to your interests in this matter or in any other matter (i) which is substantially related to our representation of you or (ii) where there is a reasonable probability that confidential information you furnished to us could be used to your material disadvantage, including by examining or cross-examining your personnel, unless you agree otherwise. Finally, we commit that after the representation has ended, unless you agree otherwise, the lawyers who have personally worked for you shall not represent any other client with interests materially and directly adverse to your interests in this matter or in any other matter (i) which is substantially related to their

representation of you or (ii) where there is a reasonable probability that confidential information you furnished to them could be used to your material disadvantage, including by examining or cross-examining your personnel, unless you agree otherwise. You agree that these commitments entirely replace any rule that might otherwise treat approximately 1,500 lawyers with Squire Patton Boggs as one lawyer for conflicts purposes and any imputation or vicarious treatment of knowledge or conflicts among all lawyers in Squire Patton Boggs.

For further explanation of the provision being replaced see https://www.americanbar.org/groups/professional_responsibility/publications/model_rules_of_professional_conduct/rule_1_10_imputation_of_conflicts_of_interest_general_rule.html including Comment ¶ [2].

For explanation of “substantially related” matters see https://www.americanbar.org/groups/professional_responsibility/publications/model_rules_of_professional_conduct/rule_1_9_duties_of_former_clients.html especially Comment ¶ [3].

You understand and agree that, consistent with those commitments, we are free to represent other clients, including clients whose interests conflict with your interests in litigation, business transactions, negotiations, alternative dispute resolution, administrative proceedings, discovery disputes, or other legal matters. Our lawyers value their individual professional independence and you also agree that the interests of other clients represented by our other lawyers will not create a material limitation on your representation by the lawyers who personally represent you. For further explanation of “material limitations” see https://www.americanbar.org/groups/professional_responsibility/publications/model_rules_of_professional_conduct/rule_1_7_conflict_of_interest_current_clients/comment_on_rule_1_7.html especially Comment [8]. You agree that a precondition to our forming an attorney/client

relationship with you and undertaking your representation is your agreement that our representation of you will not prevent or disqualify us from representing clients adverse to you in other matters and that you consent in advance to our undertaking such adverse representations, subject to the exceptions and commitments explicitly set forth above. Please let us know if you would like to discuss excluding particular parties or matters from your agreement. Our agreements and yours are effective immediately. In similar engagement agreements with a number of our other clients, we have asked for similar agreements to preserve our ability to represent you.

PUBLIC POLICY PRACTICE

Among the wide array of legal services that we provide to clients in particular representations in many but not all nations, States, and other jurisdictions around the world in compliance with their law are representations with respect to the legislative, executive, administrative and other functions of governments (herein “public policy” representations). We have a public policy practice in business regulation, defense, energy, resources and environmental matters, financial services, food and drug, domestic and international trade, health care, taxation, transportation, and numerous other areas affected by government action. Information on the extensive scope of our public policy practice, the other areas in which we offer legal services, and the large number and diversity of our clients is available on request or on the internet. Given the breadth of our public policy practice, in agreeing to our representation of you, you should not discount the possibility that our representation of other clients in public policy matters at present or in the future might adversely affect your interests, directly or indirectly, or might be deemed to create a material limitation on our representation of you. A precondition to our forming an attorney/client relationship with you and undertaking your representation is your agreement that so long as such public policy representations are not

substantially related to our representation of you and do not involve the use of material ethically protected client information to your disadvantage, the scope of the public policy representations that we can provide to existing or new clients will not be diminished in any respect by our undertaking our representation of you even if there would otherwise be a conflict. Agreement by our other clients to an analogous waiver may protect the scope of legal services that we can provide for you.

