

PROJECT FUND ADMINISTRATION AGREEMENT

This PROJECT FUND ADMINISTRATION AGREEMENT (as amended and supplemented hereafter, this “Agreement”), dated as of May __, 2025 (“Effective Date”), is entered into by and among the CITY OF FORT BRAGG, a local agency duly organized and existing under the laws of the State of California (the “City”), EVERBANK, N.A., a national banking association (“Secured Party”) and EVERBANK, N.A., a national banking association (“Bank”), and sets forth the rights of Secured Party and the obligations of Bank with respect to the deposit accounts of City at Bank identified below as the Project Fund Collateral Account (each hereinafter referred to individually as a “Collateral Account” and collectively as the “Project Fund Collateral Account”) [and the disbursement requirements thereto].

- 1. Project Fund Collateral Account.** Pursuant to that certain Installment Purchase Agreement (as amended and supplemented, the “Installment Purchase Agreement”), dated as of May 1, 2025, by and between City and the City of Fort Bragg Joint Powers Public Financing Authority, a joint powers authority duly organized and existing under the laws of the State of California (“Authority”), City has agreed to establish a Project Fund with Bank, and pursuant to the Installment Purchase Agreement City has also agreed to grant Secured Party, as lender to City and the assignee of certain rights and other obligations of City under the Installment Purchase Agreement that Authority has assigned to Secured Party pursuant to the Assignment Agreement, dated as of May 1, 2025, between Authority and Secured Party, a security interest in all rights of City with respect to the following accounts located at Bank and subject to the terms of the Deposit Agreements (as hereinafter defined):

Account Number	Account Title
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Each such account, together with all substitutions and replacements therefor, the “Project Fund Collateral Account”. The terms and conditions of this Agreement are in addition to any deposit account agreements and other related agreements that City has with Bank, including without limitation the Business and Non-Personal Account Terms, Disclosures, and Agreements Booklet, and all agreements concerning banking products and services, treasury management documentation, account booklets containing the terms and conditions of the Project Fund Collateral Account, signature cards, fee schedules, disclosures, specification sheets and change of terms notices (collectively, the “Deposit Agreements”). The provisions of this Agreement shall supersede the provisions of the Deposit Agreements only to the extent the provisions herein are inconsistent with the Deposit Agreements, and in all other respects, the Deposit Agreements shall remain in full force and effect. All items deposited into the Project Fund Collateral Account shall be processed according to the provisions of the Deposit Agreements, as amended by this Agreement. [Funds in the Project Fund Collateral Account shall remain [uninvested][invested in Authorized Investments as defined in the Installment Purchase Agreement], subject to Bank’s customary business practices.]

2. **Secured Party's Interest in Project Fund Collateral Account.** Secured Party represents that it is either (i) a lender who has extended credit to City and has been granted a security interest in the Project Fund Collateral Account or (ii) such a lender and the agent for a group of such lenders. City hereby confirms the security interest granted by City to Secured Party in all of City's right, title and interest in and to the Project Fund Collateral Account and all sums now or hereafter on deposit in or payable or withdrawable from the Project Fund Collateral Account (the "Collateral Account Funds").
3. **Disbursements.** Bank, Secured Party and City each agree that Bank will comply with instructions given to Bank by authorized agents of City, identified in Exhibit A hereto, directing disposition of funds in the Project Fund Collateral Account ("Instructions"). City agrees that City will not have access to any Project Fund Collateral Account or Collateral Account Funds, and City irrevocably authorizes Bank to comply with any Instructions. Except as otherwise required by law, Bank will not agree with any third party to comply with instructions for disposition of funds in the Project Fund Collateral Account originated by such third party.
4. **Transfers in Response to Instructions.** Any disposition of funds which Bank makes in response to Instructions is subject to Bank's standard policies, procedures and documentation governing the type of disposition made; provided, however, that in no circumstances will any such disposition require City's consent. To the extent any Collateral Account is a certificate of deposit or time deposit, Bank will be entitled to deduct any applicable early withdrawal penalty prior to disbursing funds from such account in response to Instructions.
5. **Balance Reports and Bank Statements.** Bank agrees, at the request of Secured Party on any day on which Bank is open to conduct its regular banking business, other than a Saturday, Sunday or public holiday (each a "Business Day"), to make available to Secured Party a report ("Balance Report") showing the opening available balance in the Project Fund Collateral Account as of the beginning of such Business Day, by a transmission method determined by Bank, in Bank's sole discretion. City expressly consents to this transmission of information. Bank will, on receiving a written request from Secured Party, send to Secured Party by United States mail, at the address indicated for Secured Party after its signature to this Agreement, duplicate copies of all periodic statements on the Project Fund Collateral Account which are sent to City.
6. **Returned Items.** Secured Party and City understand and agree that the face amount ("Returned Item Amount") of each Returned Item will be paid by Bank debiting the Collateral Account to which the Returned Item was originally credited, without prior notice to Secured Party or City. As used in this Agreement, the term "Returned Item" means (i) any item deposited to a Collateral Account and returned unpaid, whether for insufficient funds or for any other reason, and without regard to timeliness of the return or the occurrence or timeliness of any drawee's notice of non-payment; (ii) any item subject to a claim against Bank of breach of transfer or presentment warranty under the Uniform Commercial Code (as adopted in the applicable state) or Regulation CC (12

