



February 17, 1988

Mr. T.J. Greeson, Clerk  
NASSAU CO. BOARD OF CO. COMMISSIONERS  
416 Center Street  
Fernandina Beach, FL 32034

RE: P.O. # 88-215

Dear Sir,

Attached are two (2) copies of the lease/purchase agreement to be signed by your Chairman, Mr. Charles Pickett. They need to be executed as soon as possible, and returned to Pilot Equipment.

Citicorp also requires information on the insurance agent for the County or a letter of self-insurance.

We appreciate your help in this matter. If you have any questions or we can be of any service, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Carol Houpt".

Carol Houpt  
Administrative Assistant

CH/jes

Enclosure

**NASSAU COUNTY  
BOARD OF COUNTY COMMISSIONERS**

P. O. BOX 1010  
FERNANDINA BEACH, FLORIDA 32034

STATE SALES TAX CERTIFICATION NO.  
03-00003-04-55

TO: Pilot Equipment

**PURCHASE  
ORDER**

P.O. NUMBER	88-215
DATE	12-11-87
DEPARTMENT	R & B
REQUISITION NUMBER	CT 120

OUR PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKING LISTS AND CORRESPONDENCE.

SEND INVOICE TO Board of County Commissioners, Nassau County P. O. Box 1010 Fernandina Beach, Florida 32034	DELIVER ITEMS TO	DELIVERY DATE
		TERMS:

SPECIAL INSTRUCTIONS:

THIS IS AN ORDER  THIS IS A CONFIRMATION

EM Q.	DESCRIPTION	Quantity	UNIT PRICE	AMOUNT	FUND ACCOUNT NUMBER
	New Fiat Allis FR 20 B yd payloader according to Alternate				
	Bid #2			116,067.00	no outlay at this time
	less trade in 1974 Terex			4,000.00	
	less trade in 1975 Cat Dozer			7,000.00	
	Balance due one later			105,067.00	

**RECEIVED**  
DEC 16 1987  
PILOT EQUIPMENT CO., INC.

GRAND TOTAL 00

PURCHASE ORDER EXPIRES IF INVOICE NOT RECEIVED BY OCTOBER 10, 1988

Received in good order by \_\_\_\_\_ Date \_\_\_\_\_

T. J. GREESON/kg  
Approving Signature

- white - Finance Copy
- yellow - Vendor Copy
- pink - Receiving Copy
- goldenrod - Requisitioning Dept. Copy



# CUSTOMER INFORMATION & DELIVERY REPORT FORM

Form 24116-B

Dear Customer,

Fiatallis thanks you for your business. We are dedicated to providing you with productive, high quality machinery and with the Extra Value parts and service you expect when you deal with Fiatallis. This document outlines the services provided to you during the warranty period and also serves as official notification to Fiatallis that you have taken delivery of the following machine:

MODEL <b>FR20B</b>	MACHINE SERIAL NUMBER <b>510547</b>	ENGINE S/N <b>8215-22-54200927</b>	ATTACHMENT S/N
NAME <u>PILOT EQUIP CO INC</u> ADDRESS <u>10840 PHILLIPS HWY</u> <u>JACKSONVILLE FL</u> ZIP CODE <u>32224</u>		SELLING DEALER DELIVERY DATE YEAR <u>1988</u> MONTH <u>02</u> DAY <u>01</u> Del. Hrs. <u>5.1</u> <input checked="" type="checkbox"/> Sale <input type="checkbox"/> Rental <input type="checkbox"/> Demo	

NAME <u>NASSAU CO (RD DEPT) BRD COMMISSIONERS</u> ADDRESS <u>708 FAIRMOUNT RD</u> <u>(HILLIARD)</u> ZIP CODE <u>(32046) &amp; 32033</u>	OWNER <u>ROOM 10 COUNTY CT HALL</u> <u>FERRISVILLE DEPT</u>
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## SERVICES PROVIDED BY FIATALLIS DURING THE WARRANTY PERIOD

Your Fiatallis dealer will inspect your machine and discuss its maintenance and operation with your personnel. These inspections are provided to assure your satisfaction with the machine.

During the 6 month, unlimited hour warranty period, you will receive three (3) inspections. Approximately 30 days, 90 days, and 6 months after delivery of the machine to you. Your Fiatallis dealer will inspect and adjust the unit at no cost to you. His representative will also be willing to perform scheduled maintenance services at your request. The cost of parts, labor, and lubricants required for maintenance will be at your expense.

Fiatallis recommends the customer consider negotiating a long term maintenance agreement with the dealer to minimize

major repair and component replacement costs and maximize the machine production time and earnings capability.

Repairs required during the warranty period or periods will be provided you pursuant to the terms of the applicable warranty policy. Terms of the standard 6 month, unlimited hour machinery warranty and the service parts warranty are printed on the reverse side of this document. Your Fiatallis dealer will provide a 5000 hour/2 year powertrain warranty document, a Cummins or Allis-Chalmers engine warranty document, if they are applicable to your machine.

We want you to be satisfied with your machine. Extra value genuine Fiatallis parts and factory-trained service personnel are available to ensure your satisfaction. We look forward to serving you in the future.

## BY SIGNING BELOW THE DEALER AND CUSTOMER ACKNOWLEDGE THAT:

1. The customer has received complete, satisfactory instruction on the operation and maintenance of the machinery as specified in the Operation and Maintenance Instruction Manual.

- 1.1 Safety Rules and Operating Warnings
- 1.2 Operating Controls and Instruments
- 1.3 Operating Instructions
- 1.4 Preparation and Initial Use
- 1.5 Maintenance Instructions

2. The dealer has adjusted and serviced the product completely prior to delivery.

3. The customer has received, read, and understands the importance of the Operation and Maintenance Instruction Manual and the terms of the Warranty provisions indicated below.

