



JACKSONVILLE: 8050 Phillips Hwy  
 OCALA: 6200 North US 301/441  
 TALLAHASSEE: 4760 Capital Circle NW  
 PERRY: 2920 S. Byron Butler Pkwy  
 LAKE CITY: 500 Cannon Creek Dr  
 GAINESVILLE: 4900 N. Main St

- 904-737-7730
- 352-732-2800
- 850-562-2121
- 850-584-2800
- 904-755-3997
- 352-371-9983

MAIL ADDRESS: P.O. BOX 45022 , JACKSONVILLE, FLORIDA 32232

## RING POWER CORPORATION

### QUOTATION #: XL3100-041703

TO: Nassau County Road Dept.  
 2496 Eastwood Road  
 Hilliard, FL.

DATE: April 17, 2003

ATTN: Butch Hartman

TERMS: Net 10 Days  
*This offer to sell is made subject to buyer's acceptance within ten (10) days from this date. All quoted prices are subject to change without notice and those in effect on the date of shipment shall prevail.*

APPROX. DELIVERY DATE: Will Advise

QTY	DESCRIPTION OF EQUIPMENT
1	<p><b>NEW GRADALL XL3100 HYDRAULIC EXCAVATOR WITH TELESTICK, A/C, LIGHTS, SEAT BELT, AUXILIARY HYDRAULICS W/ 4-LINE HOSE TROUGH, REAR TOW HOOKS, 60" DITCHING BUCKET, CUMMINS 190HP ENGINE, 1500X22.5 FRONT DISC WHEELS, 1000X20 14-PLY REAR DISC WHEELS, WINDSHIELD WIPER/WASHER, CARRIER-XL3100 REMOTE CONTROL 4X4,</b></p> <p><b>Warranty: Three year / 4500 hour full machine warranty. All parts and labor will be performed by Ring Power Corp. Deductible of \$200.00 per warranty claim applies for the extended warranty period (After the first twelve months or 1500 hours). If the usage is more than 4500 hours prior to 36 months then all repairs after that period will be the responsibility of Nassau County.</b></p> <p><b>RPC will provide a comparable loaner machine if repairs require more than 72 hours.</b></p> <p><b>Nassau County will provide all scheduled maintenance, all daily / weekly maintenance and scheduled oil samples. Nassau County is also responsible for all wear items (i.e., tires, cutting edges, etc) and any damages beyond normal wear.</b></p> <p><b>Terms: Three year / 4500 hour lease with Ring Power Corporation.</b></p> <p><b>Payment: \$5,300.00 per month for 36 months or 4500 hours. If the usage is more than 4500 hours prior to 36 months then excess hours will be charged at \$30.00 per hour.</b></p>

Accepted By:  
 Date:

5-15-03

Sales Representative: Sean McKillip

Above Prices Are F.O.B. Jacksonville, FL  
 Florida State Sales Tax To Apply If Applicable  
 RING POWER CORPORATION  
 By:   
 Pat O'Brien, VP, Asst. Sales Manager

**RINGPOWER CORPORATION**

**GOVERNMENTAL LEASE-PURCHASE AGREEMENT**

Dated as of \_\_\_\_\_

LESSEE: Nassau County BOCC

LESSOR: **RINGPOWER CORPORATION**

“A political agency or subdivision of the state of Florida”  
ADDRESS: P.O. Box 4000  
Fernandina Beach, Florida 32035

ADDRESS:

Lessor, in reliance on Lessee’s selection of the equipment described below (“Unit” or “Units”), agrees to acquire, lease, let and sell the Units to Lessee, and Lessee agrees to rent, lease, hire and purchase the Units from Lessor.

**Description of Unit(s)**

**Serial#**

(1) Gradall XL3100 Excavator  
See attached Quotation #XL3100-041703, dated 4/17/03 for specifications

To be supplied at the time of delivery

**Location of Unit(s):** Nassau County Road Department, Nassau County, Florida

**Payment Schedule attached.** Lease Term: 36Months

**PAYMENT PROVISION:**

Lessee shall pay to Lessor payments (including the principal and interest portion) in 36 consecutive monthly installments of \$5,300.00 commencing at the time of delivery

**ADDITIONAL PROVISIONS:** Per the attached Quotation #XL3100-041703 dated 4/17/03, the machine has full warranty for 36 months/4500 hours with all parts and labor to be supplied by Ring Power Corporation. A deductible of \$200.00 will be charged for repairs after the original warranty period. (The original warranty period is 12 months or 1500 hours).

Nassau County is responsible for all scheduled maintenance, all daily/weekly maintenance and scheduled oil samples. Nassau County is responsible for all wear items (tires, bucket teeth, etc.) and any damages beyond normal wear.

RPC will provide a comparable loaner machine if repairs require more than 72 hours.

The lease period is for 36 months or 4500 hours. Should the machine be used more than 4500 hours prior to 36 months then excess hours will be charged at \$30.00 per hour and all repairs after that period will be the responsibility of Nassau County. The machine will be returned to Ring Power at the end of the lease period in a condition in accordance with the Lease Return Condition Agreement (attached).

**TERMS AND CONDITIONS**

**1. LEASE TERM; NON-APPROPRIATIONS:** The Lease term for each Unit shall commence on its “Delivery Date” (which is the later of the date on which (a) Lessor executes this Lease, (b) Lessee or its agent receives possession or takes control of the Unit) and shall continue through the last day of Lessee’s fiscal year in which the Delivery Date occurs and, thereafter, shall covenant to budget and appropriate the funds. Within seven days following the Delivery Date of each Unit, Lessee shall execute and deliver to Lessor a Delivery Supplement using Lessor’s standard form. In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year for payments due under this Lease, Lessee will immediately notify Lessor of such occurrence and this Lease shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to Lessee, except as to the portions of payments herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available. Notwithstanding the foregoing, Lessee agrees that, to the extent permitted by law, it will not cancel the Lease under the provisions of this Section 1 if any funds are appropriated to it or by it for the acquisition, retention or operation of the Units or other equipment performing functions similar to the Units for the fiscal year in which termination occurs or the next succeeding fiscal year.

**2. PAYMENTS; NET LEASE:** During the Lease term, Lessee shall pay to Lessor, rent for each Unit as stated in the attached Payment Schedule and according to the above Payment Provision. An amount equal to one payment for all of the Units must accompany this Lease. If Lessor accepts and executes this Lease, said amount shall be applied to the first payment due. If Lessor does not execute this Lease, said amount will be returned to Lessee. If Lessor does not receive a payment on the date it is due, Lessee shall pay to Lessor, on demand, interest at the rate of six percent (6%) per annum, simple, on the late payment. This Lease is a net lease, and Lessee shall not be entitled to any abatement or reduction of payment or any setoff against payment, whether arising by reason of any past, present or future claims of any nature by Lessee against Lessor. Except as otherwise expressly provided herein, the obligations of Lessor and Lessee shall not be affected by any defect in, damage to, loss of possession or use of any Unit, however caused, by the attachment of any lien or other claim to any Unit, by any interference with Lessee’s use of the Unit, for any cause, other than Lessor’s failure to satisfy Lessor’s Total Maintenance & Repair obligations under this Lease, whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding.

3. **DISCLAIMER OF WARRANTIES:** Lessee acknowledges and agrees that Lessor is not the manufacturer of the Unit(s) and that Lessee has selected each Unit based on Lessee's own judgment without any reliance whatsoever on any statements or representations made by Lessor. AS BETWEEN LESSOR AND LESSEE, THE UNIT(S) ARE PROVIDED "AS IS" WITHOUT ANY WARRANTIES OF ANY KIND. LESSOR HEREBY EXPRESSLY DISCLAIMS a) ALL WARRANTIES OF MERCHANTABILITY, b) ALL WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, AND c) ALL WARRANTIES AGAINST INFRINGEMENT OR THE LIKE. Lessor assigns to Lessee its interest in any of the manufacturer's warranties on the Unit(s).

4. **POSSESSION, USE AND MAINTENANCE:** Lessee shall not (a) use, operate, maintain or store any Unit improperly, carelessly, unsafely or in violation of any applicable law or regulation or for any purpose other than in the conduct of Lessee's business; (b) abandon any Unit; (c) sublease any Unit, permit the use of any Unit by anyone other than Lessee, change the use of any Unit from that specified in the attached Application Survey/Usage Rider, or change the location of any Unit from that specified above, without the prior written consent of Lessor, or (d) sell, assign or transfer, or directly or indirectly create or suffer to exist any lien, claim, security interest or encumbrance on any of its rights hereunder or in any Unit. The Units are and shall remain personal property irrespective of their use or manner of attachment to realty. Upon prior notice to Lessee, Lessor or its agent shall have the right (but not the obligation) at all reasonable times to inspect any Unit and maintenance records relating thereto. Lessee shall not alter any Unit or affix any accessory or equipment to any Unit if such alteration or addition would impair the originally intended function or use or reduce the value of such Unit. Any alteration or addition to any Unit shall be the responsibility of and at the sole risk of Lessee. If Lessor supplies Lessee with labels stating that the unit is leased from Lessor, Lessee shall affix and keep them in a prominent place on the Unit. The Lessee is responsible for daily fluid top-offs, vandalism, fire & theft, operator abuse and acts of nature.

5. **LESSEE'S REPRESENTATION AND WARRANTIES:** Lessee represents and warrants to Lessor that (a) Lessee is a fully constituted political subdivision or agency duly organized and existing under the Constitution and laws of the state where the Units will be located; (b) Lessee has the power to enter into and perform this Lease and has taken all necessary and appropriate action to authorize the execution, delivery and performance hereof; (c) this Lease constitutes a valid and legally binding and enforceable obligation of Lessee; and (d) Lessee has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal year and reasonably believes that funds can be obtained sufficient to make all payments during the term of this Lease. Lessee represents that the use of the Units is essential to Lessee's proper, efficient and economic operation. Lessee acknowledges and agrees that the payments have been calculated by Lessor assuming that the interest portion of each payment is excludable from gross income for Federal income taxation purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and if it is determined that the interest payable by Lessee is not exempt from Federal Income tax the interest rate will be adjusted to 10% per annum retroactive to the delivery date. Lessee represents, warrants and covenants that: (a) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, as the same may be amended from time to time, and such compliance shall include but not be limited to the execution of information statements requested by Lessor; (b) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the Lease to be an arbitrage bond within the meaning of Section 148(a) of the Code; (c) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow this Lease to be a private activity bond within the meaning of Section 141(a) of the Code; (e) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the interest portion of the payments to be or become includable in gross income for Federal income taxation purposes under the Code; and (f) Lessee will be the exclusive owner, user and operator of the Units.