C.F.R. §229), as in effect from time to time; (iii) any automated clearing house (“ACH”) entry credited to a Collateral Account and returned unpaid or subject to an adjustment entry under applicable clearing house rules, whether for insufficient funds or for any other reason, and without regard to timeliness of the return or adjustment; (iv) any credit to a Collateral Account from a merchant card transaction, against which a contractual demand for chargeback has been made; and (v) any credit to a Collateral Account made in error. City agrees to pay all Returned Item Amounts immediately on demand, without setoff or counterclaim, to the extent there are not sufficient funds in the applicable Collateral Account to cover the Returned Item Amounts on the day Bank attempts to debit them from the Collateral Account. Secured Party agrees to pay all Returned Item Amounts within fifteen (15) calendar days after demand, without setoff or counterclaim, to the extent that (i) the Returned Item Amounts are not paid in full by City within five (5) calendar days after demand on City by Bank, and (ii) Secured Party has received proceeds from the corresponding Returned Items under this Agreement.

7. **Settlement Items.** Secured Party and City understand and agree that the face amount (“Settlement Item Amount”) of each Settlement Item will be paid by Bank debiting the applicable Collateral Account, without prior notice to Secured Party or City. As used in this Agreement, the term “Settlement Item” means (i) each check or other payment order drawn on or payable against any controlled disbursement account or other deposit account at any time linked to any Collateral Account by a zero balance account connection or other automated funding mechanism (each a “Linked Account”), which Bank cashes or exchanges for a cashier’s check or official check in the ordinary course of business and which is presented for settlement against the Collateral Account (after having been presented against the Linked Account), (ii) each check or other payment order drawn on or payable against a Collateral Account, which Bank cashes or exchanges for a cashier’s check or official check in the ordinary course of business after Bank’s cutoff time for posting, (iii) each ACH credit entry initiated by Bank, as originating depository financial institution, on behalf of City, as originator, and (iv) any other payment order drawn on or payable against a Collateral Account or any Linked Account, which Bank has paid or funded. City agrees to pay all Settlement Item Amounts immediately on demand, without setoff or counterclaim, to the extent there are not sufficient funds in the applicable Collateral Account to cover the Settlement Item Amounts on the day they are to be debited from the Collateral Account. Secured Party agrees to pay all Settlement Item Amounts within fifteen (15) calendar days after demand, without setoff or counterclaim, to the extent that (i) the Settlement Item Amounts are not paid in full by City within five (5) calendar days after demand on City by Bank, and (ii) Secured Party has received Collateral Account Funds under this Agreement.
8. **Bank Fees.** City agrees to pay all Bank’s fees and charges for the maintenance and administration of the Project Fund Collateral Account and for the treasury management and other account services provided with respect to the Project Fund Collateral Account and any Lockboxes (collectively “Bank Fees”), including, but not limited to, the fees for (a) Balance Reports provided on the Project Fund Collateral Account, (b) funds transfer services received with respect to the Project Fund Collateral Account, (c) lockbox

processing services, (d) Returned Items, (e) funds advanced to cover overdrafts in the Project Fund Collateral Account (but without Bank being in any way obligated to make any such advances), and (f) duplicate bank statements. The Bank Fees will be paid by Bank debiting one or more of the Project Fund Collateral Account on the Business Day that the Bank Fees are due, without notice to Secured Party or City. If there are not sufficient funds in the Project Fund Collateral Account to cover fully the Bank Fees on the Business Day Bank attempts to debit them from the Project Fund Collateral Account, such shortfall or the amount of such Bank Fees will be paid by City to Bank, without setoff or counterclaim, within five (5) calendar days after demand from Bank. Secured Party agrees to pay any Bank Fees within fifteen (15) calendar days after demand, without setoff or counterclaim, to the extent such Bank Fees are not paid in full by City within five (5) calendar days after demand on City by Bank.

