

REGIONS COMMERCIAL EQUIPMENT FINANCE, LLC
COMMITMENT LETTER

EXHIBIT A

January 10, 2022

Mr. Grant Dussom, Chief Financial Officer
St. Charles Parish
15045 River Road (LA 18)
Hahnville, LA 70057

Reference: Up to \$20,000,000 Taxable Term Loan to be evidenced by a promissory note, bond or other debt instrument (the "Debt Instrument")

Dear Mr. Dussom:

Regions Commercial Equipment Finance, LLC (the "Lender") is pleased to furnish this Term Sheet (this "Term Sheet") to St. Charles Parish (the "Borrower") for a \$20,000,000 Taxable Loan (the "Loan") for the purposes set forth below. We understand that the Borrower intends to close the Loan on or before January 28, 2022 (the "Anticipated Closing Date").

Below you will find the proposed set of terms and conditions associated with this Term Sheet:

Borrower: St. Charles Parish

Lender: Regions Commercial Equipment Finance, LLC

Role of Lender: The Lender and its representatives are not registered municipal advisors and do not provide advice to municipal entities or obligated persons with respect to municipal financial products or the issuance of municipal securities (including regarding the structure, timing, terms and similar matters concerning municipal financial products or municipal securities issuances) or engage in the solicitation of municipal entities or obligated persons for the provision by non-affiliated persons of municipal advisory services and/or investment advisory services. With respect to this Term Sheet and any other information, materials or communications provided by the Lender: (a) the Lender and its representatives are not recommending an action to any municipal entity or obligated person; (b) the Lender and its representatives are not acting as an advisor to any municipal entity or obligated person and do not owe a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to any municipal entity or obligated person with respect to this Term Sheet, information, materials or communications; (c) the Lender and its representatives are acting for their own interests; and (d) the Borrower has been informed that the Borrower should discuss this Term Sheet and any such other information, materials or communications with any and all internal and external advisors and experts that the Borrower deems appropriate before acting on this Term Sheet or any such other information, materials or communications.

Privately Negotiated Loan: The Borrower acknowledges and agrees that the Lender is purchasing the Note in evidence of a privately negotiated loan and in that connection the Note shall not be (i) assigned a separate rating by any municipal securities rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement or (iv) assigned a CUSIP number by Standard & Poor's CUSIP Service.

Purpose: The proceeds of the Loan will be used to (i) pay any costs associated with debris removal or the demolition, rehabilitation, repair, reconstruction, renovation, restoration and improvement of the properties and facilities within the Borrower resulting from or related to Hurricane Ida, including purchasing any furnishings, fixtures and equipment incidental or necessary in connection therewith; (ii) funding a reserve, if required; and (iii) paying the costs of issuance of the Notes.

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Loan Amount: Up to \$20,000,000.

Structure: Revenue Backed Term Loan evidenced by a promissory note, bond or other debt instrument (the "Debt Instrument").

Interest Rate: The Loan is a Taxable Loan.
The Loan will bear interest at a fixed rate per annum for ten (10) years at a rate of 3.15%.

Default Rate: The interest rate otherwise applicable to the Debt Instrument plus 3%, not to exceed the maximum allowed by law.

Repayment: Interest will be payable semi-annually (calculated on the basis of a 30 day month and a 360 day year) each January 1 and July 1, commencing July 1, 2022. Annual principal payments will be payable January 1, commencing January 1, 2024. Graduated principal payments due as set forth in Exhibit A. All payments are due on the same calendar day of the month.

Maturity Date: January 1, 2032.

Prepayment: The Borrower may prepay all or any part of the principal balance of this Debt Instrument on five business days' notice, after January 1, 2024. An additional principal payment made on January 1, 2024 may be applied pro-rata to the debt. All other partial prepayments of principal shall be applied in the inverse order of maturities.

Facility Fee: None.

Other Fees, Costs and Expenses: The Borrower will be responsible for all out-of-pocket fees, costs and expenses of the Lender (including, without limitation, counsel fees and expenses and costs associated with lien searches and recordation) incurred in connection with the negotiation, execution, delivery, administration and enforcement of the Loan Documents.

Security: The Loan shall be payable from a pledge of all funds or revenues received or to be received by the Borrower to the extent legally available for the payment of debt service on the Debt Instrument, provided that no such funds or revenues shall be so included which have been or are in the future legally dedicated and required for purposes inconsistent therewith by the electorate, by the terms of specific grants, by the terms of particular obligations issued or to be issued or by operation of law.

