

**The Citizens and Southern National Bank**

Equipment Financing and Leasing Department  
P.O. Box 4431, Atlanta, Georgia 30302-4431, Telephone 404/491-4188

April 6, 1987

Joyce Bradley  
Nassau County Board of Comm.  
P. O. Box 1010  
Fernandina Beach, Florida 32034

Dear Joyce:

As per request by Jerry Greeson, please find enclosed the title which now has all required signatures on it.

We apologize for the inconvenience and delay in properly getting this title returned.

Sincerely,



J. Mark Lancaster  
Collateral Auditor

JML/spp





**NASSAU COUNTY**  
BOARD OF COUNTY COMMISSIONERS  
P.O. Box 1010  
Fernandina Beach, Florida 32034

Gene R. Blackwelder	Dist. No. 1 Fernandina Beach
Hazel Jones	Dist. No. 2 Fernandina Beach
John F. Claxton	Dist. No. 3 Yulee
James E. Testone	Dist. No. 4 Hilliard
Charles A. Pickett	Dist. No. 5 Callahan

T.J. "Jerry" GREESON  
Ex-Officio Clerk

MICHAEL S. MULLIN  
County Attorney

April 3, 1987

Mark Lancaster  
Collateral Auditor  
The Citizens and Southern National Bank  
Equipment Financing and Leasing Department  
P. O. Box 4431  
Atlanta, GA 30302-4431

Dear Sir:

Enclosed please find a Certificate of Title covering a piece of machinery purchased by the Board through your lending institution. We noticed that the signature of the Vice-President was not notarized and Florida law requires this. Please have same notarized in both places as stated on the title.

Thank you for your assistance in this matter.

Sincerely,

T. J. "Jerry" Greeson  
Ex-Officio Clerk

TJG/mja

Enclosure



**The Citizens and Southern National Bank**

Equipment Financing and Leasing Department  
P.O. Box 4431, Atlanta, Georgia 30302-4431, Telephone 404/491-4188

July 18, 1986

Nassau County Bd. of Cty. Comm.  
c/o J. Greeson Clerk  
P. O. Box 1010  
Fernadina Beach, FL 32034

Dear Sir:

Please find enclosed the paid documents pertaining to C&S Contract #000380.

We appreciate the prompt manner in which you paid your loan. Often times it is the good customer who gets overlooked, but we want to take this opportunity to say thank you for your business.

If we can ever be of service to you in your banking needs, please don't hesitate to call on us.

Sincerely,



Mark Lancaster  
Collateral Auditor

ML/sp



**ASSIGNMENT OF EQUIPMENT LEASE/PURCHASE AGREEMENT**

*file*

Nassau County Board of County

Between the undersigned and Commissioners Dated April 1, 19 85.

FOR VALUE RECEIVED, the undersigned ("Lessor"), the original lessor under the attached Equipment Lease/Purchase Agreement ( the "Lease" ), hereby transfers, assigns and conveys to The Citizens and Southern National Bank ("Bank") the Lease, together with all rights, privileges and powers of the Lessor in and under the Lease, and warrants that the Lessor has no knowledge of any fact which renders the Lease less valuable or valueless.

The Lessor represents that it does not know or have any reason to believe that there is or is to be any extension of credit to the Lessee named in the Lease (the "Lessee"), in connection with the purchase of the property described in the Lease other than as recited therein; and there are no agreements, arrangements, or understandings between the Lessor and the Lessee whereby the Lessee may make payments other than as recited in the Lease.

This Assignment is made pursuant to a Dealer Agreement (Government Leases) between the Lessor and the Bank, and all terms and conditions thereof are incorporated herein by reference and made a part hereof. This Assignment shall inure to the benefit of the successors and assigns of the Bank.

IN WITNESS WHEREOF, the undersigned has set its hand and seal as of this 1st day of April, 19 85.

LESSOR: Pilot Equipment Co., Inc.

By: [Signature] Pres

Attest: [Signature]

Accepted by The Citizens and Southern National Bank this 1st day of April, 19 85.

THE CITIZENS AND SOUTHERN NATIONAL BANK

By: [Signature]

Title: Assistant Vice President

CERTIFICATE OF ACCEPTANCE  
Equipment Lease/Purchase Agreement  
(Government)

To: The Citizens and Southern National Bank

The items of Equipment described in Schedule A to Equipment Lease/Purchase Agreement (Government) between Nassau County Board of County Commissioners ("Lessee") and Pilot Equipment Co., Inc. ("Lessor") have been delivered in good order, have been subjected to all necessary tests, and are hereby accepted by the undersigned as being satisfactory in all respects.