9. **Deposit Agreements.** Except as specifically provided in this Agreement, Secured Party and City agree that the Project Fund Collateral Account will be subject to, and Bank's operation of the Project Fund Collateral Account will be in accordance with, the Deposit Agreements.
10. **Partial Subordination of Bank's Rights.** Bank hereby subordinates to the security interest of Secured Party in the Project Fund Collateral Account (i) any security interest which Bank may have or acquire in the Project Fund Collateral Account, and (ii) any right which Bank may have or acquire to set off or otherwise apply any Collateral Account Funds against the payment of any indebtedness from time to time owing to Bank from City, except for debits to the Project Fund Collateral Account permitted under this Agreement for the payment of Returned Item Amounts, Settlement Item Amounts or Bank Fees.
11. **Bankruptcy Notice; Effect of Filing.** If Bank at any time receives notice of the commencement of a bankruptcy case or other insolvency or liquidation proceeding by or against City, Bank will continue to comply with its obligations under this Agreement, except to the extent that any action required of Bank under this Agreement is prohibited under applicable bankruptcy laws or regulations or is stayed pursuant to the automatic stay imposed under the United States Bankruptcy Code or by order of any court or agency. With respect to any obligation of Secured Party hereunder which requires prior demand on City, the commencement of a bankruptcy case or other insolvency or liquidation proceeding by or against City will automatically eliminate the necessity of such demand on City by Bank, and will immediately entitle Bank to make demand on Secured Party with the same effect as if demand had been made on City and the time for City's performance had expired.
12. **Legal Process, Legal Notices and Court Orders.** Bank will comply with any legal process, legal notice or court order it receives in relation to a Collateral Account if Bank determines in its sole discretion that the legal process, legal notice or court order is legally binding on it.

13. **Indemnification.** City will indemnify, defend and hold harmless Bank, its officers, directors, employees, and agents (collectively, the “Indemnified Parties”) from and against any and all claims, demands, losses, liabilities, damages, costs and expenses (including reasonable attorneys’ fees) (collectively “Losses and Liabilities”) Bank may suffer or incur as a result of or in connection with (a) Bank complying with any binding legal process, legal notice or court order referred to in the immediately preceding section of this Agreement, (b) Bank following any instruction or request of Secured Party, including but not limited to any Instructions, or (c) Bank complying with its obligations under this Agreement, except to the extent such Losses and Liabilities are caused by Bank’s gross negligence or willful misconduct. To the extent such obligations of indemnity are not satisfied by City within five (5) days after demand on City by Bank, Secured Party will indemnify, defend and hold harmless Bank and the other Indemnified Parties against any and all Losses and Liabilities Bank may suffer or incur as a result of or in connection with Bank following any instruction or request of Secured Party, except to the extent such Losses and Liabilities are caused by Bank’s gross negligence or willful misconduct.

14. **Bank’s Responsibility.** This Agreement does not create any obligations of Bank, and Bank makes no express or implied representations or warranties with respect to its obligations under this Agreement, except for those expressly set forth herein. In particular, Bank need not investigate whether Secured Party is entitled under Secured Party’s agreements with City to give an Instructions. Bank may rely on any and all notices and communications it believes are given by the appropriate party. Bank will not be liable to City, Secured Party or any other party for any Losses and Liabilities caused by (i) circumstances beyond Bank’s reasonable control (including, without limitation, computer malfunctions, interruptions of communication facilities, labor difficulties, acts of God, wars, or terrorist attacks) or (ii) any other circumstances, except to the extent that such Losses and Liabilities are directly caused by Bank’s gross negligence or willful misconduct. In no event will Bank be liable for any indirect, special, consequential or punitive damages, whether or not the likelihood of such damages was known to Bank, and regardless of the form of the claim or action, or the legal theory on which it is based. Any action against Bank by City or Secured Party under or related to this Agreement must be brought within twelve (12) months after the cause of action accrues.