6. **TAXES:** Lessee agrees to promptly pay or reimburse Lessor for all fees and taxes of any nature, together with any penalties, fines or additions to tax, or interest thereon (all of the foregoing hereafter the "Impositions"), arising at any time prior to, during or subsequent to and associated with, the Lease term and levied by Nassau County Florida with respect to or in connection with any Unit, excluding, however, taxes measured by Lessor's net income (of but not excluding any net income taxes which, by the term of the statute imposing such tax, expressly relieve Lessee or Lessor from the payment of any Impositions which Lessee would otherwise be obligated to pay or reimburse). If Lessor is not entitled to a corresponding and equal deduction with respect to any Imposition which Lessee is required to pay or reimburse and such payment or reimbursement constitutes income to Lessor, then Lessee shall also pay to Lessor the amount of any Impositions which Lessor is obligated to pay in respect of (a) such payment or reimbursement by Lessee and (b) any payment by Lessee made pursuant to this sentence. Lessee shall prepare and file, in a manner satisfactory to Lessor, any reports or returns which may be required with respect to the Units. For purposes of this Section, "Lessor" shall include any affiliated group, within the meaning of Section 1504 of the Code, of which Lessor is a member for any year in which a consolidated or combined income tax return is filed for the affiliated group.

7. **LOSS OR DAMAGE; INSURANCE:** Lessee assumes all risks and liabilities of loss, damage or Casualty Occurrence (as hereinafter defined) for any cause whatsoever, for condemnation of any Unit prior to, during or subsequent to and associated with, (until the Unit is returned to Lessor pursuant to Section 10) the Lease term. Subject to the limitations of Section 768.28, Florida Statutes, Lessee shall be responsible for injury to or death of any person or damage to any property arising out of or incident to Lessee's possession, use, operation, condition or storage of the Unit. If any Unit becomes damaged, from any cause whatsoever, Lessee shall give Lessor prompt notice thereof. If Lessor reasonably determines that such damage is not irreparable, then Lessee shall, at its expense, promptly restore the Unit to the condition required by Section 4 above, unless that damage was caused by Lessor, in which event, Lessor shall, at its expense, promptly restore the Unit to the condition required by Section 4 above. If any Unit becomes worn out, lost, stolen, destroyed or irreparably damaged (as reasonably determined by Lessor) from any cause whatsoever other than acts of Lessor, or taken by condemnation or otherwise (any such occurrence herein referred to as a "Casualty Occurrence") prior to, during or subsequent to (until the Unit is returned to Lessor pursuant to Section 10) the Lease term, Lessee shall give Lessor prompt notice thereof. In the event of a Casualty Occurrence, Lessee shall pay to Lessor, on the earlier of (a) the first payment date following such Casualty Occurrence or (b) thirty (30) days following such Casualty Occurrence, a sum (the "Termination Value") equal to (a) the "Beginning Balance" (as specified in the attached Payment Schedule) as of the next payment due following such Casualty Occurrence, plus (b) the amount of the interest portion (as specified in the Payment Schedule) of the next payment due following such Casualty Occurrence multiplied times a fraction the numerator of which is the number of days from the later of (a) the Delivery Date of the Unit or (b) the due date of the payment immediately preceding such Casualty Occurrence until the due date of the payment due hereunder in respect of such Casualty Occurrence and the denominator of which is 360. Lessee, at its expense, shall keep each Unit insured against all risks for not less than the applicable Beginning Balance with respect to such Unit and shall maintain comprehensive public liability insurance covering each Unit for not less than \$1,000,000 for combined coverage for bodily injury and property damage. All insurance shall (a) be in a form and with such companies as Lessor shall approve, (b) specify Lessor (or its designee) as their interest may appear as Additional Insured (as allowed under Section 768.28, Florida Statutes), (c) be primary, without right of contribution from any other insurance carried by Lessor, (d) provide that such insurance may not be cancelled or altered so as to affect the interest of Lessor without at least thirty (30) days' prior written notice to Lessor, and (e) name Lessor (or its designee) as loss payee. Lessee agrees to notify Lessor of any occurrence which may become the basis of an insurance claim hereunder and not to make any adjustments with insurers without Lessor's prior written consent. Prior to the first Delivery Date of any Unit, Lessee shall deliver to Lessor satisfactory evidence of such insurance coverage.

8. **WAIVER AND INDEMNITY: WITHOUT WAIVING ITS SOVEREIGN IMMUNITY AND SUBJECT TO THE LIMITATIONS OF SECTION 768.28, FLORIDA STATUTES, LESSEE HEREBY AGREES TO RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS LESSOR, ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND ASSIGNS FROM AND AGAINST ANY CLAIMS FOR PERSONAL INJURY AND PROPERTY DAMAGE ARISING OUT OF, CAUSED BY, OR RELATING TO USE AND OPERATION OF A UNIT BY LESSEE. UNDER NO CONDITION OR CAUSE OF ACTION SHALL LESSOR BE LIABLE TO LESSEE FOR ANY LOSS OF ACTUAL OR ANTICIPATED BUSINESS OR PROFITS OR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES.**

9. **EVENTS OF DEFAULT; REMEDIES:** Each of the following shall constitute an "Event of Default" hereunder: (a) Lessee shall fail to make any payment to Lessor when due; (b) any representation or warranty of Lessee contained herein or in any document furnished to Lessor in connection herewith shall be incorrect or misleading when made; (c) Lessee shall fail to observe or perform any other covenant, agreement or warranty made by Lessee hereunder and such failure shall continue for ten (10) days after written notice thereof to Lessee; (d) Lessee shall fail to make any payment on its bonded indebtedness when due; or (e) there shall be a default by Lessee under any other agreement between Lessor and Lessee. If any Event of Default shall occur, Lessor, at its option, may (a) proceed by appropriate court action(s) to enforce this Lease or to recover damages for the breach thereof; (b) by notice in writing to Lessee, terminate this Lease, and require Lessee to return the Units as provided in Section 10 of this Lease and demand payment from Lessee of any and all amounts then due under this Lease or which may have accrued to the date of termination. In any litigation arising out of this Lease, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in enforcing this Lease. The remedies herein provided shall be cumulative and in addition to all other remedies at law or in equity; provided, however, Lessor shall not be entitled to recover a greater amount in damages than Lessor could have gained through Lessee's full, timely and complete performance under this Lease, plus all fees, costs and expenses incurred by Lessor in enforcing this Lease and all interest charges pursuant to Section 2. If Lessee fails to perform any of its obligations under this Lease, Lessor may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessee upon demand. If Lessor fails to perform any of its obligations under this Lease, Lessee may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessor upon demand.

10. **RETURN OF UNIT:** Upon any termination of the term of this Lease with respect to each Unit or if Lessor shall rightfully demand possession of any Unit, Lessee, at its expense, shall forthwith deliver the unit to Lessor, appropriately protected and in the condition required by Section 4, at the option of Lessor, to the premises of the nearest RingPower Corporation location, or on board such carrier as Lessor shall specify and shipping the same, freight collect, to the destination designated by Lessor. If the Unit is not in the condition required by Section 4, Lessee shall pay to Lessor, on demand, all costs and expenses incurred by Lessor to bring the Unit into said condition other than those costs covered by Lessor's Total Maintenance & Repair obligation.

11. **REPORT TO IRS:** Lessee will report this Lease to the Internal Revenue Service by filing Form 8038-G, 8038-GC or 8038 whichever is applicable. Failure to do so will cause the Lease to lose its tax exempt status. Lessee agrees that if the appropriate form is not filed, the interest rate will be adjusted to an equivalent taxable interest rate.

12. **TITLE, SECURITY INTEREST AND FURTHER ASSURANCES:** Provided (a) Lessee has accepted each Unit on its delivery date; (b) no Event of Default exists as of the Delivery Date of the Unit, title to each Unit shall vest in Lessee on the Delivery Date of the Unit, provided, however, that in the event (i) this Lease is terminated pursuant to Section 1 hereof, or (ii) an Event of Default has occurred and is continuing, title to the Unit shall immediately revert in Lessor, free of any right, title and interest of Lessee, unless Lessor elects otherwise in writing.

13. **ASSIGNMENT; COUNTERPARTS:** Without the prior written consent of Lessor, no assignment of this Lease or any right or obligation hereunder may be made by Lessee or any assignee of Lessee. Lessor may not assign its right, title and interest in and to this Lease and the Units and/or grant or assign a security interest in this Lease and the Units, in whole or in part. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by RingPower Corporation on the signature page thereof as the original will constitute original chattel paper.

14. **EFFECT OF WAIVER:** No delay or omission to exercise any right or remedy accruing to Lessor hereunder shall impair any such right or remedy nor shall it be construed to be a waiver of any breach or default of Lessee. Any waiver or consent by Lessor under this Lease must be in writing specifically set forth. This Lease completely states the rights of Lessor and Lessee with respect to the Units and supersedes all prior agreements with respect thereto. Time is of the essence of this Lease. No variation or modification of this Lease shall be valid unless in writing and signed by the authorized representatives of Lessor and Lessee. All notices hereunder shall be in writing, addressed to each party at the address set forth on the front of this Lease or at such other address as may be furnished in writing. If any provision of this Lease shall be invalid under any applicable law, such provision shall be deemed omitted but the remaining provisions shall be given effect. All obligation of Lessee under this Lease shall survive the expiration or termination of this Lease to the extent required for their full observance and performance.

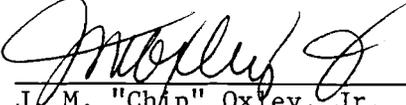
15. **GENERAL:** This Lease shall be governed by and construed under the laws of the State where the Units are located.