Nassau County Board of County Commissioners

Date: April 1, 1985

By:   
T. J. Greeson

Title: Clerk of the Board

**RECEIVED** APR 19 1985  
APR 19 1985

4298F

*BP JR*

EQUIPMENT LEASE/ PURCHASE AGREEMENT

(Government)

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## EQUIPMENT LEASE/PURCHASE AGREEMENT

THIS LEASE, made and entered by and between the Lessor and Lessee named on Schedule B annexed hereto and executed by the parties concurrently with this Lease and made part hereof on the Execution Date set forth on said Schedule B.

In consideration of the mutual promises set forth below, the parties agree as follows:

1. LEASE. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, all machinery, equipment, and other property described in Schedule A executed by the parties concurrently with this Lease and made a part hereof, or described in any schedule or schedules hereafter executed by the parties and made a part hereof (hereafter collectively called the "Equipment"). The Equipment is, and shall at all times be, the sole and exclusive property of Lessor, and Lessee shall have no right, title, or interest in or to the Equipment except the right to quiet use of the Equipment as provided in this Lease.

2. TERM. The term of this Lease respecting each item of the Equipment commences upon the Commencement Date (as set forth on Schedule A); provided, however, that all obligations and responsibilities of Lessor and Lessee hereunder shall commence on the date the Equipment is accepted by Lessee as provided in Paragraph 5 hereof (the "Acceptance Date"). This Lease shall continue in full force and effect during the Original Term and any Renewal Term as set forth in Schedule A; provided, however, that if Lessee is not in default, the Original Term or any Renewal Term may, at Lessee's option, be extended at the end of the Original Term or the then current Renewal Term, as the case may be, for the period set forth in Schedule A, provided Lessee's Principal Financial Officer gives written notice to Lessor not less than 10 days nor more than 30 days prior to the expiration of the Original Term or Renewal Term, as the case may be, that (i) Lessee exercises its option to extend the Original Term or Renewal Term of this Lease, as the case may be, and (ii) funds have been appropriated therefor by the Governing Body.

3. PAYMENTS. (a) As rent for the Equipment, Lessee shall pay Lessor the amounts set forth on Schedule A (the "Base Payments"), payable as set forth on Schedule A. A portion of each Base Payment is paid as and represents payment of interest. Schedule A sets forth the applicable annual interest rate used to determine the Base Payments. A final amount shall be payable by Lessee at the end of the Original Term or any Renewal Term, as the case may be, (the "Concluding Payment") as set forth in Schedule A. Upon Lessee's payment of the Concluding Payment, Lessee shall become entitled to the Equipment and Lessor shall convey to Lessee title to the Equipment AS-IS-WHERE-IS without warranty, express or implied.

If Lessee does not exercise its option to renew this Lease at the end of the Original Term or any Renewal Term, Lessee shall pay the then current Concluding Payment to Lessor, as set forth in Schedule A. In the event Lessee shall exercise its option to continue the Original Term to the first Renewal Term or any Renewal Term to the next succeeding Renewal Term, then the Concluding Payment for the Original Term or the then ending Renewal Term, as the case may be, shall not be applicable. The Base Payments and the Concluding Payment during any Renewal

Term shall be payable in the amounts as set forth in Schedule A.

The obligation of Lessee to make Base Payments, Concluding Payment or any other payments under this Lease shall, subject to compliance with the following paragraph, at all times be subject to and conditioned upon the appropriation of funds therefor by the Governing Body. Lessee reasonably believes that sufficient funds can be obtained and appropriated to make all Base Payments during any Renewal Term(s), the Concluding Payment or any other payments hereunder. Lessee hereby authorizes the Principal Financial Officer to do all things lawfully within its power to obtain and maintain funds from which the Base Payments, Concluding Payment or other payments may be made, including making provision for such payments to the extent necessary in each annual budget submitted for the purpose of obtaining funding and using its bona fide best efforts to have such a portion of the budget approved by the Governing Body.

