

LICENSE AGREEMENT

THIS LICENSE AGREEMENT made this 1st day of December, 1980, between ITT RAYONIER INCORPORATED, a Delaware corporation qualified to do business in Florida (hereinafter "Rayonier"), and NASSAU COUNTY, FLORIDA, whose mailing address is Route 2, Box 176, 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 sanitary land fill. The County shall have the right to construct and maintain temporary or permanent improvements which are necessary or incidental to the use of the Licensed Property for sanitary land fill.

3. (a) This license shall have an initial term of 5 years from the date of this agreement and shall be automatically extended for up to 3 additional 5 year terms unless written notice is given by either party to the other at least 6 months in advance of the termination of any such 5 year term that such party does not wish to renew this license.

(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. Except as otherwise provided in paragraph 5 below, any improvements that the County does not remove within 90 days after the expiration of this license, shall become the property of Rayonier and Rayonier shall not be obligated to pay for them.

5. In the event that Rayonier terminates this license without cause before the expiration of the term of the license by giving notice as specified in paragraph 3(b) of this agreement, it shall reimburse the County for the reasonable value of all improvements placed by the County on the Licensed Property which cannot be removed by the County. The reasonable value of such improvements shall be determined by subtracting from the original cost of the improvements depreciation to the effective date of termination, computed by the straight-line method, and based on the estimated useful life of the improvements. No reimbursement shall be required if termination is for cause as provided in paragraph 3(c).

6. The County shall pay to Rayonier annual rent of \$100 per acre of Licensed Property in advance for the first year of this license. The rent for subsequent years shall be due and payable in advance on the anniversary dates of this agreement and shall be calculated by multiplying \$100 per acre

by the last published Annual Average Producer Price Index and dividing the product by the Annual Average Producer Price Index for calendar year 1980; provided, however, that the annual rent shall never be less than \$100 per acre. The "Annual Average Producer Price Index" shall mean the average Producer Price Index -- All Commodities (Base Year 1967 = 100) for a calendar year, as officially published by the United States Department of Labor, Bureau of Labor Statistics, or a comparable succeeding index of the wholesale price of all commodities, taking into account any necessary conversion adjustments.

7. Prior to the end of any year, the County may designate one or more ten-acre segments of the Licensed Property which shall not be subject to this license agreement in succeeding years. Designated segments for deletion shall be as near rectangular in shape as practicable and at least two of the boundaries of such segments shall be original boundaries of the Licensed Property. Each segment after the first shall be contiguous to a segment previously deleted.

8. The County shall give Rayonier written notice of its intention to delete portions of the Licensed Property at least 15 days prior to any anniversary date of this agreement. Such notice shall contain a satisfactory legal description of the segment or segments to be deleted, and shall be sent, registered or certified mail, addressed to ITT Rayonier, Attention: Timber Division, Post Office Box 728, 21 South 4th Street, Fernandina Beach, Florida 32034. Upon deletion of any such segment, it shall cease to be covered by this agreement during succeeding years, all right, title and interest in that segment shall automatically revert to Rayonier and subsequent rent payments by the County to Rayonier under this agreement shall be reduced proportionately.

9. At Rayonier's request the County will execute and deliver to Rayonier recordable releases or quit-claim deeds evidencing the deletion of segments of the Licensed Property

from this agreement or the expiration or termination of this agreement.

10. The County shall construct and maintain a fence surrounding the Licensed Property (or remaining portions), which shall be constructed of 47 inch woven wire plus a single barbed wire top strand and have fence posts which are spaced not to exceed 12 feet apart. The County shall remove the fence as soon as practicable from around any portion of the Licensed Property no longer subject to this agreement, whether by termination of this agreement, deletion of segments of the Licensed Premises or otherwise.

11. The County hereby agrees to obtain and maintain in force during the term of this agreement for the benefit of Rayonier 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 or 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:       \$25,000

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.

12. 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.

13. 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.

14. 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.

15. 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:

Anna Mae Vojtech

Virginia B. Batten  
As to Rayonier

ITT RAYONIER INCORPORATED

By: E. E. Jones, Jr.  
Director of Forest Operations  
and Land Utilization

Approved as to  
form by Acta

Margie J. Armstrong

Julie A. Jones  
As to the County

BOARD OF COUNTY COMMISSIONERS,  
NASSAU COUNTY

By: John F. Clayton  
Its \_\_\_\_\_

Attest: wooly  
Its \_\_\_\_\_

By Thomas J. Green  
Chief Deputy Clerk

STATE OF FLORIDA     )  
                                  )  
COUNTY OF NASSAU    )

The foregoing instrument was acknowledged before me this 1st day of December, 1980, by Edward E. Jones, Jr., Director of Forest Operations and Land Utilization, of ITT Rayonier Incorporated, a Delaware corporation, on behalf of the corporation.