REQUESTING LEGAL SERVICES ACTIVATES ENGAGEMENT TERMS

These Standard Terms and any accompanying engagement letter will become effective when you: (i) sign in the space provided and return the copy of any engagement letter accompanying these Standard Terms, or (ii) assign us work, including continuing any previous assignment of work, or (iii) send us a letter or e-mail clearly referencing these Standard Terms and any accompanying engagement letter and agreeing to them. If we have stated that these Standard Terms are a draft for discussion, they do not become legally effective during any period limited exclusively to discussion of the terms. However, after receipt of these Standard Terms, if you request us to perform legal services, including asking us to continue providing legal services, the following provisions in these Standard Terms become legally effective: (1) all provisions that ethics law of the applicable State, nation, or other jurisdiction requires in an engagement agreement, (2) all provisions that address the ability of other existing and prospective clients to retain us as their lawyers, including but not limited to “Who is Our Client,” “Conflicts of Interest,” “Public Policy,” and “Primacy;” (3) all provisions in these Standard Terms on the date 30 days following the later of both (a) your receipt of these Standard Terms and (b) your request that we perform legal services. You can terminate our engagement agreement with prospective effect at any time. Provisions that became effective through your request for

legal services can later be amended or replaced provided we both agree in writing.

TERMINATION OF REPRESENTATION

You may terminate our representation at any time, with or without cause, upon written notice to us. After receiving such notice, or upon our termination of the representation as permitted by applicable ethical and/or court rules, we will cease to render services to you as soon as allowed by such rules, which may include court approval of our withdrawal from litigation. Termination of our services will not affect your responsibility for payment of legal services rendered and other charges incurred both before termination and afterwards in connection with an orderly transition of the matter, including fees and other charges arising in connection with any transfer of files to you or to other counsel, and you agree to pay all such amounts in advance upon request.

You agree that the Firm has the right to withdraw from its representation of you if continuing the representation might preclude the Firm's or any other Squire Patton Boggs entity's continuing representation of existing clients on matters adverse to you or if there are any circumstances even arguably raising a question implicating professional ethics, for example, because a question arises about the effectiveness or enforceability of this engagement agreement, or a question arises about conduct addressed by it, or an apparent conflict is thrust upon the Firm or any other Squire Patton Boggs entity by circumstances beyond its reasonable control, such as by a corporate merger or a decision to seek to join litigation that is already in progress, or there is an attempt to withdraw consent.

In any of these circumstances, you agree that we would have the right to withdraw from the representation of you. Regardless of whether you or we terminate the representation, we would (with your agreement) assist in the transition to replacement counsel by taking

reasonable steps in accordance with applicable ethical rules designed to avoid foreseeable prejudice to your interests as a consequence of the termination. You agree that regardless of whether you or we terminate the representation (A) we would be paid by you for the work performed prior to termination; (B) our representation of you prior to any termination would not preclude the Firm or any other Squire Patton Boggs entity from undertaking or continuing any representation of another party; and (C) as a result of the Firm's or any other Squire Patton Boggs entity's representation of another party you would not argue or otherwise use our representation of you prior to any termination to contend that the Firm or any other Squire Patton Boggs entity should be disqualified.

When we complete the specific services you have retained us to perform, our attorney-client relationship for that matter will be terminated at that time regardless of any later billing period. To eliminate uncertainty, our representation of you ends in any event whenever there is no outstanding request from you for our legal services that requires our immediate action and more than six (6) months (180 days) have passed since our last recorded time for you in the representation, unless there is clear and convincing evidence of our mutual understanding that the representation has not come to an end. After termination, if we choose to perform administrative or limited filing services on your behalf, including but not limited to receiving and advising you of a notice under a contract, lease, consent order, or other document with continuing effect, or filing routine or repeated submissions or renewals in intellectual property or other matters, or advising you to take action, our representation of you lasts only for the brief period in which our task is performed, unless you retain us in writing at that time to perform further or additional services. After termination, if you later retain us to perform further or additional services, our attorney-client relationship will commence again subject to these terms of engagement unless we both change the terms

in writing at that time. Following termination of our representation, changes may occur in applicable laws that could impact your future rights and liabilities. Unless you actually engage us in writing to provide additional advice on issues arising from the matter after its completion, we have no continuing obligation to advise you with respect to future legal developments.

During or following our representation of you, we will be entitled to recover from you fees for any time spent and other charges, calculated at the then applicable rates if we are asked to testify or provide information in writing as a result of our representation of you or any legal requirements, or if our records from our representation of you are demanded, or if any claim is brought against any Squire Patton Boggs entity or any of its personnel based on your actions or omissions (in addition to any other costs involving the claim), or if we must defend the confidentiality of your communications under the attorney-client or any other legal professional privilege (in which case we will to the extent that circumstances permit make reasonable efforts to inform you of the requirement made upon us and give you the opportunity to waive privilege).