In the event that the Governing Body does not appropriate funds for any Renewal Term for any particular item or items of Equipment, then Lessee shall have no obligation whatsoever to make any payments other than Base Payments during the Original Term or the then current Renewal Term, as the case may be; provided, however, that Lessee shall deliver any such Equipment to Lessor in full operational and good working order, condition and appearance for Equipment of similar age, type and usage.

Base Payments and the Concluding Payment for any Renewal Term(s) beyond the Original Term or the then current Renewal Term, as the case may be, may be decreased only in the event of partial appropriation of funds for any such Renewal Term(s) in order to reflect the future level of the Base Payments and Concluding Payment based on such partial appropriations.

It is expressly understood and mutually agreed that this Lease is payable from the operation budget of Lessee initially comprised of sufficient amounts which have been allocated and appropriated for payments due hereunder and other currently available and appropriated funds from various sources and is an obligation of appropriated funds of Lessee only during the Original Term or, if Lessee exercises its option to renew, a Renewal Term following such election to renew; it is otherwise not a general obligation of Lessee, nor shall this Lease or any thing arising hereunder constitute any lien upon any property owned by Lessee nor any indebtedness of Lessee within the meaning of any constitutional, statutory or charter provision. Moreover, the Base Payments, Concluding Payment, or other payments provided for in this Lease do not directly or indirectly pledge Lessee's property, credit or general taxing power.

All payments of rent shall be made at the Address for Rental Payments, or at such other place as Lessor may designate to Lessee in writing. In the event Lessee fails to make a rental payment within 10 days of its due date, Lessee shall pay to the Lessor as additional interest hereunder an amount of interest calculated at the Late Payment Rate on the amount of such unpaid rental from the date such rental payment was due until such unpaid rental and all such additional interest thereon shall have been paid in full.

(b) In order to assure proper performance of the obligations under this Lease, Lessee shall give to Lessor on the Commencement Date a Security Deposit equal to the amount

set forth on Schedule A hereto. Although such Security Deposit may be used by Lessor to satisfy the obligations of Lessee under this Lease including, without limitation, the obligation to make Base Payments and the Concluding Payment, the Security Deposit shall not excuse Lessee from any of the obligations set forth herein. If any portion of the Security Deposit has not been used for these purposes, Lessor shall return the remainder to Lessee within a reasonable time after termination of this Lease. The Security Deposit need not be kept separate from Lessor's other funds.

4. USE. Lessee shall use the Equipment in a careful and proper manner and shall comply with and conform to all national, state, municipal, and other laws, ordinances, and regulations relating to the possession, use, or maintenance of the Equipment. If at any time during the term of this Lease Lessor supplies Lessee with labels, plates, or other markings, stating that the Equipment is owned by Lessor, Lessee shall affix and keep the same upon a prominent place on the Equipment. Lessee shall not permit the Equipment to be used by anyone other than Lessee's employees.

5. LESSEE'S INSPECTION. Lessee shall inspect the Equipment and execute and deliver to Lessor, in such form as is reasonably requested, evidence of "acceptability" to Lessee of the Equipment (hereafter termed "Acceptance") as soon as practicable, but in no event later than 10 days after delivery of the Equipment to Lessee. Execution of Acceptance shall constitute Lessee's acknowledgment that the Equipment is in good order and condition and is of the manufacture, design, and capacity selected by Lessee, that Lessee is satisfied that the same is suitable for its purpose, and that LESSOR HAS MADE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY, OR ITS FITNESS FOR ANY PARTICULAR PURPOSE. Unless Lessee is in default under this Lease, Lessor shall use its best efforts to obtain for Lessee's direct benefit whatever warranties are available from the vendors or manufacturers of the Equipment, and, upon Lessee's request, Lessor shall assign or otherwise make available to Lessee all of its rights under any vendor's or manufacturer's warranty on the Equipment. Lessee hereby agrees to use any proceeds of a warranty claim to repair the Equipment to its warranted state and condition, without an abatement of rent hereunder; provided, however, that if the Equipment is destroyed or damaged beyond repair, as contemplated in Paragraph 9(b) hereof, then Lessee shall not be required to repair the Equipment and the provisions of Paragraph 9(b) shall apply.

6. LESSOR'S INSPECTION. Upon reasonable notice to Lessee, Lessor may inspect any of the Equipment at any reasonable time. Lessee shall give Lessor immediate written notice of any attachment or other judicial process affecting any item of the Equipment and shall, upon request by Lessor, advise Lessor in writing of the exact location of the Equipment.