- ( ) Standard Warranty
- ( ) Cummins Engine Warranty
- ( ) 5/2 Powertrain
- ( ) Allis-Chalmers Engine

Standard Warranty Printed on Reverse Side

Note: Customer Signature Required on Reverse Side of White Copy

Dealer [Signature]

Date 2/1/88

Customer [Signature]

Date \_\_\_\_\_

Warranty Services ( White, Green, Canary )

Dealer ( Pink )

Customer ( Goldenrod )



**FIATALLIS STANDARD WARRANTY**  
**Applicable to products and service parts sold by**  
**Fiatallis North America dealers located in the 50 United States and Canada.**

- A. Fiatallis warrants each new Product manufactured by it to be free of defects in workmanship and material at the time of shipment from the point of manufacture.
- B. Your Fiatallis Dealer will repair or replace, at Fiatallis option, at a point designated by Fiatallis, any part of such Product that fails to conform to this warranty for a period of SIX (6) MONTHS from the date of delivery of such Product to the first user, so long as this date is timely reported to Fiatallis. Warranty on a part or component (assembly) installed to correct a warrantable failure is limited to the duration of the unexpired warranty on the Product in which such part or component (assembly) is installed. Unless notified to the contrary in writing by Fiatallis, all replaced parts must be returned to Fiatallis, transportation charges prepaid.
- C. Your Fiatallis Dealer will repair or replace, at Fiatallis option, any new part purchased from Fiatallis that is not supplied under a warranty and proves defective in material or workmanship within one hundred eighty (180) days from the date of its delivery to the first user.
- D. Your Fiatallis Dealer will repair or replace, at Fiatallis option, any new Engine assembly purchased from Fiatallis that is not supplied under a warranty and proves defective in material or workmanship within twelve (12) months from the date of its delivery to the first user.
- E. Products equipped with a factory-installed Cummins engine are warranted by the standard Cummins Warranty policy which is administered by local Cummins distributors.
- F. Fiatallis may publish written warranties on selected Product components which exceed this Standard Warranty. For information regarding such warranties, see your Fiatallis dealer.
- G. THIS IS THE EXCLUSIVE FIATALLIS WARRANTY AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY OR REPRESENTATION PREVIOUSLY MADE OR ISSUED.

NO WARRANTY OF ANY KIND IS MADE OR SHALL BE IMPOSED, WITH RESPECT TO

- (i) PRODUCTS THAT HAVE BEEN SUBJECT TO OPERATION IN EXCESS OF RECOMMENDED CAPACITIES, MISUSE, NEGLIGENCE OR ACCIDENT, OR HAVE BEEN ALTERED OR REPAIRED IN AN UNAUTHORIZED MANNER, OR USING OTHER THAN APPROVED PARTS;
- (ii) TIRES AND TUBES;
- (iii) ACCESSORY ITEMS, ATTACHMENTS, TOOLS OR IMPLEMENTS NOT PRODUCED BY FIATALLIS; OR
- (iv) A PRODUCT THAT HAS BEEN USED WITH AN IMPLEMENT, ATTACHMENT, ACCESSORY, OR EQUIPMENT THAT CREATED AN EXCESSIVE WORKLOAD OR STRESS UPON THE PRODUCT OR ANY PART OR COMPONENT THEREOF

ANY LIABILITY, WHETHER IN CONTRACT, TORT, OR STRICT LIABILITY, ARISING OUT OF WARRANTIES OR REPRESENTATIONS, INSTRUCTIONS, OR DEFECTS FROM ANY CAUSE, SHALL BE LIMITED EXCLUSIVELY TO REPAIR OR REPLACEMENT OF PARTS UNDER THE CONDITIONS, AS AFORESAID. FIATALLIS IS NOT RESPONSIBLE FOR DIRECT OR INDIRECT INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOSS OF USE FOR ANY REASON, INCLUDING, BUT NOT LIMITED TO, ECONOMIC LOSSES OR OTHER BUSINESS EXPENSES OR COSTS RESULTING FROM A WARRANTABLE FAILURE.

ALL WARRANTY REPAIRS SHALL BE MADE DURING NORMAL WORKING HOURS AT THE DEALER'S LOCATION. SCHEDULING AND COMPLETING OF WARRANTY WORK SHALL BE ACCOMPLISHED TO REASONABLY PERMIT THE MOST EFFICIENT OPERATION BY THE DEALER.

FORM 24128A

Customer Signature \_\_\_\_\_ Date \_\_\_\_\_



**STATE AND MUNICIPAL  
LEASE PURCHASE AGREEMENT**

This State and Municipal Lease Purchase Agreement (the "Lease") is made and entered into on this, the 23rd day of February, 1988, by and between Citicorp North America, Inc., with offices at 601 Midland Avenue, Rye, New York 10580, hereinafter called the "Lessor", and NASSAU CO. BOARD OF CO. COMMISSIONERS with its principal address at 708 Eastwood Rd., Hilliard, FL 32046 hereinafter called the "Lessee", wherein it is agreed as follows:

**1. LEASE OF EQUIPMENT.** Lessee hereby requests Lessor to acquire the equipment described in Exhibit A attached hereto and made a part hereof. Subject to the terms and conditions hereof, Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor the equipment described in Exhibit A, with all replacement parts, repairs, additions and accessories incorporated therein or affixed thereto (herein collectively called the "Equipment").

**2. DELIVERY AND ACCEPTANCE.** At the request of Lessee, Lessor agrees to order the Equipment from the supplier of such Equipment, but shall not be liable for specific performance of this Lease or for damages if for any reason the supplier delays or fails to fill the order. Lessee shall cause the Equipment to be delivered at the location specified in Exhibit A (the "Equipment Location"). Lessee shall pay all transportation and other costs, if any, incurred in connection with the delivery and installation of the Equipment. Any delay in such delivery shall not affect the validity of this Lease. Lessee shall accept the Equipment as soon as it has been delivered and is operational, or as soon as any manufacturer or vendor pre-acceptance test period has expired. Lessee shall have no more than thirty (30) days from the date of delivery of the Equipment to accept such Equipment. In the event the Equipment is not accepted by Lessee within thirty (30) days from the date of its delivery, Lessor, at Lessor's sole option, shall have the right to terminate this Lease. Lessee shall evidence its acceptance of the Equipment by executing and delivering to Lessor a delivery and acceptance certificate in the form of Exhibit B attached hereto and made a part hereof (the "Acceptance Certificate"). Lessee hereby authorizes the Lessor to add to this Lease and to any other description of the Equipment the serial number of each item of Equipment when available.

**3. TERM.** This Lease shall become effective upon the execution hereof by Lessee and Lessor. The initial term of this Lease shall commence on the date Lessee executes the Acceptance Certificate (the "Start Date") through the end of Lessee's fiscal year containing the Start Date and unless earlier terminated as expressly provided for in this Lease, shall be automatically renewed on a year-to-year basis for the number of annual fiscal periods necessary to comprise the lease term as set forth in Exhibit C attached hereto and made a part hereof (the "Lease Term").