HOW WE SET OUR FEES

Unless another basis for billing is established in this engagement agreement, we will bill you monthly for the professional fees of attorneys, paralegals, and other personnel incurred on your behalf based on their applicable rates and the number of hours they devote to your representation. Overall fees will be in accord with the factors in the applicable rules governing professional responsibility. The billing rates of the personnel initially assigned to your representation are generally specified in the accompanying engagement letter. The billing rates of our attorneys, paralegals, and other personnel vary, depending generally upon the experience and capabilities of the individual involved. Unless otherwise agreed in writing, we will charge you for their services

at their applicable rates. Our hourly billing rates are adjusted from time to time, usually at the beginning of each year, both on a selected and firm wide basis. In addition, as personnel gain experience and demonstrate improved skills over time, they may advance into categories that generally have higher hourly billing rates. Advancements to a higher category are typically made annually. Upon any adjustment in the applicable rates, we will charge you the adjusted rates.

At times clients ask us to estimate the total fees and other charges that they are likely to incur in connection with a particular matter. Whenever possible, we are pleased to respond to such requests with an estimate or proposed budget. Still, it must be recognized that our fees are often influenced by factors that are beyond our control or unforeseeable or both. This is particularly true in litigation and other advocacy contexts in which much of the activity is controlled by the opposing parties and the Judge, Arbitrator or other decision-maker. Accordingly, such an estimate or proposal carries the understanding that, unless we agree otherwise in writing, it does not represent a maximum, minimum, or fixed fee quotation. The ultimate cost frequently is more or less than the amount estimated. Accordingly, we have made no commitment to you concerning the maximum fees and costs that will be necessary to resolve or complete this matter. We will not be obliged to continue work if the fees or other charges accrued on a matter reach an estimate previously given and a revised estimate cannot be agreed. It is also expressly understood that payment of our fees and charges is in no way contingent on the ultimate outcome of the matter.

OTHER CHARGES

As an adjunct to providing legal services, we may incur and pay a variety of charges on your behalf or charge for certain ancillary support services. Whenever we incur such charges on your behalf or charge for such ancillary support services, we bill them to you separately or

arrange for them to be billed to you directly. We may also require an advance payment from you for such charges. These charges typically relate to long-distance telephone calls; messenger, courier, and express delivery services; facsimile and similar communications; document printing, reproduction, scanning, imaging and related expenses; translations and related charges; filing fees; depositions and transcripts; witness fees; travel expenses; computer research; and charges made by third parties (such as outside experts and consultants, printers, appraisers, local and foreign counsel, government agencies, airlines, hotels and the like). Other charges will generally be itemized on your bill, and will also be subject to VAT where applicable. Any bank charges which we incur when making check payments or telegraphic transfers of money will be charged to you inclusive of a handling fee. Our charges for these ancillary support services generally reflect our direct and indirect costs, but charges for certain items exceed our actual costs. For some services, particularly those that involve significant technology and/or support services which we provide (such as imaging documents and computer research), we attempt from time to time to reduce costs by contracting with vendors to purchase a minimum volume of service that is beyond the needs of any single client. In those cases, we may bill you at a per unit rate that may not reflect the quantity discounts we obtain. In many cases the total quantity that will be used by all of our clients over a year or other period of time is not certain. Our charge for fax services is typically based on a charge per page rather than the cost of the telephone usage. In the event any of our statements for such services are not paid by their due dates, you agree that we have the right not to advance any further amounts on your behalf.

When you send us a letter at the request of your auditors asking us for a response on any loss contingencies, we will charge you a fixed fee for our response that varies with the level of difficulty of the response.

Letter Type	Description	Rate
Clean	No litigation reported	US \$550
Normal	1-3 cases	US \$850
Extraordinary	>3 cases	US \$1,350
Update	Update of prior response	US \$400
No-Services	Verifying no work for client during fiscal year	US \$75

Notwithstanding our advance payments of any charges, you will be solely responsible for all invoices issued by third parties. It is our policy to arrange for outside providers of services involving relatively substantial charges (such as the fees of outside consultants, expert witnesses, appraisers, and court reporters) to bill you directly.

