

ROGERS TOWERS  
BAILEY JONES & GAY, P.A.

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IRVIN M. WEINSTEIN  
(904) 346-5523  
iweinstein@rtlaw.com

ATTORNEYS AT LAW

RIVERPLACE TOWER  
1301 RIVERPLACE BLVD.  
SUITE 1500  
JACKSONVILLE, FL 32207-1811  
TELEPHONE (904) 398-3911  
FAX (904) 396-0663

November 26, 2002

Re: Police Car Lease

Dear Friends:

Attached for each of you is a copy of the transcript for the Master Lease-Purchase Obligation relating to the police car lease. You will note that the obligation number in the Schedule of Terms has been left blank. Bruce indicated that he will provide that number to the working group. Chip, will you circulate a certified copy of the commission resolution to the group?

Thanks to all of you for your cooperation in this matter.

Sincerely yours,

Irvin M. Weinstein

Mr. Ray Geiger  
Mr. J.M. "Chip" Oxley  
Mr. Mitchell N. Owens  
✓ Mr. Michael S. Mullin  
Mr. Bruce L. Barefoot

IMW/fmd  
Enclosures  
JAX615611\_1

**\$631,996**  
**Sheriff of Nassau County, Florida**  
**Master Lease-Purchase Obligation**

November 26 2002

**Closing Document List**

1. Master Lease-Purchase Agreement
2. Description of Equipment
3. Amortization Schedule
4. Schedule of Terms
5. Certificate of Acceptance
6. Negotiated Sale Disclosure and Truth-in-Bonding Statement
7. Officer's Certificate
8. Division of Bond Finance Form BF2003/2004
9. Form 8038G
10. Opinion of Counsel to Lessee
11. Notice of Sale

## **MASTER LEASE-PURCHASE AGREEMENT**

**THIS MASTER LEASE-PURCHASE AGREEMENT**, dated as of November 26, 2002 (together with all supplements, exhibits and schedules hereto hereinafter referred to as the "Lease"), between **SunTrust Bank** (hereinafter called, together with any successors and assigns, "Lessor") and the Sheriff of Nassau County, Florida (hereinafter called "Lessee").

### **WITNESSETH:**

#### **Section 1. REPRESENTATIONS AND WARRANTIES OF LESSEE.**

Lessee hereby represents and warrants to Lessor that on the date hereof and at all times during the Term (as defined in Section 3 below) hereof:

- (a) Lessee is a constitutional officer of Nassau County, Florida, a political subdivision of the State of Florida (the "State"), duly organized and existing under the Constitution and laws of the State.
- (b) Lessee is authorized under the Constitution and laws of the State to enter into this Lease and the transactions contemplated hereby, and to perform all of its obligations hereunder. The Board of County Commissioners of Nassau County has approved the execution, delivery and performance hereof.
- (c) Lessee has duly authorized and approved the execution and delivery of this Lease and all other documents related to the transactions contemplated hereby, and this Lease constitutes a legal, valid and binding obligation of Lessee, enforceable against Lessee in accordance with the terms hereof except as limited by applicable bankruptcy laws or other laws affecting the enforcement of creditors' rights generally.
- (d) The constitutional officer executing this Lease has been duly authorized to execute and deliver this Lease and related documents by appropriate official action.
- (e) Lessee has complied with all open meeting laws, all public bidding laws and all other State and federal laws applicable to this Lease and has obtained all approvals necessary for the execution, delivery and performance of this Lease and the transactions contemplated hereby.
- (f) Neither the execution and delivery hereof, nor the fulfillment of, or compliance with, the terms and conditions hereof, nor the consummation of the transaction contemplated hereby, will conflict with, constitute a breach of, or default under, the Constitution and laws of the State, or the rules of procedure of Lessee or any indenture, agreement or other instrument to which Lessee is a party or by which it is bound, or any constitutional or statutory provision, or order, rule regulation, decree or ordinance of any court, government or governmental body to which Lessee or any of its other properties are subject.

- (g) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Lessee's knowledge, threatened against Lessee, wherein an unfavorable ruling or filing would adversely affect the validity or enforceability of this Lease or any other instrument contemplated for use in consummating the transactions contemplated hereby, or the exclusion of the portion of the Rent Payments (as defined in Section 3 below) representing interest from gross income for purposes of federal income taxation, or would materially and adversely affect any of the transactions contemplated by this Lease.
- (h) The Equipment (as defined in Section 2 hereof) at all times will be used by Lessee for the purpose of performing a public function and the acquisition of the Equipment by Lessee shall be necessary, useful or appropriate to one or more governmental purposes of Lessee.

## **Section 2. LEASING.**

- (a) Subject to the terms and conditions set forth below, Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the Equipment described in the Description of Equipment delivered from time to time as described below, including all repairs, replacements, substitutions and modifications to the same (the "Equipment").
- (b) Lessor may from time to time, at the request of Lessee, provide funds to acquire Equipment from the manufacturer or supplier thereof ("Supplier") for lease hereunder. The obligation of Lessor to lease Equipment hereunder shall be subject to the representations and warranties of Lessee contained herein being true and accurate throughout the term hereof and further conditioned on receipt by Lessor of each of the following documents in form and substance satisfactory to Lessor:
  - (i) a Description of Equipment describing such Equipment executed by Lessor and Lessee (the "Description of Equipment");
  - (ii) an Amortization Schedule setting forth the Rent payable with respect to such Equipment (the "Amortization Schedule");
  - (iii) a Schedule of Terms setting forth additional terms applicable to the lease of such Equipment executed by Lessor and Lessee (the "Schedule of Terms");
  - (iv) copies of insurance policies or, at Lessor's option, such other evidence of insurance which complies with the requirements of Section 11;
  - (v) bills of sale, titles or other appropriate evidence of ownership or invoices for amounts due;
  - (vi) an opinion of counsel for Lessee;

- (vii) a copy of Internal Revenue Service Form 8038, 8038-G or 8038-GC (as applicable) completed and executed by Lessee;
- (viii) an Officers' Certificate of Lessee;
- (ix) a duly adopted resolution or evidence of other appropriate approving action of Lessee approving the acquisition of such equipment;
- (x) executed and completed Form 2003/2004, as applicable, of the Division of Bond Finance of the State of Florida;
- (xi) a Certificate of Acceptance; and
- (xii) such other documents as Lessor may reasonably request.

All references herein to the Description of Equipment, Amortization Schedule or the Schedule of Terms for Equipment is a reference to such schedule as was executed in connection with the lease of such item of Equipment.

- (c) Lessor hereby appoints Lessee its agent for purchase, inspection and acceptance of the Equipment from the manufacturer or supplier. Subject to the above-stated conditions, upon execution by Lessee of a Certificate of Acceptance in the form provided by Lessor, the Equipment described thereon shall be deemed to have been delivered to, and irrevocably accepted by, Lessee for lease hereunder.

### **Section 3. TERM, RENT AND PAYMENT.**

- (a) The rent ("Rent") payable hereunder with respect to all Equipment set forth in a Description of Equipment shall commence on the date set forth in the corresponding Schedule of Terms (the "Commencement Date"). The term ("Term") of this Lease with respect to such Equipment shall commence on the Commencement Date and shall terminate upon the occurrence of the first of the following events:
  - (i) the exercise by Lessee of its option to purchase Lessor's interest in such Equipment pursuant to Section 18 hereof;
  - (ii) the payment by Lessee of all Rent and other amounts required to be paid by Lessee hereunder with respect to such Equipment;
  - (iii) upon the occurrence of an Event of Nonappropriation (as that term is defined in subparagraph (c) hereof) with respect to any Equipment, the last day of the Budgetary Period set forth in the Schedule of Terms for which an appropriation has been made, subject to Lessor's election to not terminate this Lease with respect to Equipment for which an appropriation has been made;

- (iv) an Event of Default by Lessee, and Lessor's election to terminate this Lease pursuant to Section 21 hereof; or
  - (v) payment of all monies owed pursuant to a Casualty Occurrence with respect to such Equipment under Section 10 hereof.
- (b) Rent shall be paid to Lessor at its address noted in the Schedule of Terms, except as otherwise directed by Lessor. Payments of Rent shall be in the amount, payable at such intervals and shall be due in accordance with the provisions of the Amortization Schedule and Schedule of Terms (each payment of Rent is hereinafter referred to as a "Rent Payment"). Lessor may change the location to which the Rent Payments are to be paid by noting such change on any invoice to Lessee or by sending Lessee notice in writing of such change. A portion of each Rent Payment is paid as, and represents, interest as reflected on the Amortization Schedule.

The obligation of Lessee to pay the amounts required herein shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional, statutory or charter limitations or requirements concerning the creation of indebtedness of Lessee. **THE PAYMENTS DUE UNDER THIS LEASE ARE TO BE MADE ONLY FROM LESSEE'S LEGALLY APPROPRIATED FUNDS ON AN ANNUAL BASIS, AND NEITHER LESSEE, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE HEREUNDER FROM THE COMPELLED LEVY OF AD VALOREM OR OTHER TAXES EXCEPT FROM THOSE FUNDS LEGALLY APPROPRIATED BY LESSEE ON AN ANNUAL BASIS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF Lessee, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF ARE PLEDGED FOR PAYMENT OF SUCH SUMS DUE UNDER THIS LEASE. This Lease and the indebtedness evidenced hereby shall not constitute a lien upon the Equipment, or any part thereof, or on any other property owned by or within the jurisdictional limits of Lessee.**

- (c) Lessee shall have the right to terminate its obligation to make Rent Payments with respect to any Equipment at the end of any Budgetary Period in the manner and subject to the terms of this subsection (c), if Lessee does not have appropriated in its budget money sufficient to pay the Rent Payments and reasonable estimated expenses hereunder coming due for the next Budgetary Period with respect to such Equipment (such termination hereinafter an "Event of Nonappropriation"). Upon the occurrence of an Event of Nonappropriation, Lessee shall not be responsible for the payment of any Rent Payments with respect to such Equipment coming due during any subsequent Budgetary Period. Upon the occurrence of an Event of Nonappropriation as provided in this subsection, this Lease shall terminate and Lessee covenants to surrender and deliver possession of the Equipment to Lessor in accordance with the provisions of Section 12 hereof. Provided, however, that Lessor may elect to continue to lease hereunder any Equipment for which an appropriation has been made.

#### **Section 4. TAXES.**

Lessee shall report and pay promptly from legally available revenues all taxes, fees and assessments due, imposed, assessed or levied against the Equipment (or the purchase, ownership, delivery, leasing, possession, use or operation thereof), this Lease (or any rentals or receipts hereunder), or Lessor or Lessee in connection with this Lease, by any foreign, federal, state or local government or taxing authority including, without limitation, all license and registration fees, and all sales, use, personal property, excise, gross receipts, franchise, stamp or other taxes, imposts, duties and charges, together with any penalties, fines or interest thereon (all hereinafter called "Taxes"). Lessee shall reimburse Lessor upon receipt of written request for reimbursement for any Taxes charged to or assessed against Lessor, and on request of Lessor, submit to Lessor written evidence of Lessee's payment of Taxes. Lessee shall have no liability for taxes imposed by the United States of America or any State or political subdivision thereof which are on or measured by the net income of Lessor.

#### **Section 5. FINANCIAL INFORMATION; REPORTS.**

Lessee will provide Lessor with (i) audited financial statements (including, without limitation, a balance sheet, a statement of revenues, expenditures and change in fund balance) within 150 days after the end of each Budget Year, (ii) a copy of its annual budget within 45 days after approval by Nassau County, and (iii) such other financial information as requested in writing by Lessor. Lessee will also provide Lessor with the following in writing within the time periods specified: (a) notice of tax or other lien which attaches to Equipment within ten (10) days of Lessee's obtaining knowledge of such attachment and such additional information with respect to the tax or lien promptly upon request of Lessor; (b) notice to Lessor of any change in location of the Equipment outside of the jurisdictional limits of Lessee, ten (10) days prior to any such relocation; (c) copies of the insurance policies or other evidence of insurance required by the terms hereof, promptly upon request by Lessor; (d) copies of all information, logs, documents and records regarding or in respect to Equipment and its use, maintenance and/or condition, within ten (10) days of such request; (e) a certificate of the authorized officer of Lessee stating that he has reviewed the activities of Lessee and that, to the best of his knowledge, there exists no default (as described in Section 20 hereof) or event which with notice or lapse of time (or both) would become such a default; (f) copies of any manufacturer's warranties, promptly upon request; (g) evidence of Lessee's compliance with maintenance provisions of Section 8 hereof upon request of Lessor; (h) notice of any anticipated occurrence of an Event of Nonappropriation, if practical, thirty (30) days prior to such occurrence; (i) notice of an occurrence of an Event of Nonappropriation within five (5) days of such occurrence; (j) proof of appropriation for the ensuing Budgetary Period in a form acceptable to Lessor upon request; and (k) any other documents or reports required by any addenda hereto or reasonably requested by Lessor.

#### **Section 6. TITLE AND QUIET ENJOYMENT.**

- (a) Legal title to the Equipment shall, for the convenience of both parties, be titled in Lessee. Lessee covenants to promptly return the Equipment to Lessor as provided in Section 12 upon the occurrence of an Event of Nonappropriation, or upon the occurrence of an Event of Default and Lessor's election to terminate this Lease

pursuant to Section 21 hereof. Title to the Equipment shall vest absolutely with Lessee upon payment of all Rent due hereunder.

- (b) So long as Lessee is not in default under this Lease, Lessor covenants and agrees that it will not interfere with Lessee's quiet enjoyment of the Equipment subject to, and in accordance with, the provisions hereof.

#### **Section 7. DELIVERY, REGISTRATION, USE AND OPERATION.**

- (a) The Equipment shall be delivered directly from the Supplier to Lessee.
- (b) Lessee, at its own cost and expense, shall cause title of the Equipment to be placed in the name of Lessee by appropriate documentation.
- (c) The possession, use and operation of the Equipment shall be at the sole risk and expense of Lessee. Lessee agrees that the Equipment will be used and operated in compliance with any and all statutes, laws, ordinances, regulations and standards or directives issued by any governmental agency applicable to the use or operation thereof, in compliance with any license or registration relating to the Equipment issued by any agency and in a manner that does not modify or impair any existing warranties on the Equipment or any part thereof. Lessee will operate the Equipment solely for governmental use.

#### **Section 8. MAINTENANCE.**

- (a) Lessee agrees that the Equipment will be maintained in compliance with any and all statutes, laws, ordinances, regulations and standards or directives issued by any governmental agency applicable to the maintenance thereof, and in a manner that does not modify or impair any existing warranties on the Equipment or any part thereof.
- (b) Lessee shall maintain, inspect, service, repair, overhaul and test the Equipment in accordance with (i) all maintenance manuals initially furnished with the Equipment, including any subsequent amendments or supplements to such manuals issued by the manufacturer from time to time, and (ii) all recommended "Service Bulletins" issued, supplied, or available by or through the manufacturer and/or the manufacturer of any part with respect to the Equipment. Lessee shall maintain all records, logs and other materials required by the manufacturer thereof for enforcement of any warranties. All maintenance procedures required hereby shall be undertaken and completed in accordance with the manufacturer's recommended procedures, and by properly trained, licensed, and certificated maintenance sources and maintenance personnel, so as to keep the Equipment in as good operating condition as when delivered to Lessee hereunder, ordinary wear and tear excepted.
- (c) Lessee agrees to notify Lessor in writing thirty (30) days prior to making any material change in the configuration, appearance and coloring of the Equipment from that in effect at the time the Equipment is accepted by Lessee hereunder, and



in the event of such change or modification of configuration, coloring or appearance, to restore, upon request of Lessor, the Equipment to the configuration, coloring or appearance in effect on the Commencement Date or, at Lessor's option, to pay to Lessor an amount equal to the reasonable cost of such restoration.

- (d) Lessee shall be entitled from time to time during the Term of this Lease to acquire and install on the Equipment at Lessee's expense, any additional accessory, devise or equipment as Lessee may desire (each such accessory, devise or equipment, an "Addition"), but only so long as such Addition does not alter or impair the originally intended function or use of the Equipment, and can be readily removed by Lessee prior to the return of the Equipment. Lessee shall repair all damage to the Equipment resulting from the installation or removal of any Addition so as to restore the Equipment to its condition prior to installation, ordinary wear and tear excepted.
- (e) Any alteration or modification (each an "Alteration") with respect to the Equipment that may at any time during the Term of this Lease be required to comply with any applicable law or any governmental rule or regulation shall be made at the expense of Lessee. Any repair made by Lessee of or upon the Equipment or replacement parts installed thereon in the course of repairing or maintaining the Equipment, or any Alteration required by law or any governmental rule or regulation, shall be deemed an accession and shall become a part of the Equipment.
- (f) Except as permitted under this Section 8, Lessee will not modify the Equipment or affix or remove any accessory to the Equipment leased hereunder without Lessor's consent.

#### **Section 9. LIENS, SUBLEASE AND ASSIGNMENT.**

- (a) Lessee shall not sell, transfer, assign or encumber the Equipment or Lessor's rights under this Lease and shall not sublet or part with possession of the Equipment or any part thereof. Lessee shall keep the Equipment and any part thereof free and clear of all liens and encumbrances other than those which result from (i) the respective rights of Lessor and Lessee as herein provided; (ii) liens arising from the acts of Lessor; (iii) liens for taxes not yet due; and (iv) inchoate materialmen's, mechanics', workmen's, repairmen's, employees' or other like liens arising in the ordinary course of business of Lessee for sums not yet delinquent or being contested in good faith (and for the payment of which adequate assurances in Lessor's judgment have been provided Lessor).
- (b) All of Lessor's right, title and/or interest in and to this Lease, the Rent Payments and other amounts due hereunder and the Equipment may be assigned and reassigned in whole or in part to one or more assignees or subassignees at any time, without the consent of Lessee. No such assignment shall be effective as against Lessee unless and until Lessor or assignor, as the case may be, shall have

filed with Lessee a copy or written notice thereof identifying the assignee. All Rent Payments due hereunder shall be paid to Lessor at the address set forth herein or at the direction of Lessor or assignee designated in the most recent notice of assignment filed with Lessee, such other address as Lessor or assignee directs. Upon such assignment, Lessee shall provide notice thereof to all insurers and shall cause the insurance policies as required by Section 11 hereof to be modified to protect the assignees.

- (c) This Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and permitted assigns.

#### **Section 10. LOSS, DAMAGE AND STIPULATED LOSS VALUE.**

Lessee hereby assumes and shall bear the entire risk of any loss, theft, confiscation, expropriation, requisition, damage to, or destruction of, the Equipment, or any part thereof from any cause whatsoever. Lessee shall promptly and fully notify Lessor in writing if Equipment shall be or become worn out, lost, stolen, confiscated, expropriated, requisitioned, destroyed, irreparably damaged or permanently rendered unfit for use from any cause whatsoever (such occurrences being hereinafter called "Casualty Occurrences"). In the event that, in the opinion of Lessor, a Casualty Occurrence has occurred which affects only a portion of an item of the Equipment, then Lessee, at its own cost and expense, shall replace such portion with a replacement part acceptable to Lessor. In the event that, in the opinion of Lessor, a Casualty Occurrence has occurred in respect to an item of Equipment in its entirety, on the Rent Payment date next succeeding a Casualty Occurrence (the "Payment Date"), Lessee shall pay Lessor the sum of (i) an amount equal to the portion of the Prepayment Price applicable to the affected Equipment for the time period of the Casualty Occurrence; and (ii) all Rent Payments and other amounts which are due or accrued hereunder as of the Payment Date. Upon payment of all sums due hereunder, the Term of this Lease as to the item of Equipment shall terminate, and Lessee shall be entitled to retain possession of such Equipment.

#### **Section 11. INSURANCE.**

Lessee agrees to keep the Equipment insured, at its own expense, with such companies and on such terms acceptable to Lessor, in the manner and amounts set forth in the Schedule of Terms and as provided herein. The insurance shall (i) name Lessor as additional insured and have a loss payable clause in favor of Lessor, as its interest may appear, irrespective of any breach of warranty or other act or omission of Lessee; (ii) not be subject to any co-insurance clause; and (iii) provide that it may not be altered or canceled by the insurer until after thirty (30) days written notice to Lessor. Any expense of Lessor in adjusting or collection insurance shall be borne by Lessee. Lessee shall not make adjustments with insurers except (a) with respect to claims from damage to an item of Equipment where the repair costs do not exceed ten percent (10%) of such unit's fair market value, or (b) with Lessor's written consent. Lessor may, at its option, apply proceeds of insurance, in whole or in part, to repair or replace the damaged or lost item of Equipment or any portion thereof, or to satisfy any obligation of Lessee to Lessor hereunder. In addition to property and liability insurance referenced above, if required by State law, Lessee shall carry workers' compensation insurance covering all employees on, in, near or about the Equipment, and upon request shall furnish to Lessor certificates evidencing such

coverage. Upon prior written consent of Lessor, Lessee may self-insure for some or all of the above-referenced public liability, property, and casualty damage risks.

If Lessee is covered under a program of self-insurance, Lessee shall provide Lessor with a letter from its insuring authority certifying to the existence of a continuing self-insurance program which meets the requirements of applicable law. In such event, Lessee shall provide a minimum of ten (10) days written notice to Lessor of any material change or cancellation of said self-insurance program. In the event that such self-insurance program is unavailable or terminated, Lessee agrees to procure and maintain with a carrier authorized to do business in Florida and acceptable to Lessor, which acceptance shall not be unreasonably withheld, all insurance required hereby, including fire, theft, and extended coverage insurance on the Equipment, insuring the full insurable value against risk of loss or damage and providing for a minimum of ten (10) days written notice of material change or cancellation to Lessor. Lessee shall provide Lessor with copies of certificates of the insurance carrier or carriers evidencing such insurance coverage.

## **Section 12. RETURN OF EQUIPMENT.**

- (a) Upon termination of this Lease due to an Event of Nonappropriation, or due to an Event of Default and Lessor's election to terminate this Lease (subject to Lessor's election to continue this Lease with respect to Equipment for which no Event of Nonappropriation has occurred), Lessee covenants to promptly return all Equipment leased hereunder to Lessor together with all logs, manuals and data, including without limitation, inspection, modification and overhaul records required to be maintained with respect hereto under this Lease or under the manufacturer's recommended maintenance program. Upon return of the Equipment, Lessee shall, upon request, assign to Lessor its rights under any manufacturer's maintenance service contract or extended warranty for the returned Equipment or any or part thereof. All expenses for return of such Equipment and delivery of the aforementioned logs, manuals and data shall be borne by Lessee. The Equipment shall be returned in the condition in which the Equipment is required to be maintained pursuant to Section 8 hereof, but with all logos or other identifying marks of Lessee removed. At the request of Lessor, Lessee shall arrange at its expense the issuance of new certificates of title to the Equipment in the name of Lessor or its assigns.
- (b) Upon return of the Equipment, Lessor shall arrange for the inspection of same within thirty (30) days of return to determine if such Equipment has been maintained and returned in accordance with the provisions hereof. Lessee shall be responsible for the cost of such inspection and shall pay Lessor such amount as additional Rent within ten (10) days of demand for same. In the event that the results of such inspection indicate that such Equipment, or any part thereof, has not been maintained or returned in accordance with the provisions hereof, Lessee shall pay to Lessor within ten (10) days of demand, as liquidated damages, the estimated cost ("Estimated Cost") of servicing or repairing such Equipment, or part. The Estimated Cost shall be determined by Lessor by obtaining two quotes

for such service or repair work and taking the average of same. Lessee shall bear the cost, if any, incurred by Lessor in obtaining such quotes.

- (c) In the event of return of Equipment to Lessor pursuant to (a) above, Lessor shall use its best efforts to sell all or part of the Equipment upon such terms as Lessor in its reasonable judgment deems prudent. Lessor shall apply the net proceeds of such sale in the following manner: (i) firstly, to reimburse Lessor for all costs associated with the removing, holding, repairing and selling of Equipment; (ii) secondly, to reimburse Lessor for Lessee's remaining obligations under the Lease including, but not limited to, the applicable Prepayment Price; and (iii) lastly, any amounts remaining thereafter shall be remitted to Lessee.
- (d) All of Lessor's rights contained in this Section shall survive the expiration or other termination of this Lease.