15. **Termination.** This Agreement may be terminated by Secured Party or Bank at any time by either of them giving thirty (30) calendar days prior written notice of such termination to the other parties to this Agreement; provided, however, that this Agreement may be terminated immediately upon written notice (i) from Bank to City and Secured Party should City or Secured Party fail to make any payment when due to Bank from City or Secured Party under the terms of this Agreement, or (ii) from Secured Party to Bank on termination or release of Secured Party’s security interest in the Project Fund Collateral Account; provided that any notice from Secured Party under clause (ii) of this sentence must contain Secured Party’s acknowledgement of the termination or release of its security interest in the Project Fund Collateral Account, as shown in the form of termination notice attached hereto as Exhibit B. City’s and Secured Party’s respective obligations to report errors in funds transfers and bank statements and to pay Returned

Items Amounts, Settlement Item Amounts, and Bank Fees, as well as the indemnifications made, and the limitations on the liability of Bank accepted, by City and Secured Party under this Agreement will continue after the termination of this Agreement with respect to all the circumstances to which they are applicable, existing or occurring before such termination, and any liability of any party to this Agreement, as determined under the provisions of this Agreement, with respect to acts or omissions of such party prior to such termination will also survive such termination.

16. **Modifications, Amendments, and Waivers.** This Agreement may not be modified or amended, or any provision thereof waived, except in a writing signed by all the parties to this Agreement.
17. **Notices.** All notices from one party to another must be in writing, which includes electronically via e-mail, and be delivered to City, Secured Party and/or Bank at their contact addresses specified after their signatures to this Agreement, or any other address of any party communicated to the other parties in writing. Unless otherwise described above, notices will be effective on receipt. Any notice sent by a party to this Agreement to another party must also be sent to all other parties to this Agreement. Bank is authorized by City and Secured Party to act on any instructions or notices received by Bank if (a) such instructions or notices purport to be made in the name of Secured Party, (b) Bank reasonably believes that they are so made, and (c) they do not conflict with the terms of this Agreement as such terms may be amended from time to time, unless such conflicting instructions or notices are supported by a court order.
18. **Successors and Assigns.** Neither City nor Secured Party may assign or transfer its rights or obligations under this Agreement to any person or entity without the prior written consent of Bank, which consent will not be unreasonably withheld or delayed. Notwithstanding the foregoing, Secured Party may transfer its rights and duties under this Agreement to (i) a transferee to which, by contract or operation of law, Secured Party transfers substantially all of its rights and duties under the financing or other arrangements between Secured Party and City, or (ii) if Secured Party is acting as a representative in whose favor a security interest is created or provided for, a transferee that is a successor representative; provided that as between Bank and Secured Party, Secured Party will not be released from its obligations under this Agreement unless and until Bank receives any such transferee's binding written agreement to assume all of Secured Party's obligations hereunder. Bank may not assign or transfer its rights or obligations under this Agreement to any person or entity without the prior written consent of Secured Party, which consent will not be unreasonably withheld or delayed; provided, however, that no such consent will be required if such assignment or transfer takes place as part of a merger, acquisition or corporate reorganization affecting Bank.
19. **Governing Law.** [This Agreement will be governed by and be construed in accordance with the laws of the state of Florida, without regard to conflict of laws principles. This state will also be deemed to be Bank's jurisdiction, for purposes of Article 9 of the Uniform Commercial Code as it applies to this Agreement.][**TO BE CONFIRMED**]

20. **Severability.** To the extent that the terms of this Agreement are inconsistent with, or prohibited or unenforceable under, any applicable law or regulation, they will be deemed ineffective only to the extent of such prohibition or unenforceability, and will be deemed modified and applied in a manner consistent with such law or regulation. Any provision of this Agreement which is deemed unenforceable or invalid in any jurisdiction will not affect the enforceability or validity of the remaining provisions of this Agreement or the same provision in any other jurisdiction.
21. **Counterparts.** This Agreement may be executed in any number of counterparts each of which will be an original with the same effect as if the signatures were on the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by telecopier or electronic image scan transmission (such as a “pdf” file) will be effective as delivery of a manually executed counterpart of the Agreement.
22. **Entire Agreement.** This Agreement, together with the Deposit Agreements, contains the entire and only agreement among all the parties to this Agreement and between Bank and City, on the one hand, and Bank and Secured Party, on the other hand, with respect to (a) the interest of Secured Party in the Project Fund Collateral Account and Collateral Account Funds, and (b) Bank’s obligations to Secured Party in connection with the Project Fund Collateral Account and Collateral Account Funds.