7. ALTERATIONS. Lessee shall not make any alterations, additions, or improvements to the Equipment without the prior written consent of Lessor; provided, however, that nothing contained in this Paragraph 7 shall be deemed to prohibit Lessee from performing ordinary maintenance and repairs to the

Equipment as required by Paragraph 9 of this Lease. Title to all parts added to the Equipment through alterations, additions or improvements shall immediately vest in Lessor.

8. TAXES. Lessee shall be responsible for any applicable federal, state, county and municipal taxes, assessments, or other governmental charges including, without intending to limit the generality of the foregoing, any personal property taxes incurred in connection with the shipment, use, operation, ownership, leasing, sale, or possession of the Equipment during the term of this Lease, excepting only taxes on Lessor's income. Lessee shall keep the Equipment free and clear of all levies, attachments, liens, and encumbrances other than those being contested in good faith by appropriate proceeding and which, as a result of such contest, do not adversely threaten Lessor's title to the Equipment. Lessee shall give Lessor immediate written notice of attempted levies, attachments, liens, encumbrances, or other judicial processes of every kind whatsoever and shall cooperate with Lessor, and take whatever action may be necessary, to enable Lessor to file, register, or record this Lease or such other notice as Lessor shall deem appropriate in such offices as Lessor may determine and wherever required or permitted by law for the proper protection of Lessor's title to the Equipment; and Lessee shall pay all costs, charges, and expenses incident thereto.

9. REPAIRS; COSTS; RISK OF LOSS. Lessee shall, at its own expense, keep the Equipment in first class condition, repair, and working order, reasonable wear and tear only excepted, and shall furnish all parts, mechanisms, and devices required to keep the Equipment in good mechanical and working order. Lessee shall pay all costs, fees, expenses, and charges incurred in connection with the shipment, use, operation, ownership, leasing, sale, or possession of the Equipment during the term of this Lease.

Lessee hereby assumes all risk of loss, damage, theft, or destruction of the Equipment from any cause whatsoever from the date the Equipment is shipped by the vendor or manufacturer. No loss, damage, theft, or destruction of or to the Equipment or any part thereof shall impair or abate any obligation of Lessee under this Lease which shall continue in full force and effect, except as provided in this Lease.

- (a) In the event of loss or destruction of the Equipment from any cause whatsoever from the date the Equipment is shipped by the vendor or manufacturer to the date of Acceptance by the Lessee, which risk of loss or destruction may be borne by the vendor or manufacturer or carrier pursuant to the terms of any purchase order, contract of sale, or under applicable law, Lessor shall attempt to obtain recovery from the vendor or manufacturer or carrier with respect to such loss or destruction of the Equipment. Lessor shall not be required to commence litigation against such vendor or manufacturer or carrier, and if Lessor determines, in its sole discretion, that such vendor or manufacturer or carrier will not pay Lessor in full on account of such loss or destruction of the Equipment or will not otherwise satisfy Lessor with respect to such loss or destruction, Lessor will assign or otherwise make available to Lessee all of Lessor's rights or causes of action against such

vendor or manufacturer or carrier with respect to such loss or destruction of the Equipment upon payment by Lessee to Lessor of all sums theretofore paid by Lessor to such vendor or manufacturer or carrier for the Equipment.

- (b) In the event of damage of any kind whatsoever to any item of the Equipment on or after the date of Acceptance by Lessee, Lessee shall, at Lessor's option, either place the same in good repair, condition, and working order, or if, in the reasonable judgment of Lessor, the item of Equipment is determined by Lessor to be lost, stolen, destroyed, or damaged beyond repair, Lessee shall pay Lessor the difference between (i) the Base Payments (less interest) already paid as to the item of Equipment and (ii) the original Cost thereof set forth in Schedule A hereto, in cash within 30 days after the occurrence of any of the foregoing events. Upon such payment, this Lease shall terminate with respect to such item of the Equipment and Lessee thereupon shall become entitled to such item of the Equipment AS-IS-WHERE-IS without warranty, express or implied, with respect to any matter whatsoever.