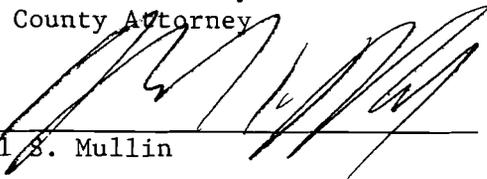
**LESSEE ACKNOWLEDGES HAVING RECEIVED A FULLY COMPLETED AND EXECUTED COPY OF THIS AGREEMENT**

Lessee: Nassau County BOCC  
By   
Name (PRINT) Vickie Samus  
Title Chairman  
Date: May 14, 2003

Lessor: RINGPOWER CORPORATION  
By \_\_\_\_\_  
Name (PRINT) \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

ATTEST:

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

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

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

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

1 Issuer's name \_\_\_\_\_ 2 Issuer's employer identification number \_\_\_\_\_

3 Number and street (or P.O. box if mail is not delivered to street address) \_\_\_\_\_ Room/suite \_\_\_\_\_ 4 Report number \_\_\_\_\_  
G -

5 City, town, or post office, state, and ZIP code \_\_\_\_\_ 6 Date of issue \_\_\_\_\_

7 Name of issue \_\_\_\_\_ 8 CUSIP number \_\_\_\_\_  
**Ringhaver Equipment Company Governmental Lease Purchase Agreement**

9 Name and title of officer or legal representative whom the IRS may call for more information \_\_\_\_\_ 10 Telephone number of officer or legal representative \_\_\_\_\_  
( )

**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 type="checkbox"/> Public safety	14
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 <input type="checkbox"/> _____	18

19 If obligations are TANs or RANs, check box  If obligations are BANs, check box

20 If obligations are in the form of a lease or installment sale, check box

**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	\$ _____	\$ _____	_____ years	% _____

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

22 Proceeds used for accrued interest	22
23 Issue price of entire issue (enter amount from line 21, column (b))	23
24 Proceeds used for bond issuance costs (including underwriters' discount)	24
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
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30

**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

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

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  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)(ii) (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.

**Please Sign Here**

Signature of issuer's authorized representative \_\_\_\_\_ Date \_\_\_\_\_ Type or print name and title \_\_\_\_\_



**RING POWER CORPORATION**  
**Lease Return Condition Agreement**

This agreement is between Nassau County BOCC (Lessee) and Ring Power Corporation (Lessor), with regards to the following unit Gradall XL3100, S/N \_\_\_\_\_ which is being leased by the Lessee.

The Lessee agrees that each unit, upon its return, shall:

1. Be in sound mechanical shape and, if mobile, shall be in good working order under full payload.
2. Have tires in safe and operable condition with a minimum of forty percent (40%) life remaining  
OR  
Have a minimum of forty percent (40%) life remaining on all undercarriage components including track shoes, links, pins and bushings, idlers, bogies, sprockets, carrier rollers and track rollers.
3. Have no missing sheet metal and any damage to sheet metal or glass shall not exceed \$1,500.00; and
4. Have no structural damage to the frame.

The condition of each unit shall be determined by an inspection report done prior to its return to be provided by Lessor. In lieu of returning a unit in the condition specified above, Lessee shall reimburse Lessor for the cost to restore the unit to such condition.

Nassau County BOCC \_\_\_\_\_ (Lessee)

Ring Power Corporation

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

Name (Print): Vickie Samus

Name (Print): \_\_\_\_\_

Title: Chairman

Title: \_\_\_\_\_

Date: 5-15-03

Date: \_\_\_\_\_

**DELIVERY SUPPLEMENT**

This pertains to the Lease, dated as of \_\_\_\_\_, between **Ring Power Corporation** as Lessor and Nassau County BOCC as Lessee.

This confirms that the Lessee physically received the following Unit(s) on the possession date below. As of the date of signature of this form, (i) the Unit(s) are in all respects satisfactory to Lessee for leasing under the Lease, and (ii) Lessor has performed all of its obligations under the Lease.

**Description of Unit(s)**

**Location**

(1) Gradall XL3100

Nassau County Road Dept.

Possession Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name (PRINT) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_



**GROVE**  
**GRADALL**  
A JLG COMPANY

JACKSONVILLE: 8050 Philips Hwy  
OCALA: 6200 North US 301/441  
TALLAHASSEE: 4760 Capital Circle NW  
PERRY: 2920 S. Byron Butler Pkwy  
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MAIL ADDRESS: P.O. BOX 45022 , JACKSONVILLE, FLORIDA 32232

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**QUOTATION #: XL3100-041703**

TO: Nassau County Road Dept.  
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Hilliard, FL.

DATE: April 17, 2003

ATTN: Butch Hartman

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APPROX. DELIVERY DATE: Will Advise

QTY	DESCRIPTION OF EQUIPMENT
1	<p><b>NEW GRADALL XL3100 HYDRAULIC EXCAVATOR WITH TELESTICK, A/C, LIGHTS, SEAT BELT, AUXILIARY HYDRAULICS W/ 4-LINE HOSE TROUGH, REAR TOW HOOKS, 60" DITCHING BUCKET, CUMMINS 190HP ENGINE, 1500X22.5 FRONT DISC WHEELS, 1000X20 14-PLY REAR DISC WHEELS, WINDSHIELD WIPER/WASHER, CARRIER-XL3100 REMOTE CONTROL 4X4,</b></p> <p><b>Warranty: Three year / 4500 hour full machine warranty. All parts and labor will be performed by Ring Power Corp. Deductible of \$200.00 per warranty claim applies for the extended warranty period (After the first twelve months or 1500 hours). If the usage is more than 4500 hours prior to 36 months then all repairs after that period will be the responsibility of Nassau County.</b></p> <p><b>RPC will provide a comparable loaner machine if repairs require more than 72 hours.</b></p> <p><b>Nassau County will provide all scheduled maintenance, all daily / weekly maintenance and scheduled oil samples. Nassau County is also responsible for all wear items (i.e., tires, cutting edges, etc) and any damages beyond normal wear.</b></p> <p><b>Terms: Three year / 4500 hour lease with Ring Power Corporation.</b></p> <p><b>Payment: \$5,300.00 per month for 36 months or 4500 hours. If the usage is more than 4500 hours prior to 36 months then excess hours will be charged at \$30.00 per hour.</b></p>

Accepted By:  
Date:

5-15-03

Sales Representative: Sean McKillip

Above Prices Are F.O.B. Jacksonville, FL  
Florida State Sales Tax To Apply If Applicable  
RING POWER CORPORATION  
By:   
Pat O'Brien, VP, Asst. Sales Manager

**RINGPOWER CORPORATION**

**GOVERNMENTAL LEASE-PURCHASE AGREEMENT**

Dated as of \_\_\_\_\_

LESSEE: Nassau County BOCC

LESSOR: **RINGPOWER CORPORATION**

"A political agency or subdivision of the state of Florida"

ADDRESS: P.O. Box 4000  
Fernandina Beach, Florida 32035

ADDRESS:

Lessor, in reliance on Lessee's selection of the equipment described below ("Unit" or "Units"), agrees to acquire, lease, let and sell the Units to Lessee, and Lessee agrees to rent, lease, hire and purchase the Units from Lessor.

**Description of Unit(s)**

**Serial#**

(1) Gradall XL3100 Excavator  
See attached Quotation #XL3100-041703, dated 4/17/03 for specifications

To be supplied at the time of delivery

**Location of Unit(s):** Nassau County Road Department, Nassau County, Florida

**Payment Schedule attached.**

Lease Term: 36Months

**PAYMENT PROVISION:**

Lessee shall pay to Lessor payments (including the principal and interest portion) in 36 consecutive monthly installments of \$5,300.00 commencing at the time of delivery

**ADDITIONAL PROVISIONS: Per the attached Quotation #XL3100-041703 dated 4/17/03, the machine has full warranty for 36 months/4500 hours with all parts and labor to be supplied by Ring Power Corporation. A deductible of \$200.00 will be charged for repairs after the original warranty period. (The original warranty period is 12 months or 1500 hours).**

**Nassau County is responsible for all scheduled maintenance, all daily/weekly maintenance and scheduled oil samples. Nassau County is responsible for all wear items (tires, bucket teeth, etc.) and any damages beyond normal wear.**

**RPC will provide a comparable loaner machine if repairs require more than 72 hours.**

**The lease period is for 36 months or 4500 hours. Should the machine be used more than 4500 hours prior to 36 months then excess hours will be charged at \$30.00 per hour and all repairs after that period will be the responsibility of Nassau County. The machine will be returned to Ring Power at the end of the lease period in a condition in accordance with the Lease Return Condition Agreement (attached).**

**TERMS AND CONDITIONS**

**1. LEASE TERM; NON-APPROPRIATIONS:** The Lease term for each Unit shall commence on its "Delivery Date" (which is the later of the date on which (a) Lessor executes this Lease, (b) Lessee or its agent receives possession or takes control of the Unit) and shall continue through the last day of Lessee's fiscal year in which the Delivery Date occurs and, thereafter, shall covenant to budget and appropriate the funds. Within seven days following the Delivery Date of each Unit, Lessee shall execute and deliver to Lessor a Delivery Supplement using Lessor's standard form. In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year for payments due under this Lease, Lessee will immediately notify Lessor of such occurrence and this Lease shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to Lessee, except as to the portions of payments herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available. Notwithstanding the foregoing, Lessee agrees that, to the extent permitted by law, it will not cancel the Lease under the provisions of this Section 1 if any funds are appropriated to it or by it for the acquisition, retention or operation of the Units or other equipment performing functions similar to the Units for the fiscal year in which termination occurs or the next succeeding fiscal year.

**2. PAYMENTS; NET LEASE:** During the Lease term, Lessee shall pay to Lessor, rent for each Unit as stated in the attached Payment Schedule and according to the above Payment Provision. An amount equal to one payment for all of the Units must accompany this Lease. If Lessor accepts and executes this Lease, said amount shall be applied to the first payment due. If Lessor does not execute this Lease, said amount will be returned to Lessee. If Lessor does not receive a payment on the date it is due, Lessee shall pay to Lessor, on demand, interest at the rate of six percent (6%) per annum, simple, on the late payment. This Lease is a net lease, and Lessee shall not be entitled to any abatement or reduction of payment or any setoff against payment, whether arising by reason of any past, present or future claims of any nature by Lessee against Lessor. Except as otherwise expressly provided herein, the obligations of Lessor and Lessee shall not be affected by any defect in, damage to, loss of possession or use of any Unit, however caused, by the attachment of any lien or other claim to any Unit, by any interference with Lessee's use of the Unit, for any cause, other than Lessor's failure to satisfy Lessor's Total Maintenance & Repair obligations under this Lease, whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding.