Ruth A. Brewer  
Notary Public, State of Florida

My Commission Expires:

Notary Public, State of Florida at Large  
My Commission Expires Feb 18, 1987  
Bonded By American Fidelity & Casualty Company  
(NOTARY SEAL)

STATE OF FLORIDA     )  
                                  )  
COUNTY OF NASSAU    )

The foregoing instrument was acknowledged before me this 1st day of December, 1980, by John F. Clayton and Dooley, the Chairman and ex officio Clerk, respectively, of Board of County Commissioners, Nassau County, Florida, on behalf of the County.

Gloria H. Guest  
Notary Public, State of Florida

My Commission Expires:

Notary Public, State of Florida at Large  
My commission expires Jan. 9, 1984

(NOTARY SEAL)

ATTACHMENT "A"

A PORTION OF THE JOHN LOWE MILL GRANT, SECTION 37 AND A PORTION OF THE JOHN D. VAUGHAN GRANT, SECTION 38, TOWNSHIP 2 NORTH, RANGE 27 EAST, NASSAU COUNTY, FLORIDA.

Said portions being more particularly described as follows: For a point of reference commence at a point where the Southerly extension of the centerline of State Road No. S-108A also known as 200-A, intersects with the former 75.0' Foot Southerly right-of-way line of State Road No. 200; and run North  $72^{\circ}-46'$  West along said former Southerly right-of-way line, a distance of 2,480.02' Feet to the beginning of a curve concave to the Southerly, having a radius of 5,692.15' Feet; run thence in a Westerly direction continuing along said right-of-way and along the arc of said curve, a chord distance of 495.08' Feet (the bearing of the aforesaid chord being North  $75^{\circ}-00'-10''$  West); run thence South  $4^{\circ}-37'$  West, a distance of 403.50' Feet; run thence South  $85^{\circ}-23'$  East, a distance of 487.10' Feet; run thence South  $4^{\circ}-37'$  West, a distance of 1,282.35' Feet to the POINT OF BEGINNING.

From the Point of Beginning thus described continue South  $4^{\circ}-37'$  West a distance of 3,286.18' Feet; run thence North  $85^{\circ}-23'-14''$  West, a distance of 226.40' Feet; run thence North  $29^{\circ}-24'-53''$  West, a distance of 1,371.85' Feet; run thence North  $4^{\circ}-37'$  East, a distance of 1,900.82' Feet; run thence North  $80^{\circ}-35'$  East, a distance of 1,024.72' Feet to the Point of Beginning.

The Portion of land thus described contains 62.1414 acres more or less.

Description furnished by Vernon Drake, PLS No. 1558, 9-22-80.

MAHONEY HADLOW & ADAMS

ATTORNEYS AND COUNSELLORS  
JACKSONVILLE • MIAMI • TALLAHASSEE  
BARNETT BANK BUILDING  
100 LAURA STREET  
POST OFFICE BOX 4099  
JACKSONVILLE, FLORIDA 32201  
(904) 354-1100

JOHN M. WELCH, JR.

November 19, 1980

Mr. William D. Ericksen  
Land Acquisition Manager  
ITT Rayonier Incorporated  
Post Office Box 728  
Fernandina Beach, Florida 32034

RE: ITT Rayonier Incorporated/Nassau  
County Land Fill

Dear Bill:

Enclosed for your review is a form of License Agreement between Rayonier and Nassau County. Although the agreement is based on the form supplied by the County, I have made the revisions you suggested and several others for your consideration.

The agreement provides for annual rent of \$100 per acre escalated according to the Producer Price Index. Please note that under paragraph 6, Rayonier will receive the base rent of \$100 per acre for both the first and second year. This results from the fact that the last published Producer Price Index a year from now will be the 1980 index. Please let me know if you would like an escalation in the rent for the second year.

As you know, I will be out of town through Monday, December 1. Lori will, of course, be available during my absence and I will be calling in periodically. I have given Lori several of the current Rayonier files that I am working on including the Nassau County land fill, Garrett option, and IP acquisition.

Best regards,



JMWjr/lve  
Enclosure

cc: Lori Moorhouse

RECEIVED  
NOV 20 1980

ITT RAYONIER INC.  
SOUTHEAST TIMBER DIVISION  
FERNANDINA BEACH OFFICE