### **Section 13. INTEREST RATE SUBJECT TO ADJUSTMENT.**

In setting the interest rate used in calculating the interest component of the Rent Payments set forth in the Amortization Schedule, Lessor has taken into consideration: (a) the current Maximum Corporate Income Tax Rate, as established in Section 11 of the Internal Revenue Code of 1986, as amended (the "Code"), (b) the treatment of this Lease as a "qualified tax-exempt obligation" under Section 265 of the Code, and (c) other factors which affect tax yield to Lessor. Should there be future changes in the Code or related regulations which affect the after-tax yield of Lessor, Lessor may adjust the interest rate in order to maintain the same after-tax yield as in effect on the date hereof.

As utilized in this Section, the term "Determination of Taxability" shall mean any determination, decision or decree by the Commissioner of Internal Revenue or any District Director of Internal Revenue, as such officers are identified by the Code, or any court of competent jurisdiction, or an opinion of counsel experienced in tax matters that the interest component payable under this Lease is includable in the gross income (as defined in Section 61 of the Code) of Lessor as a result of the occurrence of a Taxable Event (herein defined). A Determination of Taxability shall be deemed to have occurred on the first to occur of the following:

- (a) on that date when Lessee files any statement, supplemental statement or other tax schedule, return or document which discloses that a Taxable Event shall have occurred;
- (b) on that date when Lessee or Lessor shall be advised by said Commissioner of Internal Revenue or any such District Director of Internal Revenue that, based upon (i) filings of Lessee, (ii) any review or audit of Lessee, or (iii) upon any ground whatsoever, a Taxable Event shall have occurred; or
- (c) on that date (i) when Lessee shall receive notice from Lessor that the Internal Revenue Service has assessed as includable in the gross income (as defined in Section 61 of the Code) of Lessor the interest component due to the occurrence of a Taxable Event; or (ii) when Lessee shall be advised by said Commissioner or any such District Director of Internal Revenue that the interest component is

includable in the gross income of Lessor due to the occurrence of a Taxable Event; or (iii) when Lessee shall receive an opinion of counsel experienced in tax matters that the interest component is includable in gross income due to the occurrence of a Taxable Event.

As utilized in this Section, the term "Taxable Event" shall mean that event (i) which shall cause the interest component of the Rent paid or payable under this Lease to become includable for federal income tax purposes in the gross income of Lessor as a consequence of any act, omission or event whatsoever, other than an act, omission or event caused by Lessor, and regardless of whether the same was within or beyond the control of Lessee, (ii) which shall cause the obligation of Lessee hereunder not to be a "qualified tax-exempt obligation" under Section 265 of the Code, and (iii) which causes the after-tax yield to Lessor of the obligation hereunder to change, including, without limitation, any change in the Maximum Corporate Income Tax Rate as described above or any other change in federal income tax law. A Taxable Event shall be deemed to have occurred as of the earliest date on which it is alleged that interest became so includable or the after-tax yield to Lessor shall have changed.

If a Determination of Taxability should occur, the interest portion of the Rent Payments shall be increased to the interest rate necessary to maintain the same after-tax yield as in effect on the date hereof (the "Taxable Rate"), and such increased rate of interest shall be payable from and after the date of the Event of Taxability ("Date of Taxability"). Provided, however, that if Lessee shall elect to contest such allegation and such contest results in a final order or judgment of a court or administrative body of competent jurisdiction to the effect that a Taxable Event has not occurred and the time for any appeal of such order or judgment has expired, then no Taxable Event shall be deemed to have occurred and interest rate adjustments theretofore paid shall be refunded by Lessor.

#### **Section 14. PERSONAL PROPERTY.**

The Equipment 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 Section 14, any person acquires or claims to have acquired any rights in the Equipment or any portion thereof 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 sum of (i) an amount equal to the Prepayment Price applicable to the time period of the interference; and (ii) all Rent Payments and other amounts which are due or accrued hereunder. 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.

### **Section 15. NET LEASE; NO SET-OFF; ETC.**

This Lease is a net lease. Subject to the provisions of Section 3 subsection (c) hereof, Lessee's obligation to pay Rent and other amounts due hereunder shall be absolute and unconditional. Lessee shall not be entitled to any abatement or reduction of, or set-off against, said Rent or other amounts, including, without limitation, those arising or allegedly arising out of claims or disputes (present or future, alleged or actual, and including claims arising out of strict tort or negligence of Lessor) of Lessee against or with the manufacturer or vendor of the Equipment, any supplier of labor or materials in connection therewith, or any other person. Nor shall this Lease terminate or the obligations of Lessee be affected by reason of any defect in or damage to, or loss of possession, use or destruction of, the Equipment, from whatsoever cause or breach of warranties of the manufacturer or seller of the Equipment. Subject to the provisions of Section 3 subsection (c), it is the intention of the parties that Rent Payments and other amounts due hereunder shall continue to be payable in all events in the manner and at the times set forth herein, unless the obligation to do so shall have been terminated pursuant to the express terms hereof.

### **Section 16. INDEMNIFICATION.**

- (a) Lessee hereby agrees to the extent permitted by law to indemnify, save and keep harmless Lessor, its agents, employees, successors and assigns from and against any and all losses, damages, penalties, injuries, claims, actions and suits, including legal expenses, of whatsoever kind and nature, in contract or tort, whether caused by the active or passive negligence of Lessor or otherwise, and including, but not limited to, Lessor's strict liability in tort, arising out of (i) the selection, manufacture, purchase, acceptance or rejection of Equipment, the ownership of Equipment during the Term of this Lease, and the delivery, lease, possession, maintenance, use, condition, return or operation of the Equipment (including, without limitation, latent and other defects, whether or not discoverable by Lessor or Lessee and any claim for patent, trademark or copyright infringement), or (ii) the condition of the Equipment sold or disposed of after use by Lessee, any sublessee or employees of Lessee. Lessee shall, upon request, defend any actions based on, or arising out of, any of the foregoing.
- (b) All of Lessor's rights, privileges and indemnities contained in this Section shall survive the expiration or other termination of this Lease and the rights, privileges and indemnities contained herein are expressly made for the benefit of, and shall be enforceable by Lessor, its successors and assigns.

### **Section 17. DISCLAIMER.**

LESSEE ACKNOWLEDGES THAT IT SHALL SELECT THE EQUIPMENT WITHOUT ANY ASSISTANCE FROM LESSOR, ITS AGENTS OR EMPLOYEES AND THAT LESSOR LEASE THE EQUIPMENT IN AN "AS IS" CONDITION. LESSOR DOES NOT MAKE, HAS NOT MADE, NOR SHALL BE DEEMED "AS MAKE OR HAVE MADE, ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, WITH RESPECT TO THE EQUIPMENT LEASED HEREUNDER OR ANY

COMPONENT THEREOF, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY AS TO CONDITION, DESIGN, COMPLIANCE WITH SPECIFICATIONS, QUALITY OF MATERIALS OR WORKMANSHIP, MERCHANTABILITY, FITNESS FOR ANY PURPOSE, USE OR OPERATION, SAFETY, PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT, OR TITLE. All such risks, as between Lessor and Lessee, are to be borne by Lessee. Without limiting the foregoing, Lessor shall have no responsibility or liability to Lessee or any other person with respect to any of the following, regardless of any negligence of Lessor (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by the Equipment, any inadequacy thereof, any deficiency or defect (latent or otherwise) therein, or any other circumstance in connection therewith; (ii) the use, operation or performance of the Equipment or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of the Equipment. If, and so long as, no default exists under this Lease, Lessee shall be, and hereby is, authorized during the Term to assert and enforce, at Lessee's sole cost and expense, from time to time, in the name of and for the account of Lessor and/or Lessee, as their interests may appear, whatever claims and rights Lessor may have against any Supplier of the Equipment.

#### **Section 18. PURCHASE OPTION.**

- (a) Provided that no Event of Default has occurred and is continuing hereunder, Lessee shall have the option to purchase all of Lessor's right and/or interest in and to the Equipment on any Rent Payment Date (the "Purchase Date") for the applicable Prepayment Price as set forth in the Amortization Schedule. The sale of Lessor's interest in and to the Equipment to Lessee shall be on a AS IS, WHERE IS basis, without any recourse or warranty whatsoever as against Lessor.
- (b) Lessee shall give notice to Lessor of its intention to exercise its option not less than sixty (60) days prior to the Rent Payment Date on which the option is to be exercised and shall remit to Lessor on such date an amount equal to the sum of (i) the Prepayment Price; and (ii) all Rent Payments and other amounts due or accrued through and including the Purchase Date.

#### **Section 19. MUTUAL COVENANT REGARDING TAX-EXEMPT STATUS.**

Lessee and Lessor mutually covenant that neither will take any action nor omit to take any action with respect to this Lease, the Equipment leased hereunder, or any funds of Lessee if such action or omission (i) would cause the interest component of the Rent to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code and applicable regulations, or (ii) would cause such interest component of the Rent to lose its exclusion (if any) from alternative minimum taxable income as defined in Section 55 (b)(2) of the Code except to the extent such interest is required to be included in the adjusted net book income and adjusted current earnings adjustments applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income, or (iii) would subject Lessee to any penalties under Section 148 of the Code. Subject to Lessee's right to terminate this Lease as provided herein, the foregoing covenant shall remain in full force and effect, notwithstanding the

payment in full of the Rent, until the date on which all obligations of Lessee in fulfilling the above covenant under the Code have been met.

#### **Section 20. EVENTS OF DEFAULT.**

The term "Event of Default," wherever used herein, shall mean any of the following events, whatever the reason for such Event of Default and whether it shall be voluntary or involuntary, or come about or be effected by operation of law, or be pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation or any administrative or governmental body: (a) Lessee shall fail to make any payment of Rent when the same shall become due; or (b) Lessee shall fail to keep in full force and effect insurance required under this Lease; or (c) Lessee shall or shall attempt to (except as expressly permitted by the provisions of this Lease) remove, sell, transfer, encumber, part with possession of, assign or sublet the Equipment, or any part thereof, use the Equipment for an illegal purpose, or permit the same to occur; or (d) Lessee shall breach its covenant to return the Equipment upon an Event of Nonappropriation, or upon an Event of Default and Lessor's election to terminate this lease; or (e) Lessee shall fail to perform or observe any covenant, condition or agreement not included within (a), (b), (c) or (d) above which is required to be performed or observed by it under this Lease or any agreement, document or certificate delivered by Lessee in connection herewith, and such failure shall continue for twenty (20) days after written notice thereof from Lessor to Lessee (or, if such default cannot be corrected within twenty (20) days, shall have failed to initiate and diligently pursue appropriate corrective action); or (f) any representation or warranty made by Lessee in this Lease or any agreement, document or certificate delivered by Lessee in connection herewith or pursuant hereto shall prove to have been incorrect in any material respect when any such representation or warranty was made or given (or, if a continuing representation or warranty, at any material time); or (g) Lessee shall generally fail to pay its debts as they become due or shall file a voluntary petition in bankruptcy; or (h) a petition is filed against Lessee in a proceeding under applicable bankruptcy laws or other insolvency laws (other than any law which does not provide for or permit any readjustment or alteration of Lessee's obligations hereunder in each case), as now or hereafter in effect, and is not withdrawn or dismissed within ninety (90) days thereafter, or if, under the provisions of any law (other than any law which does not provide for or permit any readjustment or alteration of Lessee's obligations hereunder in each case) providing for reorganization or liquidation of legal entities which may apply to Lessee; or (i) any court of competent jurisdiction shall assume jurisdiction, custody or control of Lessee or of any substantial part of its property and such jurisdiction, custody or control shall remain in force unrelinquished, unstayed or unterminated for a period of sixty (60) days; or (j) Lessee becomes insolvent.

#### **Section 21. REMEDIES.**

Whenever any Event of Default referred to in Section 20 hereof shall have occurred and be continuing with respect to the Equipment, Lessor shall have the right, at its option and without any further demand or notice, and with or without terminating this Lease, to declare all Rent Payments due or to become due during the Fiscal Year in effect when the default occurs to be immediately due and payable by Lessee, whereupon such Rent Payments shall be immediately due and payable. If the Event of Default is Lessee's breach of its covenant to return the Equipment, Lessor shall be entitled to liquidated damages equal, at its election, to (i) the Rent



Payments for the Equipment pro-rated on a daily basis for each day the Equipment is retained, (ii) the daily fair market rental for the Equipment, or (iii) compensatory damages for any loss suffered by Lessor as a result of Lessee's failure to surrender the Equipment. Any judgment for damages shall be payable solely from legally available funds of Lessee, and Lessor shall not have the power to require levies of ad valorem taxes in the future to pay Rent Payments.

The remedies provided to Lessor herein shall be the sole and exclusive remedies exercisable by Lessor in an Event of a Default by Lessee hereunder. Lessor shall in no event have the right to involuntarily dispossess Lessee of the Equipment or title thereto. Lessor and Lessee do not intend to create a security interest in any Equipment.

No delay or omission to exercise any right or remedy accruing hereunder shall impair any such right or remedy or shall be construed to be a waiver thereof, but any such right and remedy may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Lease it shall not be necessary to give any notice, other than such notice as may be required in this Lease.

In the event any agreement contained in this Lease should be breached by either party hereto, and thereafter such breach should be waived by the other party hereto, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

In the event that there is an Event of Default and the nondefaulting party should employ attorneys and/or incur expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party the reasonable fee of such attorneys and/or such expenses so incurred by the nondefaulting party.

Whenever any Event of Default referred to in Section 20, Clause (a) hereof shall have occurred and be continuing with respect to the Equipment, Lessor shall have the right, at its option and without any further demand or notice, to require a late payment charge for each thirty (30) day period or part thereof during which such Event of Default occurs equal to one and one-half percent (1½%) of the delinquent amount, and Lessee shall be obligated to pay the same immediately upon receipt of Lessor's written invoice therefor; provided, however, that this provision shall not be applicable if or to the extent that the application thereof would affect the validity of this Lease.

## **Section 22. ESCROW AGREEMENT; TRUST FUND.**

To the extent approved by Lessor and Lessee, sums advanced by Lessor for the acquisition of Equipment may be funded through use of an escrow agent. All aspects of any such arrangement shall be subject to the prior approval of Lessor including, but not by way of limitation, selection of the escrow agent and the procedures for disbursements. Lessee agrees that any such escrow agent may be an affiliate of Lessor. All costs incurred in connection with any such escrow shall be paid by Lessee.

For the initial funding hereunder as reflected in the Schedule of Terms dated as of November 26, 2002, and for future fundings, if approved by Lessor and Lessee, Lessor shall deposit funds with

Lessee to be applied by Lessee to acquire Equipment. Such funds shall be held by Lessee in a segregated account at a financial institution or trust company and applied to acquire Equipment upon delivery to Lessor of those items required by Sections 2(b)(i), (iv), (v), (ix), (xi) and (xii) hereof. Any balance remaining in such fund after the date which is eighteen (18) months after the deposit of funds therein shall be applied to pay scheduled Rent until fully expended.

**Section 23. EXECUTION AND LAWS GOVERNING VENUE.**

This Lease and each of the exhibits hereto shall be binding only when accepted by Lessor at its Jacksonville, Florida office and shall be construed and governed by the Laws of the State. As part of the consideration for Lessor's executing this Lease, Lessee agrees that all actions or proceedings arising directly or indirectly from this Lease shall be litigated only in courts having its suits within Duval County, Florida, or in the United States District Court for the Middle District of Florida, Jacksonville Division, and Lessee hereby consents to the jurisdiction of those courts and waives any rights to the selection of venue.

**Section 24. MISCELLANEOUS.**

- (a) Any cancellation or termination by Lessor, pursuant to the provisions of this Lease, any exhibit, supplement or amendment hereto, or the release of the Equipment hereunder, shall not release Lessee from any then outstanding obligations to Lessor hereunder. All exhibits, certificates, consents and other attendant documents referenced herein are incorporated herein by reference.
- (b) Time is of the essence. Lessor's failure at any time to require strict performance by Lessee of any of the provisions hereof shall not waive or diminish Lessor's right thereafter to demand strict compliance therewith.
- (c) All notices, certificates or other communications hereunder shall be in writing and deemed given when delivered or mailed by certified or registered mail, postage prepaid, to the respective addresses set forth in the Schedule of Terms. Lessee and Lessor may designate by written notice any further or different addresses to which subsequent notices, certificates or other communication shall be sent.
- (d) If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Lease, shall be a legal holiday, or a day on which banking institutions in the city in which the principal office of Lessor or the assignee of Lessor is located are authorized by law to remain closed, such payment may be made, or act performed, or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the date otherwise specified herein.
- (e) In the event that any provision of the Lease (other than the requirement of (i) Lessee to make Rent Payments; (ii) the requirement of Lessor to provide quiet enjoyment of the Equipment and; (iii) to convey the Equipment to Lessee under the conditions set forth herein) shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render

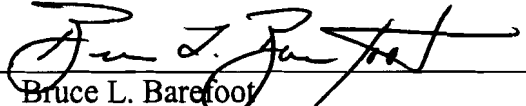
unenforceable any other provision hereof. Any provisions in this Lease which are in conflict with any statute, law or applicable rule shall be deemed omitted, modified or altered to conform thereto.

- (f) This Lease may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- (g) The substantive law, but not the choice of law rules, of the State, and rules and regulations issued pursuant thereto, shall be applied in the interpretation and enforcement hereof.
- (h) The captions and headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease.
- (i) The signatories affirm that to their knowledge, no employee of Lessee has any personal or beneficial interest whatsoever in the acquisition of the Equipment.
- (j) This Lease constitutes the entire agreement of the parties with respect to the subject matter hereof. NO VARIATION OR MODIFICATION OF THIS LEASE, OR ANY WAIVER OF ANY OF ITS PROVISIONS OF CONDITIONS, SHALL BE VALID UNLESS IN WRITING AND SIGNED BY AN AUTHORIZED REPRESENTATIVE OF EACH OF THE PARTIES HERETO. Any such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations or warranties, express or implied, not stated hereunder. No variation or modification of this Lease, or waiver of any of its provisions or conditions shall be valid after assignment by either party unless approved by assignee.
- (k) With respect to any suit or action between Lessor and Lessee relating to the transaction described herein or any action arising hereunder, each party hereby expressly waives any right to jury trial.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Lease to be executed by their duly authorized representatives as of the date first above written.

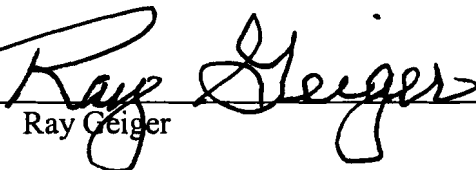
LESSOR:

**SunTrust Bank**

By:   
Bruce L. Barefoot  
Senior Vice President

LESSEE:

**Sheriff of Nassau County, Florida**

By:   
Ray Geiger

JAXV609623\_3

## DESCRIPTION OF EQUIPMENT

This Description of Equipment, dated as of November 26, 2002, is executed and delivered pursuant to Section 2 of the Master Lease-Purchase Agreement dated as of November 26, 2002 (the "Lease") between SunTrust Bank ("Lessor") and Sheriff of Nassau County, Florida ("Lessee"). Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the Equipment described below, located at Nassau County, Florida, pursuant to the terms of the Lease, the terms of which are incorporated herein by reference, and as supplemented by a Schedule of Terms and Amortization Schedule, each dated as of November 26, 2002, and executed by Lessor and Lessee.

37 new model year 2003 Ford Crown Victoria police cars  
6 new model year 2003 Dodge Intrepids

The vehicle identification numbers of all of the above to be provided subsequent to this funding, at the time the equipment is delivered.

Lessor's Cost Basis: \$631,996

Dated this 26<sup>th</sup> day of November, 2002.

LESSOR:

LESSEE:

**SunTrust Bank**

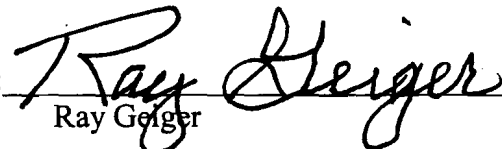
**Sheriff of Nassau County, Florida**

By:



Bruce L. Barefoot  
Senior Vice President

By:



Ray Geiger

**AMORTIZATION SCHEDULE\***

This Amortization Schedule, dated as of November 26, 2002, is delivered pursuant to Section 2 of the Master-Lease-Purchase Agreement, dated as of November 26, 2002, between SunTrust Bank ("Lessor"), and Nassau County, Florida ("Lessee").

<u>Payment</u> <u>Date</u>	<u>Payment</u> <u>Amount</u>	<u>Interest</u>	<u>Principal</u>
03/31/2003	\$ 4,081.64	\$4,081.64	
06/30/2003	2,938.78	2,938.78	
09/30/2003	2,938.78	2,938.78	
10/15/2003	313,276.55	242.60	\$313,033.95
12/31/2003	1,483.17	1,483.17	
03/31/2004	1,483.17	1,483.17	
06/30/2004	1,483.17	1,483.17	
09/30/2004	1,483.17	1,483.17	
10/15/2004	319,209.25	247.20	318,962.05

**SUBJECT TO INTEREST RATE ADJUSTMENT  
AS STATED ON SCHEDULE OF TERMS**

*\*Subject to adjustment for any payment(s) not received on the applicable Payment Date.*

Dated this 26<sup>th</sup> day of November, 2002.

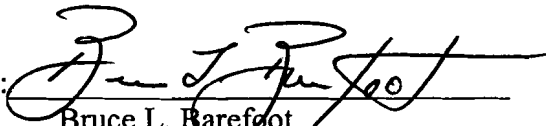
LESSOR:

LESSEE:

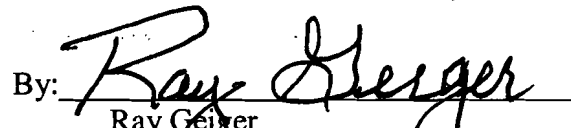
**SunTrust Bank**

**Sheriff of Nassau County, Florida**

By:

  
Bruce L. Barefoot  
Senior Vice President

By:

  
Ray Geiger

## SCHEDULE OF TERMS

This Schedule of Terms ("Schedule") dated as of November 26, 2002 is entered into by and between SunTrust Bank (herein "Lessor") and Sheriff of Nassau County, Florida (herein "Lessee") as the Schedule Terms referred to in the Master Lease-Purchase Agreement dated as of November 26, 2002 between Lessor and Lessee (herein "Lease"). This Schedule contains additional terms and provisions which are an integral part of the Lease. Terms and provisions of the Lease shall govern except when contrary to the specific terms of this Schedule.

1. **Description of the Equipment:** See Description of Equipment dated as of November 26, 2002 relating to the Lease.
2. **Lessor's Cost:** \$631,996
3. **Commencement Date:** November 26, 2002
4. **Maturity Date:** October 15, 2004
5. **Number of Payments:** 9
6. **Frequency of Interest Payments:** Quarterly
7. **Interest Payment Due Date:** March 31, 2003 and on the last business day of each calendar quarter thereafter, with a final interest payment at the Maturity Date.
8. **Interest Rate:** 1.86%, computed based upon 30 days over a 360-day year; subject to adjustment as provided in the Lease.
9. **Lease Rentals/Amortization:** Principal installments of \$313,033.95 on October 15, 2003 and \$318,962.05 October 15, 2004.
10. **Budgetary Period:** The fiscal year of Lessee.
11. **Lease Prepayment:** Full prepayment privileges without penalty.
12. **Processing Fee:** \$0.00, payable upon execution and delivery of the Lease. This amount will be deducted from the \$631,996.00 advanced.
13. **Insurance.** The following insurance is required to be maintained by Lessee.