**3. DISCLAIMER OF WARRANTIES:** Lessee acknowledges and agrees that Lessor is not the manufacturer of the Unit(s) and that Lessee has selected each Unit based on Lessee's own judgment without any reliance whatsoever on any statements or representations made by Lessor. **AS BETWEEN LESSOR AND LESSEE, THE UNIT(S) ARE PROVIDED "AS IS" WITHOUT ANY WARRANTIES OF ANY KIND. LESSOR HEREBY EXPRESSLY DISCLAIMS a) ALL WARRANTIES OF MERCHANTABILITY, b) ALL WARRANTIES OF FITNESS FOR A PARTICULAR**

PURPOSE, AND c) ALL WARRANTIES AGAINST INFRINGEMENT OR THE LIKE. Lessor assigns to Lessee its interest in any of the manufacturer's warranties on the Unit(s).

**4. POSSESSION, USE AND MAINTENANCE:** Lessee shall not (a) use, operate, maintain or store any Unit improperly, carelessly, unsafely or in violation of any applicable law or regulation or for any purpose other than in the conduct of Lessee's business; (b) abandon any Unit; (c) sublease any Unit, permit the use of any Unit by anyone other than Lessee, change the use of any Unit from that specified in the attached Application Survey/Usage Rider, or change the location of any Unit from that specified above, without the prior written consent of Lessor, or (d) sell, assign or transfer, or directly or indirectly create or suffer to exist any lien, claim, security interest or encumbrance on any of its rights hereunder or in any Unit. The Units are and shall remain personal property irrespective of their use or manner of attachment to realty. Upon prior notice to Lessee, Lessor or its agent shall have the right (but not the obligation) at all reasonable times to inspect any Unit and maintenance records relating thereto.

1 of 3

Lessee shall not alter any Unit or affix any accessory or equipment to any Unit if such alteration or addition would impair the originally intended function or use or reduce the value of such Unit. Any alteration or addition to any Unit shall be the responsibility of and at the sole risk of Lessee. If Lessor supplies Lessee with labels stating that the unit is leased from Lessor, Lessee shall affix and keep them in a prominent place on the Unit. The Lessee is responsible for daily fluid top-offs, vandalism, fire & theft, operator abuse and acts of nature.

**5. LESSEE'S REPRESENTATION AND WARRANTIES:** Lessee represents and warrants to Lessor that (a) Lessee is a fully constituted political subdivision or agency duly organized and existing under the Constitution and laws of the state where the Units will be located; (b) Lessee has the power to enter into and perform this Lease and has taken all necessary and appropriate action to authorize the execution, delivery and performance hereof; (c) this Lease constitutes a valid and legally binding and enforceable obligation of Lessee; and (d) Lessee has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal year and reasonably believes that funds can be obtained sufficient to make all payments during the term of this Lease. Lessee represents that the use of the Units is essential to Lessee's proper, efficient and economic operation. Lessee acknowledges and agrees that the payments have been calculated by Lessor assuming that the interest portion of each payment is excludable from gross income for Federal income taxation purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and if it is determined that the interest payable by Lessee is not exempt from Federal Income tax the interest rate will be adjusted to 10% per annum retroactive to the delivery date. Lessee represents, warrants and covenants that: (a) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, as the same may be amended from time to time, and such compliance shall include but not be limited to the execution of information statements requested by Lessor; (b) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the Lease to be an arbitrage bond within the meaning of Section 148(a) of the Code; (c) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow this Lease to be a private activity bond within the meaning of Section 141(a) of the Code; (e) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the interest portion of the payments to be or become includable in gross income for Federal income taxation purposes under the Code; and (f) Lessee will be the exclusive owner, user and operator of the Units.

**6. TAXES:** Lessee agrees to promptly pay or reimburse Lessor for all fees and taxes of any nature, together with any penalties, fines or additions to tax, or interest thereon (all of the foregoing hereafter the "Impositions"), arising at any time prior to, during or subsequent to and associated with, the Lease term and levied by Nassau County Florida with respect to or in connection with any Unit, excluding, however, taxes measured by Lessor's net income (of but not excluding any net income taxes which, by the term of the statute imposing such tax, expressly relieve Lessee or Lessor from the payment of any Impositions which Lessee would otherwise be obligated to pay or reimburse). If Lessor is not entitled to a corresponding and equal deduction with respect to any Imposition which Lessee is required to pay or reimburse and such payment or reimbursement constitutes income to Lessor, then Lessee shall also pay to Lessor the amount of any Impositions which Lessor is obligated to pay in respect of (a) such payment or reimbursement by Lessee and (b) any payment by Lessee made pursuant to this sentence. Lessee shall prepare and file, in a manner satisfactory to Lessor, any reports or returns which may be required with respect to the Units. For purposes of this Section, "Lessor" shall include any affiliated group, within the meaning of Section 1504 of the Code, of which Lessor is a member for any year in which a consolidated or combined income tax return is filed for the affiliated group.

**7. LOSS OR DAMAGE; INSURANCE:** Lessee assumes all risks and liabilities of loss, damage or Casualty Occurrence (as hereinafter defined) for any cause whatsoever, for condemnation of any Unit prior to, during or subsequent to and associated with, (until the Unit is returned to Lessor pursuant to Section 10) the Lease term. Subject to the limitations of Section 768.28, Florida Statutes, Lessee shall be responsible for injury to or death of any person or damage to any property arising out of or incident to Lessee's possession, use, operation, condition or storage of the Unit. If any Unit becomes damaged, from any cause whatsoever, Lessee shall give Lessor prompt notice thereof. If Lessor reasonably determines that such damage is not irreparable, then Lessee shall, at its expense, promptly restore the Unit to the condition required by Section 4 above, unless that damage was caused by Lessor, in which event, Lessor shall, at its expense, promptly restore the Unit to the condition required by Section 4 above. If any Unit becomes worn out, lost, stolen, destroyed or irreparably damaged (as reasonably determined by Lessor) from any cause whatsoever other than acts of Lessor, or taken by condemnation or otherwise (any such occurrence herein referred to as a "Casualty Occurrence") prior to, during or subsequent to (until the Unit is returned to Lessor pursuant to Section 10) the Lease term, Lessee shall give Lessor prompt notice thereof. In the event of a Casualty Occurrence, Lessee shall pay to Lessor, on the earlier of (a) the first payment date following such Casualty Occurrence or (b) thirty (30) days following such Casualty Occurrence, a sum (the "Termination Value") equal to (a) the "Beginning Balance" (as specified in the attached Payment Schedule) as of the next payment due following such Casualty Occurrence, plus (b) the amount of the interest portion (as specified in the Payment Schedule) of the next payment due following such Casualty Occurrence multiplied times a fraction the numerator of which is the number of days from the later of (a) the Delivery Date of the Unit or (b) the due date of the payment immediately preceding such Casualty Occurrence until the due date of the payment due hereunder in respect of such Casualty Occurrence and the denominator of which is 360. Lessee, at its expense, shall keep each Unit insured against all risks for not less than the applicable Beginning Balance with respect to such Unit and shall maintain comprehensive public liability insurance covering each Unit for not less than \$1,000,000 for combined coverage for bodily injury and property damage. All insurance shall (a) be in a form and with such companies as Lessor shall approve, (b) specify Lessor (or its designee) as their interest may appear as Additional Insured (as allowed under Section 768.28, Florida Statutes), (c) be primary, without right of contribution from any other insurance carried by Lessor, (d) provide that such insurance may not be cancelled or altered so as to affect the interest of Lessor without at least thirty (30) days' prior written notice to Lessor, and (e) name Lessor (or its designee) as loss payee. Lessee agrees to notify Lessor of any occurrence which may become the basis of an insurance claim hereunder and not to make any adjustments with insurers without Lessor's prior written consent. Prior to the first Delivery Date of any Unit, Lessee shall deliver to Lessor satisfactory evidence of such insurance coverage.

**8. WAIVER AND INDEMNITY: WITHOUT WAIVING ITS SOVEREIGN IMMUNITY AND SUBJECT TO THE LIMITATIONS OF SECTION 768.28, FLORIDA STATUTES, LESSEE HEREBY AGREES TO RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS LESSOR, ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND ASSIGNS FROM AND AGAINST ANY CLAIMS FOR PERSONAL INJURY AND PROPERTY DAMAGE ARISING OUT OF, CAUSED BY, OR RELATING TO USE AND OPERATION OF A UNIT BY LESSEE. UNDER NO CONDITION OR CAUSE OF ACTION SHALL LESSOR BE LIABLE TO LESSEE FOR ANY LOSS OF ACTUAL OR ANTICIPATED BUSINESS OR PROFITS OR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES.**

**9. EVENTS OF DEFAULT; REMEDIES:** Each of the following shall constitute an "Event of Default" hereunder: (a) Lessee shall fail to make any payment to Lessor when due; (b) any representation or warranty of Lessee contained herein or in any document furnished to Lessor in connection herewith shall be incorrect or misleading when made; (c) Lessee shall fail to observe or perform any other covenant, agreement or warranty made by Lessee hereunder and such failure shall continue for ten (10) days after written notice thereof to Lessee; (d) Lessee shall fail to make any payment on its bonded indebtedness when due; or (e) there shall be a default by Lessee under any other agreement between Lessor and Lessee. If any Event of Default shall occur, Lessor, at its option, may (a) proceed by appropriate court action(s) to enforce this Lease or to recover damages for the breach thereof; (b) by notice in writing to Lessee, terminate this Lease, and require Lessee to return the Units as provided in Section 10 of this Lease and demand payment from Lessee of any and all amounts then due under this Lease or which may have accrued to the date of termination. In any litigation arising out of this Lease, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in enforcing this Lease. The remedies herein provided shall be cumulative and in addition to all other remedies at law or in equity; provided, however, Lessor shall not be entitled to recover a greater amount in damages than Lessor could have gained through Lessee's full, timely and complete performance under this Lease, plus all fees, costs and expenses incurred by Lessor in enforcing this Lease and all interest charges pursuant to Section 2. If Lessee fails to perform any of its obligations under this Lease, Lessor may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessee upon demand. If Lessor fails to perform any of its obligations under this Lease, Lessee may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessor upon demand.