Prompt payment by you of invoices generated by third-party vendors is often essential to our ability to deliver legal services to you. Accordingly, you agree that we have the right to treat any failure by you to pay such invoices in a timely manner to be a material breach of your obligation to cooperate with us.

Unless we agree specifically in writing and you advise any other law firm, professionals, or third-parties in writing that they must comply with our directions, we are not responsible for them.

BILLING ARRANGEMENTS AND PAYMENT TERMS

We will bill you on a regular basis – normally, each month – for both fees and other charges. You agree to make payment within thirty (30) days of the date of our statement, unless a different period of time is specified in the Engagement Letter. If you have any issue with our statement, you agree to raise it specifically before thirty (30) days from the date of our statement or any other due date established in an Engagement Letter. If the issue is not

immediately resolved, you agree to pay all fees and other charges not directly affected by the issue before thirty (30) days from the original bill or any other due date established in an Engagement Letter and all amounts affected by the issue within ten (10) days of its resolution. If we have rendered a final bill and we become liable for other charges incurred on your behalf, we will be entitled to render a further bill or bills to recover those amounts. In the event that a statement is not paid in full before thirty (30) days from the date of our statement or any other due date established in an Engagement Letter late charges will be imposed on any unpaid fees and/or costs at the combined rate of eight percent (8%) per annum or at any lower rate legally required by a particular jurisdiction. If the cover letter accompanying these Standard Terms of engagement specifies an event or an alternate date upon which payment is due, late charges will be imposed on any unpaid fees and/or costs thirty (30) days after the specified event or date or any other period specified in an Engagement Letter. The purpose of the late payment charge is to encourage prompt payment, thus reducing our billing and collection costs.

In addition, if your account becomes delinquent and satisfactory payment terms are not arranged, we may postpone or defer providing additional services or withdraw, or seek to withdraw, from the representation consistent with applicable rules. You will remain responsible for payment of our legal fees rendered and charges incurred prior to such withdrawal.

When personnel from other Squire Patton Boggs entities have provided services to you, the portion of any invoice to you including such services is issued on behalf of the other Squire Patton Boggs entities that have provided services to you. The portion of your payment of fees and charges for the services and expenses of any such other Squire Patton Boggs entities will be attributed to them in accordance with our agreement with them,

which reflects in major part the work performed by their personnel and expenses they incurred.

If our representation of you results in a monetary recovery by litigation or arbitration award, judgment, or settlement, or by other realization of proceeds, then (when permitted by applicable law) you hereby grant us an attorneys' lien on those funds in the amount of any sums due us.

We look to you, the client, for payment regardless of whether you are insured to cover the particular risk. From time to time, we assist clients in pursuing third parties for recovery of attorneys' fees and other costs arising from our services. These situations include payments under contracts, statutes or insurance policies. However, it remains your obligation to pay all amounts due to us before expiration of thirty (30) days from the date of our statement unless a different period is established in an Engagement Letter.

TAXES

You will be responsible for any applicable VAT or other sales tax that any jurisdiction may impose on our fees and other charges for this representation.

DATA PROTECTION AND PRIVACY

We each have our respective obligations to relevant government authorities and to individuals whose personal data we process to comply with applicable data protection laws. Where the European Union ("EU") General Data Protection Regulation ("GDPR") and national implementing legislation apply in relation to any personal data that you provide to us, we each act as a controller in our own right in regard to our respective processing of the personal data. Please refer to our Global Website Privacy Notice; our Privacy Notice for our Australian offices; and, in particular, our Privacy Notice for our EU offices ("EU Privacy Notice"). These are published on the Squire Patton Boggs website at