**4. RENT.** Lessee agrees to pay to Lessor or any Assignee (as defined in Section 22 below) the rental payments for the Equipment as set forth in Exhibit C (the "Rental Payments"). A portion of each Rental Payment is paid as and represents the payment of interest as set forth in Exhibit C. The Rental Payments shall be payable, without notice or demand, at the office of Lessor (or such other place as Lessor or any Assignee may designate in writing, from time to time) and shall commence on the Start Date or as otherwise set forth in Exhibit C, and the remaining Rental Payments shall be payable on the same day of each consecutive month or quarter or semiannual or annual period thereafter (as designated in Exhibit C) for the duration of the Lease Term. Any notice, invoicing, purchase orders, quotations or other forms or procedures required by Lessee as a condition precedent to payment shall be fully explained and provided to Lessor or any Assignee sufficiently in advance of the payment due date for the completion thereof by Lessor or any Assignee prior to such payment date. To the extent permitted by applicable law, whenever any portion of a Rental Payment is received by Lessor or its Assignee more than ten (10) days from the due date, Lessee shall pay to Lessor or its Assignee, on demand, the greater of twenty-five dollars (\$25.00) or ten per cent (10%) of such overdue amount. **EXCEPT AS SPECIFICALLY PROVIDED IN SECTION 8 HEREOF, THE RENTAL PAYMENTS SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS AND WILL NOT BE SUBJECT TO ANY SETOFF, DEFENSE, COUNTERCLAIM, ABATEMENT OR RECOUPMENT FOR ANY REASON WHATSOEVER.**

**5. AUTHORITY AND AUTHORIZATION.** Lessee represents, warrants and covenants that (a) it shall do or cause to be done all things necessary to preserve and keep in full force and effect (i) its existence, and (ii) the Lease; (b) it has complied with all bidding and budgeting requirements where necessary and by due notification has presented this Lease for approval and adoption as a valid obligation on its part and that all requirements have been met and procedures have been followed to ensure the enforceability of the Lease; (c) it has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal period; (d) no event has occurred and no condition exists which, upon the execution of this Lease or with notice or the passage of time or both, would constitute a default under any debt, revenue or purchase obligation which it has issued or to which it is a party (the "Obligation") nor has it been in default under any Obligation at any time during the past five (5) years; and (e) no lease, rental agreement or contract for purchase, to which Lessee has been a party, at any time during the past five (5) years, has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal period.

**6. LESSEE CERTIFICATION.** Lessee warrants and covenants that (i) it is a state, or a political subdivision thereof, within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and the related regulations and rulings thereunder; (ii) Lessee's obligation under this Lease constitutes an enforceable obligation issued by or on behalf of a state, or political subdivision thereof, such that any interest income derived under this Lease and due Lessor or its Assignee, including, but not limited to, those amounts designated as interest in Exhibit C, shall not be includable in the gross income of Lessor, its Assignee or any participants with such for the purposes of federal income taxation; (iii) this Lease represents a valid deferred payment obligation of Lessee for the amount herein set forth; (iv) Lessee has the legal capacity to enter into this Lease and is not in contravention of any state, county, district, city or town statute, rule, regulation or other governmental provision; (v) during the Lease Term, the Equipment shall not be used in a trade or business of any other person or entity; and (vi) Lessee shall complete and file on a timely basis, Internal Revenue Service form 8038g or 8038gc, as appropriate, in the manner set forth in Section 149(e) of the Code.

**APPROPRIATIONS AND ESSENTIAL USE.** Lessee reasonably believes that sufficient funds can be obtained to make all Rental Payments during the Lease Term. Lessee hereby covenants that it shall do all things lawfully within its power to obtain funds from which the Rental Payments shall be made, including making provisions for such payments, to the extent necessary, in each budget submitted for the purpose of obtaining funding, using its bona fide best efforts to have such portion of the budget approved and exhausting all available administrative reviews and appeals. In the event such portion of the budget is not approved, it is Lessee's intent to make the Rental Payments for the full Lease Term if funds are legally available therefor and in that regard Lessee represents that: (a) the use of the Equipment is essential to its proper, efficient and economic functioning and the services that it provides to its citizens; (b) Lessee has an immediate need for and expects to make immediate use of substantially all the Equipment, which need is not temporary or expected to diminish in the foreseeable future; and (c) the Equipment shall be used by the Lessee only for the purpose of performing one or more of its governmental or proprietary functions consistent with the permissible scope of its authority.

**NONAPPROPRIATION OF FUNDS.** In the event no funds or insufficient funds are appropriated and budgeted for the acquisition, retention or operation of the Equipment and funds are otherwise unavailable, by any means whatsoever, in any fiscal period in which the Rental Payments for the Equipment are due under this Lease, then Lessee shall, not less than sixty (60) days prior to the end of such applicable fiscal period, in writing, notify Lessor and any Assignee of such occurrence. This Lease shall thereafter terminate and be rendered null and void on the last day of the fiscal period in which appropriations were made without penalty, liability or expense to the Lessee of any kind, except as to (i) the portions of the Rental Payments then agreed upon for which funds shall have been appropriated and budgeted or are otherwise available and (ii) Lessee's other obligations and liabilities under this Lease relating to, accruing or arising prior to such termination. In the event of such termination, Lessee agrees to peaceably surrender possession of the Equipment to Lessor or its Assignee on the date of such termination, packed for shipment in accordance with the manufacturer's specifications and eligible for manufacturer's maintenance, and freight prepaid and insured to any location in the continental United States designated by Lessor, all at Lessee's expense. Lessor or its Assignee may exercise all available legal and equitable rights and remedies in its continuing possession of the Equipment.

Notwithstanding the foregoing, Lessee agrees (a) that if this Lease is terminated in accordance with the preceding paragraph, Lessee shall not purchase, lease or rent equipment which performs the same functions as, or functions taking the place of, those performed by the Equipment, and shall not permit such functions to be performed by its own employees or by any agency or entity affiliated with or hired by Lessee for the balance of the fiscal period in which such termination occurs or the next succeeding fiscal period thereafter; and (b) that it shall not, during the Lease Term, give priority in the application of funds to any other functionally similar equipment.