All risks, including, without limitation, liability (in an amount of at least \$100,000/200,000), fire, collision, comprehensive, uninsured motorist and other risks insured against by extended coverage as is customary for Equipment of this type, all in such amounts as Lessor shall require and with such insurers as Lessor may from time to time approve, with satisfactory additional insured lender loss payable clause in favor of Lessor; however, at no time shall the deductible for any vehicle be greater than \$2,500 or \$10,000 in the aggregate for all vehicles. Such policies shall provide that they cannot be

canceled on less than 30 days' notice to Lessor, showing Lessor as additional insured will be delivered to Lessor together with appropriate evidence that the premiums thereon have been paid. If Lessee fails to pay such premiums, Lessor may pay them, and Lessee will immediately reimburse Lessor; and if Lessee does not so immediately reimburse Lessor, then the amounts so advanced by Lessor for insurance with interest at the rate set forth herein shall become additional indebtedness under the Lease.

**14. End of Lease Obligation.** On the Maturity Date, Lessee shall purchase all but not less than all the Equipment covered under this Schedule for \$1.00 (the Purchase Obligation). Upon such purchase, Lessee shall take title to the Equipment "As Is, Where Is," with the same disclaimer of warranties by Lessor as to such sale as set forth in the Lease.

**15. Rent Payment Address:** All Rent shall be paid by wire transfer of immediately available funds to Lessor as follows:

- Bank: SunTrust Bank
- ABA#: 061000104  
Bank 175
- Credit Account: 9234000234
- For Further Credit To: Nassau County Sheriff u/a/d 11/26/02  
Obligor # 0050698339  
Obligation # \_\_\_\_\_
- Special Instructions: Phone notify Loretha Sessions at (904) 632-2606

IN WITNESS WHEREOF, the parties hereto have each executed this Schedule of Terms on the 26<sup>th</sup> day of November, 2002.

LESSOR:

LESSEE:

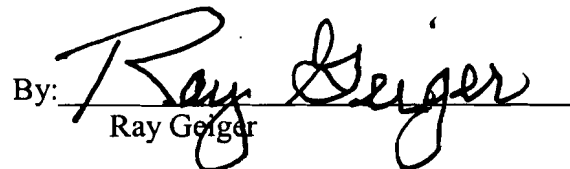
SunTrust Bank

Sheriff of Nassau County, Florida

By:

  
Bruce L. Barefoot  
Senior Vice President

By:

  
Ray Geiger



## CERTIFICATE OF ACCEPTANCE

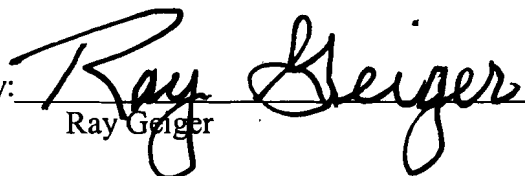
This Certificate is given pursuant to the **Master Lease-Purchase Agreement** dated as of November 26, 2002 (the "Lease"), between **SunTrust Bank**, as lessor (the "Lessor"), and **Sheriff of Nassau County, Florida**, as lessee (the "Lessee").

- A. The Equipment. Lessee hereby certifies that the Equipment as set forth and described in the Description of Equipment has been delivered to Lessee, inspected by Lessee, found to be in good order and fully equipped to operate as required under applicable law for its intended purpose, and is, on the date set forth below, new and unused and fully and finally accepted under the Lease.
- B. Representations by Lessee. Lessee hereby represents and warrants to Lessor that on the date hereof:
- (1) The representations and warranties of Lessee set forth in the Lease and all certificates and opinions delivered in connection therewith were true and correct in all respects when made and are true and correct as of the date hereof.
  - (2) Lessee has satisfied or complied with all conditions precedent and requirements set forth in the Lease, which are required to be or to have been satisfied or complied with on or prior to the date hereof.
  - (3) No Default or Event of Default under the Lease has occurred and is continuing on the date hereof.
  - (4) Lessee has obtained, and there are in full force and effect, such insurance policies with respect to the Equipment, as such term is defined in the Lease, as are required to be obtained under the terms of the Lease.

Date of Delivery and Acceptance: November 26, 2000

**IN WITNESS WHEREOF**, Lessee has caused this Certificate of Acceptance to be duly executed by its officers thereunto duly authorized.

**SHERIFF OF NASSAU COUNTY, FLORIDA**

By:   
Ray Geiger

**NEGOTIATED SALE DISCLOSURE AND  
TRUTH-IN-BONDING STATEMENT**

SunTrust Bank (the "Bank"), the purchaser on this date of \$631,996 Master Lease Purchase Obligation (the "Obligation") of the Sheriff of Nassau County, Florida (the "Issuer"), pursuant to Section 218.385, Florida Statutes, hereby states as follows:

1. The estimated expenses and the amounts thereof to be incurred by the Bank in connection with the purchase of the Obligation is as follows:  
  
None.
2. To the knowledge of the Bank, no person has entered into an understanding with either the Issuer or the Bank, or both, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and the Bank or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Obligation.
3. No fee, bonus or other compensation will be paid by the Bank in connection with the Obligation to any person not regularly employed or retained by the Bank.
4. There are no underwriters connected with the Obligation to the knowledge of the Bank.
5. Truth-in-Bonding. The Issuer is proposing to issue \$631,996.00 of debt for the purpose of financing the cost of police cars and a van. The debt is expected to be repaid over a period of two years. At the initial interest rate of 1.86 % per annum, subject to adjustment in accordance with the Obligation, total interest paid over the life of the debt will be \$16,381.68. The source of repayment or security for this proposal is the Issuer's annual budget. Authorizing this debt will result in approximately \$648,377.68 of such revenues of the Issuer not being available to finance the other services of the Issuer for two years.

**IN WITNESS WHEREOF**, the undersigned has executed this statement on behalf of SunTrust Bank, as of the 26<sup>th</sup> day of November, 2002.

**SUNTRUST BANK**

By:   
Bruce L. Barefoot  
Senior Vice President

## **OFFICER'S CERTIFICATE**

I, the Sheriff of Nassau County, Florida (the "Lessee"), in connection with the lease-financing of certain equipment pursuant to the terms of the Master Lease-Purchase Agreement dated as of November 26, 2002, as supplemented by a Schedule of Terms, an Amortization Schedule, a Description of Equipment, each dated as of November 26, 2002 (the "Lease"), between the Lessee and SunTrust Bank (the "Lessor"), DO HEREBY CERTIFY:

(1) Ray Geiger is the duly elected, qualified and acting Sheriff of Nassau County, Florida.

(2) Such person has duly filed his oath of office and to the extent required by law to file bonds or undertakings has duly filed such bonds or undertakings in the amount and manner required by law.

(3) The undersigned Sheriff executed the Schedule of Terms, the Amortization Schedule, the Description of Equipment, each dated as of November 26, 2002, and certain other documents relating thereto (the "Lease Documents").

(4) Such officer who executed the Lease Documents was and is the duly elected, qualified and acting Sheriff authorized to execute the Lease Documents. The signature that appear on this certificate is the authentic signature of the Sheriff who is duly authorized to execute and deliver the Lease Documents and any and all documents and certificates required in connection therewith or necessary or appropriate to carry out the intent thereof.

(5) The Lessee has sufficient moneys available to pay all rental payments owing under the Lease with respect to the equipment set forth in the Lease Documents (the "Rent Payments") coming due during the current budget year of the Lessee, such moneys having been properly budgeted and appropriated for that purpose in accordance with the laws of the State of Florida (the "State"); such moneys will be applied in payment of all Rent Payments due and payable during such current budget year; the Lessee expects and anticipates adequate funds to be available, budgeted and appropriated in future years to make all future Rent Payments throughout the maximum term of the Lease.

(6) The lease of the Equipment (as described in the Description of Equipment) is essential to the governmental functions of the Lessee, and the Lessee has an immediate need for the Equipment which is not temporary or expected to diminish during the maximum term of the Lease.

(7) The Equipment will be used by the Lessee for the purpose of performing one or more of the Lessee's governmental functions consistent with the permissible scope of the Lessee's authority.

(8) The Lessee has obtained, or will obtain as the Equipment is acquired, from a reputable insurance company qualified to do business in the State, insurance with respect to all risks required to be covered thereby pursuant to the Lease; or the Lessee has or shall self-insure with the prior written consent from the Lessor as provided in the Lease.

(9) The interest rate establishing the interest portion of the Rent Payments, on the first date such interest begins to accrue, does not exceed a rate of interest permitted by Section 215.84, Florida Statutes (2002).

(10) This Section 10 sets forth facts and estimates upon which the Lessor and its counsel may rely in reaching an opinion regarding the exclusion of the interest portion on the Rent Payments from the gross income the Lessor, and the facts and estimates upon which the Lessee bases its reasonable expectation that the obligation to make Rent Payments pursuant to the Lease (hereinafter, the "Lease Obligation") does not create an arbitrage bond under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable Treasury Regulations:

(a) The Lessee has not accumulated nor does it expect to accumulate amounts of money in a fund to pay or to be held as security for the payment of principal or interest on the Lease Obligation.

(b) No portion of the proceeds of the Lease Obligation will be used as a substitute for other funds which were otherwise to be used for the same purposes and which funds will be used to acquire directly or indirectly obligations producing a yield in excess of the yield on the Lease Obligation. None of the purchase price of the Equipment has been paid prior to this date.

(c) There are no other obligations of the Lessee which (i) are being issued within 15 days prior to or after the date of the Lease Obligation, (ii) are sold pursuant to a common plan of financing together with the Lease Obligation, and (iii) will be paid out of substantially the same source of funds (or will have substantially the same claim to be paid out of substantially the same source of funds) as the Lease Obligation.

(d) The Lessor has agreed to purchase the Lease Obligation for the outstanding principal amount thereof. No fee will be paid to any person acting as an underwriter for the Lease Obligation.

(e) The Lease does not create a "hedge bond" as defined in Section 149(g) of the Code, in that at least 85 percent of the proceeds of the Lease Obligation will be expended to carry out the governmental purpose of the issue within three years from the date of issuance of the Lease, and not more than 50 percent of the proceeds will be invested in nonpurpose investments (as defined in Section 148(e)(6)(A) of the Code) having a substantially guaranteed yield for four (4) years or more.

(f) The Equipment has not been and is not expected to be sold or otherwise disposed of in whole or in part prior to the expiration of the maximum lease term.

(g) The proceeds of the Lease Obligation (\$631,996) will be deposited into an Equipment Acquisition Fund created by Lessee. The proceeds of the Lease Obligation, together with the investment earnings thereon, will be used to pay the cost of the equipment from the vendors thereof (the "Project"). It is reasonably expected that (i) at least 85% of the proceeds of the Lease Obligation will be allocated to expenditures on the Project by the end of three years from the date of issuance thereof, (ii) within six months

of the issuance date of the Lease Obligation, the Lessee will incur a substantial binding obligation to a third party to expend at least 5% of the proceeds thereof on the Project, and (iii) completion of the Project and the allocation of the proceeds to expenditures with respect to the Project will proceed with due diligence. The Lessee expects to comply with the six-month expenditure exception to rebate as set forth in Section 148 of the Code and related Treasury Regulations, in that it expects to fully expend the gross proceeds of the Lease Obligation within six months after the issue date of the Lease Obligation. Gross proceeds are deemed spent when they are allocated to an expenditure as provided by the related Treasury Regulations. However, if the Lessee fails to comply with such exceptions, it shall rebate to the federal government any amounts required by Section 148 of the Code and related Treasury Regulations.

(h) The Lessee expects that (i) less than 10% of the proceeds of the Lease Obligation will be used for any private business use as defined in Section 141 of the Code, and (ii) less than 5% of the proceeds of the Lease obligation will be used for the private business use which is not related to a governmental use of the proceeds, or which is a disproportionate related business use within the meaning of Section 141 of the Code. It is understood that such limitation will not apply unless more than 10% (with respect to clause (i)) or more than 5% (with respect to clause (ii)) of the Lease Obligation is directly or indirectly (including under the terms of any underlying arrangement) secured by any interest in (1) property used or to be used for a private business use, or (2) payments in respect of such property, or are to be derived from payments (whether or not to the Lessee) in respect of such property, or borrowed money, used or to be used for a private business use, as provided in Section 141 of the Code.

(11) No approval, consent or authorization of any governmental or public agency not already obtained is required in connection with the Lessee's participation in the transactions contemplated by the Lease, or the performance of its obligations thereunder.

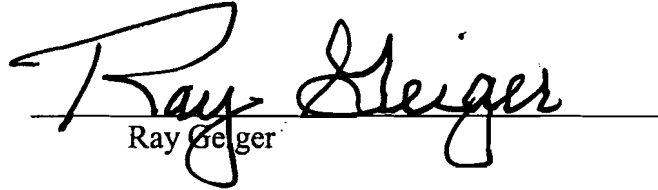
(12) The Lessee does hereby designate the Lease Obligation as a "qualified tax-exempt obligation" within the provisions of Section 265 of the Internal Revenue Code of 1986. The Lessee does not reasonably anticipate issuing more than \$10,000,000 of tax-exempt obligations (including those obligations of any entities controlled by the Lessee), including the Lease Obligation during the current calendar year.

(13) The Lessee hereby finds, determines and declares that the small size of this lease financing, current market conditions and other circumstances, require that the Lease-Purchase Agreement be negotiated at private sale rather than offered by competitive bid.

(14) To the best knowledge and belief of the undersigned officer, there are no other facts, estimates or circumstances that would materially change the conclusions and representations set forth in the certificate and the expectations hereinabove set forth are reasonable.

WITNESS our hand of the Lessee this 26<sup>th</sup> day of November, 2002.

**SHERIFF OF NASSAU COUNTY, FLORIDA**

  
Ray Geiger

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10. SPECIFIC REVENUE(S) PLEDGED:

- (1) PRIMARY Amounts budgeted and appropriated in Sheriff's budget
- (2) SECONDARY \_\_\_\_\_
- (3) OTHER(S) \_\_\_\_\_

11. A. PURPOSE(S) OF THE ISSUE:

- (1) PRIMARY Finance purchase of police cars
- (2) SECONDARY \_\_\_\_\_
- (3) OTHER(S) \_\_\_\_\_

B. IF PURPOSE IS REFUNDING, COMPLETE THE FOLLOWING:

(1) FOR EACH ISSUE REFUNDED LIST: NAME OF ISSUE, DATED DATE, ORIGINAL PAR VALUE (PRINCIPAL AMOUNT) OF ISSUE, AND AMOUNT OF PAR VALUE (PRINCIPALAMOUNT) REFUNDED.

\_\_\_\_\_  
\_\_\_\_\_

(2) REFUNDED DEBT HAS BEEN: \_\_\_\_\_ RETIRED OR \_\_\_\_\_ DEFEASSED

(3) A. DID THE REFUNDING ISSUE CONTAIN NEW MONEY? \_\_\_\_\_ YES \_\_\_\_\_ NO  
B. IF YES, APPROXIMATELY WHAT PERCENTAGE OF PROCEEDS IS NEW MONEY? \_\_\_\_\_%

12. TYPE OF SALE: \_\_\_\_\_ COMPETITIVE BID \_\_\_\_\_  NEGOTIATED \_\_\_\_\_ NEGOTIATED PRIVATE PLACEMENT

13. BASIS OF INTEREST RATE CALCULATION, I.E., INTEREST RATE USED TO STRUCTURE THE BOND ISSUE:

NET INTEREST COST RATE (NIC) \_\_\_\_\_% TRUE INTEREST COST RATE (TIC) 1.87321%  
CANADIAN INTEREST COST RATE (CIC) \_\_\_\_\_% ARBITRAGE YIELD (ARBI) \_\_\_\_\_%  
SPECIFY OTHER: \_\_\_\_\_%

14. INSURANCE/ENHANCEMENTS: \_\_\_\_\_ AGIC \_\_\_\_\_ AMBAC \_\_\_\_\_ CGIC \_\_\_\_\_ CLIC \_\_\_\_\_ FGIC \_\_\_\_\_ FSA  
\_\_\_\_\_ HUD \_\_\_\_\_ MBIA \_\_\_\_\_ NGM \_\_\_\_\_ LOC (LETTER OF CREDIT) SPECIFY OTHER \_\_\_\_\_  
 NOT INSURED

15. RATING(S): \_\_\_\_\_ MOODY'S \_\_\_\_\_ S&P \_\_\_\_\_ FITCH \_\_\_\_\_ DUFF & PHELPS SPECIFY OTHER \_\_\_\_\_  
 NOT RATED

16. DEBT SERVICE SCHEDULE: ATTACH **COMPLETE** COPY OF SCHEDULE PROVIDING THE FOLLOWING INFORMATION:

(See Attached Amortization Schedule)

- MATURITY DATES (MO/DAY/YR)
- COUPON/INTEREST RATES
- ANNUAL INTEREST PAYMENTS
- PRINCIPAL (PAR VALUE) PAYMENTS
- MANDATORY TERM AMORTIZATION

17. LIST OR ATTACH OPTIONAL REDEMPTION PROVISIONS: at any time at par



18. PROVIDE THE NAME AND ADDRESS OF THE SENIOR MANAGING UNDERWRITER OR SOLE PURCHASER.

Purchaser - SunTrust Bank

19. PROVIDE THE NAME(S) AND ADDRESS(ES) OF ANY ATTORNEY OR FINANCIAL CONSULTANT WHO ADVISED THE UNIT OF LOCAL GOVERNMENT WITH RESPECT TO THE BOND ISSUE.

NO BOND COUNSEL    NO FINANCIAL ADVISOR    NO OTHER PROFESSIONALS

BOND COUNSEL(S):

Rogers, Towers, Bailey, Jones & Gay  
1301 Riverplace Boulevard, Suite 1500  
Jacksonville, Florida 32207

FINANCIAL ADVISOR(S)/CONSULTANTS(S):

William R. Hough & Co.  
One Independent Drive, Suite 2602  
Jacksonville, Florida 32202

OTHER PROFESSIONALS:

Michael S. Mullin, County Attorney  
P. O. Box 1010  
Fernandina Beach, Florida 32035

20. PAYING AGENT: Sheriff of Nassau County    NO PAYING AGENT

21. REGISTRAR: Sheriff of Nassau County    NO REGISTRAR

22. COMMENTS: \_\_\_\_\_

***PART III. RESPONDENT INFORMATION***

FOR ADDITIONAL INFORMATION, THE DIVISION SHOULD CONTACT:

Name and Title Irvin M. Weinstein    Phone (904) 346-5523

Company Rogers, Towers, Bailey, Jones & Gay \_\_\_\_\_

INFORMATION RELATING TO PARTY COMPLETING THIS FORM (If different from above):

Name and Title \_\_\_\_\_    Phone \_\_\_\_\_

Company \_\_\_\_\_

Date Report Submitted 11/26/02

**BF2004-A and BF2004-B**

**NOTE:** THE FOLLOWING ITEMS ARE REQUIRED TO BE COMPLETED IN FULL FOR ALL BOND ISSUES *EXCEPT* THOSE SOLD PURSUANT TO SECTION 154 PART III; SECTIONS 159 PARTS II, III OR V; OR SECTION 243 PART II, FLORIDA STATUTES.

23. ANY FEE, BONUS, OR GRATUITY PAID BY ANY UNDERWRITER OR FINANCIAL CONSULTANT, IN CONNECTION WITH THE BOND ISSUE, TO ANY PERSON NOT REGULARLY EMPLOYED OR ENGAGED BY SUCH UNDERWRITER OR CONSULTANT:

NO FEE, BONUS OR GRATUITY PAID BY UNDERWRITER OR FINANCIAL CONSULTANT

(1) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

(2) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

(3) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

(4) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

24. ANY OTHER FEES PAID BY THE UNIT OF LOCAL GOVERNMENT WITH RESPECT TO THE BOND ISSUE, INCLUDING ANY FEE PAID TO ATTORNEYS OR FINANCIAL CONSULTANTS:

NO FEES PAID BY ISSUER

(1) COMPANY NAME Rogers, Towers, Bailey, Jones & Gay, P.A.  
FEE PAID: \$ 3,000 SERVICE PROVIDED or FUNCTION SERVED: Bank Counsel

(2) COMPANY NAME William R. Hough & Co.  
FEE PAID: \$ 1,250 SERVICE PROVIDED or FUNCTION SERVED: Financial Adviser

(3) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

(4) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

**PLEASE PROVIDE THE SIGNATURE OF EITHER THE CHIEF EXECUTIVE OFFICER OF THE GOVERNING BODY OF THE UNIT OF LOCAL GOVERNMENT OR THE GOVERNMENTAL OFFICER PRIMARILY RESPONSIBLE FOR COORDINATING THE ISSUANCE OF THE BONDS:**

NAME (Typed/Printed): Ray Geiger

SIGNATURE: 

TITLE: Sheriff

DATE: November 26, 2002

**BF2004-B**

**ITEMS 25 AND 26 MUST BE COMPLETED FOR ALL BONDS SOLD BY NEGOTIATED SALE**

25. MANAGEMENT FEE CHARGED BY UNDERWRITER: \$ \_\_\_\_\_ PER THOUSAND PAR VALUE.  
OR  
PRIVATE PLACEMENT FEE: \$ \_\_\_\_\_

NO MANAGEMENT FEE OR PRIVATE PLACEMENT FEE  
Processing fee of \$250

26. UNDERWRITER'S EXPECTED GROSS SPREAD: \$ \_\_\_\_\_ PER THOUSAND PAR VALUE.

NO GROSS SPREAD

***PART IV. RETURN THIS FORM AND THE FINAL OFFICIAL STATEMENT, IF ONE WAS PREPARED, TO:***

**Courier Deliveries:** Division of Bond Finance  
State Board of Administration  
1801 Hermitage Blvd., Suite 200  
Tallahassee, FL 32308

**Phone:** 904/488-4782  
**FAX:** 904/413-1315

**Mailing Address:** Division of Bond Finance  
State Board of Administration  
P.O. Drawer 13300  
Tallahassee, FL 32317-3300

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**Information Return for Tax-Exempt Governmental Obligations**  
 ▶ Under Internal Revenue Code section 149(e)  
 ▶ See separate instructions.  
 Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

**Part I Reporting Authority** If Amended Return, check here

1 Issuer's name <b>Sheriff of Nassau County, Florida</b>	2 Issuer's employer identification number <b>59 : 1863042</b>
3 Number and street (or P.O. box if mail is not delivered to street address) <b>50 Bobby Moore Circle</b>	Room/suite <b>4</b> Report number <b>3 01</b>
5 City, town, or post office, state, and ZIP code <b>Yulee, Florida 32997-7720</b>	6 Date of issue <b>11/26/02</b>
7 Name of issue <b>Master Lease-Purchase Obligation</b>	8 CUSIP number
9 Name and title of officer or legal representative whom the IRS may call for more information <b>J.M. "Chip" Oxley, Jr., Clerk of Courts</b>	10 Telephone number of officer or legal representative <b>( 904 ) 321-5722</b>

**Part II Type of Issue (check applicable box(es) and enter the issue price)** See instructions and attach schedule

11 <input type="checkbox"/> Education	11	
12 <input type="checkbox"/> Health and hospital	12	
13 <input type="checkbox"/> Transportation	13	
14 <input checked="" type="checkbox"/> Public safety	14	<b>631,996</b>
15 <input type="checkbox"/> Environment (including sewage bonds)	15	
16 <input type="checkbox"/> Housing	16	
17 <input type="checkbox"/> Utilities	17	
18 <input type="checkbox"/> Other. Describe ▶	18	
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input type="checkbox"/>		
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>		

**Part III Description of Obligations.** Complete for the entire issue for which this form is being filed.

(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21 <b>10/15/04</b>	<b>\$ 631,966</b>	<b>\$ 318,962.05</b>	<b>1.391</b> years	<b>1.8765 %</b>

**Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)**

22 Proceeds used for accrued interest	22	<b>0</b>
23 Issue price of entire issue (enter amount from line 21, column (b))	23	<b>631,966</b>
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	<b>0</b>
25 Proceeds used for credit enhancement	25	
26 Proceeds allocated to reasonably required reserve or replacement fund	26	
27 Proceeds used to currently refund prior issues	27	
28 Proceeds used to advance refund prior issues	28	
29 Total (add lines 24 through 28)	29	<b>0</b>
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	<b>631,966</b>

**Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)**

31 Enter the remaining weighted average maturity of the bonds to be currently refunded ▶ \_\_\_\_\_ years

32 Enter the remaining weighted average maturity of the bonds to be advance refunded ▶ \_\_\_\_\_ years

33 Enter the last date on which the refunded bonds will be called ▶ \_\_\_\_\_

34 Enter the date(s) the refunded bonds were issued ▶ \_\_\_\_\_

**Part VI Miscellaneous**

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) ▶ \_\_\_\_\_ **35** **0**

36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions) ▶ \_\_\_\_\_ **36a** **0**

b Enter the final maturity date of the guaranteed investment contract ▶ \_\_\_\_\_ **37a**

37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units

b If this issue is a loan made from the proceeds of another tax-exempt issue, check box  and enter the name of the issuer ▶ \_\_\_\_\_ and the date of the issue ▶ \_\_\_\_\_

38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box

39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box

40 If the issuer has identified a hedge, check box

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

**Sign Here** Signature of issuer's authorized representative

*Ray Geiger* 11/26/02 **Ray Geiger, Sheriff**

Date Type or print name and title

**BF2004-B**

**ITEMS 25 AND 26 MUST BE COMPLETED FOR ALL BONDS SOLD BY NEGOTIATED SALE**

25. MANAGEMENT FEE CHARGED BY UNDERWRITER: \$ \_\_\_\_\_ PER THOUSAND PAR VALUE.  
OR  
PRIVATE PLACEMENT FEE: \$ \_\_\_\_\_

X NO MANAGEMENT FEE OR PRIVATE PLACEMENT FEE  
Processing fee of \$250

26. UNDERWRITER'S EXPECTED GROSS SPREAD: \$ \_\_\_\_\_ PER THOUSAND PAR VALUE.

X NO GROSS SPREAD

***PART IV. RETURN THIS FORM AND THE FINAL OFFICIAL STATEMENT, IF ONE WAS PREPARED, TO:***

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State Board of Administration  
1801 Hermitage Blvd., Suite 200  
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**Mailing Address:** Division of Bond Finance  
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P.O. Drawer 13300  
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**Phone:** 904/488-4782  
**FAX:** 904/413-1315

JAX\611889\_3

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5 City, town, or post office, state, and ZIP code <b>Yulee, Florida 32997-7720</b>	6 Date of issue <b>11/26/02</b>
7 Name of issue <b>Master Lease-Purchase Obligation</b>	8 CUSIP number
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12 <input type="checkbox"/> Health and hospital	12	
13 <input type="checkbox"/> Transportation	13	
14 <input checked="" type="checkbox"/> Public safety	14	<b>631,996</b>
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33 Enter the last date on which the refunded bonds will be called	
34 Enter the date(s) the refunded bonds were issued	

**Part VI Miscellaneous**

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	<b>0</b>
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	<b>0</b>
b Enter the final maturity date of the guaranteed investment contract ▶		
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer ▶ and the date of the issue ▶		
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box <input checked="" type="checkbox"/>		
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>		
40 If the issuer has identified a hedge, check box <input type="checkbox"/>		

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here

*Ray Geiger* 11/26/02  
 Signature of issuer's authorized representative Date

Ray Geiger, Sheriff  
 Type or print name and title



**NASSAU COUNTY**  
**BOARD OF COUNTY COMMISSIONERS**  
P. O. Box 1010  
Fernandina Beach, Florida 32035-1010

Nick Deonas  
Ansley Acree  
Vickie Samus  
Floyd L. Vanzant  
Marianne Marshall

Dist. No. 1 Fernandina Beach  
Dist. No. 2 Fernandina Beach  
Dist. No. 3 Yulee  
Dist. No. 4 Hilliard  
Dist. No. 5 Callahan

November 26, 2002

Sheriff of Nassau County, Florida County Coordinator  
Yulee, Florida

Rogers, Towers, Bailey, Jones & Gay, P.A.  
Jacksonville, Florida

SunTrust Bank  
Jacksonville, Florida

Gentlemen:

I have acted as counsel for the Sheriff of Nassau County, Florida, (the "Lessee") in connection with the issuance by the Lessee of a lease obligation, pursuant to the Constitution and laws of the State of Florida, particularly Chapter 125, Florida Statutes, and all other applicable provisions of law (collectively, the "Act"). The lease obligation of the Lessee is created pursuant to a Master Lease - Purchase Agreement (the "Lease-Purchase Agreement") between the Lessee and SunTrust Bank, (the "Bank"), as Lessor, dated as of November 26, 2002, whereby the Lessee agrees to make rental payments to the Bank during the Lessee's current budget year and subsequent budget years for which funds have been budgeted and appropriated for that purpose. The obligation of the Lessee to make such rental payments in this budget year and any subsequent budget year for which funds have been budgeted and appropriated for that purpose, shall be referred to hereinafter as the "Lease Obligation."

In connection with this opinion, I have examined the Lease-Purchase Agreement, and such other documents, certificates, and proofs as I have deemed necessary for the purposes hereof. Based thereon, I am of the opinion:

1. The Lessee is a duly created and validly existing Constitutional Officer of the State of Florida, with the power to issue the Lease Obligation.
2. The Lease-Purchase Agreement has been duly authorized, executed, and delivered by the Lessee and, assuming due authorization, execution and delivery by the Bank, constitutes legal, valid and binding obligations of the Lessee.
3. The Board of County Commissioners of Nassau County, Florida has by appropriate action authorized the execution, delivery and performance of the Lease-Purchase Agreement and the documents related thereto.

(904) 321-5703, 879-1029, (800) 958-3496

*An Affirmative Action / Equal Opportunity Employer*

J. M. "Chip" OXLEY, JR.  
Ex-Officio Clerk

MICHAEL S. MULLIN  
County Attorney

WALTER D. GOSSETT  
County Coordinator

4. The Lease Obligation is a valid and binding obligation of the Lessee payable solely from the Sheriff's Department's budget. The Lease Obligation constitutes a current expense of the Lessee and does not constitute a debt of the Lessee in contravention of any applicable constitutional, statutory, or charter limitations or requirements concerning the creation of indebtedness. Neither the faith and credit of the Lessee, Nassau County, Florida, nor the State of Florida is pledged in payment of the Lease Obligation.

5. No further approval, consent, or authorization of, or filing with any governmental or public body or agency, is required in connection with the Lessee's issuance of the Lease Obligation and the execution and delivery of the Lease-Purchase Agreement and the performance of its obligations thereunder.

6. The execution, delivery, and performance by the Lessee of the Lease-Purchase Agreement do not conflict with or constitute a breach of or default under any existing law, administrative regulation, court decree, resolution, or agreement to which the Lessee is subject as of the date of closing.

7. To the best of my knowledge after due inquiry, no litigation or other proceedings are pending or threatened in any Court or other tribunal of competent jurisdiction, state or federal, in any way, (1) to restrain or enjoin the execution of this Lease-Purchase Agreement or the incurrence of the Lease Obligation; or (2) questioning or affecting the validity of the Lease-Purchase Agreement or sources of payment of the Lease Obligation; or (3) questioning or affecting the validity of any of the proceedings for authorization, execution, registration, issuance, or delivery of the Lease-Purchase Agreement or the issuance of the Lease Obligation or the acquisition of the Equipment (as defined in the Lease-Purchase Agreement); or (4) questioning or affecting the organization or existence of the Lessee or the title to office of the Sheriff; or (5) which, if adversely determined, would adversely affect the ability or capacity of the Lessee to perform its obligations under the Lease-Purchase Agreement.

8. There are no public bidding requirements with respect to the execution and delivery of the Lease-Purchase Agreement.

9. The Lessee is exempt from all personal property taxes and is exempt from sales and/or use taxes with respect to the transactions contemplated by the Lease-Purchase Agreement.

10. I have no knowledge of any legislation adopted by the prior or current session of the Florida Legislature that restricts or otherwise adversely affects the Lessee's power to issue the Lease Obligation or its ability to pay the rent payments due thereunder.

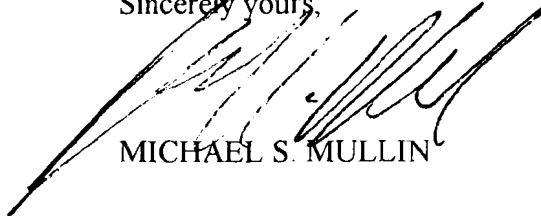


November 26, 2002

Page 3

It is to be understood that the rights of the holders of the Lease Obligation, and the enforce ability of the Lease-Purchase Agreement, may be subject to the exercise of judicial discretion in accordance with general principles of equity, to the valid exercise of the sovereign police powers of the State of Florida, and other constitutional powers of tile United State of America to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights theretofore or hereafter enacted.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Michael S. Mullin", written over a solid black line.

MICHAEL S. MULLIN

MSM/am

cc: Sherriff Ray Geiger  
J.M. "Chip" Oxley, Jr.  
Mitch Owens

JAX611992.2

# ROGERS TOWERS

BAILEY JONES & GAY, P.A.

IRVIN M. WEINSTEIN  
(904) 346-5523  
iweinstein@rtlaw.com

ATTORNEYS AT LAW

RIVERPLACE TOWER  
1301 RIVERPLACE BLVD.  
SUITE 1500  
JACKSONVILLE, FL 32207-1811  
TELEPHONE (904) 398-3911  
FAX (904) 396-0663

November 15, 2002

Division of Bond Finance  
P.O. Box 13300  
Tallahassee, Florida 32317-3300

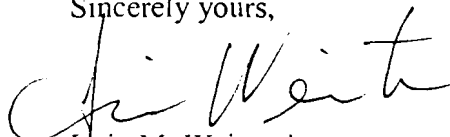
Re: Nassau County, Florida Master-Lease Purchase Commitment

Ladies and Gentlemen:

Pursuant to the provisions of Section 218.38(1)(a), Florida Statutes, you are hereby provided with advance notice of the impending sale by the Sheriff of Nassau County, Florida of its not to exceed \$631,996 Master-Lease Purchase Obligation. The sale is expected to take place on or about November 25, 2002. An official statement will not be prepared for this transaction. The obligation is being purchased by SunTrust Bank.

Please return the enclosed copy of this letter to the undersigned bearing your stamped receipt.

Sincerely yours,



Irvin M. Weinstein

IMW/fmd

JAX\611847\_1

DIVISION OF BOND FINANCE  
02 NOV 18 AM 11: 22

# ROGERS TOWERS

BAILEY JONES & GAY, P.A.

IRVIN M. WEINSTEIN  
(904) 346-5523  
irweinstein@rtlaw.com

ATTORNEYS AT LAW

RIVERPLACE TOWER  
1301 RIVERPLACE BLVD.  
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JACKSONVILLE, FL 32207-1811  
TELEPHONE (904) 398-3911  
FAX (904) 396-0663

November 26, 2002

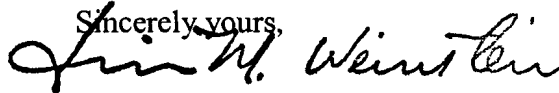
Re: Police Car Lease

Dear Friends:

Attached for each of you is a copy of the transcript for the Master Lease-Purchase Obligation relating to the police car lease. You will note that the obligation number in the Schedule of Terms has been left blank. Bruce indicated that he will provide that number to the working group. Chip, will you circulate a certified copy of the commission resolution to the group?

Thanks to all of you for your cooperation in this matter.

Sincerely yours,



Irvin M. Weinstein

Mr. Ray Geiger  
✓ Mr. J.M. "Chip" Oxley  
Mr. Mitchell N. Owens  
Mr. Michael S. Mullin  
Mr. Bruce L. Barefoot



IMW/fmd  
Enclosures  
JAX:615611\_1

\$631,996  
Sheriff of Nassau County, Florida  
Master Lease-Purchase Obligation

November 26 2002

Closing Document List

1. Master Lease-Purchase Agreement
2. Description of Equipment
3. Amortization Schedule
4. Schedule of Terms
5. Certificate of Acceptance
6. Negotiated Sale Disclosure and Truth-in-Bonding Statement
7. Officer's Certificate
8. Division of Bond Finance Form BF2003/2004
9. Form 8038G
10. Opinion of Counsel to Lessee
11. Notice of Sale

## **MASTER LEASE-PURCHASE AGREEMENT**

**THIS MASTER LEASE-PURCHASE AGREEMENT**, dated as of November 26, 2002 (together with all supplements, exhibits and schedules hereto hereinafter referred to as the "Lease"), between **SunTrust Bank** (hereinafter called, together with any successors and assigns, "Lessor") and the Sheriff of Nassau County, Florida (hereinafter called "Lessee").

### **WITNESSETH:**

#### **Section 1. REPRESENTATIONS AND WARRANTIES OF LESSEE.**

Lessee hereby represents and warrants to Lessor that on the date hereof and at all times during the Term (as defined in Section 3 below) hereof:

- (a) Lessee is a constitutional officer of Nassau County, Florida, a political subdivision of the State of Florida (the "State"), duly organized and existing under the Constitution and laws of the State.
- (b) Lessee is authorized under the Constitution and laws of the State to enter into this Lease and the transactions contemplated hereby, and to perform all of its obligations hereunder. The Board of County Commissioners of Nassau County has approved the execution, delivery and performance hereof.
- (c) Lessee has duly authorized and approved the execution and delivery of this Lease and all other documents related to the transactions contemplated hereby, and this Lease constitutes a legal, valid and binding obligation of Lessee, enforceable against Lessee in accordance with the terms hereof except as limited by applicable bankruptcy laws or other laws affecting the enforcement of creditors' rights generally.
- (d) The constitutional officer executing this Lease has been duly authorized to execute and deliver this Lease and related documents by appropriate official action.
- (e) Lessee has complied with all open meeting laws, all public bidding laws and all other State and federal laws applicable to this Lease and has obtained all approvals necessary for the execution, delivery and performance of this Lease and the transactions contemplated hereby.
- (f) Neither the execution and delivery hereof, nor the fulfillment of, or compliance with, the terms and conditions hereof, nor the consummation of the transaction contemplated hereby, will conflict with, constitute a breach of, or default under, the Constitution and laws of the State, or the rules of procedure of Lessee or any indenture, agreement or other instrument to which Lessee is a party or by which it is bound, or any constitutional or statutory provision, or order, rule regulation, decree or ordinance of any court, government or governmental body to which Lessee or any of its other properties are subject.

- (g) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Lessee's knowledge, threatened against Lessee, wherein an unfavorable ruling or filing would adversely affect the validity or enforceability of this Lease or any other instrument contemplated for use in consummating the transactions contemplated hereby, or the exclusion of the portion of the Rent Payments (as defined in Section 3 below) representing interest from gross income for purposes of federal income taxation, or would materially and adversely affect any of the transactions contemplated by this Lease.
- (h) The Equipment (as defined in Section 2 hereof) at all times will be used by Lessee for the purpose of performing a public function and the acquisition of the Equipment by Lessee shall be necessary, useful or appropriate to one or more governmental purposes of Lessee.

## **Section 2. LEASING.**

- (a) Subject to the terms and conditions set forth below, Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the Equipment described in the Description of Equipment delivered from time to time as described below, including all repairs, replacements, substitutions and modifications to the same (the "Equipment").
- (b) Lessor may from time to time, at the request of Lessee, provide funds to acquire Equipment from the manufacturer or supplier thereof ("Supplier") for lease hereunder. The obligation of Lessor to lease Equipment hereunder shall be subject to the representations and warranties of Lessee contained herein being true and accurate throughout the term hereof and further conditioned on receipt by Lessor of each of the following documents in form and substance satisfactory to Lessor:
  - (i) a Description of Equipment describing such Equipment executed by Lessor and Lessee (the "Description of Equipment");
  - (ii) an Amortization Schedule setting forth the Rent payable with respect to such Equipment (the "Amortization Schedule");
  - (iii) a Schedule of Terms setting forth additional terms applicable to the lease of such Equipment executed by Lessor and Lessee (the "Schedule of Terms");
  - (iv) copies of insurance policies or, at Lessor's option, such other evidence of insurance which complies with the requirements of Section 11;
  - (v) bills of sale, titles or other appropriate evidence of ownership or invoices for amounts due;
  - (vi) an opinion of counsel for Lessee;

- (vii) a copy of Internal Revenue Service Form 8038, 8038-G or 8038-GC (as applicable) completed and executed by Lessee;
- (viii) an Officers' Certificate of Lessee;
- (ix) a duly adopted resolution or evidence of other appropriate approving action of Lessee approving the acquisition of such equipment;
- (x) executed and completed Form 2003/2004, as applicable, of the Division of Bond Finance of the State of Florida;
- (xi) a Certificate of Acceptance; and
- (xii) such other documents as Lessor may reasonably request.

All references herein to the Description of Equipment, Amortization Schedule or the Schedule of Terms for Equipment is a reference to such schedule as was executed in connection with the lease of such item of Equipment.

- (c) Lessor hereby appoints Lessee its agent for purchase, inspection and acceptance of the Equipment from the manufacturer or supplier. Subject to the above-stated conditions, upon execution by Lessee of a Certificate of Acceptance in the form provided by Lessor, the Equipment described thereon shall be deemed to have been delivered to, and irrevocably accepted by, Lessee for lease hereunder.

### **Section 3. TERM, RENT AND PAYMENT.**

- (a) The rent ("Rent") payable hereunder with respect to all Equipment set forth in a Description of Equipment shall commence on the date set forth in the corresponding Schedule of Terms (the "Commencement Date"). The term ("Term") of this Lease with respect to such Equipment shall commence on the Commencement Date and shall terminate upon the occurrence of the first of the following events:
  - (i) the exercise by Lessee of its option to purchase Lessor's interest in such Equipment pursuant to Section 18 hereof;
  - (ii) the payment by Lessee of all Rent and other amounts required to be paid by Lessee hereunder with respect to such Equipment;
  - (iii) upon the occurrence of an Event of Nonappropriation (as that term is defined in subparagraph (c) hereof) with respect to any Equipment, the last day of the Budgetary Period set forth in the Schedule of Terms for which an appropriation has been made, subject to Lessor's election to not terminate this Lease with respect to Equipment for which an appropriation has been made;

- (iv) an Event of Default by Lessee, and Lessor's election to terminate this Lease pursuant to Section 21 hereof; or
  - (v) payment of all monies owed pursuant to a Casualty Occurrence with respect to such Equipment under Section 10 hereof.
- (b) Rent shall be paid to Lessor at its address noted in the Schedule of Terms, except as otherwise directed by Lessor. Payments of Rent shall be in the amount, payable at such intervals and shall be due in accordance with the provisions of the Amortization Schedule and Schedule of Terms (each payment of Rent is hereinafter referred to as a "Rent Payment"). Lessor may change the location to which the Rent Payments are to be paid by noting such change on any invoice to Lessee or by sending Lessee notice in writing of such change. A portion of each Rent Payment is paid as, and represents, interest as reflected on the Amortization Schedule.

The obligation of Lessee to pay the amounts required herein shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional, statutory or charter limitations or requirements concerning the creation of indebtedness of Lessee. **THE PAYMENTS DUE UNDER THIS LEASE ARE TO BE MADE ONLY FROM LESSEE'S LEGALLY APPROPRIATED FUNDS ON AN ANNUAL BASIS, AND NEITHER LESSEE, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE HEREUNDER FROM THE COMPELLED LEVY OF AD VALOREM OR OTHER TAXES EXCEPT FROM THOSE FUNDS LEGALLY APPROPRIATED BY LESSEE ON AN ANNUAL BASIS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF Lessee, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF ARE PLEDGED FOR PAYMENT OF SUCH SUMS DUE UNDER THIS LEASE. This Lease and the indebtedness evidenced hereby shall not constitute a lien upon the Equipment, or any part thereof, or on any other property owned by or within the jurisdictional limits of Lessee.**

- (c) Lessee shall have the right to terminate its obligation to make Rent Payments with respect to any Equipment at the end of any Budgetary Period in the manner and subject to the terms of this subsection (c), if Lessee does not have appropriated in its budget money sufficient to pay the Rent Payments and reasonable estimated expenses hereunder coming due for the next Budgetary Period with respect to such Equipment (such termination hereinafter an "Event of Nonappropriation"). Upon the occurrence of an Event of Nonappropriation, Lessee shall not be responsible for the payment of any Rent Payments with respect to such Equipment coming due during any subsequent Budgetary Period. Upon the occurrence of an Event of Nonappropriation as provided in this subsection, this Lease shall terminate and Lessee covenants to surrender and deliver possession of the Equipment to Lessor in accordance with the provisions of Section 12 hereof. Provided, however, that Lessor may elect to continue to lease hereunder any Equipment for which an appropriation has been made.



#### **Section 4. TAXES.**

Lessee shall report and pay promptly from legally available revenues all taxes, fees and assessments due, imposed, assessed or levied against the Equipment (or the purchase, ownership, delivery, leasing, possession, use or operation thereof), this Lease (or any rentals or receipts hereunder), or Lessor or Lessee in connection with this Lease, by any foreign, federal, state or local government or taxing authority including, without limitation, all license and registration fees, and all sales, use, personal property, excise, gross receipts, franchise, stamp or other taxes, imposts, duties and charges, together with any penalties, fines or interest thereon (all hereinafter called "Taxes"). Lessee shall reimburse Lessor upon receipt of written request for reimbursement for any Taxes charged to or assessed against Lessor, and on request of Lessor, submit to Lessor written evidence of Lessee's payment of Taxes. Lessee shall have no liability for taxes imposed by the United States of America or any State or political subdivision thereof which are on or measured by the net income of Lessor.

#### **Section 5. FINANCIAL INFORMATION; REPORTS.**

Lessee will provide Lessor with (i) audited financial statements (including, without limitation, a balance sheet, a statement of revenues, expenditures and change in fund balance) within 150 days after the end of each Budget Year, (ii) a copy of its annual budget within 45 days after approval by Nassau County, and (iii) such other financial information as requested in writing by Lessor. Lessee will also provide Lessor with the following in writing within the time periods specified: (a) notice of tax or other lien which attaches to Equipment within ten (10) days of Lessee's obtaining knowledge of such attachment and such additional information with respect to the tax or lien promptly upon request of Lessor; (b) notice to Lessor of any change in location of the Equipment outside of the jurisdictional limits of Lessee, ten (10) days prior to any such relocation; (c) copies of the insurance policies or other evidence of insurance required by the terms hereof, promptly upon request by Lessor; (d) copies of all information, logs, documents and records regarding or in respect to Equipment and its use, maintenance and/or condition, within ten (10) days of such request; (e) a certificate of the authorized officer of Lessee stating that he has reviewed the activities of Lessee and that, to the best of his knowledge, there exists no default (as described in Section 20 hereof) or event which with notice or lapse of time (or both) would become such a default; (f) copies of any manufacturer's warranties, promptly upon request; (g) evidence of Lessee's compliance with maintenance provisions of Section 8 hereof upon request of Lessor; (h) notice of any anticipated occurrence of an Event of Nonappropriation, if practical, thirty (30) days prior to such occurrence; (i) notice of an occurrence of an Event of Nonappropriation within five (5) days of such occurrence; (j) proof of appropriation for the ensuing Budgetary Period in a form acceptable to Lessor upon request; and (k) any other documents or reports required by any addenda hereto or reasonably requested by Lessor.

#### **Section 6. TITLE AND QUIET ENJOYMENT.**

- (a) Legal title to the Equipment shall, for the convenience of both parties, be titled in Lessee. Lessee covenants to promptly return the Equipment to Lessor as provided in Section 12 upon the occurrence of an Event of Nonappropriation, or upon the occurrence of an Event of Default and Lessor's election to terminate this Lease

pursuant to Section 21 hereof. Title to the Equipment shall vest absolutely with Lessee upon payment of all Rent due hereunder.

- (b) So long as Lessee is not in default under this Lease, Lessor covenants and agrees that it will not interfere with Lessee's quiet enjoyment of the Equipment subject to, and in accordance with, the provisions hereof.