www.squirepattonboggs.com. Our EU Privacy Notice describes the processing activities of our EU offices as controllers of the personal data of our clients, individuals connected to our clients and other business contacts, in accordance with GDPR requirements. In fulfilling our duties to relevant government authorities and individuals under applicable law our EU offices will process personal data that you share with us, or that we obtain from other sources on your behalf, only for the relevant purposes that are set out in our EU Privacy Notice or any supplemental notice that we may provide to you in connection with a particular matter. You may also have obligations under the GDPR and you will reasonably cooperate with us with respect to any personal data that are shared between us, in order to facilitate compliance with the relevant provisions of the GDPR. If you disclose or transfer to us personal data concerning individuals who are connected to you, or are otherwise relevant to a matter on which we have been retained to provide legal services to you, it shall be your responsibility as the controller of that data to transfer or otherwise disclose such personal data in compliance with GDPR requirements including (without limitation) by: (A) transferring the personal data to us only as necessary for us to provide the legal services for which you have retained us; (B) having a lawful basis for disclosing the personal data to us; (C) providing all the information required to be provided by the GDPR, in the applicable circumstances, to the relevant individuals concerning the transfer of their personal data to us (including, where possible, a link to the EU Privacy Notice published on the Squire Patton Boggs website); and (D) assuming the primary responsibility for responding to data subject access requests in relation to personal data that you have shared with us.

We will cooperate with you when reasonably possible to ensure that the required information referred to above is made accessible to the relevant individuals; and we will meet our own obligations to provide

information directly to the individuals concerned, such as any customized privacy notice that we may issue to address a specific matter if required by particular circumstances; but in most cases, it would be impossible, or would require disproportionate effort on our part to provide notice directly to all individual third parties that are connected to you when you share their personal data with us. The description of our respective obligations under applicable data protection laws covers our respective obligations to relevant government authorities and to individuals whose personal data we process, but does not create new duties or obligations between us by virtue of these Standard Terms (except as explicitly stated concerning cooperation and our respective roles as controllers of personal data).

CLIENT AND FIRM DOCUMENTS

We will maintain any documents you furnish to us in our client files for this matter. At the conclusion of the matter (or earlier, if appropriate), it is your obligation to advise us promptly as to which, if any, of the documents in our files you wish us to turn over to you. At your request, your papers and property will be returned to you promptly upon receipt of payment for outstanding fees and other charges. Your documents will be turned over to you in accordance with ethical requirements and subject to any lien that may be created by law for payment of any outstanding fees and costs. We may keep a copy of your files if you ask us to return or transfer your files. We will retain our own documents and files, including our drafts, notes, internal memos, administrative records, time and expense reports, billing and financial information, accounting records, conflict checks, personnel materials, and work product, such as drafts, notes, internal memoranda, and legal and factual research, including investigative reports, and other materials prepared by or for the internal use of our lawyers. All such documents which we retain will be transferred to the person responsible for administering our

records retention program. For various reasons, including the minimization of unnecessary storage charges, we have the right to destroy or otherwise dispose of any such documents or other materials retained by us seven (7) years after the termination of the engagement, unless applicable law permits or requires a shorter or longer period for preservation of documents, or unless a different period is specified in a special written agreement signed by both of us.

With regard to any documents containing EU personal data that you transfer to us that we have not previously destroyed as explained above, we will act under your instructions in relation to the timing of the deletion for such data in order to comply with the GDPR storage limitation principle or to assist you in responding to a valid data subject request for the deletion of personal data.

EQUALITY AND DIVERSITY

We have a written Equality and Diversity policy to which we seek to adhere at all times in the performance of our services. A copy will be provided to you upon your written request and is available on our website.

DISCLOSURE OF YOUR NAME

We are proud to serve you as legal counsel and hope to share that information with other clients and prospective clients. On occasion, we provide names of current clients in marketing materials and on our Web site. We may include your name on a list of representative clients. We may also prepare lists of representative transactions or other representations, excluding of course any we believe are sensitive. If you prefer that we refrain from using your name and representation in this manner, please advise us in writing.

SQUIRE PATTON BOGGS ATTORNEY/CLIENT PRIVILEGE

If we determine during the course of the representation that it is either necessary or appropriate to consult with our General Counsel, one of our Ethics Lawyers or other specially designated lawyer or outside counsel, we have your consent to do so with the confidentiality of our communications with such counsel protected by an attorney-client privilege which will not be diminished by our representation of you.

SEVERABILITY

In the event that any provision or part of this engagement agreement, including any letters expressly stated to be part of the engagement agreement, should be unenforceable under the law of the controlling jurisdiction, the remainder of this engagement agreement shall remain in force and shall be enforced in accordance with its terms.

PRIMACY

Unless expressly superseded by explicit reference the sections "Who is our Client," "Conflicts of Interest," and/or "Public Policy Practice" are fully effective notwithstanding another provision in case of any duplication and to the fullest extent possible in case of inconsistency.