Representations and Warranties: Usual and customary for this type of financing.

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Covenants: Usual and customary for this type of financing, including but not limited to the following:

- (1) The Borrower shall deliver to the Lender each of the following, in form and substance satisfactory to the Lender:
 - (i) audited financial statements within 210 days after the end of the each of the Borrower's fiscal years, unless a later time for completion has been granted to the Borrower by the Louisiana Legislative Auditor;
 - (ii) annual budget within 30 days of adoption;
- (2) The Borrower shall report and post any payment default on the Municipal Securities Rulemaking Board's EMMA website.

Defaults: Usual and customary for this type of financing.

Remedies: The Lender shall have all of the rights and remedies set forth in the Loan Documents, and available at law and in equity, for the enforcement thereof.

Legal Opinions: As an additional condition precedent to the Lender making the Loan, the Borrower shall provide, among other things, the following opinions to the Lender:

- (i) an opinion of bond counsel in form and substance satisfactory to the Lender and its counsel in all respects, which shall include opinions to the effect that (a) the Borrower has the authority under the laws of the State of Louisiana to issue the Debt Instrument and execute and deliver the Loan Documents, (b) that the Debt Instrument has been duly issued and each of the Debt Instrument and the other Loan Documents to which the Borrower is a party has been duly authorized, executed and delivered by the Borrower, (c) that each of the Debt Instrument and the other Loan Documents to which the Borrower is a party is a valid and binding obligation of the Borrower, duly enforceable in accordance with its terms.

Lender Counsel: Carmen Lavergne with Butler Snow, L.L.P. will represent the Lender as Lender's Counsel at a fee not to exceed \$20,000. Lender Counsel Fee to be paid by Borrower at closing.

Paying Agent: Regions Corporate Trust to serve as Paying Agent. Paying Agent Fee of \$1,000 to be paid by Borrower annually in advance.

Transfer Provisions: The Lender shall maintain the right to transfer and/or assign, in whole or in part, its rights hereunder, the Debt Instrument and/or the Loan, or, in either case, any interest therein, to any Bank or Qualified Institutional Borrower in its sole and absolute discretion. The Borrower may not assign its rights hereunder or under any of the Loan Documents to any person without the prior written consent of the Lender.

Disclaimer: This Term Sheet describes some of the basic terms and conditions proposed to be included in the documents between the Lender and the Borrower. This Term Sheet does not purport to summarize all the conditions, covenants, representations, warranties, assignments, events of default, cross default, acceleration events, remedies or other provisions that may be contained in documents required to consummate this financing.

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US Patriot Act: The Borrower represents and warrants to the Lender that neither it nor any of its principals, shareholders, members, partners, or Affiliates, as applicable, is a Person named as a Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of any such person. The Authority further represents and warrants to the Lender that the Borrower and its principals, shareholders, members, partners, or Affiliates, as applicable, are not directly or indirectly, engaged in, nor facilitating, the transactions contemplated by this transaction on behalf of any Person named as a Specially Designated National and Blocked Person.

Confidentiality: The Borrower acknowledges and agrees that this Term Sheet and the information set forth herein is confidential and proprietary, and further agrees to keep this Term Sheet and the information set forth herein CONFIDENTIAL to the extent allowed by law. The Borrower shall not disclose this Term Sheet or any of its material terms to anyone, without the prior written consent of the Lender in each instance, except as such disclosure is required by law or regulation or as a result of any legal or administrative procedure.

Waiver of Jury Trial: To the extent permitted by applicable law, each of the Borrower and the Lender irrevocably and voluntarily waives any right it may have to a trial by jury with respect to any controversy or claim between the Borrower and the Lender, whether arising in contract or tort or by statute, including but not limited to any controversy or claim that arises out of or relates to this Term Sheet, the Debt Instrument or any of the other Loan Documents. This provision is a material inducement for the Lender's determination to make the Loan and for the parties to enter into the Loan Documents.

Governing Law: State of Louisiana

Thank you for providing the Lender with this opportunity to be involved in a financial partnership with the Borrower. The Lender is willing to discuss the terms reflected herein through January 11, 2022. After such date, terms, conditions and pricing may change based on prevailing market conditions and further discussion will be at Lender's sole discretion. We are grateful for your consideration and remain available to promptly respond to any questions that you may have regarding this document. We look forward to hearing from you.