10. REPRESENTATIONS, WARRANTIES AND COVENANTS OF LESSEE.

Lessee represents and warrants that it is a duly constituted Public Body of the State and is authorized by the Constitution and laws of the State to enter into this Lease and to carry out its obligations hereunder. Lessee has been duly authorized to execute and deliver this Lease and covenants that it will do or cause to be done all things necessary to preserve and keep this Lease in full force and effect, consistent with its lawful capacity and with the terms and conditions of this Lease.

Lessee represents that it has determined that the use of the Equipment is necessary and essential to Lessee's proper, efficient and economic operation and function.

Lessee further represents and warrants that this Lease is a valid and enforceable obligation of Lessee and that funds have been appropriated by the Governing Body for the Base Payments during the Original Term.

11. INSURANCE. Unless Lessor shall consent to self-insurance by Lessee, Lessee shall, at its own expense, maintain insurance with respect to all of the Equipment covering all risks of loss or damage by fire, and such other risks as customarily covered by "extended coverage" endorsements to casualty insurance policies in the State, including, but not limited to, destruction, theft, product liability, and public liability, in such amounts, in such forms, and with such companies as Lessor shall reasonably approve. All policies of insurance shall name Lessor as an insured as its interest may appear. Lessee shall pay the premiums therefor and deliver to Lessor the policies of insurance or duplicates thereof, or other evidence satisfactory to Lessor showing such coverages to be in effect. Each insurer shall agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to Lessor, that it will give Lessor thirty (30) days written notice before the effective date of any alteration or cancellation of such policy(ies). Any proceeds of such policies of insurance shall

be paid jointly to Lessor and Lessee as their interests may appear. The proceeds of such insurance, at Lessor's option, shall be applied toward the replacement, restoration, or repair of the Equipment or toward payment of the obligations of Lessee under this Lease.

12. INDEMNITY. Lessee shall indemnify Lessor against, and hold Lessor, its officers, agents, employees, directors and shareholders harmless from, any and all claims, actions, suits, proceedings, costs, demands, damages, and liabilities of whatever nature, and all costs and expenses, including Lessor's reasonable attorney's fees and expenses, relating to or in any way arising out of the ordering, delivery, rejection, installation, possession, use, operation, control, or disposition of the Equipment or any portion thereof. Lessee shall also indemnify Lessor against, and hold Lessor harmless from, any applicable federal, state, county, municipal, or other license fees or taxes whatsoever and penalties and interest thereon (except for penalties and interest caused solely by Lessor's failure to timely file returns or make payments), whether assessed, levied against, or payable by the Lessor or otherwise, with respect to the Equipment or any portion thereof or the purchase, sale, rental, use, operation, control, possession, or ownership of the Equipment or any portion thereof, or measured in any way by the value thereof, excepting only taxes on Lessor's income.

13. LESSOR'S PAYMENT. In the event that Lessee fails to procure or maintain insurance or to comply with any other provision of this Lease, Lessor shall have the right, but shall not be obligated, to effect such insurance or compliance on behalf of Lessee. In that event, all moneys spent and expenses incurred by Lessor in effecting such insurance or compliance, including any reasonable legal fees incurred in connection therewith, shall be paid by Lessee to Lessor with the next monthly payment of rent. Failure to repay in this manner shall carry with it the same consequence as a failure to pay an installment of rent under Paragraph 3 above, including a charge of additional interest calculated at the Late Payment Rate on each such amount due and unpaid under this Paragraph 13 from the date each such amount became due until such amount and such additional interest thereon shall have been paid in full.

14. DEFAULT. The occurrence of any of the following shall constitute a Default by Lessee: (a) non-payment when due of any amount payable under this Lease; (b) failure to observe, keep, or perform any other provision of this Lease required to be observed, kept, or performed by Lessee and failure of Lessee to remedy, cure, or remove such failure in observing, keeping, or performing the provisions of this Lease within ten (10) days after receipt of written notice thereof from Lessor; (c) Lessee's becoming insolvent or unable to pay its debts as they mature, or any proceeding being instituted by Lessee alleging that Lessee is insolvent or unable to pay its debts as they mature or seeking a moratorium, composition or extension of Lessee's indebtedness, or a petition under any Chapter of Title 11 of the United States Code (entitled "Bankruptcy") as amended, being brought by Lessee; or (d) any statement, representation, or warranty of Lessee in this Lease or in any other writing furnished by Lessee to Lessor being, at any time, untrue in any material respect as of the date made.