[SIGNATURE PAGES FOLLOW]

This Agreement has been signed by the duly authorized officers or representatives of City, Secured Party and Bank and is deemed to be effective as of the Effective Date stated above.

CITY OF FORT BRAGG

EVERBANK, N.A.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Address for City Notices:

Address for Secured Party Notices:

Attn: _____

Attn: _____

[SIGNATURE PAGES CONTINUE]

EVERBANK, N.A.

By: _____

Name: _____

Title: _____

Addresses for Bank Notices:

EverBank – Commercial Client Services

Attn: CCS Manager

18100 Von Karmen Ave., Suite 450

Irvine, CA 92612

E-mail: ccservices@everbank.com

Exhibit A
PROJECT FUND DISBURSEMENT REQUEST

The undersigned, the [TITLE] of the City of Fort Bragg, California (the “City”), is familiar with the facts herein certified is authorized and qualified to certify the same, and hereby requests that the EverBank, N.A., as administrator (the “Administrator” under the Project Fund Administration Agreement, dated May __, 2025, by and among the City, the Administrator and EverBank, N.A. as secured party), make a disbursement from the Project Fund held by the Administrator, and disburse such funds as set forth in #4 below (the “Proposed Disbursement”):

1. The Business Day of the Proposed Disbursement is _____, 20__ (the “Disbursement Date”).

2. The principal amount of the Proposed Disbursement is \$_____, which, when added to any other prior Proposed Disbursements, such amount shall not exceed the amount initially deposited into the Project Fund on the Closing Date.

3. The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the Issuance Date, before and after giving effect to the Proposed Disbursement is:

(a) The representations and warranties of the City set forth in the Installment Purchase Agreement of the Installment Purchase Agreement (as amended and supplemented, the “Installment Purchase Agreement”), dated as of May 1, 2025, by and between City and the City of Fort Bragg Joint Powers Public Financing Authority, a joint powers authority duly organized and existing under the laws of the State of California, are true and correct in all material respects (or in the case of any representation qualified by materiality, in all respects) on the date hereof, as if made on the date hereof;

(b) No Event of Default (as defined in the Installment Purchase Agreement) has occurred and is continuing;

(c) The Proposed Disbursement are being used for Project Costs, as defined in the Installment Purchase Agreement; and

(d) The City is in compliance with all [Government Grants Agreements].

4. The Proposed Disbursement shall be made by the Administrator by wire transfer from the Project Fund on behalf of the City in accordance with the instructions set forth below and the City hereby confirms that the Administrator is authorized to make said disbursements:

[Insert wire instructions and amounts]

Capitalized terms used and not defined herein shall have the meanings given the in the Project Fund Administration Agreement.

Dated: _____

CITY OF FORT BRAG

By _____
[TITLE]

Exhibit B
Form of Deposit Account Control Agreement Termination

[DATE]

EverBank – Commercial Client Services
Attn: CCS Manager
18100 Von Karmen Avenue, Suite 450
Irvine, CA 92612

RE: Deposit Account Control Agreement Termination

To whom it may concern:

This termination notice is delivered to EverBank, National Association (“Bank”) pursuant to the Project Fund Administration Agreement (as amended and supplemented, the “Agreement”), dated as of [DATE], entered into by and among the CITY OF FORT BRAGG, a local agency duly organized and existing under the laws of the State of California (the “City”), **EverBank, National Association**, a national banking association (“Secured Party”) and Bank. All capitalized terms used but not defined in this notice have the meanings given to them in the Agreement.

In accordance with Section 15 of the Agreement, this termination notice is sent by Secured Party to notify Bank that (i) Secured Party has terminated or released its secured interest in the Collateral Account(s) and (ii) by virtue of the termination or release of its secured interest, Secured Party wishes to terminate the Agreement.

Secured Party confirms that it has sent a copy of this termination notice to City.

Secured Party understands that Bank shall have a reasonable time to act upon this termination notice and that all rights, obligations, and duties of each party under the Agreement shall be terminated except for those that are explicitly stated in the Agreement to survive termination.

Sincerely,

EVERBANK, N.A.

cc: CITY OF FORT BRAGG, CALIFORNIA