**LIMITATION ON WARRANTIES. LESSEE HAS SELECTED BOTH THE EQUIPMENT AND THE VENDOR(S) FROM WHOM LESSOR IS TO PURCHASE THE EQUIPMENT IN RELIANCE HEREON. LESSEE ACKNOWLEDGES AND AGREES THAT THE EQUIPMENT IS OF A SIZE, DESIGN AND CAPACITY SELECTED BY LESSEE, THAT LESSOR IS NOT A MANUFACTURER, VENDOR OR DISTRIBUTOR OF SUCH EQUIPMENT, AND THAT LESSOR HAS NOT MADE, AND DOES NOT HEREBY MAKE, ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, DESIGN, OPERATION, FITNESS FOR USE, OR SUITABILITY OF THE EQUIPMENT IN ANY RESPECT WHATSOEVER OR IN CONNECTION WITH OR FOR THE PURPOSES AND INTENTIONS OF LESSEE, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO AND LESSOR SHALL NOT BE OBLIGATED OR LIABLE FOR ACTUAL, INCIDENTAL, CONSEQUENTIAL OR OTHER DAMAGES OF OR TO LESSEE OR ANY OTHER PERSON OR ENTITY ARISING OUT OF OR IN CONNECTION WITH THE EQUIPMENT. INCLUDING BUT NOT LIMITED TO THE USE, PERFORMANCE OR MAINTENANCE OF THE EQUIPMENT.**

Lessor hereby assigns to Lessee during the Lease Term, to the extent permitted by law, all manufacturer's warranties, if any, that it may have, express or implied, with respect to the Equipment, and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's expense. Lessor authorizes Lessee, to the extent permitted by law, to enforce in its own name any warranty, representation or claim enforceable against the manufacturer. Lessor assumes no responsibility for shipment, delivery, installation or maintenance, and all claims of Lessee with respect thereto, whether for delay, damage or otherwise, shall be made against the manufacturer. Lessor, at its option, may include in its purchase order that the manufacturer agrees that any of such claims may be made by Lessee directly against the manufacturer. The obligation of Lessee to pay the Rental Payments as defined in Section 4 shall not be abated, impaired or reduced by reason of any claims of Lessee with respect to the Equipment, including but not limited to its condition, quality, workmanship, delivery, shipment, installation, defects or otherwise.

**TITLE; SECURITY AGREEMENT.** Title to the Equipment is deemed to be in Lessee so long as no Event of Default pursuant to Section 19 below has occurred and/or this Lease has not been terminated pursuant to the provisions of Section 8 above. Upon the earlier of (i) termination of this Lease in accordance with Section 8 above or (ii) the occurrence of an Event of Default by Lessee pursuant to Section 19 below, title shall revert immediately in and shall revert to Lessor free of any right, title or interest of Lessee unless Lessor elects otherwise. In order to secure all of its obligations hereunder, Lessee hereby (a) grants to Lessor a first and prior security interest in any and all rights, title and interest of Lessee in the Equipment and in all additions, attachments, accessions, accessories, replacements, improvements and substitutions thereto, now or hereafter acquired, together with all rents, issues, income, profits and proceeds thereof, including insurance proceeds; (b) agrees that this Lease may be treated as a financing statement evidencing such security interest; and (c) agrees to execute and deliver all financing statements, certificates of title and other instruments necessary or appropriate to evidence and perfect such security interest. Lessee further agrees that the Uniform Commercial Code shall apply as between the parties hereto and assignees of Lessor.

**PERSONAL PROPERTY.** The Equipment is and shall remain, personal property and shall not be deemed to be affixed or attached to real property or any building thereon. If requested by Lessor, Lessee shall, at its expense, furnish to Lessor a landlord or mortgagee waiver with respect to the Equipment.

**USE; REPAIRS.** Lessee shall use the Equipment in a careful manner for the use contemplated by the manufacturer of the Equipment and shall comply with all laws, ordinances, insurance policies and regulations relating to, and shall pay all costs, claims, damages, fees and charges arising out of its possession, use or maintenance. Lessee, at its sole cost and expense, shall maintain the Equipment according to the manufacturer's recommended guidelines or the equivalent and meet any and all recertification requirements and shall furnish proof of such maintenance, if required by Lessor and shall furnish all needed servicing and parts, which parts shall become part of the Equipment. If the Equipment is such as is primarily covered by a maintenance agreement, Lessee shall furnish Lessor with a maintenance agreement with a party satisfactory to Lessor.

**ALTERATIONS.** Lessee shall not make any alterations, additions or improvements to the Equipment without Lessor's prior written consent, and no permitted alteration or attachment which cannot be readily removed without damaging the Equipment's originally intended function or value shall become part of the Equipment.

**LOCATION; INSPECTION.** The Equipment shall not be removed from, or if the Equipment consists of rolling stock, its permanent base shall not be changed from the Equipment Location without Lessor's prior written consent, which consent shall not be unreasonably withheld. Lessor shall be permitted to enter upon the Equipment Location or elsewhere during reasonable business hours to inspect the Equipment or observe its use and operation.

**15. LIENS AND TAXES.** Lessee shall keep the Equipment free and clear of all levies, liens and encumbrances except those created under this Lease. Lessee shall pay, when due, all charges and taxes (federal, state and local) which may now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the Equipment, excluding however, all taxes on or measured by Lessor's income. If Lessee fails to pay said charges and taxes when due, Lessor shall have the right, but shall not be obligated, to pay said charges and taxes. If Lessor pays any charges or taxes for which Lessee is responsible or liable under this Lease, Lessee shall, upon demand, reimburse Lessor therefor.

**16. RISK OF LOSS; DAMAGE; DESTRUCTION.** Lessee assumes all risk of loss of or damage to the Equipment from any cause whatsoever, and no such loss of or damage to the Equipment shall relieve Lessee of the obligation to make the Rental Payments or to perform any other obligation under this Lease. In the event of damage to any item of Equipment, Lessee shall immediately place the same in good repair (the proceeds of any insurance recovery shall be applied to the cost of such repair). If Lessor determines that any item of Equipment is lost, stolen, destroyed or damaged beyond repair, Lessee, at the option of Lessor, shall: (a) replace the same with like equipment in good repair; or (b) on the next Rental Payment date pay to Lessor (i) all amounts owed by Lessee under this Lease, including the Rental Payment due on such date, and (ii) an amount not less than the balance of the Rental Payments then remaining unpaid hereunder. In the event that Lessee is obligated to make such payment with respect to less than all of the Equipment, Lessor shall provide Lessee with the pro rata amount of the Rental Payment and the balance of the Rental Payments then remaining unpaid hereunder, as applicable, to be made by Lessee with respect to the Equipment which has suffered the event of loss.

**17. INSURANCE.** Lessee shall, at its expense, maintain at all times during the Lease Term, fire and extended coverage, public liability and property damage insurance with respect to the Equipment in such amounts, covering such risks, and with such insurers as shall be satisfactory to Lessor. In no event shall the insurance limits be less than an amount equal to the balance of the Rental Payments then remaining for the Lease Term. Each insurance policy shall name Lessee as an insured and Lessor or its assigns as an additional insured and loss payee, as appropriate, and shall contain a clause requiring the insurer to give Lessor or its assignee at least thirty (30) days prior written notice of any alteration in the terms of such policy or the cancellation thereof. The proceeds of any such policies shall be payable to Lessee and Lessor or its assigns, as their interests may appear. Upon acceptance of the Equipment and upon each insurance renewal date, Lessee shall deliver to Lessor a certificate evidencing such insurance. In the event of any loss, damage, injury or accident involving the Equipment, Lessee shall promptly provide Lessor with written notice thereof and make available to Lessor all information and documentation relating thereto. Notwithstanding the foregoing, with Lessor's prior written consent, Lessee may self-insure against any and all risks for which insurance is required.