REGIONS COMMERCIAL EQUIPMENT FINANCE, LLC

EXHIBIT A

Principal Repayment Schedule*

<u>January 1</u>	<u>Principal</u>
2023	0
2024	1,965,000
2025	2,025,000
2026	2,085,000
2027	2,150,000
2028	2,215,000
2029	2,285,000
2030	2,350,000
2031	2,425,000
2032	<u>2,500,000</u>
	20,000,000

*A one time additional principal payment may be made on January 1, 2024 to be applied pro-rata to the debt. All other principal payments will be applied in the inverse order of maturities.

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EXHIBIT B

In the event Borrower requests Lender to move forward with the approval process after discussion of the aforementioned terms and conditions contained in the Term Sheet, Borrower agrees to reimburse Lender on demand for all out of pocket expenses incurred by Lender if the transaction fails to close for any reason other than Lender's decision not to approve the transaction. Such expenses shall include, but not be limited to, legal expenses incurred by Lender.

ACCEPTANCE:

Borrower does hereby agree to all provisions contained in Exhibit B.

Borrower Signature:

By: _____

Name: _____

Title: _____

FORM OF NOTE

NO. AR-1

PRINCIPAL AMOUNT: \$20,000,000

**UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF ST. CHARLES**

**HURRICANE RECOVERY REVENUE NOTE, SERIES 2022A
OF THE
PARISH OF ST. CHARLES, STATE OF LOUISIANA**

<u>DELIVERY DATE</u>	<u>FINAL MATURITY DATE</u>	<u>INTEREST RATE</u>
_____, 2022	January 1, 20[32]	3.15%

The **PARISH OF ST. CHARLES, STATE OF LOUISIANA** (the "Issuer"), promises to pay, but solely from the source and as hereinafter provided, to:

REGIONS COMMERCIAL EQUIPMENT FINANCE, LLC

or its successors or registered assigns, the Principal Amount set forth above, to the extent not previously paid, together with interest thereon from the Delivery Date set forth above or the most previously interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum set forth above on a 30/360 basis, payable semiannually on January 1 and July 1 of each year, commencing July 1, 2022 (each an "Interest Payment Date"). The principal of this Note, on the Final Maturity Date set forth above or upon earlier prepayment in whole but not in part, is payable in lawful money of the United States of America at the designated office of Regions Bank Corporate Trust Department, in the City of Baton Rouge, Louisiana, or successor thereto (the "Paying Agent"), upon presentation and surrender hereof. Prior to the final payment on the Final Maturity Date, payments of principal and interest on this Bond are payable by check of the Paying Agent mailed by said Paying Agent to the Owner (determined as of the close of business on the Record Date) at the address shown on the Note Register. Notwithstanding anything in this Note or the Ordinance (as hereafter defined) to the contrary, prior to the Maturity Date or the earlier payment in full of this Note, payments of principal of and interest on this Bond will be payable without presentation and surrender hereof.

This Note represents the entire authorized issue of Twenty Million Dollars (\$20,000,000) of Hurricane Recovery Revenue Notes, Series 2022A, of the Issuer, said Note having been issued by the Issuer pursuant to an Ordinance adopted by its governing authority on January [10], 2022 (the "Ordinance"), for the purpose of (i) paying any costs associated with debris removal or the demolition, rehabilitation, repair, reconstruction, renovation, restoration and improvement of the Issuer's facilities resulting from or related

to Hurricane Ida, including purchasing any furnishings, fixtures and equipment incidental or necessary in connection therewith, and (ii) paying the costs of issuance, pursuant to Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority. Capitalized terms used but not defined herein shall have the meanings given such terms in the Ordinance.

The principal of this Note shall mature in installments on January 1 of each year, commencing January 1, 2024, without necessity of notice in the years and in the principal amounts set forth below:

<u>Year</u> <u>(Jan. 1)</u>	<u>Principal</u> <u>Amount</u>
2024	\$ 1,965,000
2025	2,025,000
2026	2,085,000
2027	2,150,000
2028	2,215,000
2029	2,285,000
2030	2,350,000
2031	2,425,000
2032*	2,500,000

* *Final Maturity Date.*

To the extent not previously paid, all principal of and interest on this Note shall become immediately due and payable by the Issuer to the Owner on the Final Maturity Date.

