

## **ESCROW DEPOSIT AGREEMENT**

**ESCROW DEPOSIT AGREEMENT (the “Agreement”)**, dated as of [Date of Closing], between **LAKE ASHTON COMMUNITY DEVELOPMENT DISTRICT**, a duly created and validly existing local unit of special purpose government (the “District”), and **U.S. BANK NATIONAL ASSOCIATION**, (the “Escrow Agent”), a national banking association authorized to accept and execute trusts of the character herein set out, with its designated office and post office address located at 225 E. Robinson Street, Suite 250, Orlando, Florida 32801, Attention: Corporate Trust Department.

**WHEREAS**, the District has heretofore issued, sold and delivered its \$8,390,000 Lake Ashton Community Development District Capital Improvement Revenue Bonds, Series 2001A (the “Series 2001A Bonds”), which are currently Outstanding in the aggregate principal amount of \$4,340,000, its \$2,530,000 Lake Ashton Community Development District Capital Improvement Revenue Bonds, Series 2003A (the “Series 2003A Bonds”), which are currently Outstanding in the aggregate principal amount of \$1,270,000 and its \$930,000.00 Lake Ashton Community Development District Capital Improvement Revenue Bonds, Series 2005A (the “Series 2005A Bonds”), which are currently Outstanding in the aggregate principal amount of \$750,000 (the “Refunded Bonds”) under and pursuant to the terms of a Master Trust Indenture, dated as of February 1, 2001 (the "Master Indenture"), from the District to U.S. Bank National Association (as successor in trust to First Union National Bank), as trustee (the "Trustee"), as amended and supplemented by a First Supplemental Trust Indenture, dated as of February 1, 2001 (the “First Supplemental Indenture”) in the case of the Series 2001A Bonds, as amended and supplemented by a Second Supplemental Trust Indenture, dated as of March 1, 2003 (the “Second Supplemental Indenture”) in the case of the Series 2003A Bonds and as amended and supplemented by a Third Supplemental Trust Indenture, dated as of December 1, 2005 (the “Third Supplemental Indenture”) in the case of the Series 2001A Bonds, each from the District to the Trustee (the Master Indenture, as amended and supplemented by the each corresponding Supplemental Indenture is hereinafter referred to as the “Indenture”); and

**WHEREAS**, the District desires to currently refund such Refunded Bonds to achieve debt service savings;

**WHEREAS**, the District has authorized the issuance, sale and delivery of its \$[Bond Amount] Lake Ashton Community Development District Capital Improvement Revenue Refunding Bonds, Series 2015 (the "Series 2015 Bonds") pursuant to a Third Supplemental Trust Indenture, dated as of March 1, 2015 (the "Third Supplemental Indenture"), from the District to the Trustee to secure the issuance of the Series 2015 Bonds and to set forth the terms of the Series 2015 Bonds, a portion of the proceeds of which, together with certain other legally available moneys of the District, will be used to discharge the pledge of and lien of the Indenture in favor of the holders of such Refunded Bonds; and

**WHEREAS**, the issuance of the Series 2015 Bonds, the deposit of cash into an escrow deposit trust fund to be held by the Escrow Agent and the discharge of the pledge of and lien of the Indenture in favor of the holders of such Refunded Bonds shall occur as a simultaneous transaction; and

**WHEREAS**, this Agreement is intended to effectuate such simultaneous transaction;

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

**SECTION 1. PREAMBLES.** The recitals stated above are true and correct and incorporated herein.

**SECTION 2. RECEIPT OF INDENTURE.** Receipt of a true and correct copy of the above-mentioned Master Indenture and the First Supplemental Indenture, the Second Supplemental Indenture and the Third Supplemental Indenture respectively from the District to the Trustee under which each respective Series of Refunded Bonds was issued and this Agreement is hereby acknowledged by the Escrow Agent. The applicable and necessary provisions of the Indenture, including, without limitation, Article XII of the Master Indenture, are incorporated herein by reference. The Escrow Agent also acknowledges receipt of the final numbers (the "Final Numbers") prepared by MBS Capital Markets, LLC showing the calculations related to the amount needed to refund each respective Series of Refunded Bonds at the redemption price as set forth in the Final Numbers, as verified by the verification report of Causey, Demgen, & Moore, P.C., a firm of independent certified public accountants, dated [Date of Closing].