**18. INDEMNIFICATION.** In the event that Lessee is not a state or political subdivision thereof, within the meaning of Section 103 of the Code, or if Lessee, whether by its use of the Equipment or by its actions or omissions or by any means whatsoever, causes any interest payment as set forth in Exhibit C to be included in Lessor's gross income, Lessee agrees to pay to Lessor, its Assignees and any participants with such, an additional amount which, together with the amount of interest to be paid by Lessee under this Lease, puts Lessor, its Assignees and any participants with such, in the same after-tax position they would have been in had such payments been excluded from the gross income of Lessor, its Assignees and any participants with such under Section 103 of the Code. In addition, Lessee agrees to indemnify Lessor against, and hold Lessor, its Assignee, or any participants with such, harmless from, any and all claims, actions, proceedings, expenses, damages, liabilities or losses (including, but not limited to, attorneys' fees and court costs) arising in connection with the Equipment, including, but not limited to, its selection, purchase, delivery, possession, use, operation or return and the recovery of claims under insurance policies thereon.

**19. EVENTS OF DEFAULT.** The term "Event of Default", as used in this Lease, means the occurrence of any one or more of the following events: (a) Lessee fails to make any Rental Payment (or any other payment) as it becomes due in accordance with the terms of this Lease, and any such failure continues for five (5) days after the due date thereof; (b) Lessee fails to perform or observe any other covenant, condition or agreement to be performed or observed by it hereunder and such failure is not cured within ten (10) days after written notice thereof by Lessor; (c) the discovery by Lessor that any statement, representation or warranty made by Lessee in this Lease or in any document ever delivered by Lessee pursuant hereto or in connection herewith is false, misleading or erroneous in any material respect; (d) Lessee becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, applies or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of all or a substantial part of its assets, a petition for relief is filed by Lessee under federal bankruptcy, insolvency or similar laws, or a petition in a proceeding under any bankruptcy, insolvency or similar laws is filed against Lessee and is not dismissed within thirty (30) days thereafter; (e) Lessee suffers an adverse material change in its financial condition or operations from the date hereof and, as a result, Lessor deems itself insecure; or (f) Lessee shall be in default under any other agreement executed at any time with Lessor, its affiliates or Lessor's Assignee or under any other agreement or instrument by which it is bound.

**20. REMEDIES.** Upon the occurrence of an Event of Default, Lessor may, at its option, exercise any one or more of the following remedies: (a) by written notice to Lessee, declare an amount equal to all amounts then due under this Lease and all remaining Rental Payments which shall become due during the Lease Term to be immediately due and payable, whereupon the same shall become immediately due and payable; (b) by written notice to Lessee, request Lessee to (and Lessee agrees that it shall), at Lessee's expense, promptly return the Equipment to Lessor in the manner set forth in Section 8 hereof, or Lessor, at its option, may enter upon the premises where the Equipment is located and take immediate possession of and remove the same without liability to Lessor or its agents for such entry or for damage to property or otherwise; (c) sell or lease the Equipment or sublease it for the account of Lessee, holding Lessee liable for (i) all Rental Payments and other payments due to the effective date of such selling, leasing or subleasing, and (ii) for the difference between the purchase price, rental and other amounts paid by the purchaser, lessee or sublessee pursuant to such sale, lease or sublease and the remaining amounts payable by the lessee hereunder; and (d) exercise any other right, remedy or privilege which may be available to it under applicable law, including the right to (i) proceed by appropriate court action to enforce the terms of this Lease, (ii) recover damages for the breach of this Lease, and (iii) rescind this Lease as to any or all of the Equipment.

In addition, Lessee shall remain liable for all covenants and indemnities under this Lease and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor.

**21. EARLY PURCHASE OPTION.** Lessee may, upon sixty (60) days prior written notice to Lessor, and provided Lessee shall have fully paid and performed all other obligations hereunder and provided no Event of Default has occurred and is continuing, pay to Lessor the applicable amount set forth on Exhibit C attached hereto, whereupon title to the Equipment shall become unconditionally vested in Lessee and Lessor shall transfer any and all of its right, title and interest in the Equipment to Lessee as is, where is, without warranty, express or implied, except that Lessor shall warrant to Lessee that the Equipment is free and clear of any liens created by Lessor.

2. **ASSIGNMENT.** Without Lessor's prior written consent, Lessee shall not: (a) assign, transfer, pledge, hypothecate or grant any security interest in, otherwise dispose of, this Lease or the Equipment or any interest in this Lease or the Equipment or (b) sublet or lend the Equipment or permit the Equipment to be used by anyone other than Lessee or Lessee's employees.

Lessor, without the consent of Lessee, may assign all or any portion or portions of its right, title and interest in and to this Lease, the Equipment and any other documents executed with respect to this Lease, and/or grant or assign all or any portion or portions of its security interest in this Lease and the Equipment, in whole or in part to various assignees, their agents or trustees (each and any one hereinafter referred to as an "Assignee"). Any such assignment to an Assignee may provide that Lessor or the Assignee shall act as a collection and paying agent for holders of certificates of participation in this Lease, or may provide that a third-party trustee or agent shall act as collection and paying agent for any Assignee, provided Lessee receives written notification of the name and address of the trustee or the agent and a copy of the pooling and fractionalization agency or trustee agreement if any. Any such Assignee shall have all of the assigned rights of Lessor under this Lease. Subject to the foregoing, this Lease shall inure to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. Any assignment or assignment of any of Lessor's right, title or interest in this Lease or the Equipment shall be effective upon receipt by Lessee of a duplicate original of a counterpart document by which the assignment or reassignment is made, disclosing the name and address of each such assignee and, where applicable, to whom further payments hereunder should be made. During the Lease Term, Lessee covenants that it shall keep a complete and accurate record of all assignments in form necessary to comply with Section 149(a) of the Code and the regulations, proposed or existing, from time to time promulgated thereunder. Lessee agrees to acknowledge, in writing, any assignments if so requested.