**10. RETURN OF UNIT:** Upon any termination of the term of this Lease with respect to each Unit or if Lessor shall rightfully demand possession of any Unit, Lessee, at its expense, shall forthwith deliver the unit to Lessor, appropriately protected and in the condition required by Section 4, at the option of Lessor, to the premises of the nearest RingPower Corporation location, or on board such carrier as Lessor shall specify and shipping the same, freight collect, to the destination designated by Lessor. If the Unit is not in the condition required by Section 4, Lessee shall pay to Lessor, on demand, all costs and expenses incurred by Lessor to bring the Unit into said condition other than those costs covered by Lessor's Total Maintenance & Repair obligation.

11. **REPORT TO IRS:** Lessee will report this Lease to the Internal Revenue Service by filing Form 8038-G, 8038-GC or 8038 whichever is applicable. Failure to do so will cause the Lease to lose its tax exempt status. Lessee agrees that if the appropriate form is not filed, the interest rate will be adjusted to an equivalent taxable interest rate.

12. **TITLE, SECURITY INTEREST AND FURTHER ASSURANCES:** Provided (a) Lessee has accepted each Unit on its delivery date; (b) no Event of Default exists as of the Delivery Date of the Unit, title to each Unit shall vest in Lessee on the Delivery Date of the Unit, provided, however, that in the event (i) this Lease is terminated pursuant to Section 1 hereof, or (ii) an Event of Default has occurred and is continuing, title to the Unit shall immediately revert in Lessor, free of any right, title and interest of Lessee, unless Lessor elects otherwise in writing.

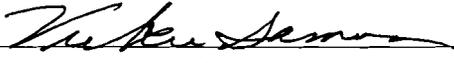
13. **ASSIGNMENT; COUNTERPARTS:** Without the prior written consent of Lessor, no assignment of this Lease or any right or obligation hereunder may be made by Lessee or any assignee of Lessee. Lessor may not assign its right, title and interest in and to this Lease and the Units and/or grant or assign a security interest in this Lease and the Units, in whole or in part. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by RingPower Corporation on the signature page thereof as the original will constitute original chattel paper.

2 of 3

14. **EFFECT OF WAIVER:** No delay or omission to exercise any right or remedy accruing to Lessor hereunder shall impair any such right or remedy nor shall it be construed to be a waiver of any breach or default of Lessee. Any waiver or consent by Lessor under this Lease must be in writing specifically set forth. This Lease completely states the rights of Lessor and Lessee with respect to the Units and supersedes all prior agreements with respect thereto. Time is of the essence of this Lease. No variation or modification of this Lease shall be valid unless in writing and signed by the authorized representatives of Lessor and Lessee. All notices hereunder shall be in writing, addressed to each party at the address set forth on the front of this Lease or at such other address as may be furnished in writing. If any provision of this Lease shall be invalid under any applicable law, such provision shall be deemed omitted but the remaining provisions shall be given effect. All obligation of Lessee under this Lease shall survive the expiration or termination of this Lease to the extent required for their full observance and performance.

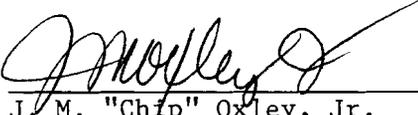
15. **GENERAL:** This Lease shall be governed by and construed under the laws of the State where the Units are located.

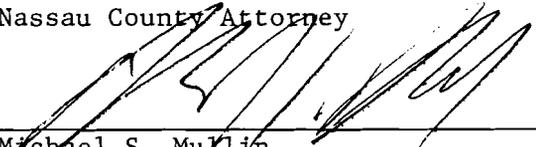
**LESSEE ACKNOWLEDGES HAVING RECEIVED A FULLY COMPLETED AND EXECUTED COPY OF THIS AGREEMENT**

Lessee:  
By   
Name (PRINT) Vickie Samus  
Title Chairman  
Date: May 14, 2003

Lessor: **RINGPOWER CORPORATION**  
By \_\_\_\_\_  
Name (PRINT) \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**ATTEST:**

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

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

**RING POWER CORPORATION**  
**Lease Return Condition Agreement**

This agreement is between Nassau County BOCC (Lessee) and Ring Power Corporation (Lessor), with regards to the following unit Gradall XL3100, S/N \_\_\_\_\_ which is being leased by the Lessee.

The Lessee agrees that each unit, upon its return, shall:

1. Be in sound mechanical shape and, if mobile, shall be in good working order under full payload.
2. Have tires in safe and operable condition with a minimum of forty percent (40%) life remaining

OR

Have a minimum of forty percent (40%) life remaining on all undercarriage components including track shoes, links, pins and bushings, idlers, bogies, sprockets, carrier rollers and track rollers.

3. Have no missing sheet metal and any damage to sheet metal or glass shall not exceed \$1,500.00; and
4. Have no structural damage to the frame.

The condition of each unit shall be determined by an inspection report done prior to its return to be provided by Lessor. In lieu of returning a unit in the condition specified above, Lessee shall reimburse Lessor for the cost to restore the unit to such condition.

Nassau County BOCC (Lessee)

Ring Power Corporation

  
Signature

\_\_\_\_\_  
Signature

Name (Print): Vickie Samus

Name (Print): \_\_\_\_\_

Title: Chairman

Title: \_\_\_\_\_

Date: 5-15-03

Date: \_\_\_\_\_

Form **8038-G**

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

(Rev. May 1999)  
Department of the Treasury  
Internal Revenue Service

Under Internal Revenue Code section 149(c)  
See separate instructions.

OMB No 1545-0720

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

<b>Part I Reporting Authority</b>			If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name	2 Issuer's employer identification number			
3 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	4 Report number	G -	
5 City, town, or post office, state, and ZIP code	6 Date of issue			
7 Name of issue	8 CUSIP number			
Ringhaver Equipment Company Governmental Lease Purchase Agreement				
9 Name and title of officer or legal representative whom the IRS may call for more information	10 Telephone number of officer or legal representative			

**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 type="checkbox"/> Public safety	14
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		\$	\$	years	%

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

22 Proceeds used for accrued interest	22
23 Issue price of entire issue (enter amount from line 21, column (b))	23
24 Proceeds used for bond issuance costs (including underwriters' discount)	24
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
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30

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

Please Sign Here

Signature of issuer's authorized representative	Date	Type or print name and title
-------------------------------------------------	------	------------------------------

For Paperwork Reduction Act Notice, see page 2 of the Instructions.

Cat. No. 637735

Form 8038-G (Rev. 5-99)



**DELIVERY SUPPLEMENT**

This pertains to the Lease, dated as of \_\_\_\_\_, between **Ring Power Corporation** as Lessor and Nassau County BOCC as Lessee.

This confirms that the Lessee physically received the following Unit(s) on the possession date below. As of the date of signature of this form, (i) the Unit(s) are in all respects satisfactory to Lessee for leasing under the Lease, and (ii) Lessor has performed all of its obligations under the Lease.

**Description of Unit(s)**

**Location**

(1) Gradall XL3100

Nassau County Road Dept.

Possession Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name (PRINT) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_



**GROVE**  
**GRADALL**  
A JLG COMPANY

JACKSONVILLE: 8050 Philips Hwy  
OCALA: 6200 North US 301/441  
TALLAHASSEE: 4760 Capital Circle NW  
PERRY: 2920 S. Byron Butler Pkwy  
LAKE CITY: 500 Cannon Creek Dr  
GAINESVILLE: 4900 N. Main St

- 904-737-7730
- 352-732-2800
- 850-562-2121
- 850-584-2800
- 904-755-3997
- 352-371-9983

MAIL ADDRESS: P.O. BOX 45022 , JACKSONVILLE, FLORIDA 32232

**RING POWER CORPORATION**  
**QUOTATION #725-041603**

TO: Nasssau County Solid Waste  
Callahan, Florida

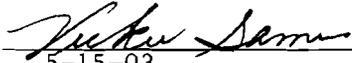
DATE: April 16, 2003

ATTN: Bob McIntyre

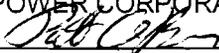
TERMS: Net 10 Days  
*This offer to sell is made subject to buyer's acceptance within ten (10) days from this date. All quoted prices are subject to change without notice and those in effect on the date of shipment shall prevail.*

APPROX. DELIVERY DATE: Will Advise

QTY	DESCRIPTION OF EQUIPMENT
1	<p><b>New 725 Caterpillar Articulated Dump Truck</b> equipped with 6 cylinder diesel engine w/24 volt electric starting, ROPS cab w/heater and defroster, suspension seat, seat belt, sun visor, tinted glass, windshield wiper/washer, 3 axles, 6 WD, body w/13.0 cu yd struck (18.0 heaped) capacity, air cleaner indicator, autoshift transmission, all wheel disk brakes, parking brake, supplemental steering, rearview mirrors, lighting system (headlights w/dimmer switch, backup light and alarm, stop and tail lights, rear working light, hazard lights and directional signals), crankcase guard, radiator guard, rear tow pin, (6) 23.5 R25 XADN Michelin or GP2B Goodyear radial tires, front spillguard.</p> <p><b>Warranty: Three year / 7500 hour full machine warranty. All parts and labor will be performed by Ring Power Corp. Deductible of \$200.00 per warranty claim applies for the extended warranty period (After the first six months). If the usage is more than 7500 hours prior to 36 months then all repairs after that period will be the responsibility of Nassau County.</b></p> <p><b>If available, RPC will provide a loaner machine if repairs require more than 72 hours.</b></p> <p><b>Maintenance: Nassau County will provide all scheduled maintenance, all daily / weekly maintenance and scheduled oil samples. Nassau County is also responsible for all wear items (i.e., tires, etc) and any damages beyond normal wear.</b></p> <p><b>Terms: Fair market value lease for three years / 7500 hours based on Caterpillar Governmental Pricing.</b></p> <p><b>Payment: \$6,707.00 per month for 36 months or 7500 hours. If the usage is more than 7500 hours prior to 36 months then excess hours will be charged at \$40.00 per hour.</b></p>

Accepted By:   
Date: 5-15-03

Sales Representative: Sean McKillip

Above Prices Are F.O.B. Jacksonville, FL  
Florida State Sales Tax To Apply If Applicable  
RING POWER CORPORATION  
By:   
Pat O'Brien, VP, Asst. Sales Manager

**RINGPOWER CORPORATION**

**GOVERNMENTAL LEASE-PURCHASE AGREEMENT**

Dated as of \_\_\_\_\_

LESSEE: Nassau County BOCC

LESSOR: **RINGPOWER CORPORATION**

“A political agency or subdivision of the state of Florida”  
ADDRESS: P.O. Box 4000  
Fernandina Beach, Florida 32035

ADDRESS:

Lessor, in reliance on Lessee’s selection of the equipment described below (“Unit” or “Units”), agrees to acquire, lease, let and sell the Units to Lessee, and Lessee agrees to rent, lease, hire and purchase the Units from Lessor.