**SECTION 3. DISCHARGE OF LIEN OF HOLDERS OF REFUNDED BONDS.** In accordance with Article XII of the Master Indenture, upon the defeasance of each Series of the Refunded Bonds, the lien of the Indenture on the Pledged Revenues and the Funds and Accounts established under the corresponding Indenture shall be defeased and discharged.

**SECTION 4. ESTABLISHMENT OF ESCROW FUNDS.** There is hereby created and established with the Escrow Agent three special, segregated and irrevocable escrow funds designated the “Lake Ashton Community Development District Capital Improvement Revenue Bonds, Series 2001A Escrow Deposit Trust Fund” (the “2001A Escrow Fund”), “Lake Ashton Community Development District Capital Improvement Revenue Bonds, Series 2003A Escrow Deposit Trust Fund” (the “2003A Escrow Fund”) and “Lake Ashton Community Development District Capital Improvement Revenue Bonds, Series 2005A Escrow Deposit Trust Fund” (the “2005A Escrow Fund”). Each Escrow Fund shall be held in the custody of the Escrow Agent as a trust fund for the benefit of the holders of the corresponding Series of Refunded Bonds, separate and apart from other funds and accounts of the District, the other Series of Refunded Bonds and the Escrow Agent. The Escrow Agent hereby accepts the Escrow Funds and acknowledges the receipt of and deposit to the credit of the 2001A Escrow Fund the sum of \$[2001A Bond Fund Escrow Deposit] received from the District from proceeds of the Series 2015 Bonds (the “2001A Bond Proceeds Deposit”) and the sum of \$[Other 2001A Moneys] received from the District from other available funds (the “2001A District Moneys”), to the credit of the 2003A Escrow Fund the sum of \$[2003A Bond Fund Escrow Deposit] received from the District from proceeds of the Series 2015 Bonds (the “2003A Bond Proceeds Deposit”) and the sum of \$[Other 2003A Moneys] received from the District from other available funds (the “2003A District Moneys”), and to the credit of the 2005A Escrow Fund the sum of \$[2005A Bond Fund Escrow Deposit] received from the District from proceeds of the Series 2015 Bonds (the “2005A Bond Proceeds Deposit”) and the sum of \$[Other 2005A Moneys] received from the District from other available funds (the “2005A District Moneys”).

**SECTION 5. DEPOSIT OF MONEYS IN ESCROW FUND.** The District hereby directs, and the Escrow Agent represents and acknowledges that, concurrently with the deposit of each Series of Bond Proceeds and each Series of the District Moneys under Section 4 above, the Escrow Agent has used, all of the corresponding Bond Proceeds and District Moneys to be held in the respective Escrow Fund uninvested in cash (the “Cash”).

**SECTION 6. SUFFICIENCY OF CASH DEPOSIT.** In reliance upon the Final Numbers hereto, the District represents that the Cash is sufficient such that moneys will be available to the Escrow Agent in amounts sufficient and at the times required to pay the amounts of principal of, redemption premium, if any, and interest due and to become due on each respective Series of Refunded Bonds as described in Schedule A attached hereto. If the Cash shall be insufficient to make such payments, the District shall timely deposit to the deficient Escrow Fund, solely from legally available funds of the District, such additional amounts as may be required to pay the corresponding Series of Refunded Bonds as to which such deficiency exists, as described in Schedule A hereto. Notice of any deficiency shall

be given by the Escrow Agent to the District as promptly as possible, but the Escrow Agent shall in no manner be responsible for the District's failure to make such deposits.

**SECTION 7. CASH IN TRUST FOR HOLDERS OF REFUNDED BONDS.** The deposit of the Cash in the Escrow Fund shall constitute an irrevocable deposit of cash in trust solely for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds at such times and in such amounts as set forth in Schedule A hereto, and the Cash shall be used solely for such purpose.

**SECTION 8. ESCROW AGENT TO PAY REFUNDED BONDS FROM ESCROW FUND.** The District hereby directs, and the Escrow Agent hereby agrees, that it will take all actions required to be taken by it under the provisions of the corresponding Indenture referenced in this Agreement, including the timely transfer of, but solely from funds on deposit in each Escrow Fund, money to the Paying Agent for the corresponding Series of Refunded Bonds as provided in the corresponding Indenture, in order to effectuate this Agreement and to pay the corresponding Refunded Bonds in the amounts and at the times provided in Schedule A hereto. The Cash shall be used to pay the principal of, redemption premium, if any, and interest on each Series of Refunded Bonds as the same may mature or be redeemed. If any payment date shall be a day on which either the Paying Agent for the corresponding Refunded Bonds or the Escrow Agent is not open for the acceptance or delivery of funds, then the Escrow Agent shall make payment on the next business day. The liability of the Escrow Agent for the payment of the principal of, redemption premium, if any, and interest on each Series of Refunded Bonds pursuant to this Agreement shall be limited to the application of the Cash available for such purposes in the corresponding Escrow Fund.