#### **Section 7. DELIVERY, REGISTRATION, USE AND OPERATION.**

- (a) The Equipment shall be delivered directly from the Supplier to Lessee.
- (b) Lessee, at its own cost and expense, shall cause title of the Equipment to be placed in the name of Lessee by appropriate documentation.
- (c) The possession, use and operation of the Equipment shall be at the sole risk and expense of Lessee. Lessee agrees that the Equipment will be used and operated in compliance with any and all statutes, laws, ordinances, regulations and standards or directives issued by any governmental agency applicable to the use or operation thereof, in compliance with any license or registration relating to the Equipment issued by any agency and in a manner that does not modify or impair any existing warranties on the Equipment or any part thereof. Lessee will operate the Equipment solely for governmental use.

#### **Section 8. MAINTENANCE.**

- (a) Lessee agrees that the Equipment will be maintained in compliance with any and all statutes, laws, ordinances, regulations and standards or directives issued by any governmental agency applicable to the maintenance thereof, and in a manner that does not modify or impair any existing warranties on the Equipment or any part thereof.
- (b) Lessee shall maintain, inspect, service, repair, overhaul and test the Equipment in accordance with (i) all maintenance manuals initially furnished with the Equipment, including any subsequent amendments or supplements to such manuals issued by the manufacturer from time to time, and (ii) all recommended "Service Bulletins" issued, supplied, or available by or through the manufacturer and/or the manufacturer of any part with respect to the Equipment. Lessee shall maintain all records, logs and other materials required by the manufacturer thereof for enforcement of any warranties. All maintenance procedures required hereby shall be undertaken and completed in accordance with the manufacturer's recommended procedures, and by properly trained, licensed, and certificated maintenance sources and maintenance personnel, so as to keep the Equipment in as good operating condition as when delivered to Lessee hereunder, ordinary wear and tear excepted.
- (c) Lessee agrees to notify Lessor in writing thirty (30) days prior to making any material change in the configuration, appearance and coloring of the Equipment from that in effect at the time the Equipment is accepted by Lessee hereunder, and

in the event of such change or modification of configuration, coloring or appearance, to restore, upon request of Lessor, the Equipment to the configuration, coloring or appearance in effect on the Commencement Date or, at Lessor's option, to pay to Lessor an amount equal to the reasonable cost of such restoration.

- (d) Lessee shall be entitled from time to time during the Term of this Lease to acquire and install on the Equipment at Lessee's expense, any additional accessory, devise or equipment as Lessee may desire (each such accessory, devise or equipment, an "Addition"), but only so long as such Addition does not alter or impair the originally intended function or use of the Equipment, and can be readily removed by Lessee prior to the return of the Equipment. Lessee shall repair all damage to the Equipment resulting from the installation or removal of any Addition so as to restore the Equipment to its condition prior to installation, ordinary wear and tear excepted.
- (e) Any alteration or modification (each an "Alteration") with respect to the Equipment that may at any time during the Term of this Lease be required to comply with any applicable law or any governmental rule or regulation shall be made at the expense of Lessee. Any repair made by Lessee of or upon the Equipment or replacement parts installed thereon in the course of repairing or maintaining the Equipment, or any Alteration required by law or any governmental rule or regulation, shall be deemed an accession and shall become a part of the Equipment.
- (f) Except as permitted under this Section 8, Lessee will not modify the Equipment or affix or remove any accessory to the Equipment leased hereunder without Lessor's consent.

#### **Section 9. LIENS, SUBLEASE AND ASSIGNMENT.**

- (a) Lessee shall not sell, transfer, assign or encumber the Equipment or Lessor's rights under this Lease and shall not sublet or part with possession of the Equipment or any part thereof. Lessee shall keep the Equipment and any part thereof free and clear of all liens and encumbrances other than those which result from (i) the respective rights of Lessor and Lessee as herein provided; (ii) liens arising from the acts of Lessor; (iii) liens for taxes not yet due; and (iv) inchoate materialmen's, mechanics', workmen's, repairmen's, employees' or other like liens arising in the ordinary course of business of Lessee for sums not yet delinquent or being contested in good faith (and for the payment of which adequate assurances in Lessor's judgment have been provided Lessor).
- (b) All of Lessor's right, title and/or interest in and to this Lease, the Rent Payments and other amounts due hereunder and the Equipment may be assigned and reassigned in whole or in part to one or more assignees or subassignees at any time, without the consent of Lessee. No such assignment shall be effective as against Lessee unless and until Lessor or assignor, as the case may be, shall have

filed with Lessee a copy or written notice thereof identifying the assignee. All Rent Payments due hereunder shall be paid to Lessor at the address set forth herein or at the direction of Lessor or assignee designated in the most recent notice of assignment filed with Lessee, such other address as Lessor or assignee directs. Upon such assignment, Lessee shall provide notice thereof to all insurers and shall cause the insurance policies as required by Section 11 hereof to be modified to protect the assignees.

- (c) This Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and permitted assigns.

#### **Section 10. LOSS, DAMAGE AND STIPULATED LOSS VALUE.**

Lessee hereby assumes and shall bear the entire risk of any loss, theft, confiscation, expropriation, requisition, damage to, or destruction of, the Equipment, or any part thereof from any cause whatsoever. Lessee shall promptly and fully notify Lessor in writing if Equipment shall be or become worn out, lost, stolen, confiscated, expropriated, requisitioned, destroyed, irreparably damaged or permanently rendered unfit for use from any cause whatsoever (such occurrences being hereinafter called "Casualty Occurrences"). In the event that, in the opinion of Lessor, a Casualty Occurrence has occurred which affects only a portion of an item of the Equipment, then Lessee, at its own cost and expense, shall replace such portion with a replacement part acceptable to Lessor. In the event that, in the opinion of Lessor, a Casualty Occurrence has occurred in respect to an item of Equipment in its entirety, on the Rent Payment date next succeeding a Casualty Occurrence (the "Payment Date"), Lessee shall pay Lessor the sum of (i) an amount equal to the portion of the Prepayment Price applicable to the affected Equipment for the time period of the Casualty Occurrence; and (ii) all Rent Payments and other amounts which are due or accrued hereunder as of the Payment Date. Upon payment of all sums due hereunder, the Term of this Lease as to the item of Equipment shall terminate, and Lessee shall be entitled to retain possession of such Equipment.

#### **Section 11. INSURANCE.**

Lessee agrees to keep the Equipment insured, at its own expense, with such companies and on such terms acceptable to Lessor, in the manner and amounts set forth in the Schedule of Terms and as provided herein. The insurance shall (i) name Lessor as additional insured and have a loss payable clause in favor of Lessor, as its interest may appear, irrespective of any breach of warranty or other act or omission of Lessee; (ii) not be subject to any co-insurance clause; and (iii) provide that it may not be altered or canceled by the insurer until after thirty (30) days written notice to Lessor. Any expense of Lessor in adjusting or collection insurance shall be borne by Lessee. Lessee shall not make adjustments with insurers except (a) with respect to claims from damage to an item of Equipment where the repair costs do not exceed ten percent (10%) of such unit's fair market value, or (b) with Lessor's written consent. Lessor may, at its option, apply proceeds of insurance, in whole or in part, to repair or replace the damaged or lost item of Equipment or any portion thereof, or to satisfy any obligation of Lessee to Lessor hereunder. In addition to property and liability insurance referenced above, if required by State law, Lessee shall carry workers' compensation insurance covering all employees on, in, near or about the Equipment, and upon request shall furnish to Lessor certificates evidencing such

coverage. Upon prior written consent of Lessor, Lessee may self-insure for some or all of the above-referenced public liability, property, and casualty damage risks.

If Lessee is covered under a program of self-insurance, Lessee shall provide Lessor with a letter from its insuring authority certifying to the existence of a continuing self-insurance program which meets the requirements of applicable law. In such event, Lessee shall provide a minimum of ten (10) days written notice to Lessor of any material change or cancellation of said self-insurance program. In the event that such self-insurance program is unavailable or terminated, Lessee agrees to procure and maintain with a carrier authorized to do business in Florida and acceptable to Lessor, which acceptance shall not be unreasonably withheld, all insurance required hereby, including fire, theft, and extended coverage insurance on the Equipment, insuring the full insurable value against risk of loss or damage and providing for a minimum of ten (10) days written notice of material change or cancellation to Lessor. Lessee shall provide Lessor with copies of certificates of the insurance carrier or carriers evidencing such insurance coverage.

## **Section 12. RETURN OF EQUIPMENT.**

- (a) Upon termination of this Lease due to an Event of Nonappropriation, or due to an Event of Default and Lessor's election to terminate this Lease (subject to Lessor's election to continue this Lease with respect to Equipment for which no Event of Nonappropriation has occurred), Lessee covenants to promptly return all Equipment leased hereunder to Lessor together with all logs, manuals and data, including without limitation, inspection, modification and overhaul records required to be maintained with respect hereto under this Lease or under the manufacturer's recommended maintenance program. Upon return of the Equipment, Lessee shall, upon request, assign to Lessor its rights under any manufacturer's maintenance service contract or extended warranty for the returned Equipment or any or part thereof. All expenses for return of such Equipment and delivery of the aforementioned logs, manuals and data shall be borne by Lessee. The Equipment shall be returned in the condition in which the Equipment is required to be maintained pursuant to Section 8 hereof, but with all logos or other identifying marks of Lessee removed. At the request of Lessor, Lessee shall arrange at its expense the issuance of new certificates of title to the Equipment in the name of Lessor or its assigns.
- (b) Upon return of the Equipment, Lessor shall arrange for the inspection of same within thirty (30) days of return to determine if such Equipment has been maintained and returned in accordance with the provisions hereof. Lessee shall be responsible for the cost of such inspection and shall pay Lessor such amount as additional Rent within ten (10) days of demand for same. In the event that the results of such inspection indicate that such Equipment, or any part thereof, has not been maintained or returned in accordance with the provisions hereof, Lessee shall pay to Lessor within ten (10) days of demand, as liquidated damages, the estimated cost ("Estimated Cost") of servicing or repairing such Equipment, or part. The Estimated Cost shall be determined by Lessor by obtaining two quotes

for such service or repair work and taking the average of same. Lessee shall bear the cost, if any, incurred by Lessor in obtaining such quotes.

- (c) In the event of return of Equipment to Lessor pursuant to (a) above, Lessor shall use its best efforts to sell all or part of the Equipment upon such terms as Lessor in its reasonable judgment deems prudent. Lessor shall apply the net proceeds of such sale in the following manner: (i) firstly, to reimburse Lessor for all costs associated with the removing, holding, repairing and selling of Equipment; (ii) secondly, to reimburse Lessor for Lessee's remaining obligations under the Lease including, but not limited to, the applicable Prepayment Price; and (iii) lastly, any amounts remaining thereafter shall be remitted to Lessee.
- (d) All of Lessor's rights contained in this Section shall survive the expiration or other termination of this Lease.

### **Section 13. INTEREST RATE SUBJECT TO ADJUSTMENT.**

In setting the interest rate used in calculating the interest component of the Rent Payments set forth in the Amortization Schedule, Lessor has taken into consideration: (a) the current Maximum Corporate Income Tax Rate, as established in Section 11 of the Internal Revenue Code of 1986, as amended (the "Code"), (b) the treatment of this Lease as a "qualified tax-exempt obligation" under Section 265 of the Code, and (c) other factors which affect tax yield to Lessor. Should there be future changes in the Code or related regulations which affect the after-tax yield of Lessor, Lessor may adjust the interest rate in order to maintain the same after-tax yield as in effect on the date hereof.

As utilized in this Section, the term "Determination of Taxability" shall mean any determination, decision or decree by the Commissioner of Internal Revenue or any District Director of Internal Revenue, as such officers are identified by the Code, or any court of competent jurisdiction, or an opinion of counsel experienced in tax matters that the interest component payable under this Lease is includable in the gross income (as defined in Section 61 of the Code) of Lessor as a result of the occurrence of a Taxable Event (herein defined). A Determination of Taxability shall be deemed to have occurred on the first to occur of the following:

- (a) on that date when Lessee files any statement, supplemental statement or other tax schedule, return or document which discloses that a Taxable Event shall have occurred;
- (b) on that date when Lessee or Lessor shall be advised by said Commissioner of Internal Revenue or any such District Director of Internal Revenue that, based upon (i) filings of Lessee, (ii) any review or audit of Lessee, or (iii) upon any ground whatsoever, a Taxable Event shall have occurred; or
- (c) on that date (i) when Lessee shall receive notice from Lessor that the Internal Revenue Service has assessed as includable in the gross income (as defined in Section 61 of the Code) of Lessor the interest component due to the occurrence of a Taxable Event; or (ii) when Lessee shall be advised by said Commissioner or any such District Director of Internal Revenue that the interest component is

includable in the gross income of Lessor due to the occurrence of a Taxable Event; or (iii) when Lessee shall receive an opinion of counsel experienced in tax matters that the interest component is includable in gross income due to the occurrence of a Taxable Event.

As utilized in this Section, the term "Taxable Event" shall mean that event (i) which shall cause the interest component of the Rent paid or payable under this Lease to become includable for federal income tax purposes in the gross income of Lessor as a consequence of any act, omission or event whatsoever, other than an act, omission or event caused by Lessor, and regardless of whether the same was within or beyond the control of Lessee, (ii) which shall cause the obligation of Lessee hereunder not to be a "qualified tax-exempt obligation" under Section 265 of the Code, and (iii) which causes the after-tax yield to Lessor of the obligation hereunder to change, including, without limitation, any change in the Maximum Corporate Income Tax Rate as described above or any other change in federal income tax law. A Taxable Event shall be deemed to have occurred as of the earliest date on which it is alleged that interest became so includable or the after-tax yield to Lessor shall have changed.

If a Determination of Taxability should occur, the interest portion of the Rent Payments shall be increased to the interest rate necessary to maintain the same after-tax yield as in effect on the date hereof (the "Taxable Rate"), and such increased rate of interest shall be payable from and after the date of the Event of Taxability ("Date of Taxability"). Provided, however, that if Lessee shall elect to contest such allegation and such contest results in a final order or judgment of a court or administrative body of competent jurisdiction to the effect that a Taxable Event has not occurred and the time for any appeal of such order or judgment has expired, then no Taxable Event shall be deemed to have occurred and interest rate adjustments theretofore paid shall be refunded by Lessor.

#### **Section 14. PERSONAL PROPERTY.**

The Equipment 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 Section 14, any person acquires or claims to have acquired any rights in the Equipment or any portion thereof 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 sum of (i) an amount equal to the Prepayment Price applicable to the time period of the interference; and (ii) all Rent Payments and other amounts which are due or accrued hereunder. 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.

### **Section 15. NET LEASE; NO SET-OFF; ETC.**

This Lease is a net lease. Subject to the provisions of Section 3 subsection (c) hereof, Lessee's obligation to pay Rent and other amounts due hereunder shall be absolute and unconditional. Lessee shall not be entitled to any abatement or reduction of, or set-off against, said Rent or other amounts, including, without limitation, those arising or allegedly arising out of claims or disputes (present or future, alleged or actual, and including claims arising out of strict tort or negligence of Lessor) of Lessee against or with the manufacturer or vendor of the Equipment, any supplier of labor or materials in connection therewith, or any other person. Nor shall this Lease terminate or the obligations of Lessee be affected by reason of any defect in or damage to, or loss of possession, use or destruction of, the Equipment, from whatsoever cause or breach of warranties of the manufacturer or seller of the Equipment. Subject to the provisions of Section 3 subsection (c), it is the intention of the parties that Rent Payments and other amounts due hereunder shall continue to be payable in all events in the manner and at the times set forth herein, unless the obligation to do so shall have been terminated pursuant to the express terms hereof.

### **Section 16. INDEMNIFICATION.**

- (a) Lessee hereby agrees to the extent permitted by law to indemnify, save and keep harmless Lessor, its agents, employees, successors and assigns from and against any and all losses, damages, penalties, injuries, claims, actions and suits, including legal expenses, of whatsoever kind and nature, in contract or tort, whether caused by the active or passive negligence of Lessor or otherwise, and including, but not limited to, Lessor's strict liability in tort, arising out of (i) the selection, manufacture, purchase, acceptance or rejection of Equipment, the ownership of Equipment during the Term of this Lease, and the delivery, lease, possession, maintenance, use, condition, return or operation of the Equipment (including, without limitation, latent and other defects, whether or not discoverable by Lessor or Lessee and any claim for patent, trademark or copyright infringement), or (ii) the condition of the Equipment sold or disposed of after use by Lessee, any sublessee or employees of Lessee. Lessee shall, upon request, defend any actions based on, or arising out of, any of the foregoing.
- (b) All of Lessor's rights, privileges and indemnities contained in this Section shall survive the expiration or other termination of this Lease and the rights, privileges and indemnities contained herein are expressly made for the benefit of, and shall be enforceable by Lessor, its successors and assigns.

### **Section 17. DISCLAIMER.**

LESSEE ACKNOWLEDGES THAT IT SHALL SELECT THE EQUIPMENT WITHOUT ANY ASSISTANCE FROM LESSOR, ITS AGENTS OR EMPLOYEES AND THAT LESSOR LEASE THE EQUIPMENT IN AN "AS IS" CONDITION. LESSOR DOES NOT MAKE, HAS NOT MADE, NOR SHALL BE DEEMED "AS MAKE OR HAVE MADE, ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, WITH RESPECT TO THE EQUIPMENT LEASED HEREUNDER OR ANY



COMPONENT THEREOF, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY AS TO CONDITION, DESIGN, COMPLIANCE WITH SPECIFICATIONS, QUALITY OF MATERIALS OR WORKMANSHIP, MERCHANTABILITY, FITNESS FOR ANY PURPOSE, USE OR OPERATION, SAFETY, PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT, OR TITLE. All such risks, as between Lessor and Lessee, are to be borne by Lessee. Without limiting the foregoing, Lessor shall have no responsibility or liability to Lessee or any other person with respect to any of the following, regardless of any negligence of Lessor (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by the Equipment, any inadequacy thereof, any deficiency or defect (latent or otherwise) therein, or any other circumstance in connection therewith; (ii) the use, operation or performance of the Equipment or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of the Equipment. If, and so long as, no default exists under this Lease, Lessee shall be, and hereby is, authorized during the Term to assert and enforce, at Lessee's sole cost and expense, from time to time, in the name of and for the account of Lessor and/or Lessee, as their interests may appear, whatever claims and rights Lessor may have against any Supplier of the Equipment.

#### **Section 18. PURCHASE OPTION.**

- (a) Provided that no Event of Default has occurred and is continuing hereunder, Lessee shall have the option to purchase all of Lessor's right and/or interest in and to the Equipment on any Rent Payment Date (the "Purchase Date") for the applicable Prepayment Price as set forth in the Amortization Schedule. The sale of Lessor's interest in and to the Equipment to Lessee shall be on a AS IS, WHERE IS basis, without any recourse or warranty whatsoever as against Lessor.
- (b) Lessee shall give notice to Lessor of its intention to exercise its option not less than sixty (60) days prior to the Rent Payment Date on which the option is to be exercised and shall remit to Lessor on such date an amount equal to the sum of (i) the Prepayment Price; and (ii) all Rent Payments and other amounts due or accrued through and including the Purchase Date.

#### **Section 19. MUTUAL COVENANT REGARDING TAX-EXEMPT STATUS.**

Lessee and Lessor mutually covenant that neither will take any action nor omit to take any action with respect to this Lease, the Equipment leased hereunder, or any funds of Lessee if such action or omission (i) would cause the interest component of the Rent to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code and applicable regulations, or (ii) would cause such interest component of the Rent to lose its exclusion (if any) from alternative minimum taxable income as defined in Section 55 (b)(2) of the Code except to the extent such interest is required to be included in the adjusted net book income and adjusted current earnings adjustments applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income, or (iii) would subject Lessee to any penalties under Section 148 of the Code. Subject to Lessee's right to terminate this Lease as provided herein, the foregoing covenant shall remain in full force and effect, notwithstanding the

payment in full of the Rent, until the date on which all obligations of Lessee in fulfilling the above covenant under the Code have been met.

## **Section 20. EVENTS OF DEFAULT.**

The term "Event of Default," wherever used herein, shall mean any of the following events, whatever the reason for such Event of Default and whether it shall be voluntary or involuntary, or come about or be effected by operation of law, or be pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation or any administrative or governmental body: (a) Lessee shall fail to make any payment of Rent when the same shall become due; or (b) Lessee shall fail to keep in full force and effect insurance required under this Lease; or (c) Lessee shall or shall attempt to (except as expressly permitted by the provisions of this Lease) remove, sell, transfer, encumber, part with possession of, assign or sublet the Equipment, or any part thereof, use the Equipment for an illegal purpose, or permit the same to occur; or (d) Lessee shall breach its covenant to return the Equipment upon an Event of Nonappropriation, or upon an Event of Default and Lessor's election to terminate this lease; or (e) Lessee shall fail to perform or observe any covenant, condition or agreement not included within (a), (b), (c) or (d) above which is required to be performed or observed by it under this Lease or any agreement, document or certificate delivered by Lessee in connection herewith, and such failure shall continue for twenty (20) days after written notice thereof from Lessor to Lessee (or, if such default cannot be corrected within twenty (20) days, shall have failed to initiate and diligently pursue appropriate corrective action); or (f) any representation or warranty made by Lessee in this Lease or any agreement, document or certificate delivered by Lessee in connection herewith or pursuant hereto shall prove to have been incorrect in any material respect when any such representation or warranty was made or given (or, if a continuing representation or warranty, at any material time); or (g) Lessee shall generally fail to pay its debts as they become due or shall file a voluntary petition in bankruptcy; or (h) a petition is filed against Lessee in a proceeding under applicable bankruptcy laws or other insolvency laws (other than any law which does not provide for or permit any readjustment or alteration of Lessee's obligations hereunder in each case), as now or hereafter in effect, and is not withdrawn or dismissed within ninety (90) days thereafter, or if, under the provisions of any law (other than any law which does not provide for or permit any readjustment or alteration of Lessee's obligations hereunder in each case) providing for reorganization or liquidation of legal entities which may apply to Lessee; or (i) any court of competent jurisdiction shall assume jurisdiction, custody or control of Lessee or of any substantial part of its property and such jurisdiction, custody or control shall remain in force unrelinquished, unstayed or unterminated for a period of sixty (60) days; or (j) Lessee becomes insolvent.

## **Section 21. REMEDIES.**

Whenever any Event of Default referred to in Section 20 hereof shall have occurred and be continuing with respect to the Equipment, Lessor shall have the right, at its option and without any further demand or notice, and with or without terminating this Lease, to declare all Rent Payments due or to become due during the Fiscal Year in effect when the default occurs to be immediately due and payable by Lessee, whereupon such Rent Payments shall be immediately due and payable. If the Event of Default is Lessee's breach of its covenant to return the Equipment, Lessor shall be entitled to liquidated damages equal, at its election, to (i) the Rent

Payments for the Equipment pro-rated on a daily basis for each day the Equipment is retained, (ii) the daily fair market rental for the Equipment, or (iii) compensatory damages for any loss suffered by Lessor as a result of Lessee's failure to surrender the Equipment. Any judgment for damages shall be payable solely from legally available funds of Lessee, and Lessor shall not have the power to require levies of ad valorem taxes in the future to pay Rent Payments.

The remedies provided to Lessor herein shall be the sole and exclusive remedies exercisable by Lessor in an Event of a Default by Lessee hereunder. Lessor shall in no event have the right to involuntarily dispossess Lessee of the Equipment or title thereto. Lessor and Lessee do not intend to create a security interest in any Equipment.

No delay or omission to exercise any right or remedy accruing hereunder shall impair any such right or remedy or shall be construed to be a waiver thereof, but any such right and remedy may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Lease it shall not be necessary to give any notice, other than such notice as may be required in this Lease.

In the event any agreement contained in this Lease should be breached by either party hereto, and thereafter such breach should be waived by the other party hereto, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

In the event that there is an Event of Default and the nondefaulting party should employ attorneys and/or incur expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party the reasonable fee of such attorneys and/or such expenses so incurred by the nondefaulting party.