**LESSEE AGREES THAT, UPON NOTICE OF ASSIGNMENT, IF SO INSTRUCTED IT SHALL PAY DIRECTLY TO THE ASSIGNEE, OR ITS TRUSTEE OR AGENT WITHOUT ABATEMENT, DEDUCTION OR SETOFF ALL AMOUNTS WHICH BECOME DUE HEREUNDER. LESSEE FURTHER AGREES THAT IT SHALL NOT ASSERT AGAINST ANY ASSIGNEE, TRUSTEE OR AGENT ANY DEFENSE, CLAIM, COUNTERCLAIM OR SETOFF ON ACCOUNT OF ANY REASON WHATSOEVER WITH RESPECT TO ANY RENTAL PAYMENTS OR OTHER AMOUNTS DUE HEREUNDER OR WITH RESPECT TO ANY ACTION BROUGHT TO OBTAIN POSSESSION OF THE EQUIPMENT PURSUANT TO THIS LEASE.**

3. **NATURE OF AGREEMENT.** Lessor and Lessee agree that it is their intention that, for federal income tax purposes, the interest of Lessor in the Equipment is as a secured party and the interest of Lessee is as a debtor, and that Lessor neither has nor shall have any equity in the Equipment. It is the agreement of Lessor and Lessee that the aggregate rental payments provided for hereunder constitute the purchase price of the Equipment together with interest on the unamortized amount thereof over the term of this Lease, that each monthly installment of rent constitutes principal and interest, in accordance with the schedule of rental payments set forth in Exhibit C of this Lease, which fully amortizes the purchase price of the Equipment, together with interest, over the term of this Lease, and that upon the due and punctual payment and performance of the installments of Rental Payments and other amounts and obligations under this Lease, title to the Equipment shall vest permanently in Lessee as provided in this Lease, free and clear of any lien or security of Lessor therein.

4. **AMENDMENTS.** This Lease may be amended or any of its terms modified for the purpose of adding Equipment, with the written consent of the parties hereto. In such event, additions to or additional exhibits attached hereto shall be executed by Lessee. All other amendments or modifications of the terms of this Lease (except for the addition of serial numbers for the Equipment as set forth in the Acceptance Certificate) must be accomplished by the written consent of Lessee and Lessor, or its Assignee, if any; provided, however, that no amendment of this Lease shall operate to reduce or delay any rental Payments to be made hereunder without the consent of Lessor, or its Assignee, at the time of such amendment.

5. **NOTICES.** All notices to be given under this Lease shall be made in writing and mailed by certified mail to the other party at its address set forth herein at such address as the party may provide in writing from time to time. Any such notice shall be deemed to have been received five (5) days subsequent mailing.

6. **SECTION HEADINGS.** All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Lease.

7. **GOVERNING LAW.** This Lease shall be governed by the provisions hereof and by the laws of the state or other jurisdiction where the Equipment is located.

8. **FURTHER ASSURANCES.** Lessee shall deliver to Lessor: (i) an opinion of counsel in substantially the form of Exhibit D attached hereto or as Lessor may otherwise request; and (ii) if applicable, a certificate of a duly authorized official as to designation as a qualified tax-exempt obligation. Moreover, Lessee shall execute or provide, as requested by Lessor, any documents and information which are reasonably necessary with respect to the transaction contemplated by this Lease. Lessee hereby authorizes Lessor to execute and file on behalf of Lessee and as Lessee's attorney-in-fact such CC financing and continuation statements as Lessor deems necessary to secure its and/or its Assign's interest in the Equipment or this agreement.

9. **ENTIRE AGREEMENT.** This Lease, together with the exhibits attached hereto and made a part hereof and other attachments hereto, and other documents or instruments executed by Lessee and Lessor in connection herewith, constitute the entire agreement between the parties with respect to the lease of the Equipment, and this Lease shall not be modified, amended, altered or changed except with the written consent of Lessee and Lessor.

10. **SEVERABILITY.** Any provision of this Lease found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Lease.

11. **WAIVER.** The waiver by Lessor of any breach by Lessee of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach hereof.

LESSOR: **Citicorp North America, Inc.**

DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
PRINTED NAME AND TITLE

\_\_\_\_\_  
AUTHORIZED SIGNATURE AND TITLE

LESSEE: NASSAU CO. BOARD OF CO.-COMMISSIONERS

BY: X *Charles A. Pickett*  
MUNICIPAL ENTITY  
AUTHORIZED SIGNATURE

CHARLES PICKETT, Chairman  
PRINTED NAME AND TITLE

DATE: 2-23-88





EXHIBIT A to  
STATE AND MUNICIPAL LEASE/PURCHASE AGREEMENT

DESCRIPTION OF EQUIPMENT

Quantity	Description of Leased Equipment (Make, Kind, Model No., Serial No., Any Other Pertinent Identification)
1	Fiatalis Model FR20B wheel loader, S/N 00510547, with 4 yard bucket with cutting edge, and 26.5 x 25 radial tires.

LOCATION OF EQUIPMENT

ADDRESS: 708 Eastwood Road  
 CITY: Hillard COUNTY: Nassau  
 STATE: Florida ZIP: 32046

CERTIFICATION

Lessee hereby certifies that the description of the property set forth above constitutes an accurate account of the Equipment as referred to in the Lease.

Lessee: NASSAU CO. BOARD OF CO. COMMISSIONERS  
(Municipal Entity)

By: *Charles A. Pickett*  
(Authorized Signature)

CHARLES PICKETT, Chairman  
(Printed Name and Title)

Date: 2-23-88

**EXHIBIT B to  
STATE AND MUNICIPAL LEASE/PURCHASE AGREEMENT****DELIVERY AND ACCEPTANCE CERTIFICATE**

To: Citicorp North America, Inc.

Reference is made to the State and Municipal Lease/Purchase Agreement between the undersigned ("Lessee"), and Citicorp North America, Inc. ("Lessor"), dated February 23, 1988 ("Lease") and to the Equipment as such term is defined therein. In connection therewith we are pleased to confirm to you the following:

1. All of the Equipment has been delivered to and received by the undersigned; that all installation or other work necessary prior to the use thereof has been completed; that said Equipment has been examined and/or tested and is in good operating order and condition and is in all respects satisfactory to the undersigned and as represented, and that said Equipment has been accepted by the undersigned and complies with all terms of the Lease. Consequently, you are hereby authorized to pay for the Equipment in accordance with the terms of any purchase orders for the same.
2. In the future, in the event the Equipment fails to perform as expected or represented we will continue to honor the Lease in all respects and continue to make our rental and other payments thereunder in the normal course of business and we will look solely to the vendor, distributor or manufacturer for recourse.
3. We acknowledge that Lessor is neither the vendor nor manufacturer or distributor of the Equipment and has no control, knowledge or familiarity with the condition, capacity, functioning or other characteristics of the Equipment.
4. The serial number for each item of Equipment which is set forth on Exhibit A to the Lease is correct.

This certificate shall not be considered to alter, construe, or amend the terms of the Lease.