**SECTION 9. NO INVESTMENT OF CASH IN ESCROW FUND.** Moneys deposited in an Escrow Fund shall not be invested and shall be held in cash and neither the District nor the Escrow Agent shall otherwise invest or reinvest any moneys in such Escrow Fund.

Each Escrow Fund has been funded in the full amount necessary in order to make the payments of principal of and accrued interest and premium on the corresponding Series of Refunded Bonds as described in Schedule A. Each Escrow Fund shall continue in effect until the date upon which the Escrow Agent makes the final payment to the Paying Agent for the corresponding Series of Refunded Bonds in an amount sufficient to pay such Series of Refunded Bonds as described in Schedule A hereto, whereupon the Escrow Agent shall transfer all remaining money, if any, in such Escrow Fund to the District.

**SECTION 10. REFUNDING OF REFUNDED BONDS.** The District hereby irrevocably instructs the Escrow Agent to give or cause to be given at the appropriate times the notice or notices required by the corresponding Indenture in connection with the refunding of each Series of Refunded Bonds in accordance with Schedule A attached and the standard form on notice of redemption of the Trustee.

**SECTION 11. DEFEASANCE OF REFUNDED BONDS.** Concurrently with the deposit of the Cash set forth in Section 5 hereof, the District represents that, in reliance upon the Schedule A hereto, each Series of Refunded Bonds shall be deemed to have been paid within the meaning and with the effect expressed in Article XIV of the Master Indenture.

**SECTION 12. ESCROW FUND IRREVOCABLE.** Each Escrow Fund hereby created shall be irrevocable and the holders of the corresponding Series of Refunded Bonds shall have an express lien on the Cash deposited in the related Escrow Fund pursuant to the terms hereof and the interest earnings thereon until paid out, used and applied in accordance with this Agreement and the Indenture. Neither the District nor the Escrow Agent shall cause nor permit any other lien or interest whatsoever to be imposed upon any Escrow Fund.

**SECTION 13. AMENDMENTS TO AGREEMENT.** This Agreement is made for the benefit of the District and the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders and the written consent of the Escrow Agent and the District. The District may, however, and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant, or confer upon, the Escrow Agent for the benefit of the holders of the corresponding Series of Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized Bond Counsel with respect to compliance with this Section 13, including the extent, if any, to which any change, modification or

addition affects the rights of the holders of the corresponding Series of Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section 13.

**SECTION 14. FEES AND EXPENSES OF ESCROW AGENT; INDEMNIFICATION.** In consideration of the services rendered by the Escrow Agent under this Agreement, the District has paid to the Escrow Agent a one time fee and expenses, receipt of which is hereby acknowledged. The Escrow Agent shall have no lien whatsoever upon any of the Cash in said Escrow Fund for the payment of fees and expenses. The District further agrees, to the extent permitted by law, to indemnify and save the Escrow Agent, its agents and employees, harmless, to the extent allowed by law, against any liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements of whatsoever kind or nature, which it may incur in the exercise and performance of its powers and duties hereunder, including legal expenses, and which are not due to its gross negligence or willful misconduct. Indemnification provided under this Section 14 shall survive the termination of this Agreement, or, as to the Escrow Agent, its resignation or removal.

Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the District. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Agreement; the Escrow Agent shall be protected and shall not be liable for acting or proceeding, in good faith, upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Escrow Agent may consult with counsel, who may be counsel to the District or independent counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance herewith. Prior to retaining such independent counsel, the Escrow Agent shall notify the District of its intention.

The Escrow Agent and its successors, agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, by reason of the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance and disposition of the various moneys and funds described herein, any payment, transfer or other application of funds by the Escrow Agent in accordance with the provisions of this Agreement or any non-negligent act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The

Escrow Agent shall, however, be liable to the District and to holders of the Refunded Bonds to the extent of their respective damages for grossly negligent or willful misconduct of the Escrow Agent which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement.