ENTIRE AGREEMENT

This engagement agreement supersedes all other prior and contemporaneous written and oral agreements and understandings between us and contains the entire agreement between us. This engagement agreement may be modified only by a signed written agreement by you and by us. You acknowledge that no promises have been made to you other than those stated in this engagement agreement.

INTERPRETATIONS

This agreement shall be interpreted to effectuate the intention of the Parties to observe all applicable present and future ethical and legal requirements and prohibitions. To the extent that any existing or future legal or ethical requirement or prohibition in any applicable jurisdiction does not allow or otherwise conflicts with any provision of this engagement agreement or service contemplated in it, then it shall not apply in whole or in part to the extent of such conflict or prohibition. Further, any such provision or service offering shall be deemed modified to the extent necessary to make it valid and consistent with such requirements and prohibitions.

GOVERNING LAW, COURTS AND BAR ASSOCIATIONS

All questions arising under or involving this engagement or concerning rights and duties between us will be governed by the law (excluding choice of law provisions) and decided exclusively by the courts and Bar authorities of the jurisdiction in which the lawyer sending you this engagement

agreement has his or her principal office unless another jurisdiction is specified in the letter accompanying these Standard Terms. When another jurisdiction provides that its law or courts or Bar authorities will govern notwithstanding any agreement, that other law may of course control, at least on certain questions.

IN CONCLUSION

We look forward to a mutually satisfying relationship with you. If you have any questions about, or if you do not agree with one or more of these terms and conditions, please communicate with your principal contact at the Firm so that we can try to address your concerns. Your principal contact can recommend changes that will be effective once you receive written notice of approval of any revisions, which, depending on the nature of the request, will be made by a Lawyer in Management and/or an Ethics Lawyer. Thank you.

fmsbonds
Municipal Bond Specialists

20660 W. Dixie Highway
North Miami Beach, FL 33180

May 3, 2022

Keys Cove II Community Development District
c/o Special District Services, Inc.
2501A Burns Road
Palm Beach Gardens, Florida 33410
Attn: Mr. Armando Silva

Re: Agreement for Placement Agent Services and G-17 Disclosure

Dear Mr. Silva:

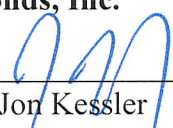
Thank you for the opportunity to work with the Keys Cove II Community Development District (the "Issuer") regarding the refinancing of the Issuer's Bonds with a bank loan. The Issuer and FMSbonds, Inc. ("FMS"), solely in its capacity as Placement Agent, agree to the proposed terms set forth herein in Attachment I. By executing this letter both parties agree to the terms set forth herein.

FMS's role is limited to act as Placement Agent within the Scope of Services set forth herein as Attachment I, and not as a financial advisor or municipal advisor. FMS is not acting as a municipal advisor for the developer in connection with the subject transaction. Any information that FMS has previously provided was solely for discussion purposes in anticipation of being retained as your Placement Agent. Attachment II, attached hereto, contains the Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in the amended and restated MSRB Notice 2019-20 (November 8, 2019)¹ (the "Notice"). We ask that you provide this letter to the appropriate person at the Issuer.

We look forward to working with you.

Yours truly,

FMSbonds, Inc.

By: 
Name: Jon Kessler
Title: Executive Director

Agreed to and accepted as of the date first written above:

KEYS COVE II COMMUNITY DEVELOPMENT DISTRICT

By: _____
Name: _____
Title: _____

¹ Interpretive Notice Concerning the Application of MSRB Rule G-17 to placement agents and Placement Agents of Municipal Securities (effective March 31, 2021).