15. REMEDIES. Upon the occurrence of any Default, or at any time thereafter, Lessor shall have the right to pursue all rights and remedies available to Lessor under law. Anything herein to the contrary notwithstanding, if the Governing Body does not appropriate funds as provided in Paragraph 3, such failure to appropriate funds or failure to make any payments hereunder by reason of such failure, shall not be a Default and Lessee shall be relieved of and fully discharged from its obligations hereunder to make any payments other than Base Payments during the Original Term or the then current Renewal Term, as the case may be; provided, however, that all other obligations of Lessee hereunder shall remain in full force and effect in the event of such non-appropriation of funds for all Equipment for which funds are appropriated; provided, further, that Lessee shall promptly deliver to Lessor at the Equipment Return Location all Equipment for which funds are not appropriated.

16. PERSONAL PROPERTY. The Equipment is, and shall at all times be and remain, personal property notwithstanding that the Equipment or any part thereof may now be, or hereafter become, in any manner affixed or attached to, or embedded in, or permanently resting upon, real property or any building thereon, or attached in any manner to what is permanent as by means of cement, plaster, nails, bolts, screws, or otherwise. If, notwithstanding the intention of the parties and the provisions of this Paragraph 16, any person acquires or claims to have acquired any rights in the Equipment or any portion thereof paramount to the rights of Lessor by reason of such Equipment's being affixed to real property and such person seeks in any manner to interfere with the continued quiet enjoyment of the Equipment by Lessee as contemplated by this Lease, Lessee shall immediately notify Lessor in writing of such fact and shall seek diligently to remove the basis for any such interference. Unless the basis for such interference is waived or removed to the satisfaction of Lessor within thirty (30) days from the date it is asserted, Lessee, upon written request from Lessor, shall within ten (10) days after such request pay to Lessor an amount equal to the difference between (i) the Base Payments (less interest) already paid as to the Equipment and (ii) the original Cost thereof set forth in Schedule A. Upon such payment the Lease of such Equipment shall terminate and all of Lessor's title to and rights in such Equipment shall become the property of Lessee.

17. ASSIGNMENT. Lessee shall not assign, transfer, pledge, or hypothecate this Lease, the Equipment, or any part thereof, or any interest in or under this Lease or the Equipment, without prior written permission of Lessor.

18. PARTIES. "Lessor", as used in this Lease, shall for all purposes include its successors or assigns. "Lessee" shall, as to its duties and obligations, include its successors or assigns, but as to its rights shall include only those successors or assigns substituted with the prior written consent of Lessor.

19. WAIVER. A waiver by Lessor of any Default or Defaults by Lessee shall not be construed as a waiver as to any future occasions of Default.

20. ENTIRE AGREEMENT. This Lease (including Schedules A and B hereto) constitutes the entire agreement of the parties. No agreement shall be effective to amend this Lease unless such agreement is in writing and signed by the party to be charged thereby, and with respect to the Lessee, unless such amendment and the execution thereof shall have been approved by resolution of the Governing Body. Wherever possible each provision of this Lease shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Lease shall be prohibited by or invalid under applicable law, at Lessor's option (i) such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Lease, or (ii) this Lease shall thereupon terminate.

21. TIME. Time is of the essence to this Lease and to each and all of the provisions of this Lease.

22. TITLES; CONSTRUCTION. The titles to the paragraphs of this Lease are solely for the convenience of the parties and are not intended as an aid to the interpretation of this Lease. This Lease and all rights under this Lease shall be governed by, construed, and enforced in accordance with the laws of the State.

23. NOTICE. Any notices permitted or required by this Lease shall be in writing and mailed by certified mail. In Lessee's case, notices shall be addressed to the Address of Lessee for Notification or such other person or address as Lessee may indicate subsequently in writing to Lessor. In Lessor's case, notices shall be addressed to the Address of Lessor for Notification, or such other address as Lessor may indicate subsequently in writing to Lessee.

24. SURVIVAL. All covenants and agreements of Lessee made herein or in any other document or certificate referred to herein or contemplated hereby are material, shall be deemed to have been relied upon by Lessor and shall survive the execution and delivery of this Lease and the expiration of the Lease term.

25. CERTAIN DEFINITIONS. The terms defined on Schedule B annexed hereto executed by the parties hereto concurrently with this Lease and made part hereof, shall (unless the context clearly indicates a different meaning or intent) when used in this Lease have the meanings set forth on said Schedule B.