**SECTION 15. REPORTING REQUIREMENTS OF ESCROW AGENT.**

As soon as practicable after the Refunded Bonds are redeemed, the Escrow Agent shall forward in writing to the District a statement regarding each Escrow Fund, including the income, if any, earned therein and withdrawals of money therefrom, since the date of its establishment.

**SECTION 16. RESIGNATION OR REMOVAL OF ESCROW AGENT.**

The Escrow Agent, at the time acting hereunder, may at any time resign and be discharged from the duties and obligations hereby created by giving not less than 45 days' written notice to the District and mailing notice thereof, specifying the date when such resignation will take effect, to the holders of all Refunded Bonds then outstanding, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding or by the District as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be replaced at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and signed by either the District or the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding. Such instrument shall provide for the appointment of a successor Escrow Agent, which appointment shall occur simultaneously with the removal of the Escrow Agent.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized in writing; provided, nevertheless, that in any such event, the District shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding in the manner above provided, and any such temporary Escrow Agent so appointed by the District shall immediately

and without further act be superseded by the Escrow Agent so appointed by such holders. The District shall mail notice of any such appointment made by it at the times and in the manner described in the First paragraph of this Section 16.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such holders or the District pursuant to the foregoing provisions of this Section 16 within 45 days after written notice of resignation of the Escrow Agent has been given to the District, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

In the event of replacement or resignation of the Escrow Agent, the Escrow Agent shall remit to the District the prorated portion of prepaid fees not yet incurred or payable, less any termination fees and expenses at the time of discharge, and shall have no further liability hereunder and the District shall, to the extent permitted by law, indemnify and hold harmless Escrow Agent from any such liability, including costs or expenses incurred by Escrow Agent or its counsel.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers organized under the banking laws of the United States or any State, and shall have at the time of appointment capital and surplus of not less than \$50,000,000 or trust assets under management of not less than \$500,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the District an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall nevertheless, on the written request of such successor Escrow Agent or the District execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trust of such predecessor hereunder; and every predecessor Escrow Agent shall deliver all securities and moneys held by it to its successor; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Escrow Agent shall be paid in full. Should any transfer, assignment or instrument in writing from the District be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and



instruments in writing shall, on request, be executed, acknowledged and delivered by the District.

Any corporation into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or reorganization to which the Escrow Agent or any successor to it shall be a party or any corporation to which the Escrow Agent or successor to it shall sell or transfer all or substantially all of its corporate trust business, shall be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

**SECTION 17. TERMINATION OF AGREEMENT.** Except as provided in Section 14 hereof, this Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made. Upon such termination and payment of all moneys set forth on Schedule A hereto, all moneys remaining in an Escrow Fund shall be released to the District.

**SECTION 18. GOVERNING LAW.** This Agreement shall be governed by the applicable laws of the State of Florida.

**SECTION 19. SEVERABILITY.** If any one or more of the covenants or agreements provided in this Agreement on the part of the District or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

**SECTION 20. COUNTERPARTS.** This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

**SECTION 21. NOTICES.** Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Agreement shall be in writing and sent by registered or certified mail addressed to:

If to the Escrow Agent:

U.S. Bank Corporate Trust Services  
225 E Robinson St.  
Suite 250  
Orlando, Florida 32801  
Attn:

If to the District:

Lake Ashton Community Development District  
In care of: Governmental Management Services, District Manager  
135 West Central Blvd.  
Suite 320  
Orlando, Florida 32801  
Attention: George Flint

Copy to District Counsel:

Latham, Shuker, Eden & Beaudine, LLP  
111 N. Magnolia Avenue  
Suite 1400  
Orlando, Florida 32801  
Attn: Jan Albanese Carpenter, Esquire

[ Remainder of page intentionally left blank ]

**IN WITNESS WHEREOF**, the parties hereto have made and executed this Escrow Deposit Agreement as of the date first written herein.

**LAKE ASHTON COMMUNITY  
DEVELOPMENT DISTRICT**

ATTEST:

\_\_\_\_\_  
Assistant Secretary

By: \_\_\_\_\_  
Vice Chairman, Board of Supervisors

**U.S. BANK NATIONAL ASSOCIATION,**  
as Escrow Agent

By: \_\_\_\_\_  
Vice President

**SCHEDULE A**

**DEBT SERVICE REQUIREMENTS FOR REFUNDED BONDS**

**NOTICE OF DEFEASANCE**