Lessee: NASSAU CO. BOARD OF CO. COMMISSIONERS  
(Municipal Entity)

By: Charles A. Pickett  
(Authorized Signature)

CHARLES PICKETT, Chairman  
(Printed Name and Title)

Date: 2-23-88

Joyce D. Bradley  
Witness



EXHIBIT C to STATE AND MUNICIPAL LEASE/PURCHASE AGREEMENT

LEASE TERM	12 months	* Annual	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly (Check one) <input type="checkbox"/> Annual
RENTAL PERIODS		1st PAYMENT DATE	<input type="checkbox"/> Start Date <input type="checkbox"/> 1 Mo. from Start Date
ADVANCE RENTAL PAYMENT	First Rental and Last Rentals	of \$	delivered to Lessor at time of signing this Lease.
CAPITAL COST OF EQUIPMENT			Rentals each, shall be \$97,185.27

RENTAL PAYMENT AND AMORTIZATION SCHEDULES

Rental Payment Number	Rental Payment	Amount Credited to Interest	Amount Credited to Capital Cost	Early Purchase Option Price
1	\$105,067.00	\$7,881.73	\$97,185.27	\$105,067.00
2				
3				
4				
5				
6				
7				
8				
9				
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Continued on Reverse Side

EXHIBIT C to  
STATE AND MUNICIPAL LEASE/PURCHASE AGREEMENT (Continued)

RENTAL PAYMENT SCHEDULE CONTINUED

Rental Payment Number	Rental Payment	Amount Credited to Interest	Amount Credited to Capital Cost	Early Purchase Option Price
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
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60				

TOTALS

Lessee: NASSAU CO. BOARD OF CO. COMMISSIONERS

By: *Charles A. Pickett*  
(Municipal Entity)

(Authorized Signature)  
CHARLES PICKETT, Chairman

(Printed Name and Title)

2-23-88

Date:



EXHIBIT D to  
STATE AND MUNICIPAL LEASE/PURCHASE AGREEMENT

OPINION OF COUNSEL  
[TO BE ON LETTERHEAD OF LESSEE OR ITS OUTSIDE COUNSEL]

RE: State and Municipal Lease/Purchase Agreement dated February 23, 1988 ("Lease") between Citicorp North America, Inc. ("Lessor") and NASSAU CO. BOARD OF CO. COMMISSIONERS ("Lessee")

Gentlemen:

As counsel for Lessee, I have examined duly executed originals of the Lease and the proceedings taken by the Lessee to authorize and execute said Lease. Based upon such examination as I have deemed necessary and appropriate, I am of the opinion that:

1. Lessee is a duly created and validly existing state or fully constituted political subdivision or agency of the State of Florida ("State") and has the power and authority to enter into the Lease and carry out the terms thereof.
2. The interest component of the Rental Payments as set forth in Exhibit C to the Lease qualifies for exemption from federal income taxes by Lessor under Section 103 of the Internal Revenue Code of 1986, as amended and the related regulations and rulings thereunder.
3. The execution, delivery and performance by the Lessee of the Lease have been duly authorized by all necessary action on the part of the Lessee. All applicable bidding and budgeting requirements have been complied with. I have attached to my opinion copies of any resolutions adopted by the Lessee relating to the Lease.
4. The Lease is a governmental purpose obligation and constitutes a legal, valid and binding deferred payment obligation of the Lessee, enforceable in accordance with its terms and does not constitute a debt of Lessee under the laws of the State of Florida. In the event Lessor obtains judgment against Lessee for money damages in connection with the Lease, Lessee will be obligated to pay such judgment.
5. The Lease is in accordance with and does not violate the usury statutes of the State.
6. The Equipment (as defined in the Lease) constitutes personal property and when subjected to use by Lessee will not become fixtures under applicable law.
7. No litigation is pending or to the best of my knowledge threatened in any court or other tribunal, state or federal, relating to the validity of the Lease.
8. The signature of the official of Lessee which appears on the Lease and the attached documents is true and genuine; I know him/her to hold the office set forth below his/her name. Such official is duly authorized to execute the Lease and the attached documents. I have attached hereto a copy of such authorization.
9. The current fiscal period of Lessee ends on September 30; the next succeeding fiscal period of Lessee ends on October 1.

Very truly yours,

NASSAU CO. BOARD OF CO. COMMISSIONERS  
 Counsel for Lessee  
 By Charles A. Pickett  
 Charles Pickett, Chairman



EXHIBIT E to STATE AND MUNICIPAL LEASE/PURCHASE AGREEMENT

CERTIFICATE OF RESOLUTIONS

I, Charles Pickett, do hereby certify that I am the duly elected, or appointed and acting Secretary/Clerk of the Chairman of the Nassau Co. Board of Co. Commissioners, an agency duly organized and existing under the laws of the State of Florida (the "Lessee"), and that the following resolutions have been presented to and duly adopted by the Nassau Co. Board of Co. Commissioners at a meeting duly and regularly held and convened in accordance with applicable law on the 23rd day of February, 1988.

WHEREAS, the Lessee is entering a State and Municipal Lease/Purchase Agreement ("Lease") dated 2-23, 1988, with Citicorp North America, Inc.;

WHEREAS, Lessee has carefully reviewed its financing requirements for the current calendar year and reasonably expects that it will not issue more than ten million dollars (\$10,000,000) of tax-exempt obligations during the calendar year;

NOW, THEREFORE, be it RESOLVED, that the Lessee be, and hereby is, authorized to enter into the Lease with Citicorp North America, Inc. for a period of 12 months, and be it further

RESOLVED, that an official of the Lessee be, and hereby is, authorized, empowered and directed to sign on its behalf the Lease and any addenda, schedules, notes, UCC financing statements or other instruments issued under the provision of the Lease and any other instrument or document which may be necessary or expedient in connection with agreement upon or fulfillment of the provisions of the Lease.

RESOLVED, that pursuant to Section 265(b) (3) of the Internal Revenue Code of 1986, as amended, this Lease be and hereby is designated a "qualified tax-exempt obligation" includable within the ten million dollars (\$10,000,000) of the aggregate issues designated as "qualified tax-exempt obligations" for the calendar year within which this Lease is entered into.

RESOLVED, that Lessee shall not designate more than ten million dollars (\$10,000,000) of tax-exempt obligations during the current calendar year as qualified tax-exempt obligations and Lessee, together with its subordinate entities, does not reasonably expect to issue more than ten million dollars (\$10,000,000) of tax-exempt obligations during the current calendar year.

IN WITNESS WHEREOF, I have duly executed this certificate and affixed the seal hereto this 23rd day of February, 1988.