IN WITNESS WHEREOF, Lessee and Lessor have duly executed and sealed this Lease in multiple counterparts as of the date above written, each of which shall constitute an original.

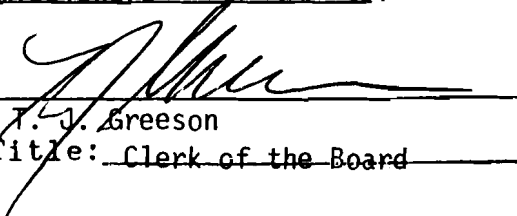
Pilot Equipment Co., Inc. (LESSOR)

By:

  
W. I. Gulliford, Jr.  
Title: President

Nassau County Board of County Commissioners (LESSEE)

By:

  
T. J. Greeson  
Title: Clerk of the Board



"State" shall mean the State of Florida.

Nassau County Board of County  
Commissioners (LESSEE)

By: [Signature] Clerk of the Board (Title)  
T. J. Greeson

Pilot Equipment Co., Inc. (LESSOR)

By: [Signature] President (Title)  
W. I. Gulliford, Jr.

EQUIPMENT LEASE SCHEDULE

Schedule A to Lease Number \_\_\_\_\_  
(This Schedule consists of 2 pages of which this page is No. 1)

April 1, 19 85

1. Lease Term:

Original Term begins on April 1, 1985 (the "Commencement Date") and ends on April 1, 1986.

Renewal Terms shall be for 1 year(s) each beginning immediately upon conclusion of the Original Term or last Renewal Term, as the case may be.

2. Interest Rate:

Each Base Payment made by Lessee includes a payment of interest determined by applying an annual rate of interest equal to eight & 75/100 8.75 (%) percent to the outstanding balance of an original principal sum equal to the Cost of the Equipment (as set forth below) less the Security Deposit.

The Final Base Payment is estimated and to the extent the payments are made before or after the due date, the Final Base Payment will increase or decrease.

3. RENT DURING ORIGINAL TERM AND RENEWAL TERMS:

<u>Term</u>	<u>Due Date</u>	<u>Amount of Base Payment</u>	<u>Concluding Payment*</u>
Original From commencement until 9-30-85			80,440.92
First Renewal from 10-01-85 to 4/01/86	4/01/86	83,822.32	83,822.32

\*Concluding Payment equals Cost minus Security Deposit minus principal portion of Base Payments made prior to Concluding Payment.

4. Location of the Equipment:

Street Address Bailey Road Maintenance Yard

City Fernandina Beach County Nassau State Florida

5. Equipment Leased:

<u>ITEM NO.</u>	<u>QUANTITY</u>	<u>DESCRIPTION</u>	<u>COST</u> less down payment and trade-in.
	One(1)	BADGER Model H506-466x6 Hydraulic Excavator; S/N: 189386	77,078.00

6. Security Deposit:

-0-

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS (LESSEE)

By:  Clerk of the Board (Title)  
T.J. Greeson

PILOT EQUIPMENT COMPANY, INC. (LESSOR)

By:  President (Title)  
W.I. Gullitford, Jr.

SCHEDULE B

The terms set forth under the caption "Defined Term" shall have the meaning assigned thereto in the numbered Section of this Lease Agreement set forth below under the heading "Section":

<u>Defined Term</u>	<u>Section</u>
Acceptance	5
Acceptance Date	2
Base Payments	3
Commencement Date	2
Concluding Payment	3
Default	14
Equipment	1
Original Term	2
Renewal Term	2

"Address for Rental Payments" shall mean The Citizens and Southern National Bank, P. O. Box 4431, Atlanta, GA 30302.

"Address of Lessee for Notification" shall mean c/o T. J. Greeson, Clerk, P. O. Box 1010, Fernandina Beach, FL 32034.

"Address of Lessor for Notification" shall mean P. O. Box 16505, Jacksonville, FL 32216.

"Equipment Return Location" shall mean 10840 Phillips Highway, Jacksonville, FL.

"Execution Date" shall mean \_\_\_\_\_, 1985.

"Governing Body" shall mean the Nassau County Board of County Commissioners of the Lessee.

"Late Payment Rate" shall mean ten (10) percent per annum, computed on the basis of the actual number of days elapsed.