**Description of Unit(s)**

**Serial#**

(1) Caterpillar 725 Articulated Truck  
See attached Quotation 725-041603, dated 4/16/03 for specifications

To be supplied at the time of delivery

**Location of Unit(s):** Nassau County Road Department, Nassau County, Florida

**Payment Schedule attached.** Lease Term: 36 Months

**PAYMENT PROVISION:**

Lessee shall pay to Lessor payments (including the principal and interest portion) in 36 consecutive monthly installments of \$6,707.00 commencing at the time of delivery

**ADDITIONAL PROVISIONS:** Per the attached Quotation #725-041603 dated 4/16/03, the machine has full warranty for 36 months/7500 hours with all parts and labor to be supplied by Ring Power Corporation. A deductible of \$200.00 will be charged for repairs after the standard warranty period (the standard warranty period is six months / unlimited hours).

Nassau County is responsible for all scheduled maintenance, all daily/weekly maintenance and all scheduled oil samples. Nassau County is responsible for all wear items (tires, etc.) and any damage beyond normal wear.

RPC will provide a loaner machine if repairs require more than 72 hours.

The lease period is for 36 months or 7500 hours. Should the machine be used more than 7500 hours prior to 36 months then excess hours will be charged at \$40.00 per hour and all repairs after that period will be the responsibility of Nassau County. The machine will be returned to Ring Power at the end of the lease period in a condition in accordance with the Lease Return Condition Agreement

**TERMS AND CONDITIONS**

**1. LEASE TERM; NON-APPROPRIATIONS:** The Lease term for each Unit shall commence on its “Delivery Date” (which is the later of the date on which (a) Lessor executes this Lease, (b) Lessee or its agent receives possession or takes control of the Unit) and shall continue through the last day of Lessee’s fiscal year in which the Delivery Date occurs and, thereafter, shall covenant to budget and appropriate the funds. Within seven days following the Delivery Date of each Unit, Lessee shall execute and deliver to Lessor a Delivery Supplement using Lessor’s standard form. In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year for payments due under this Lease, Lessee will immediately notify Lessor of such occurrence and this Lease shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to Lessee, except as to the portions of payments herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available. Notwithstanding the foregoing, Lessee agrees that, to the extent permitted by law, it will not cancel the Lease under the provisions of this Section 1 if any funds are appropriated to it or by it for the acquisition, retention or operation of the Units or other equipment performing functions similar to the Units for the fiscal year in which termination occurs or the next succeeding fiscal year.

**2. PAYMENTS; NET LEASE:** During the Lease term, Lessee shall pay to Lessor, rent for each Unit as stated in the attached Payment Schedule and according to the above Payment Provision. An amount equal to one payment for all of the Units must accompany this Lease. If Lessor accepts and executes this Lease, said amount shall be applied to the first payment due. If Lessor does not execute this Lease, said amount will be returned to Lessee. If Lessor does not receive a payment on the date it is due, Lessee shall pay to Lessor, on demand, interest at the rate of six percent (6%) per annum, simple, on the late payment. This Lease is a net lease, and Lessee shall not be entitled to any abatement or reduction of payment or any setoff against payment, whether arising by reason of any past, present or future claims of any nature by Lessee against Lessor. Except as otherwise expressly provided herein, the obligations of Lessor and Lessee shall not be affected by any defect in, damage to, loss of possession or use of any Unit, however caused, by the attachment of any lien or other claim to any Unit, by any interference with Lessee’s use of the Unit, for any cause, other than Lessor’s failure to satisfy Lessor’s Total Maintenance & Repair obligations under this Lease, whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding.

3. **DISCLAIMER OF WARRANTIES:** Lessee acknowledges and agrees that Lessor is not the manufacturer of the Unit(s) and that Lessee has selected each Unit based on Lessee's own judgment without any reliance whatsoever on any statements or representations made by Lessor. AS BETWEEN LESSOR AND LESSEE, THE UNIT(S) ARE PROVIDED "AS IS" WITHOUT ANY WARRANTIES OF ANY KIND. LESSOR HEREBY EXPRESSLY DISCLAIMS a) ALL WARRANTIES OF MERCHANTABILITY, b) ALL WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, AND c) ALL WARRANTIES AGAINST INFRINGEMENT OR THE LIKE. Lessor assigns to Lessee its interest in any of the manufacturer's warranties on the Unit(s).

4. **POSSESSION, USE AND MAINTENANCE:** Lessee shall not (a) use, operate, maintain or store any Unit improperly, carelessly, unsafely or in violation of any applicable law or regulation or for any purpose other than in the conduct of Lessee's business; (b) abandon any Unit; (c) sublease any Unit, permit the use of any Unit by anyone other than Lessee, change the use of any Unit from that specified in the attached Application Survey/Usage Rider, or change the location of any Unit from that specified above, without the prior written consent of Lessor, or (d) sell, assign or transfer, or directly or indirectly create or suffer to exist any lien, claim, security interest or encumbrance on any of its rights hereunder or in any Unit. The Units are and shall remain personal property irrespective of their use or manner of attachment to realty. Upon prior notice to Lessee, Lessor or its agent shall have the right (but not the obligation) at all reasonable times to inspect any Unit and maintenance records relating thereto. Lessee shall not alter any Unit or affix any accessory or equipment to any Unit if such alteration or addition would impair the originally intended function or use or reduce the value of such Unit. Any alteration or addition to any Unit shall be the responsibility of and at the sole risk of Lessee. If Lessor supplies Lessee with labels stating that the unit is leased from Lessor, Lessee shall affix and keep them in a prominent place on the Unit. The Lessee is responsible for daily fluid top-offs, vandalism, fire & theft, operator abuse and acts of nature.

5. **LESSEE'S REPRESENTATION AND WARRANTIES:** Lessee represents and warrants to Lessor that (a) Lessee is a fully constituted political subdivision or agency duly organized and existing under the Constitution and laws of the state where the Units will be located; (b) Lessee has the power to enter into and perform this Lease and has taken all necessary and appropriate action to authorize the execution, delivery and performance hereof; (c) this Lease constitutes a valid and legally binding and enforceable obligation of Lessee; and (d) Lessee has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal year and reasonably believes that funds can be obtained sufficient to make all payments during the term of this Lease. Lessee represents that the use of the Units is essential to Lessee's proper, efficient and economic operation. Lessee acknowledges and agrees that the payments have been calculated by Lessor assuming that the interest portion of each payment is excludable from gross income for Federal income taxation purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and if it is determined that the interest payable by Lessee is not exempt from Federal Income tax the interest rate will be adjusted to 10% per annum retroactive to the delivery date. Lessee represents, warrants and covenants that: (a) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, as the same may be amended from time to time, and such compliance shall include but not be limited to the execution of information statements requested by Lessor; (b) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the Lease to be an arbitrage bond within the meaning of Section 148(a) of the Code; (c) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow this Lease to be a private activity bond within the meaning of Section 141(a) of the Code; (e) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the interest portion of the payments to be or become includable in gross income for Federal income taxation purposes under the Code; and (f) Lessee will be the exclusive owner, user and operator of the Units.

6. **TAXES:** Lessee agrees to promptly pay or reimburse Lessor for all fees and taxes of any nature, together with any penalties, fines or additions to tax, or interest thereon (all of the foregoing hereafter the "Impositions"), arising at any time prior to, during or subsequent to and associated with, the Lease term and levied by Nassau County Florida with respect to or in connection with any Unit, excluding, however, taxes measured by Lessor's net income (of but not excluding any net income taxes which, by the term of the statute imposing such tax, expressly relieve Lessee or Lessor from the payment of any Impositions which Lessee would otherwise be obligated to pay or reimburse). If Lessor is not entitled to a corresponding and equal deduction with respect to any Imposition which Lessee is required to pay or reimburse and such payment or reimbursement constitutes income to Lessor, then Lessee shall also pay to Lessor the amount of any Impositions which Lessor is obligated to pay in respect of (a) such payment or reimbursement by Lessee and (b) any payment by Lessee made pursuant to this sentence. Lessee shall prepare and file, in a manner satisfactory to Lessor, any reports or returns which may be required with respect to the Units. For purposes of this Section, "Lessor" shall include any affiliated group, within the meaning of Section 1504 of the Code, of which Lessor is a member for any year in which a consolidated or combined income tax return is filed for the affiliated group.