Lessee: NASSAU CO. BOARD OF CO. COMMISSIONERS (Municipal Entity)

By: Charles A. Pickett (Signature of Secretary/Clerk)

Charles Pickett, Chairman (Printed Name)



ESSENTIAL USE/SOURCE OF FUNDS LETTER  
STATE AND MUNICIPAL LEASE/PURCHASE AGREEMENT

RE: State and Municipal Lease/Purchase Agreement No. \_\_\_\_\_

Citicorp North America, Inc.  
601 Midland Avenue  
Rye, New York 10580

Gentlemen:

This confirms and affirms that the Equipment described in the State and Municipal Lease/Purchase Agreement referred to above (the "Lease") is essential to the function of the undersigned or to the service we provide to our citizens.

Further, we have an immediate need for, and expect to make immediate use of, substantially all such Equipment, which need is not temporary or expected to diminish in the foreseeable future. Such Equipment will be used by us only for the purpose of performing one or more of our governmental or proprietary functions consistent with the permissible scope of our authority. Specifically, such Equipment was selected by us to be used as follows: \_\_\_\_\_

road maintenance

The estimated useful life of such Equipment based upon manufacturer's representations and our projected needs is \_\_\_\_\_

7 years

Our source of funds for payments of the rent due under the Lease for the current fiscal year is \_\_\_\_\_

Budget allotment for County transportation.

We expect and anticipate adequate funds to be available for all future payments of rent due after the current fiscal year for the following reasons: \_\_\_\_\_

1988 - 1989 Budget Allotment

Very truly yours,

Lessee: NASSAU CO. BOARD OF CO. COMMISSIONERS

MUNICIPAL ENTITY

BY: Charles A. Pickett  
AUTHORIZED SIGNATURE

Charles Pickett, Chairman

PRINTED NAME AND TITLE

Date: 2-23-88

TO Ms. Joyce Bradley  
Nassau Co. Board of Co. Commissioners  
416 Centre St.  
Fernandina Beach, Fl. 32034

SUBJECT UCC-1 Filing on Fiatallis loader purchased by County

MESSAGE DATE 3-07-88

Dear Ms. Bradley,

Attached is the UCC-1 Filing which needs to be signed by Mr. Pickett as quickly as possible. I have enclosed a copy of the Lease/Purchase Agreement which he had already signed, so that he will be assured that all had been approved. If there are any problems or delays in getting this signed, please give me a call at 904/268-6711. Thanks so much for your help.

PILOT EQUIPMENT CO., INC.  
SIGNED *Carol L. Haupt*  
Carl L. Haupt, Admin. Asst.

REPLY DATE

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SIGNED



INSTRUCTIONS

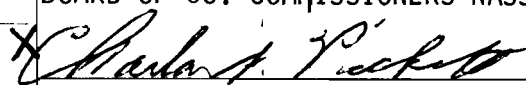
- PLEASE TYPE ALL INFORMATION, and sign with ball point pen. Signature must be legible on Filing Officer Copies.
- Contact Filing Officer for fee schedule or additional information.

**STATE OF FLORIDA**  
**UNIFORM COMMERCIAL CODE — FINANCING STATEMENT — FORM UCC-1 REV. 1981**  
 THIS FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code:

ONLY ONE NAME PER BOX	DEBTOR (Last Name First if a Person) NAME <b>1A BOARD OF CO. COMMISSIONERS, NASSAU CO.</b> MAILING ADDRESS 416 Centre Street CITY Fernandina Beach STATE FL 32034	THIS SPACE FOR USE OF FILING OFFICER Date, Time, Number & Filing Office	
	MULTIPLE DEBTOR (IF ANY) (Last Name First if a Person) NAME		
	<b>1B</b> MAILING ADDRESS  CITY STATE		
	MULTIPLE DEBTOR (IF ANY) (Last Name First if a Person) NAME		
	<b>1C</b> MAILING ADDRESS  CITY STATE		
	SECURED PARTY (Last Name First if a Person) NAME		
	<b>2A PILOT EQUIPMENT CO., INC.</b> MAILING ADDRESS P.O. Box 16505 CITY Jacksonville STATE FL 32245		
	MULTIPLE SECURED PARTY (IF ANY) (Last Name First if a Person) NAME		
	<b>2B</b> MAILING ADDRESS  CITY STATE		
	ASSIGNEE OF SECURED PARTY (IF ANY) (Last Name First if a Person) NAME		
<b>3 CITICORP, NORTH AMERICA, INC.</b> MAILING ADDRESS 601 Midland Ave. CITY Rye STATE NY 10580			

<b>4.</b> This FINANCING STATEMENT covers the following types or items of property (include description of real property on which located and owner of record when required). If more space is required, attach additional sheets 8 1/2" x 11".  1 - New Fiatallis FR20B, Wheel Loader S/N 510547, with 4 cu yd Bucket.	
<b>5.</b> Proceeds of collateral are covered as provided in Sections 679.203 and 679.306, F.S.	<b>7.</b> No. of additional Sheets presented:
<b>6.</b> Filed with: <b>Secretary of State, Tallahassee, FL</b>	
<b>8.</b> (Check <input type="checkbox"/> ) <b>XX</b> All documentary stamp taxes due and payable or to become due and payable pursuant to Section 201.22, F.S., have been paid. <input type="checkbox"/> Florida Documentary Stamp Tax is not required.	
<b>9.</b> This statement is filed without the debtor's signature to perfect a security interest in collateral (Check <input type="checkbox"/> if so) <input type="checkbox"/> already subject to a security interest in another jurisdiction when it was brought into this state or debtor's location changed to this state.  <input type="checkbox"/> which is proceeds of the original collateral described above in which a security interest was perfected. <input type="checkbox"/> as to which the filing has lapsed.  <input type="checkbox"/> acquired after a change of name, identity, or corporate structure of the <input type="checkbox"/> debtor or <input type="checkbox"/> secured party.	<b>10.</b> (Check <input type="checkbox"/> if so) <input type="checkbox"/> Debtor is a transmitting utility <input type="checkbox"/> Products of collateral are covered

NAME AND ADDRESS OF PREPARER

**11. SIGNATURE(S) OF DEBTOR(S)**  
 BOARD OF CO. COMMISSIONERS NASSAU CO.  
  
**12. SIGNATURE(S) OF SECURED PARTY(IES) OR ASSIGNEE**  
 PILOT EQUIPMENT CO., INC.

**13. Return copy to:**

NAME	CITICORP, NO. AMERICA, INC.
ADDRESS	ATTN: Vendor Floor Planning G-13
CITY	601 Midland Ave.
STATE	Rye