

LICENSE AGREEMENT

THIS LICENSE AGREEMENT made this 20th day of October, 1981, between ITT RAYONIER INCORPORATED, a Delaware corporation qualified to do business in Florida (hereinafter "Rayonier"), and NASSAU COUNTY, FLORIDA, whose mailing address is P. O. Drawer 1010, Fernandina Beach, Florida 32034 (hereinafter the "County"):

W I T N E S S E T H:

In consideration of the mutual covenants contained in this agreement and other good and valuable consideration, the parties agree as follows:

1. Rayonier grants the County an exclusive license, upon the terms and conditions contained in this agreement, to use the following real property (hereafter the "Licensed Property") located in Nassau County, Florida, more particularly described in attachment "A" hereto.

2. This license is granted for the sole purpose of permitting the County to use the Licensed Property for disposal of demolition debris. The County shall have the right to construct and maintain temporary improvements which are necessary or incidental to the use of the Licensed Property for disposal of demolition debris.

3. (a) This license shall have a term of 5 years.

(b) Notwithstanding the above provisions, however, Rayonier reserves the unrestricted right to terminate this license at any time for any reason by giving the County written notice of its intention to do so and such termination shall become effective six months after the notice of termination has been received by the County.

(c) In addition to its absolute right to terminate this license as provided in subparagraph (b) above, Rayonier shall also have the right to terminate this agreement, effective immediately, if the County fails to make rental payments when due or otherwise defaults in the performance of any of its obligations hereunder and such default continues for more than 15 days after written notice of default is given to the County by Rayonier.

4. At the expiration of the license term, all interest of the County in the Licensed Property shall cease and Rayonier shall have the right to re-enter and take possession of the Licensed Property. The County shall have the right, within 90 days after expiration, to enter the Licensed Property and remove any improvements placed by it on the Licensed Property.

5. The County shall pay to Rayonier, upon the execution of this Agreement and on each anniversary of the date hereof, \$25 per acre of Licensed Property as prepaid rent for the succeeding year.

6. The County shall construct and maintain a fence surrounding the Licensed Property which shall be constructed of three strands of barbed wire and have fence posts which are spaced not to exceed 16 feet apart. The County shall construct a gate across the road leading to the pit, at the intersection of the pit road and State Road 108. This gate shall remain locked at all times.

7. The County hereby agrees to obtain and maintain in force during the term of this agreement for the benefit of Rayonier and its successors and assigns satisfactory policies of insurance insuring Rayonier against (a) any and all liability of Rayonier to any person arising, directly or indirectly, as the result of use or misuse of the Licensed Property, injuries or property damage sustained by any person (including trespassers) while on the Licensed Property, or acts of omissions of the County, its agents, employees and independent contractors on or in connection with the use of the Licensed Property, and (b) property damage of any kind sustained by Rayonier as the direct or indirect result of operations or acts on, or use of, the Licensed Property. Such policies shall be in the following amounts:

Liability:	\$300,000
Property Damage:	\$100,000

The liability policies shall provide for the insurer to bear all costs, including attorneys' fees, of defending Rayonier in any suits or other proceedings, including appeals, asserting liability covered by the policies. The policies referred to in this paragraph shall cover damage or causes of action which arise during the term of this agreement and for 90 days thereafter, regardless of when suit or other action may be brought or claims made. The policies shall not be cancellable without 30 days' notice to Rayonier.

8. All timber and trees cut by the County on the Licensed Property shall remain the property of Rayonier. If the County cuts any timber or trees, it shall cut them into such appropriate saw timber or pulpwood lengths as Rayonier shall specify and stack them for convenient removal by Rayonier. The County shall allow Rayonier access to the Licensed Property for the removal of any such saw timber or pulpwood and Rayonier shall promptly remove any such timber or pulpwood from the Licensed Property when notified to do so by the County.

9. Upon the payment of consideration satisfactory to Rayonier, the County may borrow material from the Licensed Property, provided it maintains, after refilling, an elevation which is not less than the average elevation of the surrounding lands.

10. No burning of any kind shall be permitted on the Licensed Property.

11. The obligations and rights under this agreement shall be binding upon and inure to the benefit of successors and assigns of the parties hereto, provided, however, that the County shall not have the right to assign its rights or transfer its obligations hereunder without the express written consent of Rayonier.

12. Any notice under this agreement shall be deemed received when actually received or when placed in the United States mail, registered or certified, properly addressed and with sufficient first class postage affixed.

WITNESSES:

Harold J. Beaman
Stanley R. Bunch
As to Rayonier

ITT RAYONIER INCORPORATED
SOUTHEAST TIMBER DIVISION

BY: E. E. Jones, Jr.
Director

John F. Armstrong, Sr.
Margie Armstrong
As to County

BOARD OF COUNTY COMMISSIONERS,
NASSAU COUNTY

BY: John F. Armstrong, Sr.
Its Chairman
ATTEST: [Signature]
Its Office Clerk

STATE OF FLORIDA)
)
COUNTY OF NASSAU)

The foregoing instrument was acknowledged before me this 16 day of OCTOBER, 1981, by E. E. Jones, Jr., Director of ITT Rayonier Incorporated, a Delaware corporation, on behalf of the corporation.