Initial Optional Prepayment. On January 1, 2024, the outstanding principal of this Note may be prepaid by the Issuer, in whole or in part, at the principal amount then outstanding plus accrued interest to the date of prepayment. Any partial prepayment on January 1, 2024, shall be applied (i) first, to the principal and interest due on such date, and (ii) then, to reduce on a pro rata basis the remaining principal installments otherwise due hereon. Official notice of such call of this Note or any portion thereof for prepayment pursuant to this paragraph shall be given by the Issuer to the Paying Agent by means of (i) first class mail, postage prepaid, by notice deposited in the United States mails not less than five (5) days prior to the prepayment date or (ii) electronic transmission not later than five (5) days prior to the prepayment date, and the Paying Agent shall promptly provide notice to the Owners of any portion of this Note. The Paying Agent shall simultaneously provide a new schedule of principal installments to be due on this Note to the Issuer and the Owners thereof.

Additional Optional Prepayment. At any time after January 1, 2024, the outstanding principal of this Note may be prepaid by the Issuer, in whole or in part, at the principal amount then outstanding plus accrued interest to the date of prepayment. Any partial prepayment shall be applied in inverse order of principal installments, unless otherwise consented to by the Owner. Official notice of such call of this Note or any portion thereof for optional prepayment pursuant to this Section 3(B) shall be given by the Paying Agent

by means of (i) first class mail, postage prepaid, by notice deposited in the United States mails not less than five (5) days prior to the prepayment date or (ii) electronic transmission not later than five (5) days prior to the prepayment date.

Any prepayment of this Note or any portion hereof may be made expressly contingent upon the availability of funds therefor.

This Note is secured by and payable from a pledge of all funds or revenues received or to be received by the Issuer to the extent legally available for the payment of debt service on this Note, provided that no such funds or revenues shall be so included which have been or are in the future legally dedicated and required for purposes inconsistent therewith by the electorate, by the terms of specific grants, by the terms of particular obligations issued or to be issued or by operation of law. The Issuer, in and by the Ordinance, has also entered into certain other covenants and agreements with the registered owner of this Note, including provisions for the issuance *pari passu* obligations on a parity with this Note, for the terms of which reference is made to the Ordinance.

This Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the certificate of registration hereon shall have been signed by the Paying Agent.

It is certified that this Note is authorized by and issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Note to constitute the same a valid and binding obligation of the Issuer have existed, have happened and have been performed in due time, form and manner as required by law, and that this Note does not exceed any limitation prescribed by the Constitution and statutes of the State of Louisiana.

IN WITNESS WHEREOF, the Parish of St. Charles, State of Louisiana, has caused this Note to be signed by the facsimile signatures of its Parish President and Secretary of Council, and the corporate seal of the Issuer to be here on impressed, and this Note to be dated the Delivery Date set forth above.

PARISH OF ST. CHARLES, STATE OF LOUISIANA

Secretary of Council

Parish President

(SEAL)

* * * * *

(FORM OF PAYING AGENT'S CERTIFICATE OF REGISTRATION)

This Note is the Note referred to in the within-mentioned Ordinance.

REGIONS BANK,
as Paying Agent

By: _____
Authorized Officer

Date of Registration: _____, 2022

* * * * *

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Assignor hereby sells, assigns and transfers the within note and all rights thereunder unto the following Assignee:

Name:

Address:

who by its execution below hereby certifies to the Paying Agent that (a) it is (i) an affiliate of the original owner of this Note, or (ii) a bank, or entity directly or indirectly controlled by a bank, or under common control with a bank, other than a broker dealer or municipal securities dealer, which certifies that it is a "qualified institutional buyer" as defined in Rule 144A of the Securities Act of 1933, as amended, and (b) it consents to the terms of the Lender Letter executed by the original owner of this Note as referenced in the Ordinance.

_____, Assignee

_____, Assignor

By: _____

By: _____

Its: _____

Its: _____

Date: _____

* * * * *

STATE OF LOUISIANA

PARISH OF ST. CHARLES

I, the undersigned Secretary of the St. Charles Parish Council, do hereby certify that the foregoing pages constitute a true and correct copy of an ordinance adopted by the St. Charles Parish Council on January 10, 2022, authorizing the issuance and sale of Twenty Million Dollars (\$20,000,000) of Hurricane Recovery Revenue Notes of the Parish of St. Charles, State of Louisiana; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature on this the 10th day of January, 2022.

Secretary of Council