Whenever any Event of Default referred to in Section 20, Clause (a) hereof shall have occurred and be continuing with respect to the Equipment, Lessor shall have the right, at its option and without any further demand or notice, to require a late payment charge for each thirty (30) day period or part thereof during which such Event of Default occurs equal to one and one-half percent (1½%) of the delinquent amount, and Lessee shall be obligated to pay the same immediately upon receipt of Lessor's written invoice therefor; provided, however, that this provision shall not be applicable if or to the extent that the application thereof would affect the validity of this Lease.

## **Section 22. ESCROW AGREEMENT; TRUST FUND.**

To the extent approved by Lessor and Lessee, sums advanced by Lessor for the acquisition of Equipment may be funded through use of an escrow agent. All aspects of any such arrangement shall be subject to the prior approval of Lessor including, but not by way of limitation, selection of the escrow agent and the procedures for disbursements. Lessee agrees that any such escrow agent may be an affiliate of Lessor. All costs incurred in connection with any such escrow shall be paid by Lessee.

For the initial funding hereunder as reflected in the Schedule of Terms dated as of November 26, 2002, and for future fundings, if approved by Lessor and Lessee, Lessor shall deposit funds with

Lessee to be applied by Lessee to acquire Equipment. Such funds shall be held by Lessee in a segregated account at a financial institution or trust company and applied to acquire Equipment upon delivery to Lessor of those items required by Sections 2(b)(i), (iv), (v), (ix), (xi) and (xii) hereof. Any balance remaining in such fund after the date which is eighteen (18) months after the deposit of funds therein shall be applied to pay scheduled Rent until fully expended.

### **Section 23. EXECUTION AND LAWS GOVERNING VENUE.**

This Lease and each of the exhibits hereto shall be binding only when accepted by Lessor at its Jacksonville, Florida office and shall be construed and governed by the Laws of the State. As part of the consideration for Lessor's executing this Lease, Lessee agrees that all actions or proceedings arising directly or indirectly from this Lease shall be litigated only in courts having its suits within Duval County, Florida, or in the United States District Court for the Middle District of Florida, Jacksonville Division, and Lessee hereby consents to the jurisdiction of those courts and waives any rights to the selection of venue.

### **Section 24. MISCELLANEOUS.**

- (a) Any cancellation or termination by Lessor, pursuant to the provisions of this Lease, any exhibit, supplement or amendment hereto, or the release of the Equipment hereunder, shall not release Lessee from any then outstanding obligations to Lessor hereunder. All exhibits, certificates, consents and other attendant documents referenced herein are incorporated herein by reference.
- (b) Time is of the essence. Lessor's failure at any time to require strict performance by Lessee of any of the provisions hereof shall not waive or diminish Lessor's right thereafter to demand strict compliance therewith.
- (c) All notices, certificates or other communications hereunder shall be in writing and deemed given when delivered or mailed by certified or registered mail, postage prepaid, to the respective addresses set forth in the Schedule of Terms. Lessee and Lessor may designate by written notice any further or different addresses to which subsequent notices, certificates or other communication shall be sent.
- (d) If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Lease, shall be a legal holiday, or a day on which banking institutions in the city in which the principal office of Lessor or the assignee of Lessor is located are authorized by law to remain closed, such payment may be made, or act performed, or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are authorized by law to remain closed, with the same force and effect as if done on the date otherwise specified herein.
- (e) In the event that any provision of the Lease (other than the requirement of (i) Lessee to make Rent Payments; (ii) the requirement of Lessor to provide quiet enjoyment of the Equipment and; (iii) to convey the Equipment to Lessee under the conditions set forth herein) shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render

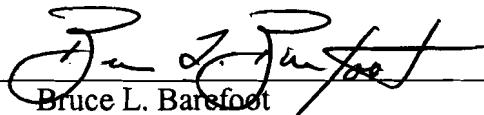
unenforceable any other provision hereof. Any provisions in this Lease which are in conflict with any statute, law or applicable rule shall be deemed omitted, modified or altered to conform thereto.

- (f) This Lease may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- (g) The substantive law, but not the choice of law rules, of the State, and rules and regulations issued pursuant thereto, shall be applied in the interpretation and enforcement hereof.
- (h) The captions and headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease.
- (i) The signatories affirm that to their knowledge, no employee of Lessee has any personal or beneficial interest whatsoever in the acquisition of the Equipment.
- (j) This Lease constitutes the entire agreement of the parties with respect to the subject matter hereof. **NO VARIATION OR MODIFICATION OF THIS LEASE, OR ANY WAIVER OF ANY OF ITS PROVISIONS OF CONDITIONS, SHALL BE VALID UNLESS IN WRITING AND SIGNED BY AN AUTHORIZED REPRESENTATIVE OF EACH OF THE PARTIES HERETO.** Any such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations or warranties, express or implied, not stated hereunder. No variation or modification of this Lease, or waiver of any of its provisions or conditions shall be valid after assignment by either party unless approved by assignee.
- (k) With respect to any suit or action between Lessor and Lessee relating to the transaction described herein or any action arising hereunder, each party hereby expressly waives any right to jury trial.

IN WITNESS WHEREOF, Lessee and Lessor have caused this Lease to be executed by their duly authorized representatives as of the date first above written.

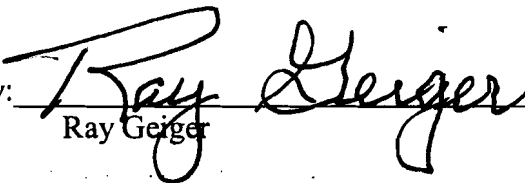
LESSOR:

**SunTrust Bank**

By:   
Bruce L. Barefoot  
Senior Vice President

LESSEE:

**Sheriff of Nassau County, Florida**

By:   
Ray Geiger

JAX609623\_3

## DESCRIPTION OF EQUIPMENT

This Description of Equipment, dated as of November 26, 2002, is executed and delivered pursuant to Section 2 of the Master Lease-Purchase Agreement dated as of November 26, 2002 (the "Lease") between SunTrust Bank ("Lessor") and Sheriff of Nassau County, Florida ("Lessee"). Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the Equipment described below, located at Nassau County, Florida, pursuant to the terms of the Lease, the terms of which are incorporated herein by reference, and as supplemented by a Schedule of Terms and Amortization Schedule, each dated as of November 26, 2002, and executed by Lessor and Lessee.

37 new model year 2003 Ford Crown Victoria police cars  
6 new model year 2003 Dodge Intrepids

The vehicle identification numbers of all of the above to be provided subsequent to this funding, at the time the equipment is delivered.

Lessor's Cost Basis: \$631,996

Dated this 26<sup>th</sup> day of November, 2002.


LESSOR:

LESSEE:

**SunTrust Bank**

**Sheriff of Nassau County, Florida**

By:

  
Bruce L. Barefoot  
Senior Vice President

By:

  
Ray Geiger

### AMORTIZATION SCHEDULE\*

This Amortization Schedule, dated as of November 26, 2002, is delivered pursuant to Section 2 of the Master-Lease-Purchase Agreement, dated as of November 26, 2002, between SunTrust Bank ("Lessor"), and Nassau County, Florida ("Lessee").

<u>Payment</u> <u>Date</u>	<u>Payment</u> <u>Amount</u>	<u>Interest</u>	<u>Principal</u>
03/31/2003	\$ 4,081.64	\$4,081.64	
06/30/2003	2,938.78	2,938.78	
09/30/2003	2,938.78	2,938.78	
10/15/2003	313,276.55	242.60	\$313,033.95
12/31/2003	1,483.17	1,483.17	
03/31/2004	1,483.17	1,483.17	
06/30/2004	1,483.17	1,483.17	
09/30/2004	1,483.17	1,483.17	
10/15/2004	319,209.25	247.20	318,962.05

#### SUBJECT TO INTEREST RATE ADJUSTMENT AS STATED ON SCHEDULE OF TERMS

*\*Subject to adjustment for any payment(s) not received on the applicable Payment Date.*

Dated this 26<sup>th</sup> day of November, 2002.

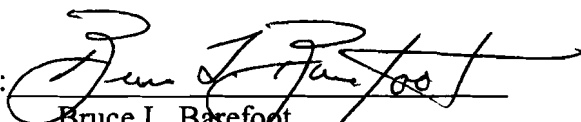
LESSOR:

LESSEE:

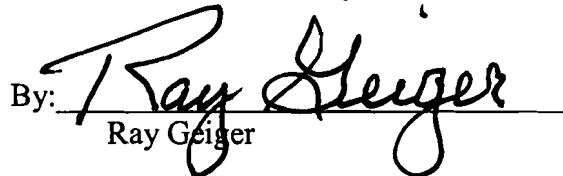
**SunTrust Bank**

**Sheriff of Nassau County, Florida**

By:

  
Bruce L. Barefoot  
Senior Vice President

By:

  
Ray Geiger



## SCHEDULE OF TERMS

This Schedule of Terms ("Schedule") dated as of November 26, 2002 is entered into by and between SunTrust Bank (herein "Lessor") and Sheriff of Nassau County, Florida (herein "Lessee") as the Schedule Terms referred to in the Master Lease-Purchase Agreement dated as of November 26, 2002 between Lessor and Lessee (herein "Lease"). This Schedule contains additional terms and provisions which are an integral part of the Lease. Terms and provisions of the Lease shall govern except when contrary to the specific terms of this Schedule.

1. **Description of the Equipment:** See Description of Equipment dated as of November 26, 2002 relating to the Lease.
2. **Lessor's Cost:** \$631,996
3. **Commencement Date:** November 26, 2002
4. **Maturity Date:** October 15, 2004
5. **Number of Payments:** 9
6. **Frequency of Interest Payments:** Quarterly
7. **Interest Payment Due Date:** March 31, 2003 and on the last business day of each calendar quarter thereafter, with a final interest payment at the Maturity Date.
8. **Interest Rate:** 1.86%, computed based upon 30 days over a 360-day year; subject to adjustment as provided in the Lease.
9. **Lease Rentals/Amortization:** Principal installments of \$313,033.95 on October 15, 2003 and \$318,962.05 October 15, 2004.
10. **Budgetary Period:** The fiscal year of Lessee.
11. **Lease Prepayment:** Full prepayment privileges without penalty.
12. **Processing Fee:** \$0.00, payable upon execution and delivery of the Lease. This amount will be deducted from the \$631,996.00 advanced.
13. **Insurance.** The following insurance is required to be maintained by Lessee.

All risks, including, without limitation, liability (in an amount of at least \$100,000/200,000), fire, collision, comprehensive, uninsured motorist and other risks insured against by extended coverage as is customary for Equipment of this type, all in such amounts as Lessor shall require and with such insurers as Lessor may from time to time approve, with satisfactory additional insured lender loss payable clause in favor of Lessor; however, at no time shall the deductible for any vehicle be greater than \$2,500 or \$10,000 in the aggregate for all vehicles. Such policies shall provide that they cannot be

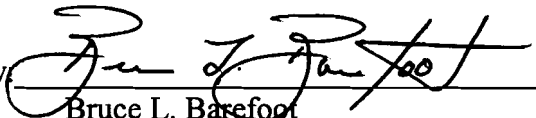
**NEGOTIATED SALE DISCLOSURE AND  
TRUTH-IN-BONDING STATEMENT**

SunTrust Bank (the "Bank"), the purchaser on this date of \$631,996 Master Lease Purchase Obligation (the "Obligation") of the Sheriff of Nassau County, Florida (the "Issuer"), pursuant to Section 218.385, Florida Statutes, hereby states as follows:

1. The estimated expenses and the amounts thereof to be incurred by the Bank in connection with the purchase of the Obligation is as follows:  
  
None.
2. To the knowledge of the Bank, no person has entered into an understanding with either the Issuer or the Bank, or both, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and the Bank or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Obligation.
3. No fee, bonus or other compensation will be paid by the Bank in connection with the Obligation to any person not regularly employed or retained by the Bank.
4. There are no underwriters connected with the Obligation to the knowledge of the Bank.
5. Truth-in-Bonding. The Issuer is proposing to issue \$631,996.00 of debt for the purpose of financing the cost of police cars and a van. The debt is expected to be repaid over a period of two years. At the initial interest rate of 1.86 % per annum, subject to adjustment in accordance with the Obligation, total interest paid over the life of the debt will be \$16,381.68. The source of repayment or security for this proposal is the Issuer's annual budget. Authorizing this debt will result in approximately \$648,377.68 of such revenues of the Issuer not being available to finance the other services of the Issuer for two years.

**IN WITNESS WHEREOF**, the undersigned has executed this statement on behalf of SunTrust Bank, as of the 26<sup>th</sup> day of November, 2002.

**SUNTRUST BANK**

By:   
Bruce L. Barefoot  
Senior Vice President

## **OFFICER'S CERTIFICATE**

I, the Sheriff of Nassau County, Florida (the "Lessee"), in connection with the lease-financing of certain equipment pursuant to the terms of the Master Lease-Purchase Agreement dated as of November 26, 2002, as supplemented by a Schedule of Terms, an Amortization Schedule, a Description of Equipment, each dated as of November 26, 2002 (the "Lease"), between the Lessee and SunTrust Bank (the "Lessor"), DO HEREBY CERTIFY:

(1) Ray Geiger is the duly elected, qualified and acting Sheriff of Nassau County, Florida.

(2) Such person has duly filed his oath of office and to the extent required by law to file bonds or undertakings has duly filed such bonds or undertakings in the amount and manner required by law.

(3) The undersigned Sheriff executed the Schedule of Terms, the Amortization Schedule, the Description of Equipment, each dated as of November 26, 2002, and certain other documents relating thereto (the "Lease Documents").

(4) Such officer who executed the Lease Documents was and is the duly elected, qualified and acting Sheriff authorized to execute the Lease Documents. The signature that appear on this certificate is the authentic signature of the Sheriff who is duly authorized to execute and deliver the Lease Documents and any and all documents and certificates required in connection therewith or necessary or appropriate to carry out the intent thereof.

(5) The Lessee has sufficient moneys available to pay all rental payments owing under the Lease with respect to the equipment set forth in the Lease Documents (the "Rent Payments") coming due during the current budget year of the Lessee, such moneys having been properly budgeted and appropriated for that purpose in accordance with the laws of the State of Florida (the "State"); such moneys will be applied in payment of all Rent Payments due and payable during such current budget year; the Lessee expects and anticipates adequate funds to be available, budgeted and appropriated in future years to make all future Rent Payments throughout the maximum term of the Lease.

(6) The lease of the Equipment (as described in the Description of Equipment) is essential to the governmental functions of the Lessee, and the Lessee has an immediate need for the Equipment which is not temporary or expected to diminish during the maximum term of the Lease.

(7) The Equipment will be used by the Lessee for the purpose of performing one or more of the Lessee's governmental functions consistent with the permissible scope of the Lessee's authority.

(8) The Lessee has obtained, or will obtain as the Equipment is acquired, from a reputable insurance company qualified to do business in the State, insurance with respect to all risks required to be covered thereby pursuant to the Lease; or the Lessee has or shall self-insure with the prior written consent from the Lessor as provided in the Lease.

(9) The interest rate establishing the interest portion of the Rent Payments, on the first date such interest begins to accrue, does not exceed a rate of interest permitted by Section 215.84, Florida Statutes (2002).

(10) This Section 10 sets forth facts and estimates upon which the Lessor and its counsel may rely in reaching an opinion regarding the exclusion of the interest portion on the Rent Payments from the gross income the Lessor, and the facts and estimates upon which the Lessee bases its reasonable expectation that the obligation to make Rent Payments pursuant to the Lease (hereinafter, the "Lease Obligation") does not create an arbitrage bond under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable Treasury Regulations:

(a) The Lessee has not accumulated nor does it expect to accumulate amounts of money in a fund to pay or to be held as security for the payment of principal or interest on the Lease Obligation.

(b) No portion of the proceeds of the Lease Obligation will be used as a substitute for other funds which were otherwise to be used for the same purposes and which funds will be used to acquire directly or indirectly obligations producing a yield in excess of the yield on the Lease Obligation. None of the purchase price of the Equipment has been paid prior to this date.

(c) There are no other obligations of the Lessee which (i) are being issued within 15 days prior to or after the date of the Lease Obligation, (ii) are sold pursuant to a common plan of financing together with the Lease Obligation, and (iii) will be paid out of substantially the same source of funds (or will have substantially the same claim to be paid out of substantially the same source of funds) as the Lease Obligation.

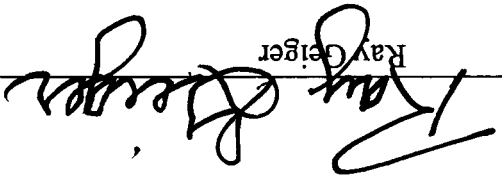
(d) The Lessor has agreed to purchase the Lease Obligation for the outstanding principal amount thereof. No fee will be paid to any person acting as an underwriter for the Lease Obligation.

(e) The Lease does not create a "hedge bond" as defined in Section 149(g) of the Code, in that at least 85 percent of the proceeds of the Lease Obligation will be expended to carry out the governmental purpose of the issue within three years from the date of issuance of the Lease, and not more than 50 percent of the proceeds will be invested in nonpurpose investments (as defined in Section 148(e)(6)(A) of the Code) having a substantially guaranteed yield for four (4) years or more.

(f) The Equipment has not been and is not expected to be sold or otherwise disposed of in whole or in part prior to the expiration of the maximum lease term.

(g) The proceeds of the Lease Obligation (\$631,996) will be deposited into an Equipment Acquisition Fund created by Lessee. The proceeds of the Lease Obligation, together with the investment earnings thereon, will be used to pay the cost of the equipment from the vendors thereof (the "Project"). It is reasonably expected that (i) at least 85% of the proceeds of the Lease Obligation will be allocated to expenditures on the Project by the end of three years from the date of issuance thereof, (ii) within six months

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 \_\_\_\_\_

Ray Geiger

SHERIFF OF NASSAU COUNTY, FLORIDA

WITNESS our hand of the Lessee this 26<sup>th</sup> day of November, 2002.



10. SPECIFIC REVENUE(S) PLEDGED:

- (1) PRIMARY Amounts budgeted and appropriated in Sheriff's budget
- (2) SECONDARY \_\_\_\_\_
- (3) OTHER(S) \_\_\_\_\_

11. A. PURPOSE(S) OF THE ISSUE:

- (1) PRIMARY Finance purchase of police cars
- (2) SECONDARY \_\_\_\_\_
- (3) OTHER(S) \_\_\_\_\_

B. IF PURPOSE IS REFUNDING, COMPLETE THE FOLLOWING:

(1) FOR EACH ISSUE REFUNDED LIST: NAME OF ISSUE, DATED DATE, ORIGINAL PAR VALUE (PRINCIPAL AMOUNT) OF ISSUE, AND AMOUNT OF PAR VALUE (PRINCIPAL AMOUNT) REFUNDED.

\_\_\_\_\_  
\_\_\_\_\_

(2) REFUNDED DEBT HAS BEEN: \_\_\_\_\_ RETIRED OR \_\_\_\_\_ DEFEASED

(3) A. DID THE REFUNDING ISSUE CONTAIN NEW MONEY? \_\_\_\_\_ YES \_\_\_\_\_ NO

B. IF YES, APPROXIMATELY WHAT PERCENTAGE OF PROCEEDS IS NEW MONEY? \_\_\_\_\_%

12. TYPE OF SALE: \_\_\_\_\_ COMPETITIVE BID  NEGOTIATED \_\_\_\_\_ NEGOTIATED PRIVATE PLACEMENT

13. BASIS OF INTEREST RATE CALCULATION, I.E., INTEREST RATE USED TO STRUCTURE THE BOND ISSUE:

NET INTEREST COST RATE (NIC) \_\_\_\_\_% TRUE INTEREST COST RATE (TIC) 1.87321%  
CANADIAN INTEREST COST RATE (CIC) \_\_\_\_\_% ARBITRAGE YIELD (ARBI) \_\_\_\_\_%  
SPECIFY OTHER: \_\_\_\_\_%

14. INSURANCE/ENHANCEMENTS: \_\_\_\_\_ AGIC \_\_\_\_\_ AMBAC \_\_\_\_\_ CGIC \_\_\_\_\_ CLIC \_\_\_\_\_ FGIC \_\_\_\_\_ FSA  
\_\_\_\_\_ HUD \_\_\_\_\_ MBIA \_\_\_\_\_ NGM \_\_\_\_\_ LOC (LETTER OF CREDIT) SPECIFY OTHER \_\_\_\_\_  
**X NOT INSURED**

15. RATING(S): \_\_\_\_\_ MOODY'S \_\_\_\_\_ S&P \_\_\_\_\_ FITCH \_\_\_\_\_ DUFF & PHELPS SPECIFY OTHER \_\_\_\_\_  
**X NOT RATED**

16. DEBT SERVICE SCHEDULE: ATTACH COMPLETE COPY OF SCHEDULE PROVIDING THE FOLLOWING INFORMATION:

(See Attached Amortization Schedule)

- MATURITY DATES (MO/DAY/YR)
- COUPON/INTEREST RATES
- ANNUAL INTEREST PAYMENTS
- PRINCIPAL (PAR VALUE) PAYMENTS
- MANDATORY TERM AMORTIZATION

17. LIST OR ATTACH OPTIONAL REDEMPTION PROVISIONS: at any time at par





**BF2004-A and BF2004-B**

**NOTE:** THE FOLLOWING ITEMS ARE REQUIRED TO BE COMPLETED IN FULL FOR ALL BOND ISSUES *EXCEPT* THOSE SOLD PURSUANT TO SECTION 154 PART III; SECTIONS 159 PARTS II, III OR V; OR SECTION 243 PART II, FLORIDA STATUTES.

23. ANY FEE, BONUS, OR GRATUITY PAID BY ANY UNDERWRITER OR FINANCIAL CONSULTANT, IN CONNECTION WITH THE BOND ISSUE, TO ANY PERSON NOT REGULARLY EMPLOYED OR ENGAGED BY SUCH UNDERWRITER OR CONSULTANT:

NO FEE, BONUS OR GRATUITY PAID BY UNDERWRITER OR FINANCIAL CONSULTANT

(1) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

(2) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

(3) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

(4) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

24. ANY OTHER FEES PAID BY THE UNIT OF LOCAL GOVERNMENT WITH RESPECT TO THE BOND ISSUE, INCLUDING ANY FEE PAID TO ATTORNEYS OR FINANCIAL CONSULTANTS:

NO FEES PAID BY ISSUER

(1) COMPANY NAME Rogers, Towers, Bailey, Jones & Gay, P.A.  
FEE PAID: \$ 3,000 SERVICE PROVIDED or FUNCTION SERVED: Bank Counsel

(2) COMPANY NAME William R. Hough & Co.  
FEE PAID: \$ 1,250 SERVICE PROVIDED or FUNCTION SERVED: Financial Adviser

(3) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

(4) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

**PLEASE PROVIDE THE SIGNATURE OF EITHER THE CHIEF EXECUTIVE OFFICER OF THE GOVERNING BODY OF THE UNIT OF LOCAL GOVERNMENT OR THE GOVERNMENTAL OFFICER PRIMARILY RESPONSIBLE FOR COORDINATING THE ISSUANCE OF THE BONDS:**

NAME (Typed/Printed): Ray Geiger

SIGNATURE: 

TITLE: Sheriff

DATE: November 26, 2002

**BF2004-B**

**ITEMS 25 AND 26 MUST BE COMPLETED FOR ALL BONDS SOLD BY NEGOTIATED SALE**

25. MANAGEMENT FEE CHARGED BY UNDERWRITER: \$ \_\_\_\_\_ PER THOUSAND PAR VALUE.  
OR  
PRIVATE PLACEMENT FEE: \$ \_\_\_\_\_

X NO MANAGEMENT FEE OR PRIVATE PLACEMENT FEE  
Processing fee of \$250

26. UNDERWRITER'S EXPECTED GROSS SPREAD: \$ \_\_\_\_\_ PER THOUSAND PAR VALUE.

X NO GROSS SPREAD

***PART IV. RETURN THIS FORM AND THE FINAL OFFICIAL STATEMENT, IF ONE WAS PREPARED, TO:***

**Courier Deliveries:** Division of Bond Finance  
State Board of Administration  
1801 Hermitage Blvd., Suite 200  
Tallahassee, FL 32308

**Mailing Address:** Division of Bond Finance  
State Board of Administration  
P.O. Drawer 13300  
Tallahassee, FL 32317-3300

**Phone:** 904/488-4782

**FAX:** 904/413-1315

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**Information Return for Tax-Exempt Governmental Obligations**

► Under Internal Revenue Code section 149(e)

► See separate instructions.