Anna Mae Votek
Notary Public, State of Florida

My Commission Expires:
NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
(NOTARY SEAL) MY COMMISSION EXPIRES JULY 28, 1984

STATE OF FLORIDA)
)
COUNTY OF NASSAU)

The foregoing instrument was acknowledged before me this 20th day of October, 1981, by John J. Armstrong, Jr. and J. J. Blesson, the Chairman and Ex-Officio Clerk, respectively, of the Board of County Commissioners, Nassau County, Florida, on behalf of the County.

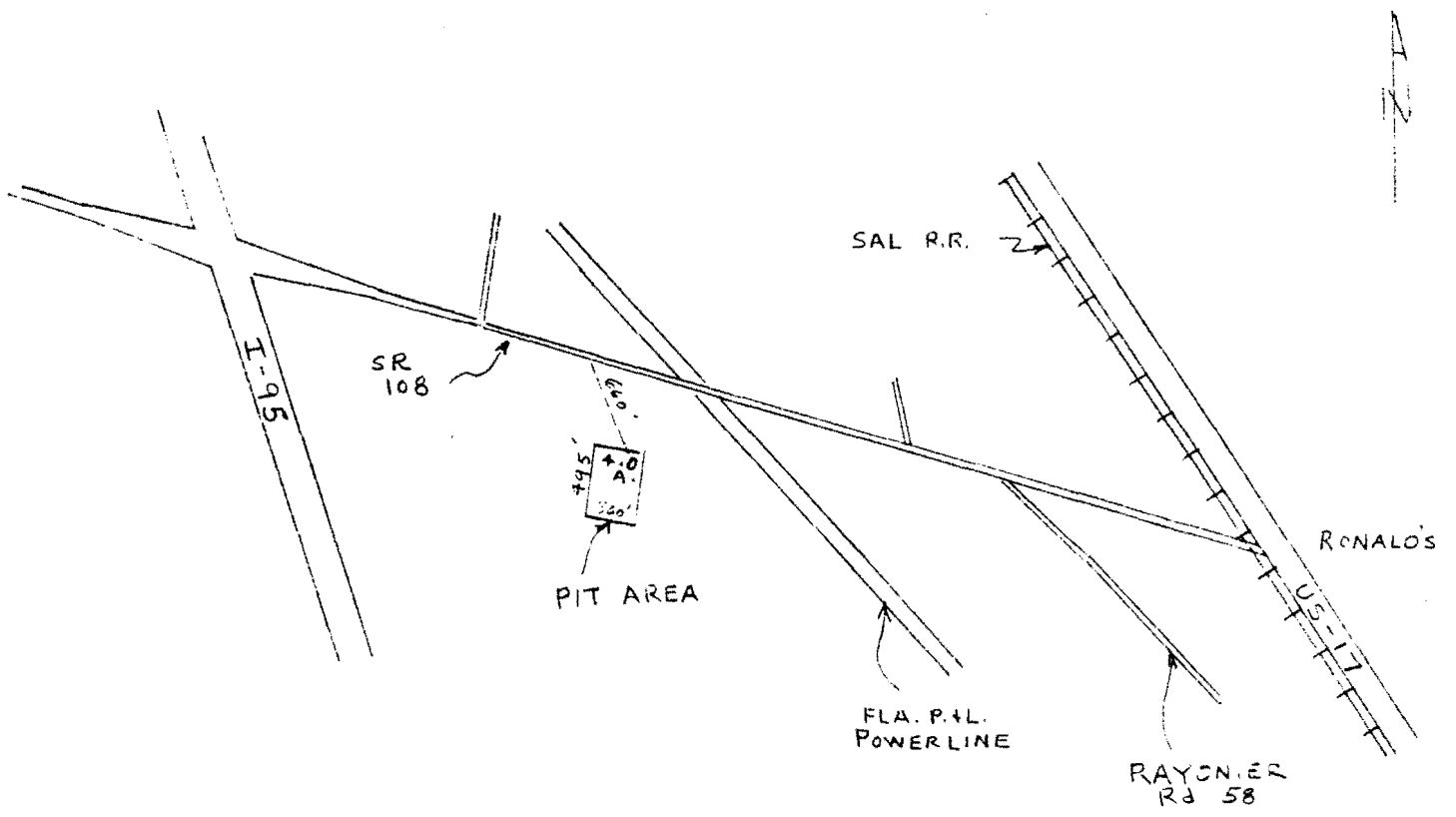
Mary E. Mella
Notary Public, State of Florida

My Commission Expires:

(NOTARY SEAL)

NOTARY PUBLIC STATE OF FLORIDA
BONDED THRU GENERAL INS. UND.
MY COMMISSION EXPIRES SEPT. 3, 1985

EXHIBIT "A"



SCALE : 4 INCHES = 1 MILE

SRB
7-2-81