7. **LOSS OR DAMAGE; INSURANCE:** Lessee assumes all risks and liabilities of loss, damage or Casualty Occurrence (as hereinafter defined) for any cause whatsoever, for condemnation of any Unit prior to, during or subsequent to and associated with, (until the Unit is returned to Lessor pursuant to Section 10) the Lease term. Subject to the limitations of Section 768.28, Florida Statutes, Lessee shall be responsible for injury to or death of any person or damage to any property arising out of or incident to Lessee's possession, use, operation, condition or storage of the Unit. If any Unit becomes damaged, from any cause whatsoever, Lessee shall give Lessor prompt notice thereof. If Lessor reasonably determines that such damage is not irreparable, then Lessee shall, at its expense, promptly restore the Unit to the condition required by Section 4 above, unless that damage was caused by Lessor, in which event, Lessor shall, at its expense, promptly restore the Unit to the condition required by Section 4 above. If any Unit becomes worn out, lost, stolen, destroyed or irreparably damaged (as reasonably determined by Lessor) from any cause whatsoever other than acts of Lessor, or taken by condemnation or otherwise (any such occurrence herein referred to as a "Casualty Occurrence") prior to, during or subsequent to (until the Unit is returned to Lessor pursuant to Section 10) the Lease term, Lessee shall give Lessor prompt notice thereof. In the event of a Casualty Occurrence, Lessee shall pay to Lessor, on the earlier of (a) the first payment date following such Casualty Occurrence or (b) thirty (30) days following such Casualty Occurrence, a sum (the "Termination Value") equal to (a) the "Beginning Balance" (as specified in the attached Payment Schedule) as of the next payment due following such Casualty Occurrence, plus (b) the amount of the interest portion (as specified in the Payment Schedule) of the next payment due following such Casualty Occurrence multiplied times a fraction the numerator of which is the number of days from the later of (a) the Delivery Date of the Unit or (b) the due date of the payment immediately preceding such Casualty Occurrence until the due date of the payment due hereunder in respect of such Casualty Occurrence and the denominator of which is 360. Lessee, at its expense, shall keep each Unit insured against all risks for not less than the applicable Beginning Balance with respect to such Unit and shall maintain comprehensive public liability insurance covering each Unit for not less than \$1,000,000 for combined coverage for bodily injury and property damage. All insurance shall (a) be in a form and with such companies as Lessor shall approve, (b) specify Lessor (or its designee) as their interest may appear as Additional Insured (as allowed under Section 768.28, Florida Statutes), (c) be primary, without right of contribution from any other insurance carried by Lessor, (d) provide that such insurance may not be cancelled or altered so as to affect the interest of Lessor without at least thirty (30) days' prior written notice to Lessor, and (e) name Lessor (or its designee) as loss payee. Lessee agrees to notify Lessor of any occurrence which may become the basis of an insurance claim hereunder and not to make any adjustments with insurers without Lessor's prior written consent. Prior to the first Delivery Date of any Unit, Lessee shall deliver to Lessor satisfactory evidence of such insurance coverage.

8. **WAIVER AND INDEMNITY: WITHOUT WAIVING ITS SOVEREIGN IMMUNITY AND SUBJECT TO THE LIMITATIONS OF SECTION 768.28, FLORIDA STATUTES, LESSEE HEREBY AGREES TO RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS LESSOR, ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND ASSIGNS FROM AND AGAINST ANY CLAIMS FOR PERSONAL INJURY AND PROPERTY DAMAGE ARISING OUT OF, CAUSED BY, OR RELATING TO USE AND OPERATION OF A UNIT BY LESSEE. UNDER NO CONDITION OR CAUSE OF ACTION SHALL LESSOR BE LIABLE TO LESSEE FOR ANY LOSS OF ACTUAL OR ANTICIPATED BUSINESS OR PROFITS OR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES.**

9. **EVENTS OF DEFAULT; REMEDIES:** Each of the following shall constitute an "Event of Default" hereunder: (a) Lessee shall fail to make any payment to Lessor when due; (b) any representation or warranty of Lessee contained herein or in any document furnished to Lessor in connection herewith shall be incorrect or misleading when made; (c) Lessee shall fail to observe or perform any other covenant, agreement or warranty made by Lessee hereunder and such failure shall continue for ten (10) days after written notice thereof to Lessee; (d) Lessee shall fail to make any payment on its bonded indebtedness when due; or (e) there shall be a default by Lessee under any other agreement between Lessor and Lessee. If any Event of Default shall occur, Lessor, at its option, may (a) proceed by appropriate court action(s) to enforce this Lease or to recover damages for the breach thereof; (b) by notice in writing to Lessee, terminate this Lease, and require Lessee to return the Units as provided in Section 10 of this Lease and demand payment from Lessee of any and all amounts then due under this Lease or which may have accrued to the date of termination. In any litigation arising out of this Lease, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in enforcing this Lease. The remedies herein provided shall be cumulative and in addition to all other remedies at law or in equity; provided, however, Lessor shall not be entitled to recover a greater amount in damages than Lessor could have gained through Lessee's full, timely and complete performance under this Lease, plus all fees, costs and expenses incurred by Lessor in enforcing this Lease and all interest charges pursuant to Section 2. If Lessee fails to perform any of its obligations under this Lease, Lessor may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessee upon demand. If Lessor fails to perform any of its obligations under this Lease, Lessee may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessor upon demand.

10. **RETURN OF UNIT:** Upon any termination of the term of this Lease with respect to each Unit or if Lessor shall rightfully demand possession of any Unit, Lessee, at its expense, shall forthwith deliver the unit to Lessor, appropriately protected and in the condition required by Section 4, at the option of Lessor, to the premises of the nearest RingPower Corporation location, or on board such carrier as Lessor shall specify and shipping the same, freight collect, to the destination designated by Lessor. If the Unit is not in the condition required by Section 4, Lessee shall pay to Lessor, on demand, all costs and expenses incurred by Lessor to bring the Unit into said condition other than those costs covered by Lessor's Total Maintenance & Repair obligation.

**RING POWER CORPORATION**  
**Lease Return Condition Agreement**

This agreement is between Nassau County BOCC (Lessee) and Ring Power Corporation (Lessor), with regards to the following unit Caterpillar 725, S/N \_\_\_\_\_ which is being leased by the Lessee.

The Lessee agrees that each unit, upon its return, shall:

1. Be in sound mechanical shape and, if mobile, shall be in good working order under full payload.
2. Have tires in safe and operable condition with a minimum of forty percent (40%) life remaining

OR

Have a minimum of forty percent (40%) life remaining on all undercarriage components including track shoes, links, pins and bushings, idlers, bogies, sprockets, carrier rollers and track rollers.

3. Have no missing sheet metal and any damage to sheet metal or glass shall not exceed \$1,500.00; and
4. Have no structural damage to the frame.

The condition of each unit shall be determined by an inspection report done prior to its return to be provided by Lessor. In lieu of returning a unit in the condition specified above, Lessee shall reimburse Lessor for the cost to restore the unit to such condition.

Nassau County BOCC \_\_\_\_\_ (Lessee)

Ring Power Corporation

*Vickie Samus*  
Signature

\_\_\_\_\_  
Signature

Name (Print): Vickie Samus

Name (Print): \_\_\_\_\_

Title: Chairman

Title: \_\_\_\_\_

Date: 5-15-03

Date: \_\_\_\_\_

11. **REPORT TO IRS:** Lessee will report this Lease to the Internal Revenue Service by filing Form 8038-G, 8038-GC or 8038 whichever is applicable. Failure to do so will cause the Lease to lose its tax exempt status. Lessee agrees that if the appropriate form is not filed, the interest rate will be adjusted to an equivalent taxable interest rate.

12. **TITLE, SECURITY INTEREST AND FURTHER ASSURANCES:** Provided (a) Lessee has accepted each Unit on its delivery date; (b) no Event of Default exists as of the Delivery Date of the Unit, title to each Unit shall vest in Lessee on the Delivery Date of the Unit, provided, however, that in the event (i) this Lease is terminated pursuant to Section 1 hereof, or (ii) an Event of Default has occurred and is continuing, title to the Unit shall immediately revert in Lessor, free of any right, title and interest of Lessee, unless Lessor elects otherwise in writing.

13. **ASSIGNMENT; COUNTERPARTS:** Without the prior written consent of Lessor, no assignment of this Lease or any right or obligation hereunder may be made by Lessee or any assignee of Lessee. Lessor may not assign its right, title and interest in and to this Lease and the Units and/or grant or assign a security interest in this Lease and the Units, in whole or in part. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by RingPower Corporation on the signature page thereof as the original will constitute original chattel paper.

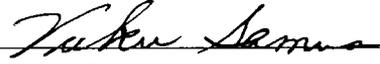
14. **EFFECT OF WAIVER:** No delay or omission to exercise any right or remedy accruing to Lessor hereunder shall impair any such right or remedy nor shall it be construed to be a waiver of any breach or default of Lessee. Any waiver or consent by Lessor under this Lease must be in writing specifically set forth. This Lease completely states the rights of Lessor and Lessee with respect to the Units and supersedes all prior agreements with respect thereto. Time is of the essence of this Lease. No variation or modification of this Lease shall be valid unless in writing and signed by the authorized representatives of Lessor and Lessee. All notices hereunder shall be in writing, addressed to each party at the address set forth on the front of this Lease or at such other address as may be furnished in writing. If any provision of this Lease shall be invalid under any applicable law, such provision shall be deemed omitted but the remaining provisions shall be given effect. All obligation of Lessee under this Lease shall survive the expiration or termination of this Lease to the extent required for their full observance and performance.

15. **GENERAL:** This Lease shall be governed by and construed under the laws of the State where the Units are located.

**LESSEE ACKNOWLEDGES HAVING RECEIVED A FULLY COMPLETED AND EXECUTED COPY OF THIS AGREEMENT**

Lessee: Nassau County BOCC

Lessor: RINGPOWER CORPORATION

By 

By \_\_\_\_\_

Name (PRINT) Vickie Samus

Name (PRINT) \_\_\_\_\_

Title Chairman

Title: \_\_\_\_\_

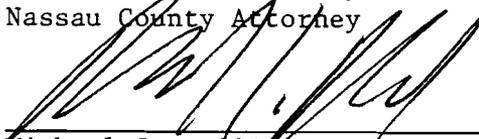
Date: May 14, 2003

Date: \_\_\_\_\_

ATTEST:

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

Approved as to Form by the  
Nassau County Attorney

  
Michael S. Mullin

**DELIVERY SUPPLEMENT**

This pertains to the Lease, dated as of \_\_\_\_\_, between **Ring Power Corporation** as Lessor and Nassau County BOCC as Lessee.

This confirms that the Lessee physically received the following Unit(s) on the possession date below. As of the date of signature of this form, (i) the Unit(s) are in all respects satisfactory to Lessee for leasing under the Lease, and (ii) Lessor has performed all of its obligations under the Lease.

**Description of Unit(s)**

**Location**

(1) Caterpillar 725

Nassau County Landfill

Possession Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name (PRINT) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Form **8038-G**

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

(Rev. May 1999)  
Department of the Treasury  
Internal Revenue Service

Under Internal Revenue Code section 149(c)  
See separate instructions.