ATTACHMENT I

Section 1 Scope of Services of FMS: FMS proposes that its duties as Placement Agent shall be limited to the following:

1. To arrange a loan for the Issuer to refinance its Bonds;

Section 2 Terms and Conditions:

1. Placement Agent Fee (“Placement Agent Fee”). FMS shall act as sole lead Placement Agent. The fee to FMS for acting as Placement Agent shall be 1.5%. The Placement Agent Fee shall be due and payable only upon the closing of the loan. The Placement Agent fee may be modified pursuant to a delegation or award resolution approved by the Board and consented to by the Placement Agent.
2. Costs of Issuance. The Issuer shall be responsible for the payment of all expenses relating to the offering, including but not limited to, attorney fees, consultant fees, costs associated with preparing offering documents, if any, the placement agreement, regulatory fees and filing fees and expenses for qualification under blue sky laws designated by FMS and approved by the Issuer.
3. No Financial Advisor. FMS’s role is limited to that of a Placement Agent and not a Financial Advisor or Municipal Advisor

[Remainder of Page Intentionally Left Blank]

ATTACHMENT II

MSRB Rule G-17 Disclosure --- The Issuer has engaged FMS to serve as Placement Agent, and not as a financial advisor or municipal advisor, in connection with the issuance of the Bonds. As part of our services as Placement Agent, FMS may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds. We may also have provided such advice as part of the process of seeking to be selected to serve as your Placement Agent. Any such advice was provided by FMS as a Placement Agent and not as your financial advisor in this transaction.

Pursuant to the Notice, we are required by the MSRB to advise you that:

- MSRB Rule G-17 requires a Placement Agent to deal fairly at all times with both municipal issuers and investors.
- The Placement Agent's primary role is to place the Bonds with a view to distribution in an arm's-length commercial transaction with the Issuer. As such, the Placement Agent has financial and other interests that differ from those of the Issuer.
- Unlike a municipal advisor, the Placement Agent does not have a fiduciary duty to the Issuer under the federal securities laws and are, therefore, not required by federal law to act in the best interests of the Issuer without regard to their own financial or other interests.
- The Placement Agent has a duty to place the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with its duty to place the Bonds to investors at prices that are fair and reasonable.
- As Placement Agent, we will review the disclosure document for the Bonds in accordance with, and as part of, our responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.²

The Placement Agent will be compensated by a fee and/or a fee that will be set forth in the bond placement agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the Placement Agent Fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since a Placement Agent may have an incentive to recommend a transaction that is unnecessary or to recommend that the size of a transaction be larger than is necessary. The Issuer acknowledges no such recommendation has been made by FMS.

² Under federal securities law, an issuer of securities has the primary responsibility for disclosure to investors. The review of the offering document by the Placement Agent is solely for purposes of satisfying the Placement Agents' obligations under the federal securities laws and such review should not be construed by an issuer as a guarantee of the accuracy or completeness of the information in the placement document.

Please note nothing in this letter is an expressed nor an implied commitment by us to provide financing or to purchase or place the Bonds or any other securities. Any such commitment shall only be set forth in a bond placement agreement or other appropriate form of agreement for the type of transaction undertaken by you.

Further, our participation in the transaction contemplated herein remains subject to, among other things, the execution of a bond placement agreement (or other appropriate form of agreement), further internal review and approvals, satisfactory completion of our due diligence investigation and market conditions.

FMS is acting independently in seeking to act as a Placement Agent in the transactions contemplated herein and shall not be deemed for any purpose to be acting as an agent, joint venturer or partner of any other principal involved in the proposed financing. FMS assumes no responsibility, express or implied, for any actions or omissions of, or the performance of services by, the other placement agents in connection with the transactions contemplated herein or otherwise.

If you or any other Issuer representatives have any questions or concerns about these disclosures, please make those questions or concerns known immediately to FMS. In addition, Issuer should consult with its own financial, municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. Depending on the final structure of the transaction that the Issuer and FMS decide to pursue, or if additional actual or perceived material conflicts are identified, we may be required to send you additional disclosures.

The MSRB requires that we seek the Issuer's acknowledgement that it has received this letter. We request that the person at the Issuer who has the authority to bind the Issuer (herein, "Authorized Issuer Representative") acknowledge this letter as soon as practicable and by nature of such acknowledgment that such person is not a party to any conflict of interest relating to the subject transaction. If our understanding is incorrect, please notify the undersigned immediately.

Depending on the structure of the transaction that the Issuer decides to pursue, or if additional actual or perceived material conflicts are identified, we may be required to send you additional disclosures. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures.

We look forward to working with you in connection with the placement of the Bonds, and we appreciate the opportunity to assist you in this transaction. Thank you.

FMSbonds, Inc.

By: 

Name: Jon Kessler

Title: Executive Director