OMB No. 1545-0720

Caution: If the issue price is under \$100,000, use Form 8038-GC.

<b>Part I Reporting Authority</b>			If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name <b>Sheriff of Nassau County, Florida</b>	2 Issuer's employer identification number <b>59 : 1863042</b>			
3 Number and street (or P.O. box if mail is not delivered to street address) <b>50 Bobby Moore Circle</b>	Room/suite	4 Report number <b>3 01</b>		
5 City, town, or post office, state, and ZIP code <b>Yulee, Florida 32997-7720</b>	6 Date of issue <b>11/26/02</b>			
7 Name of issue <b>Master Lease-Purchase Obligation</b>	8 CUSIP number			
9 Name and title of officer or legal representative whom the IRS may call for more information <b>J.M. "Chip" Oxley, Jr., Clerk of Courts</b>	10 Telephone number of officer or legal representative <b>( 904 ) 321-5722</b>			

<b>Part II Type of Issue (check applicable box(es) and enter the issue price)</b> See instructions and attach schedule	
11 <input type="checkbox"/> Education	11
12 <input type="checkbox"/> Health and hospital	12
13 <input type="checkbox"/> Transportation	13
14 <input checked="" type="checkbox"/> Public safety	14 <b>631,996</b>
15 <input type="checkbox"/> Environment (including sewage bonds)	15
16 <input type="checkbox"/> Housing	16
17 <input type="checkbox"/> Utilities	17
18 <input type="checkbox"/> Other. Describe ►	18
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>	

<b>Part III Description of Obligations. Complete for the entire issue for which this form is being filed.</b>				
(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21 <b>10/15/04</b>	<b>\$ 631,966</b>	<b>\$ 318,962.05</b>	<b>1.391 years</b>	<b>1.8765 %</b>

<b>Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)</b>				
22 Proceeds used for accrued interest	22	<b>0</b>		
23 Issue price of entire issue (enter amount from line 21, column (b))	23	<b>631,966</b>		
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	<b>0</b>		
25 Proceeds used for credit enhancement	25			
26 Proceeds allocated to reasonably required reserve or replacement fund	26			
27 Proceeds used to currently refund prior issues	27			
28 Proceeds used to advance refund prior issues	28			
29 Total (add lines 24 through 28)	29	<b>0</b>		
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	<b>631,966</b>		

<b>Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)</b>	
31 Enter the remaining weighted average maturity of the bonds to be currently refunded	_____ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	_____ years
33 Enter the last date on which the refunded bonds will be called	_____
34 Enter the date(s) the refunded bonds were issued	►

<b>Part VI Miscellaneous</b>	
35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35 <b>0</b>
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a <b>0</b>
b Enter the final maturity date of the guaranteed investment contract	37a
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer	
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(iii) (small issuer exception), check box <input checked="" type="checkbox"/>	
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/>	
40 If the issuer has identified a hedge, check box <input type="checkbox"/>	

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here

*Ray Geiger*  
 Signature of issuer's authorized representative

*11/26/02*  
 Date

**Ray Geiger, Sheriff**  
 Type or print name and title





**NASSAU COUNTY**  
**BOARD OF COUNTY COMMISSIONERS**  
P. O. Box 1010  
Fernandina Beach, Florida 32035-1010

Nick Deonas  
Ansley Acree  
Vickie Samus  
Floyd L. Vanzant  
Marianne Marshall

Dist. No. 1 Fernandina Beach  
Dist. No. 2 Fernandina Beach  
Dist. No. 3 Yulee  
Dist. No. 4 Hilliard  
Dist. No. 5 Callahan

November 26, 2002

Sheriff of Nassau County, Florida County Coordinator  
Yulee, Florida

Rogers, Towers, Bailey, Jones & Gay, P.A.  
Jacksonville, Florida

SunTrust Bank  
Jacksonville, Florida

Gentlemen:

I have acted as counsel for the Sheriff of Nassau County, Florida, (the "Lessee") in connection with the issuance by the Lessee of a lease obligation, pursuant to the Constitution and laws of the State of Florida, particularly Chapter 125, Florida Statutes, and all other applicable provisions of law (collectively, the "Act"). The lease obligation of the Lessee is created pursuant to a Master Lease - Purchase Agreement (the "Lease-Purchase Agreement") between the Lessee and SunTrust Bank, (the "Bank"), as Lessor, dated as of November 26, 2002, whereby the Lessee agrees to make rental payments to the Bank during the Lessee's current budget year and subsequent budget years for which funds have been budgeted and appropriated for that purpose. The obligation of the Lessee to make such rental payments in this budget year and any subsequent budget year for which funds have been budgeted and appropriated for that purpose, shall be referred to hereinafter as the "Lease Obligation."

In connection with this opinion, I have examined the Lease-Purchase Agreement, and such other documents, certificates, and proofs as I have deemed necessary for the purposes hereof. Based thereon, I am of the opinion:

1. The Lessee is a duly created and validly existing Constitutional Officer of the State of Florida, with the power to issue the Lease Obligation.
2. The Lease-Purchase Agreement has been duly authorized, executed, and delivered by the Lessee and, assuming due authorization, execution and delivery by the Bank, constitutes legal, valid and binding obligations of the Lessee.
3. The Board of County Commissioners of Nassau County, Florida has by appropriate action authorized the execution, delivery and performance of the Lease-Purchase Agreement and the documents related thereto.

(904) 321-5703, 879-1029, (800) 958-3496

*An Affirmative Action / Equal Opportunity Employer*

J. M. "Chip" OXLEY, JR.  
Ex-Officio Clerk

MICHAEL S. MULLIN  
County Attorney

WALTER D. GOSSETT  
County Coordinator

4. The Lease Obligation is a valid and binding obligation of the Lessee payable solely from the Sheriff's Department's budget. The Lease Obligation constitutes a current expense of the Lessee and does not constitute a debt of the Lessee in contravention of any applicable constitutional, statutory, or charter limitations or requirements concerning the creation of indebtedness. Neither the faith and credit of the Lessee, Nassau County, Florida, nor the State of Florida is pledged in payment of the Lease Obligation.

5. No further approval, consent, or authorization of, or filing with any governmental or public body or agency, is required in connection with the Lessee's issuance of the Lease Obligation and the execution and delivery of the Lease-Purchase Agreement and the performance of its obligations thereunder.

6. The execution, delivery, and performance by the Lessee of the Lease-Purchase Agreement do not conflict with or constitute a breach of or default under any existing law, administrative regulation, court decree, resolution, or agreement to which the Lessee is subject as of the date of closing.

7. To the best of my knowledge after due inquiry, no litigation or other proceedings are pending or threatened in any Court or other tribunal of competent jurisdiction, state or federal, in any way, (1) to restrain or enjoin the execution of this Lease-Purchase Agreement or the incurrence of the Lease Obligation; or (2) questioning or affecting the validity of the Lease-Purchase Agreement or sources of payment of the Lease Obligation; or (3) questioning or affecting the validity of any of the proceedings for authorization, execution, registration, issuance, or delivery of the Lease-Purchase Agreement or the issuance of the Lease Obligation or the acquisition of the Equipment (as defined in the Lease-Purchase Agreement); or (4) questioning or affecting the organization or existence of the Lessee or the title to office of the Sheriff; or (5) which, if adversely determined, would adversely affect the ability or capacity of the Lessee to perform its obligations under the Lease-Purchase Agreement.

8. There are no public bidding requirements with respect to the execution and delivery of the Lease-Purchase Agreement.

9. The Lessee is exempt from all personal property taxes and is exempt from sales and/or use taxes with respect to the transactions contemplated by the Lease-Purchase Agreement.

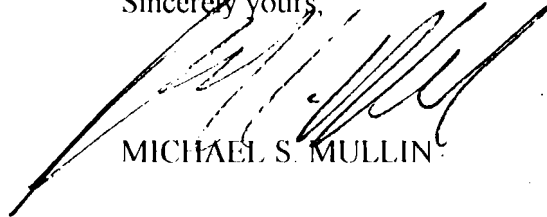
10. I have no knowledge of any legislation adopted by the prior or current session of the Florida Legislature that restricts or otherwise adversely affects the Lessee's power to issue the Lease Obligation or its ability to pay the rent payments due thereunder.

November 26, 2002

Page 3

It is to be understood that the rights of the holders of the Lease Obligation, and the enforce ability of the Lease-Purchase Agreement, may be subject to the exercise of judicial discretion in accordance with general principles of equity, to the valid exercise of the sovereign police powers of the State of Florida, and other constitutional powers of tile United State of America to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights theretofore or hereafter enacted.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Michael S. Mullin", written over a horizontal line.

MICHAEL S. MULLIN

MSM/am

cc: Sherriff Ray Geiger  
J.M. "Chip" Oxley, Jr.  
Mitch Owens

JAX611992 2

# ROGERS TOWERS

BAILEY JONES & GAY, P.A.

IRVIN M. WEINSTEIN  
(904) 346-5523  
iweinstein@rtlaw.com

ATTORNEYS AT LAW

RIVERPLACE TOWER  
1301 RIVERPLACE BLVD.  
SUITE 1500  
JACKSONVILLE, FL 32207-1811  
TELEPHONE (904) 398-3911  
FAX (904) 396-0663

November 15, 2002

Division of Bond Finance  
P.O. Box 13300  
Tallahassee, Florida 32317-3300

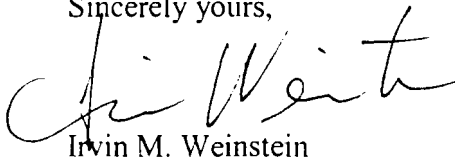
Re: Nassau County, Florida Master-Lease Purchase Commitment

Ladies and Gentlemen:

Pursuant to the provisions of Section 218.38(1)(a), Florida Statutes, you are hereby provided with advance notice of the impending sale by the Sheriff of Nassau County, Florida of its not to exceed \$631,996 Master-Lease Purchase Obligation. The sale is expected to take place on or about November 25, 2002. An official statement will not be prepared for this transaction. The obligation is being purchased by SunTrust Bank.

Please return the enclosed copy of this letter to the undersigned bearing your stamped receipt.

Sincerely yours,



Irvin M. Weinstein

IMW/fmd

JAX\611847\_1

DIVISION OF BOND FINANCE  
02 NOV 18 AM 11: 22

RESOLUTION NO. 2002 - 196

**A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF NASSAU COUNTY, FLORIDA AUTHORIZING THE EXECUTION, DELIVERY AND PERFORMANCE BY THE SHERIFF OF NASSAU COUNTY, FLORIDA OF DOCUMENTATION TO EFFECT A MASTER LEASE PURCHASE OF 43 MOTOR VEHICLES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Sheriff of Nassau County, Florida has indicated the need for his department to purchase 43 new model year 2003 motor vehicles for his deputies; and

**WHEREAS**, the Sheriff has determined that it is appropriate to lease these vehicles pursuant to a Master-Lease Purchase Agreement between the Sheriff of Nassau County, Florida as Lessee and SunTrust Bank as Lessor in accordance with the Master-Lease Purchase Agreement dated as of November 26, 2002 and the related Description of Equipment, Amortization Schedule, Schedule of Terms and Certificate of Acceptance, all dated as of November 26, 2002 between the parties (collectively, the "Master-Lease Purchase Documentation") generally in the form attached hereto as composite Exhibit A.

**NOW, THEREFORE, be it resolved, by the Board of County Commissioners of Nassau County, Florida as follows:**

**SECTION 1.** The Board of County Commissioners of Nassau County, Florida hereby approves the execution, delivery and performance by the Sheriff of Nassau County, Florida of the Master-Lease Purchase Documentation, all in the form of Exhibit A, with such changes as may be approved by the County Attorney, such approval to be conclusively evidenced by the County Attorney's delivery of his opinion to SunTrust Bank as Lessor.

**SECTION 2.** This Resolution shall become effective upon its adoption.

**PASSED AND ADOPTED** this 25<sup>th</sup> day of November, 2002.

**NASSAU COUNTY, FLORIDA**

By:   
NICK D. DEONAS

Chairman

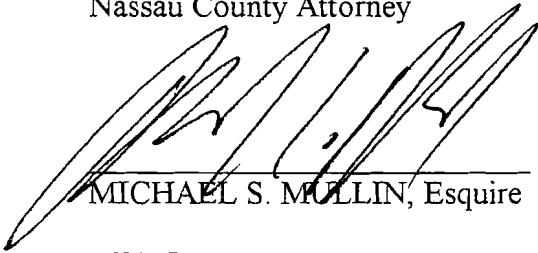


ATTEST



J.M. "Chip" Oxley, Jr.  
Ex-Officio Clerk

Approved as to form by the  
Nassau County Attorney



MICHAEL S. MULLIN, Esquire

JAX612759\_2

**Sheriff  
Nassau County, Florida  
Master Lease-Purchase Commitment  
Revision Dated November 15, 2002**

**Lessee:** *Sheriff of Nassau County, Florida*

**Lessor:** *SunTrust Bank, North Florida*

**Amount:** *Bank qualified tax-exempt Master Lease-Purchase (the "Lease") in the amount of \$631,996.00.*

**Purpose:** *Short term lease purchase financing for the Nassau County Sheriff's Department in support their purchase of thirty-seven (37) new model year 2003 Ford Crown Victoria's police cars and six (6) new model year 2003 Dodge Intrepids.*

**Interest Rate:** *Bank qualified tax-exempt fixed rate of 1.86% p.a.*

**Maturity:** *Two years from closing.*

**Amortization:** *Level annual debt service with quarterly interest payments commencing 3/31/2003 and substantially equal annual principal payments commencing 10/15/2003 through 10/15/2004. (see attached debt service schedule dated 11/15/02)*

**Final Lease Payment:** *The final payment will include an option to purchase the vehicles for \$1.00.*

**Security:** *The Lease will be a bank qualified tax-exempt obligation of the Sheriff of Nassau County, Florida and shall be repaid, subject to annual appropriation, from the General Fund of Nassau County, Florida in Fiscal Years 2004 and 2005.*

**Closing Date:** *On or before November 29, 2002.*

**Acceptance:** *This Commitment to the Sheriff of Nassau County, Florida will expire on November 29, 2002. Please acknowledge acceptance by signing and returning the attached copy of this commitment to the Bank on or before the expiration date.*

**Documentation:** *Irvin M. Weinstein of the law firm Rogers, Towers, Bailey, Jones and Gay shall prepare documentation in form and substance satisfactory to*

*the Lessor and Lessee. The Lessee shall incur legal fees for this transaction in the amount of \$3,000.00.*

**Conditions:**

*A) A written opinion from the Nassau County Attorney, in form and substance acceptable to the Lessor, that all documents are valid, binding and enforceable in accordance with their terms, that the execution and delivery of said documents has been duly authorized, and addresses such other matters as the Lessor deem appropriate, including but not limited to the certification by the Sheriff of Nassau County that the equipment to be financed hereunder are for "essential purposes" and of vital importance to the Lessee and Nassau County, Florida.*

*B) The tax exempt interest rate quoted herein takes into consideration a corporate tax rate of 35%. In the event of a change in the maximum corporate tax rate, the Lessor shall have the right to adjust the interest rate in order to maintain the same after tax yield.*


*C) The Lessor shall have the right to adjust the tax-exempt rate in order to maintain the same after tax yield if any amendments to existing law are enacted which would adversely affect the Lessor's after tax yield including any "determination of taxability" as will be defined in the loan documentation.*

*D) The Bank Qualified interest rate quoted herein assumes the obligation is a "qualified tax-exempt obligation" as defined in Section 265(b)(3) of the Internal Revenue Service Code. If the borrowings hereunder are deemed to be "non-bank qualified tax-exempt obligations" then the rate shall be adjusted to provide the Lessor with the same after tax yield.*

*E) WAIVER OF JURY TRIAL With respect to any lawsuit involving this Loan, the loan documents, or any other aspect of this transaction between the Lessor and the Lessee, the exclusive venue for any action shall be the county where the Lessor is located and, in any such action, each party expressly waives any right to a jury trial.*

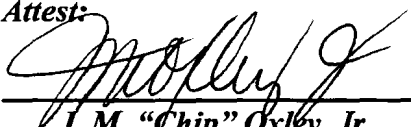
*F) Nassau County, Florida shall submit annual audited financial statements within 150 days of fiscal year end, annual budgets within 30 days of adoption and any other information the Lessor may reasonably request.*

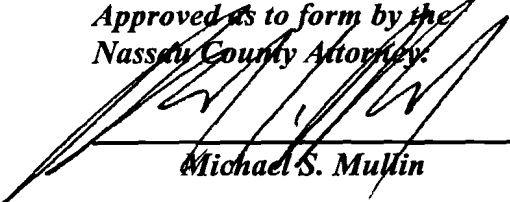
Submitted this 15th day of November, 2002  
SunTrust Bank.

By:   
Bruce L. Barefoot  
Senior Vice President

Agreed to and accepted this 2nd day of December, 2002  
Sheriff of Nassau County, Florida

By:   
Ray Geiger  
Sheriff

Attest:  
  
J. M. "Chip" Oxley, Jr.  
Clerk of the Courts

Approved as to form by the  
Nassau County Attorney:  
  
Michael S. Mullin

**BOND SUMMARY STATISTICS**

Nassau County, Florida  
 Nassau County Sheriff  
 2002 Police Car Lease Purchase Financing  
 Quarterly Interest; 30/360 Interest Basis  
 Annual Principal  
 Bank Qualified Tax Exempt Fixed Rate

Dated Date	11/25/2002
Delivery Date	11/25/2002
Last Maturity	10/15/2004
Arbitrage Yield	1.876447%
True Interest Cost (TIC)	1.876447%
Net Interest Cost (NIC)	1.863705%
All-In TIC	1.876447%
Average Coupon	1.863705%
Average Life (years)	1.394
Duration of Issue (years)	1.377
Par Amount	631,996.00
Bond Proceeds	631,996.00
Total Interest	16,414.33
Net Interest	16,414.33
Total Debt Service	648,410.33
Maximum Annual Debt Service	319,209.25
Average Annual Debt Service	343,276.06
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
<hr/>	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
2002 Police Car Lease Purchase	631,996.00	100.000	1.864%	1.394
	<hr/>			
	631,996.00			1.394

	TIC	All-In TIC	Arbitrage Yield
Par Value	631,996.00	631,996.00	631,996.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense			
- Other Amounts			
Target Value	<hr/>	<hr/>	<hr/>
	631,996.00	631,996.00	631,996.00
Target Date	11/25/2002	11/25/2002	11/25/2002
Yield	1.876447%	1.876447%	1.876447%

BOND DEBT SERVICE

Nassau County, Florida  
 Nassau County Sheriff  
 2002 Police Car Lease Purchase Financing  
 Quarterly Interest; 30/360 Interest Basis  
 Annual Principal  
 Bank Qualified Tax Exempt Fixed Rate

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/25/2002					
03/31/2003			4,114.29	4,114.29	
06/30/2003			2,938.78	2,938.78	
09/30/2003			2,938.78	2,938.78	9,991.85
10/15/2003	313,033.95	1.860%	242.60	313,276.55	
12/31/2003			1,483.17	1,483.17	
03/31/2004			1,483.17	1,483.17	
06/30/2004			1,483.17	1,483.17	
09/30/2004			1,483.17	1,483.17	319,209.23
10/15/2004	318,962.05	1.860%	247.20	319,209.25	
09/30/2005					319,209.25
	631,996.00		16,414.33	648,410.33	648,410.33

May 8, 2006

Sheriff of Nassau County, Florida County Coordinator  
Yulee, Florida

SunTrust Bank  
Jacksonville, Florida

Gentlemen:

I have acted as counsel for the Sheriff of Nassau County, Florida, (the "Lessee") in connection with the issuance by the Lessee of a lease obligation, pursuant to the Constitution and laws of the State of Florida, particularly Chapter 125, Florida Statutes, and all other applicable provisions of law (collectively, the "Act"). The lease obligation of the Lessee is created pursuant to a Master Lease - Purchase Agreement (the "Lease-Purchase Agreement") between the Lessee and SunTrust Bank, (the "Bank"), as Lessor, dated as of November 26, 2002, whereby the Lessee agrees to make rental payments to the Bank during the Lessee's current budget year and subsequent budget years for which funds have been budgeted and appropriated for that purpose. The obligation of the Lessee to make such rental payments in this budget year and any subsequent budget year for which funds have been budgeted and appropriated for that purpose, shall be referred to hereinafter as the "Lease Obligation."

In connection with this opinion, I have examined the Lease-Purchase Agreement, and such other documents, certificates, and proofs as I have deemed necessary for the purposes hereof including related documentation dated as of September 13, 2005 including Description of Equipment, Amended Amortization Schedule dated as of this date and Amended and Restated Schedule of Terms dated as of this date (such documentation, together with the Lease-Purchase Agreement, being collectively referred to herein as the "Lease"). Based thereon, I am of the opinion:

1. The Lessee is a duly created and validly existing Constitutional Officer of the State of Florida, with the power to issue the Lease Obligation.
2. The Lease has been duly authorized, executed, and delivered by the Lessee and, assuming due authorization, execution and delivery by the Bank, constitutes legal, valid and binding obligations of the Lessee.
3. The Board of County Commissioners of Nassau County, Florida has by appropriate action acknowledged the execution, delivery and performance of the Lease and the documents related thereto.

*info only*  
5/8/06  
ca

4. The Lease Obligation is a valid and binding obligation of the Lessee payable solely from the Sheriff's Department's budget. The Lease Obligation constitutes a current expense of the Lessee and does not constitute a debt of the Lessee in contravention of any applicable constitutional, statutory, or charter limitations or requirements concerning the creation of indebtedness. Neither the faith and credit of the Lessee, Nassau County, Florida, nor the State of Florida is pledged in payment of the Lease Obligation.

5. No further approval, consent, or authorization of, or filing with any governmental or public body or agency, is required in connection with the Lessee's issuance of the Lease Obligation and the execution and delivery of the Lease and the performance of its obligations thereunder.

It is to be understood that the rights of the holders of the Lease Obligation, and the enforce ability of the Lease, may be subject to the exercise of judicial discretion in accordance with general principles of equity, to the valid exercise of the sovereign police powers of the State of Florida, and other constitutional powers of tile United State of America to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights theretofore or hereafter enacted.

Sincerely yours,

MICHAEL S. MULLIN

MSM/am

cc: Sherriff T. L. "Tommy" Seagraves, Jr.  
John A. Crawford  
Mitchell N. Owens  
Irvin M. Weinstein  
Marlyne Clark, Esq.



September 13, 2005

May 8, 2006

Sheriff of Nassau County, Florida County Coordinator  
Yulee, Florida

Rogers Towers, P.A.  
Jacksonville, Florida

SunTrust Bank  
Jacksonville, Florida

Gentlemen:

I have acted as counsel for the Sheriff of Nassau County, Florida, (the "Lessee") in connection with the issuance by the Lessee of a lease obligation, pursuant to the Constitution and laws of the State of Florida, particularly Chapter 125, Florida Statutes, and all other applicable provisions of law (collectively, the "Act"). The lease obligation of the Lessee is created pursuant to a Master Lease - Purchase Agreement (the "Lease-Purchase Agreement") between the Lessee and SunTrust Bank, (the "Bank"), as Lessor, dated as of November 26, 2002, whereby the Lessee agrees to make rental payments to the Bank during the Lessee's current budget year and subsequent budget years for which funds have been budgeted and appropriated for that purpose. The obligation of the Lessee to make such rental payments in this budget year and any subsequent budget year for which funds have been budgeted and appropriated for that purpose, shall be referred to hereinafter as the "Lease Obligation."

