

EQUIPMENT LEASE AGREEMENT BETWEEN
HALL-MARK FIRE APPARATUS, INC. AND
NASSAU COUNTY

AGREEMENT made this the 22nd day of Nov. 1999 between HALL-MARK FIRE APPARATUS, INC., a corporation organized and existing under the laws of the State of Florida, with a place of business at 3431 N.W. 27th Avenue, Ocala, Florida 34475, hereinafter called "Lessor" and, Nassau County located at 3163 Bailey Road, Fernandina, Florida 32034 Phone No. (904) 321-5925 hereinafter called "Lessee".

1. Subject. The Lessor hereby leases to the Lessee, and the Lessee hereby hires from the Lessor, subject to the terms and conditions hereinafter set forth, the following property, as set forth in the itemized list in this paragraph, hereinafter referred to as the "equipment":

DESCRIPTION OF THE EQUIPMENT

One (1) 1999, Model HP75 E-One Aerial
Serial No. 4EN3AAA89X1009630, SO# 019630

2. Term and Rent. This Lease is for term of (4) months minimum commencing on the date equipment is shipped from the Lessor for the fixed rent of \$12,000 and NO/100 Dollars per month to be paid by the Lessee to the Lessor in monthly installments with all costs of delivery to the Lessee being born by the (Lessor/Lessee). TERMS: NET 30 DAYS.

3. Title. This Agreement creates a lease or bailment only of the equipment and not a sale thereof or the creation of a security interest therein. The Lessor shall remain the sole owner of the equipment and nothing contained herein or the payment of rent hereunder shall enable the Lessee to acquire any right, title, or other interest in or to the equipment other than that of a bailee for hire, except as may be specifically provided in any separate option agreement between the parties. If Lessor and Lessee do enter into a separate option agreement, such agreement shall be attached hereto and become a part of this Agreement. Lessor shall at all times retain title to the equipment. All documents of title and evidences of delivery shall be delivered to and be the property of Lessor. Lessee shall not change or remove an insignia or lettering which is on the equipment at the time of delivery, or which is thereafter placed thereon, indicating Lessor's ownership. Lessee shall, at its expense, protect and defend Lessor's title against all persons claiming against or through Lessee, at all times keeping the equipment from any legal process or encumbrance whatsoever, including, but not limited to, liens, attachments, levies and executions and shall give Lessor immediate written notice thereof and shall indemnify Lessor from any loss caused thereby. Lessee shall execute and deliver to Lessor, upon Lessor's request, such further instruments and insurances as Lessor deems necessary.

4. Taxes and Other Charges.

(a) The Lessee shall pay all taxes, personal property taxes, sales taxes, excise taxes, stamp, documentary, ad valorem or other direct taxes imposed on the ownership, possession, use, or operation of the equipment or levied against or based upon the amount of rent to be paid hereunder or assessed in connection with the execution filing, or recording of this Agreement. The term "direct taxes" as used herein shall include all taxes (except Lessor's income taxes), charges and fees imposed by any federal, state, or local authority.

(b) The Lessee assumes all responsibility and the cost and expense for all licensing, registrations, permits, and such other certificates as may be required for the lawful operation of the equipment. All certificates of title or registration applicable to the equipment shall be applied for, issued, and maintained in the name of the Lessor, as owner, and the Lessee shall pay all costs in relation thereto. The Lessee covenants that it will not assign, pledge, create a security interest in, or encumber the vehicle in any manner whatsoever, nor permit any liens to become affected thereon.

5. Maintenance.

(a) Lessee shall be responsible for all routine maintenance except for scheduled PM's with fluid changes and wear and tear on the equipment and shall be required to compensate Lessor for any loss sustained as a result of such failure.

6. Use of Equipment.

(a) Lessee shall permit only those employees, agents, or other persons adequately trained in the operation of the equipment to so operate the equipment. The Lessee shall observe all safety rules and other requirements of governmental bodies having jurisdiction and shall pay all fines due to lack of plates or permits, speeding, and similar charges that may be duly and lawfully imposed or assessed by reason of the Lessee's failure to comply with the rules, regulations, and orders for governmental bodies having jurisdiction.

7. Insurance and Indemnification.

(a) Lessee represents that Lessee now carries, and will continue during the term of this Agreement to carry the following insurance on all Equipment while such Equipment is operated by or being maintained by Lessee or its employees, agents or representatives. Such insurance shall be maintained in the following minimum amounts:

AUTOMOBILE LIABILITY INSURANCE	\$1,000,000	COMBINED SINGLE LIMIT BODILY INJURY AND PRPOERTY DAMAGE
AUTOMOBILE PHYSICAL DAMAGE/COLLISION		FULL VALUE OF VEHICLE
AUTOMOBILE COMPREHENSIVE/THEFT		FULL VALUE OF VEHICLE

(b) Lessee shall list Lessor as Additional Insured to the Automobile Liability Policy. Lessor shall be listed as loss payee with respect to the Equipment leased to Lessee excluding any deductible. Lessee shall be responsible for any deductible associated with said insurance policies. Lessee shall provide to Lessor insurance certificates evidencing coverage as referenced above maintained by

insurance companies satisfactory to Lessor. Such certificates shall afford Lessor thirty (30) days written notice of cancellation.

(c) Lessee shall defend, indemnify and save harmless Lessor, its' officers, employees, parent and affiliates, from and against any claims, losses, costs, suits, damages, expenses or liabilities incurred or arising in connection with any misuse, alteration or modification of the Equipment by Lessee, it's employees, agents or assigns.

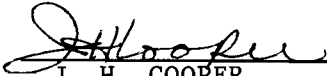
8. Return of Equipment.

(a) The Lessee shall clean and service the vehicle prior to returning same. If the Lessee fails to comply with the terms of this provision, it agrees to pay any and all related cost incurred to have unit cleaned (and serviced). The Lessee further agrees that the Lease shall continue at the agreed rate until such time as the equipment has been cleaned, (serviced) and returned.

(b) At the termination of the Lease Agreement, and provided that the Lessee has not exercised its purchase option, the Lessee shall return the equipment to the Lessor at 3431 N.W. 27th Avenue, Ocala, Florida with all costs of delivery being born by the (Lessee/Lessor). Cleaning and servicing for the purpose of this Agreement, is defined as follows:

The entire unit, both inside and outside, including the chassis, will be thoroughly cleaned. Removal of all visible traces of dirt and debris is the objective.

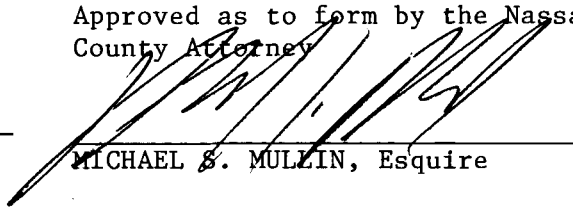
BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA


J. H. COOPER
Lessee - Nassau County
Attest:

Chairman November 22, 1999

Title
Approved as to form by the Nassau
County Attorney


J. M. "CHIP" OXLEY, JR
Date: Its: Ex-Officio Clerk


MICHAEL S. MULLIN, Esquire


Lessor - Hall-Mark Fire Apparatus, Inc.

PResident
Title

11/22/99
Date