In connection with this opinion, I have examined the Lease-Purchase Agreement, and such other documents, certificates, and proofs as I have deemed necessary for the purposes hereof including related documentation dated as of ~~this date~~ September 13, 2005 including Description of Equipment, Amended Amortization Schedule ~~and dated as of this date~~ and Amended and Restated Schedule of Terms dated as of this date (such documentation, together with the Lease-Purchase Agreement, being collectively referred to herein as the "Lease"). Based thereon, I am of the opinion:

1. The Lessee is a duly created and validly existing Constitutional Officer of the State of Florida, with the power to issue the Lease Obligation.

2. The Lease has been duly authorized, executed, and delivered by the Lessee and, assuming due authorization, execution and delivery by the Bank, constitutes legal, valid and binding obligations of the Lessee.

3. The Board of County Commissioners of Nassau County, Florida has by appropriate action acknowledged the execution, delivery and performance of the Lease and the documents related thereto.

4. The Lease Obligation is a valid and binding obligation of the Lessee payable solely from the Sheriff's Department's budget. The Lease Obligation constitutes a current expense of the Lessee and does not constitute a debt of the Lessee in contravention of any applicable constitutional, statutory, or charter limitations or requirements concerning the creation of indebtedness. Neither the faith and credit of the Lessee, Nassau County, Florida, nor the State of Florida is pledged in payment of the Lease Obligation.

5. No further approval, consent, or authorization of, or filing with any governmental or public body or agency, is required in connection with the Lessee's issuance of the Lease Obligation and the execution and delivery of the Lease and the performance of its obligations thereunder.

6. The execution, delivery, and performance by the Lessee of the Lease do not conflict with or constitute a breach of or default under any existing law, administrative regulation, court decree, resolution, or agreement to which the Lessee is subject as of the date of closing:

7. To the best of my knowledge after due inquiry, no litigation or other proceedings are pending or threatened in any Court or other tribunal of competent jurisdiction, state or federal, in any way; (1) to restrain or enjoin the execution of the Lease or the incurrence of the Lease Obligation; or (2) questioning or affecting the validity of the Lease or sources of payment of the Lease Obligation; or (3) questioning or affecting the validity of any of the proceedings for authorization, execution, registration, issuance, or delivery of the Lease or the issuance of the Lease Obligation or the acquisition of the Equipment (as defined in the Lease Purchase Agreement); or (4) questioning or affecting the organization or existence of the Lessee or the title to office of the Sheriff; or (5) which, if adversely determined, would adversely affect the ability or capacity of the Lessee to perform its obligations under the Lease.

8. There are no public bidding requirements with respect to the execution and delivery of the Lease:

9. The Lessee is exempt from all personal property taxes and is exempt from sales and/or use taxes with respect to the transactions contemplated by the Lease:

10. I have no knowledge of any legislation adopted by the prior or current session of the Florida Legislature that restricts or otherwise adversely affects the Lessee's power to issue the Lease Obligation or its ability to pay the rent payments due thereunder:

~~September 13, 2005~~ May 8, 2006

Page 3

It is to be understood that the rights of the holders of the Lease Obligation, and the enforce ability of the Lease, may be subject to the exercise of judicial discretion in accordance with general principles of equity, to the valid exercise of the sovereign police powers of the State of Florida, and other constitutional powers of tile United State of America to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights theretofore or hereafter enacted.

Sincerely yours,


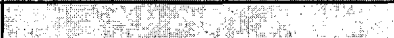



MICHAEL S. MULLIN

MSM/am

cc: Sherriff T. L. "Tommy" Seagraves, Jr.  
John A. Crawford  
Mitchell N. Owens  
Irvin M. Weinstein

Document comparison done by DeltaView on Monday, May 08, 2006 10:03:57 AM

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## AMENDED AND RESTATED SCHEDULE OF TERMS

This Amended and Restated Schedule of Terms ("Amended Schedule") dated as of May \_\_, 2006 is entered into by and between SunTrust Bank ("Lessor") and Sheriff of Nassau County, Florida ("Lessee") and hereby amends that certain Schedule of Terms dated as of September 13, 2005 and effective October 3, 2005 which was entered into by and between Lessor and Lessee as the Schedule Terms referred to in the Master Lease-Purchase Agreement dated as of November 26, 2002 between Lessor and Lessee (the "Lease"). The terms of the Lease are hereby ratified and confirmed. This Amended Schedule contains additional terms and provisions which are an integral part of the Lease. Terms and provisions of the Lease shall govern except when contrary to the specific terms of this Amended Schedule.

1. **Description of the Equipment:** See Description of Equipment dated as of September 13, 2005 relating to the Lease.
2. **Lessor's Cost:** \$777,626.00
3. **Commencement Date:** October 3, 2005
4. **Maturity Date:** October 30, 2007
5. **Number of Payments:** 10
6. **Frequency of Interest Payments:** Quarterly
7. **Interest Payment Due Date:** December 31, 2005 and on the last business day of each calendar quarter thereafter, with a final interest payment at the Maturity Date. Additionally, interest shall be due on October 30, 2006.
8. **Interest Rate:** 3.35%, computed based upon 30 days over a 360-day year; subject to adjustment as provided in the Lease.
9. **Lease Rentals/Amortization:** Principal installments of \$388,813.00 on October 30, 2006 and \$388,813.00 on October 30, 2007.
10. **Budgetary Period:** The fiscal year of Lessee.
11. **Lease Prepayment:** Subject to prepayment upon payment by Lessee of the Make-Whole Amount. "Make Whole Amount" means an amount, never less than zero, equal to the present value of the difference between (i) the amount that would have been realized by Lessor on the prepaid amount for the remaining term of the Lease at the Federal Reserve H.15 Statistical Release rate for fixed-rate payers in interest rate swaps for a term corresponding to the term of the Lease, interpolated to the nearest month, if necessary, that was in effect three business days prior to the date of this Schedule and (ii) the amount that would be realized by Lessor by reinvesting such prepaid funds for the remaining term of the Lease at the Federal Reserve H.15 Statistical Release rate for fixed-rate payers in interest rate swaps, interpolated to the nearest month, that was in effect three

business days prior to the Lease Maturity Date; both discounted at the same interest rate utilized in determining the applicable amount in (ii). Should the present value have no value or a negative value, Lessee may repay with no additional fee. Should the Federal Reserve no longer release rates for fixed-rate payers in interest rate swaps, Lessor may substitute the Federal Reserve H.15 Statistical Release with another similar index. Lessor shall provide Lessee with a written statement explaining the calculation of the premium due, which statement shall, in absence of manifest error, be conclusive and binding.

12. **Processing Fee:** \$0.00, payable upon execution and delivery of the Lease. This amount will be deducted from the \$777,626.00 advanced.

13. **Insurance.** The following insurance is required to be maintained by Lessee.

All risks, including, without limitation, liability (in an amount of at least \$100,000/200,000), fire, collision, comprehensive, uninsured motorist and other risks insured against by extended coverage as is customary for Equipment of this type, all in such amounts as Lessor shall require and with such insurers as Lessor may from time to time approve, with satisfactory additional insured lender loss payable clause in favor of Lessor; however, at no time shall the deductible for any vehicle be greater than \$2,500 or \$10,000 in the aggregate for all vehicles. Such policies shall provide that they cannot be canceled on less than 30 days' notice to Lessor, showing Lessor as additional insured will be delivered to Lessor together with appropriate evidence that the premiums thereon have been paid. If Lessee fails to pay such premiums, Lessor may pay them, and Lessee will immediately reimburse Lessor; and if Lessee does not so immediately reimburse Lessor, then the amounts so advanced by Lessor for insurance with interest at the rate set forth herein shall become additional indebtedness under the Lease.

14. **End of Lease Obligation.** On the Maturity Date, Lessee shall purchase all but not less than all the Equipment covered under this Schedule for \$1.00 (the Purchase Obligation). Upon such purchase, Lessee shall take title to the Equipment "As Is, Where Is," with the same disclaimer of warranties by Lessor as to such sale as set forth in the Lease.

15. **Rent Payment Address:** All Rent shall be paid by wire transfer of immediately available funds to Lessor as follows:

- Bank: SunTrust Bank
- ABA#: 061000104  
Bank 175
- Credit Account: 9088000112
- For Further Credit To: Nassau County Sheriff u/a/d 09/13/05  
Obligor # \_\_\_\_\_  
Obligation # \_\_\_\_\_

- Special Instructions: Phone notify Loretha Sessions at (904) 632-2606

16. **Amendments to the Lease:** (a) Section 1(d) is hereby revised to read as follows:  
The constitutional officer executing this Lease has the authority to execute and deliver this Lease and related documents.

(b) Section 1(e) is hereby deleted.

(c) The two capitalized sentences contained in Section 3(b) are amended and restated as follows:

THE PAYMENTS DUE UNDER THIS LEASE ARE TO BE MADE ONLY FROM LESSEE'S LEGALLY APPROPRIATED FUNDS ON AN ANNUAL BASIS, AND NEITHER LESSEE, THE STATE OF FLORIDA, NASSAU COUNTY OR ANY AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE HEREUNDER FROM THE COMPELLED LEVY OF AD VALOREM OR OTHER TAXES EXCEPT FROM THOSE FUNDS LEGALLY APPROPRIATED BY LESSEE ON AN ANNUAL BASIS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF LESSEE, THE STATE OF FLORIDA OR NASSAU COUNTY OR ANY AGENCY THEREOF ARE PLEDGED FOR PAYMENT OF SUCH SUMS DUE UNDER THIS LEASE.

IN WITNESS WHEREOF, the parties hereto have each executed this Amended and Restated Schedule of Terms on the \_\_\_\_ day of May, 2006.

LESSOR:

LESSEE:

**SunTrust Bank**

**Sheriff of Nassau County, Florida**

By: \_\_\_\_\_

By: \_\_\_\_\_

Bruce L. Barefoot  
Senior Vice President

T. L. "Tommy" Seagraves, Jr.

**AMENDED AMORTIZATION SCHEDULE\***

This Amended Amortization Schedule, dated as of May \_\_, 2006, hereby amends that certain Amortization Schedule, dated as of September 13, 2006, effective October 3, 2005, which was delivered pursuant to Section 2 of the Master-Lease-Purchase Agreement, dated as of November 26, 2002, between SunTrust Bank ("Lessor"), and Nassau County, Florida ("Lessee").

<u>Payment</u> <u>Date</u>	<u>Payment</u> <u>Amount</u>	<u>Interest</u>	<u>Principal</u>
12/31/2005	\$6,367.89	\$6,367.89	
03/31/2006	6,512.62	6,512.62	
06/30/2006	6,512.62	6,512.62	
09/30/2006	6,512.62	6,512.62	
10/30/2006	389,898.44	1,085.44	\$388,813.00
12/31/2006	3,256.31	3,256.31	
03/31/2007	3,256.31	3,256.31	
06/30/2007	3,256.31	3,256.31	
09/30/2007	3,256.31	3,256.31	
10/30/2007	389,898.44	1,085.44	388,813.00

**SUBJECT TO INTEREST RATE ADJUSTMENT  
AS STATED ON SCHEDULE OF TERMS**

*\*Subject to adjustment for any payment(s) not received on the applicable Payment Date.*

Dated this \_\_\_\_ day of May , 2006.

LESSOR:

LESSEE:

**SunTrust Bank**

**Sheriff of Nassau County, Florida**

By: \_\_\_\_\_

By: \_\_\_\_\_

Bruce L. Barefoot  
Senior Vice President

T. L. "Tommy" Seagraves, Jr.



## AMENDED AND RESTATED SCHEDULE OF TERMS

This Amended and Restated Schedule of Terms ("Amended Schedule") dated as of September 13, 2005 and effective October 3, 2005 ~~May~~, 2006 is entered into by and between SunTrust Bank (herein "Lessor") and Sheriff of Nassau County, Florida (herein "Lessee") and hereby amends that certain Schedule of Terms dated as of September 13, 2005 and effective October 3, 2005 which was entered into by and between Lessor and Lessee as the Schedule Terms referred to in the Master Lease-Purchase Agreement dated as of November 26, 2002 between Lessor and Lessee (herein the "Lease"). The terms of the Lease are hereby ratified and confirmed. This Amended Schedule contains additional terms and provisions which are an integral part of the Lease. Terms and provisions of the Lease shall govern except when contrary to the specific terms of this Amended Schedule.

1. **Description of the Equipment:** See Description of Equipment dated as of September 13, 2005 relating to the Lease.
2. **Lessor's Cost:** \$777,626.00
3. **Commencement Date:** October 3, 2005
4. **Maturity Date:** October 30, ~~2008~~2007
5. **Number of Payments:** ~~410~~410
6. **Frequency of Interest Payments:** Quarterly
7. **Interest Payment Due Date:** December 31, 2005 and on the last business day of each calendar quarter thereafter, with a final interest payment at the Maturity Date. Additionally, interest shall be due on October 30, ~~2007~~2006.
8. **Interest Rate:** 3.35%, computed based upon 30 days over a 360-day year; subject to adjustment as provided in the Lease.
9. **Lease Rentals/Amortization:** Principal installments of ~~\$388,813~~\$388,813.00 on October 30, ~~2007~~2006 and ~~\$388,813~~\$388,813.00 on October 30, ~~2008~~2007.
10. **Budgetary Period:** The fiscal year of Lessee.
11. **Lease Prepayment:** Subject to prepayment upon payment by Lessee of the Make-Whole Amount. "Make Whole Amount" means an amount, never less than zero, equal to the present value of the difference between (i) the amount that would have been realized by Lessor on the prepaid amount for the remaining term of the Lease at the Federal Reserve H.15 Statistical Release rate for fixed-rate payers in interest rate swaps for a term corresponding to the term of the Lease, interpolated to the nearest month, if necessary, that was in effect three business days prior to the date of this Schedule and (ii) the amount that would be realized by Lessor by reinvesting such prepaid funds for the remaining term of the Lease at the Federal Reserve H.15 Statistical Release rate for fixed-rate payers in

interest rate swaps, interpolated to the nearest month, that was in effect three business days prior to the Lease Maturity Date; both discounted at the same interest rate utilized in determining the applicable amount in (ii). Should the present value have no value or a negative value, Lessee may repay with no additional fee. Should the Federal Reserve no longer release rates for fixed-rate payers in interest rate swaps, Lessor may substitute the Federal Reserve H.15 Statistical Release with another similar index. Lessor shall provide Lessee with a written statement explaining the calculation of the premium due, which statement shall, in absence of manifest error, be conclusive and binding.

12. **Processing Fee:** \$0.00, payable upon execution and delivery of the Lease. This amount will be deducted from the \$777,626.00 advanced.

13. **Insurance.** The following insurance is required to be maintained by Lessee.

All risks, including, without limitation, liability (in an amount of at least \$100,000/200,000), fire, collision, comprehensive, uninsured motorist and other risks insured against by extended coverage as is customary for Equipment of this type, all in such amounts as Lessor shall require and with such insurers as Lessor may from time to time approve, with satisfactory additional insured lender loss payable clause in favor of Lessor; however, at no time shall the deductible for any vehicle be greater than \$2,500 or \$10,000 in the aggregate for all vehicles. Such policies shall provide that they cannot be canceled on less than 30 days' notice to Lessor, showing Lessor as additional insured will be delivered to Lessor together with appropriate evidence that the premiums thereon have been paid. If Lessee fails to pay such premiums, Lessor may pay them, and Lessee will immediately reimburse Lessor; and if Lessee does not so immediately reimburse Lessor, then the amounts so advanced by Lessor for insurance with interest at the rate set forth herein shall become additional indebtedness under the Lease.

14. **End of Lease Obligation.** On the Maturity Date, Lessee shall purchase all but not less than all the Equipment covered under this Schedule for \$1.00 (the Purchase Obligation). Upon such purchase, Lessee shall take title to the Equipment "As Is, Where Is," with the same disclaimer of warranties by Lessor as to such sale as set forth in the Lease.

15. **Rent Payment Address:** All Rent shall be paid by wire transfer of immediately available funds to Lessor as follows:

- Bank: SunTrust Bank
- ABA#: 061000104  
Bank 175
- Credit Account: 9088000112
- For Further Credit To: Nassau County Sheriff u/a/d 09/13/05  
Obligor # \_\_\_\_\_

Obligation # \_\_\_\_\_

- Special Instructions: Phone notify Loretha Sessions at (904) 632-2606

**16. Amendments to the Lease:** (a) Section 1(d) is hereby revised to read as follows: The constitutional officer executing this Lease has the authority to execute and deliver this Lease and related documents.

(b) Section 1(e) is hereby deleted.

(c) The two capitalized sentences contained in Section 3(b) are amended and restated as follows:

THE PAYMENTS DUE UNDER THIS LEASE ARE TO BE MADE ONLY FROM LESSEE'S LEGALLY APPROPRIATED FUNDS ON AN ANNUAL BASIS, AND NEITHER LESSEE, THE STATE OF FLORIDA, NASSAU COUNTY OR ANY AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE HEREUNDER FROM THE COMPELLED LEVY OF AD VALOREM OR OTHER TAXES EXCEPT FROM THOSE FUNDS LEGALLY APPROPRIATED BY LESSEE ON AN ANNUAL BASIS, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF LESSEE, THE STATE OF FLORIDA OR NASSAU COUNTY OR ANY AGENCY THEREOF ARE PLEDGED FOR PAYMENT OF SUCH SUMS DUE UNDER THIS LEASE.

IN WITNESS WHEREOF, the parties hereto have each executed this Amended and Restated Schedule of Terms on the ~~13th~~ day of ~~September, 2005~~ May, 2006.

LESSOR:

LESSEE:

**SunTrust Bank**

**Sheriff of Nassau County, Florida**

By: \_\_\_\_\_






By: \_\_\_\_\_

\_\_\_\_\_  
Bruce L. Barefoot  
Senior Vice President

\_\_\_\_\_  
T. L. "Tommy" Seagraves, Jr.

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**AMENDED AMORTIZATION SCHEDULE\***

This Amended Amortization Schedule, dated as of May, 2006, hereby amends that certain Amortization Schedule, dated as of September 13, 2005, effective October 3, 2005, is which was delivered pursuant to Section 2 of the Master-Lease-Purchase Agreement, dated as of November 26, 2002, between SunTrust Bank ("Lessor"), and Nassau County, Florida ("Lessee").

<u>Payment</u> <u>Date</u>	<u>Payment</u> <u>Amount</u>	<u>Interest</u>	<u>Principal</u>
12/31/2005	\$6,367.89	\$6,367.89	
03/31/2006	6,512.62	6,512.62	
06/30/2006	6,512.62	6,512.62	
09/30/2006	6,512.62	6,512.62	
<b>10/30/2006</b>	<b>389,898.44</b>	<b>1,085.44</b>	<b>\$388,813.00</b>
12/31/2006	<u>6,512.62</u> <u>3,2</u>	<u>6,512.62</u> <u>3,25</u>	
	<u>56.31</u>	<u>6.31</u>	
03/31/2007	<u>6,512.62</u> <u>3,2</u>	<u>6,512.62</u> <u>3,25</u>	
	<u>56.31</u>	<u>6.31</u>	
06/30/2007	<u>6,512.62</u> <u>3,2</u>	<u>6,512.62</u> <u>3,25</u>	
	<u>56.31</u>	<u>6.31</u>	
09/30/2007	<u>6,512.62</u> <u>3,2</u>	<u>6,512.62</u> <u>3,25</u>	
	<u>56.31</u>	<u>6.31</u>	
10/30/2007	389,898.44	1,085.44	\$388,813 <u>388,</u> <u>813.00</u>
12/31/2007	<u>3,256.31</u>	<u>3,256.31</u>	
03/31/2007	<u>3,256.31</u>	<u>3,256.31</u>	
06/30/2008	<u>3,256.31</u>	<u>3,256.31</u>	
09/30/2008	<u>3,256.31</u>	<u>3,256.31</u>	
10/30/2008	389,898.44	1,085.44	388,813

**SUBJECT TO INTEREST RATE ADJUSTMENT  
AS STATED ON SCHEDULE OF TERMS**

*\*Subject to adjustment for any payment(s) not received on the applicable Payment Date.*

Dated this 13<sup>th</sup> \_\_\_\_\_ day of ~~September, 2005~~ May, 2006.

LESSOR:

LESSEE:

**SunTrust Bank**

**Sheriff of Nassau County, Florida**

By: \_\_\_\_\_

By: \_\_\_\_\_






Bruce L. Barefoot  
Senior Vice President

T. L. "Tommy" Seagraves, Jr.



Document comparison done by DeltaView on Friday, April 28, 2006 3:42:24 PM

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Rendering set	Standard

Legend:	
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Statistics:	
	Count
Insertions	20
Deletions	32
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	52



**NASSAU COUNTY**  
**BOARD OF COUNTY COMMISSIONERS**  
P. O. Box 1010  
Fernandina Beach, Florida 32035-1010

Nick Deonas  
Ansley Acree  
Vickie Samus  
Floyd L. Vanzant  
Marianne Marshall

Dist. No. 1 Fernandina Beach  
Dist. No. 2 Fernandina Beach  
Dist. No. 3 Yulee  
Dist. No. 4 Hilliard  
Dist. No. 5 Callahan

August 6, 2003

J. M. "Chip" OXLEY, JR.  
Ex-Officio Clerk

MICHAEL S. MULLIN  
County Attorney

Mr. Raymond Nance  
Southeastern Bank  
300 West A1A  
Yulee, FL 32097

RE: Short Term Loan - \$200,000.00

Dear Mr. Nance:

As counsel for the Board of County Commissioners of Nassau County, Florida, I am of the opinion that:

1. The Board of County Commissioners has the legal authority to enter into a loan agreement with Southeastern Bank.
2. Southeastern Bank was chosen based upon a competitive process as established by the Clerk of the Court.
3. The terms of the loan are legally valid and binding.
4. No litigation is pending, or, to the best of my knowledge, threatened in any court or other tribunal, state, or federal, in any way questioning or affecting the validity of the loan agreement or the ability of the Board of County Commissioners to repay same.
5. The Chairman of the Board of County Commissioners is authorized to execute the loan agreement on behalf of the Board of County Commissioners.
6. The purpose of the short term loan is for the purchase of rescue units for the Fire/Rescue Department.
7. Nassau County is a "political subdivision" of a state within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended (the "Code").
8. The Board of County Commissioners adopted, by their motion at their July 28, 2003 meeting, a covenant to budget and appropriate the fund for the re-payment of the loan. That motion is a statement by the Board that they will in fact budget and appropriate the funds.

(904) 321-5703, 879-1029, (800) 958-3496

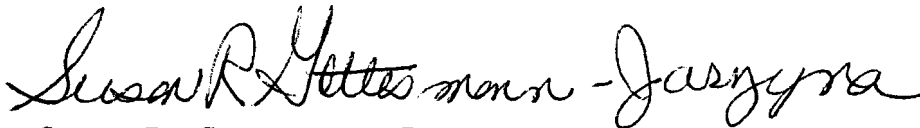
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Mr. Raymond Nance  
August 6, 2003  
Page Two

9. The loan amount will be exempt from Florida Documentary stamps.
10. The interest on the loan shall be taxable.

Sincerely yours,



Susan R. Gottesmann-Jarzyna  
Assistant County Attorney for  
Michael S. Mullin  
County Attorney

Jb

CC: J. M. "Chip" Oxley, Jr., Ex-Officio Clerk  
Vickie Samus, Chairman, Board of County Commissioners

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7:04 Mr. Oxley reported that the Rescue units will arrive on Thursday, August 31, 2003 and that financing has been obtained. The interest rate is 5.25 and it had to be non-bank qualified. The total borrowed is \$200,000.00, with monthly payments in the amount of \$8,805, and the total interest is \$11,329. Upon the request of the Clerk, it was moved by Commissioner Deonas, seconded by Commissioner Marshall, and unanimously carried to authorize the Clerk and the Chairman to execute the documents and to issue a statement with intent to covenant, budget, and appropriate for the purchase of Rescue units.