OMB No. 1545-0720

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

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

1 Issuer's name		2 Issuer's employer identification number	
3 Number and street (or P.O. box if mail is not delivered to street address)		Room/suite	4 Report number
5 City, town, or post office, state, and ZIP code		6 Date of issue	
7 Name of issue		8 CUSIP number	
9 Name and title of officer or legal representative whom the IRS may call for more information		10 Telephone number of officer or legal representative	

**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 type="checkbox"/> Public safety	14
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	\$	\$	years	%

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

22 Proceeds used for accrued interest	22
23 Issue price of entire issue (enter amount from line 21, column (b))	23
24 Proceeds used for bond issuance costs (including underwriters' discount)	24
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
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30

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

**Please Sign Here**  
Signature of issuer's authorized representative \_\_\_\_\_ Date \_\_\_\_\_ Type or print name and title \_\_\_\_\_



**GROVE**  
**GRADALL**  
A JLG COMPANY

JACKSONVILLE: 8050 Philips Hwy  
OCALA: 6200 North US 301/441  
TALLAHASSEE: 4760 Capital Circle NW  
PERRY: 2920 S. Byron Butler Pkwy  
LAKE CITY: 500 Cannon Creek Dr  
GAINESVILLE: 4900 N. Main St

904-737-7730  
 352-732-2800  
 850-562-2121  
 850-584-2800  
 904-755-3997  
 352-371-9983

MAIL ADDRESS: P.O. BOX 45022, JACKSONVILLE, FLORIDA 32232

**RING POWER CORPORATION**  
**QUOTATION #950G-041603**

TO: Nassau County Solid Waste  
Callahan, FL.

DATE: April 16, 2003

ATTN: Bob McIntyre

TERMS: Net 10 Days

*This offer to sell is made subject to buyer's acceptance within ten (10) days from this date. All quoted prices are subject to change without notice and those in effect on the date of shipment shall prevail.*

APPROX. DELIVERY DATE: Will Advise

<u>QTY</u>	<u>DESCRIPTION OF EQUIPMENT</u>
1	<p><b>New 950G Series II SW Caterpillar Wheel Loader equipped</b> with CAT 3126 T diesel engine with 24 volt direct electric starting system, full hydraulic enclosed wet disc brakes, multi row module radiator, torque converter, transmission neutralizer on/off switch, 50 ampere alternator, backup alarm, halogen lighting system (road &amp; working), computerized monitoring system, transmission oil temperature, rearview mirrors (inside mounted), hydraulic oil cooler, enclosed cab, air conditioning.</p> <p>4.00 Yd QC Bucket Crankcase Guard Powertrain Guard CWTC Quick Coupler</p> <p>23.5 x R25 XHA Michelin Tires Bolt On Cutting Edge High Ambient Cooling CWTC Forks and Carriage</p> <p><b>Warranty: Three year / 6000 hour full machine warranty. All parts and labor will be performed by Ring Power Corp. Deductible of \$200.00 per warranty claim applies for the extended warranty period (After the first six months). If the usage is more than 6000 hours prior to 36 months then all repairs after that period will be the responsibility of Nassau County.</b></p> <p>If available, RPC will provide a loaner machine if repairs require more than 72 hours.</p> <p><b>Maintenance: Nassau County will provide all scheduled maintenance, all daily / weekly maintenance and scheduled oil samples. Nassau County is also responsible for all wear items (i.e., tires, cutting edges, etc) and any damages beyond normal wear.</b></p> <p><b>Terms: Fair market value lease for three years / 7500 hours based on Caterpillar Governmental Pricing.</b></p> <p><b>Payment: \$3,505.00 per month for 36 months or 6000 hours. If the usage is more than 7500 hours prior to 36 months then excess hours will be charged at \$20.00 per hour.</b></p> <p><b>Balderson Landclearing Rake – Sales price - \$7,500.00 or rental for \$300.00 per month.</b></p>

Accepted By:  
Date:

*Sean McKillip*  
6-15-03

Sales Representative: Sean McKillip

Above Prices Are F.O.B. Jacksonville, FL  
Florida State Sales Tax To Apply If Applicable  
RING POWER CORPORATION  
By: *Pat O'Brien*  
Pat O'Brien, VP, Asst. Sales Manager

**RINGPOWER CORPORATION**

**GOVERNMENTAL LEASE-PURCHASE AGREEMENT**

Dated as of \_\_\_\_\_

LESSEE: Nassau County BOCC

LESSOR: **RINGPOWER CORPORATION**

“A political agency or subdivision of the state of Florida”  
ADDRESS: P.O. Box 4000  
Fernandina Beach, Florida 32035

ADDRESS:

Lessor, in reliance on Lessee’s selection of the equipment described below (“Unit” or “Units”), agrees to acquire, lease, let and sell the Units to Lessee, and Lessee agrees to rent, lease, hire and purchase the Units from Lessor.

**Description of Unit(s)**

**Serial#**

(1) Caterpillar 950G Series II Wheel Loader  
See attached Quotation 950G-041603, dated 4/16/03 for specifications

To be supplied at the time of delivery

**Location of Unit(s):** Nassau County Road Department, Nassau County, Florida

**Payment Schedule attached.** Lease Term: 36 Months

**PAYMENT PROVISION:**

Lessee shall pay to Lessor payments (including the principal and interest portion) in 36 consecutive monthly installments of \$3,505.00 commencing at the time of delivery

**ADDITIONAL PROVISIONS: Per the attached Quotation #950G-041603 dated 4/16/03, the machine has full warranty for 36 months/6000 hours with all parts and labor to be supplied by Ring Power Corporation. A deductible of \$200.00 will be charged for repairs after the standard warranty period (the standard warranty period is six months / unlimited hours).**

**Nassau County is responsible for all scheduled maintenance, all daily/weekly maintenance and all scheduled oil samples. Nassau County is responsible for all wear items (tires, cutting edges, etc.) and any damage beyond normal wear.**

**RPC will provide a loaner machine if repairs require more than 72 hours.**

**The lease period is for 36 months or 6000 hours. Should the machine be used more than 6000 hours prior to 36 months then excess hours will be charged at \$20.00 per hour and all repairs after that period will be the responsibility of Nassau County. The machine will be returned to Ring Power at the end of the lease period in a condition in accordance with the Lease Return Condition Agreement**

**TERMS AND CONDITIONS**

**1. LEASE TERM; NON-APPROPRIATIONS:** The Lease term for each Unit shall commence on its “Delivery Date” (which is the later of the date on which (a) Lessor executes this Lease, (b) Lessee or its agent receives possession or takes control of the Unit) and shall continue through the last day of Lessee’s fiscal year in which the Delivery Date occurs and, thereafter, shall covenant to budget and appropriate the funds. Within seven days following the Delivery Date of each Unit, Lessee shall execute and deliver to Lessor a Delivery Supplement using Lessor’s standard form. In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year for payments due under this Lease, Lessee will immediately notify Lessor of such occurrence and this Lease shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to Lessee, except as to the portions of payments herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available. Notwithstanding the foregoing, Lessee agrees that, to the extent permitted by law, it will not cancel the Lease under the provisions of this Section 1 if any funds are appropriated to it or by it for the acquisition, retention or operation of the Units or other equipment performing functions similar to the Units for the fiscal year in which termination occurs or the next succeeding fiscal year.

**2. PAYMENTS; NET LEASE:** During the Lease term, Lessee shall pay to Lessor, rent for each Unit as stated in the attached Payment Schedule and according to the above Payment Provision. An amount equal to one payment for all of the Units must accompany this Lease. If Lessor accepts and executes this Lease, said amount shall be applied to the first payment due. If Lessor does not execute this Lease, said amount will be returned to Lessee. If Lessor does not receive a payment on the date it is due, Lessee shall pay to Lessor, on demand, interest at the rate of six percent (6%) per annum, simple, on the late payment. This Lease is a net lease, and Lessee shall not be entitled to any abatement or reduction of payment or any setoff against payment, whether arising by reason of any past, present or future claims of any nature by Lessee against Lessor. Except as otherwise expressly provided herein, the obligations of Lessor and Lessee shall not be affected by any defect in, damage to, loss of possession or use of any Unit, however caused, by the attachment of any lien or other claim to any Unit, by any interference with Lessee’s use of the Unit, for any cause, other than Lessor’s failure to satisfy Lessor’s Total Maintenance & Repair obligations under this Lease, whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding.

3. **DISCLAIMER OF WARRANTIES:** Lessee acknowledges and agrees that Lessor is not the manufacturer of the Unit(s) and that Lessee has selected each Unit based on Lessee's own judgment without any reliance whatsoever on any statements or representations made by Lessor. AS BETWEEN LESSOR AND LESSEE, THE UNIT(S) ARE PROVIDED "AS IS" WITHOUT ANY WARRANTIES OF ANY KIND. LESSOR HEREBY EXPRESSLY DISCLAIMS a) ALL WARRANTIES OF MERCHANTABILITY, b) ALL WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, AND c) ALL WARRANTIES AGAINST INFRINGEMENT OR THE LIKE. Lessor assigns to Lessee its interest in any of the manufacturer's warranties on the Unit(s).

4. **POSSESSION, USE AND MAINTENANCE:** Lessee shall not (a) use, operate, maintain or store any Unit improperly, carelessly, unsafely or in violation of any applicable law or regulation or for any purpose other than in the conduct of Lessee's business; (b) abandon any Unit; (c) sublease any Unit, permit the use of any Unit by anyone other than Lessee, change the use of any Unit from that specified in the attached Application Survey/Usage Rider, or change the location of any Unit from that specified above, without the prior written consent of Lessor, or (d) sell, assign or transfer, or directly or indirectly create or suffer to exist any lien, claim, security interest or encumbrance on any of its rights hereunder or in any Unit. The Units are and shall remain personal property irrespective of their use or manner of attachment to realty. Upon prior notice to Lessee, Lessor or its agent shall have the right (but not the obligation) at all reasonable times to inspect any Unit and maintenance records relating thereto. Lessee shall not alter any Unit or affix any accessory or equipment to any Unit if such alteration or addition would impair the originally intended function or use or reduce the value of such Unit. Any alteration or addition to any Unit shall be the responsibility of and at the sole risk of Lessee. If Lessor supplies Lessee with labels stating that the unit is leased from Lessor, Lessee shall affix and keep them in a prominent place on the Unit. The Lessee is responsible for daily fluid top-offs, vandalism, fire & theft, operator abuse and acts of nature.

5. **LESSEE'S REPRESENTATION AND WARRANTIES:** Lessee represents and warrants to Lessor that (a) Lessee is a fully constituted political subdivision or agency duly organized and existing under the Constitution and laws of the state where the Units will be located; (b) Lessee has the power to enter into and perform this Lease and has taken all necessary and appropriate action to authorize the execution, delivery and performance hereof; (c) this Lease constitutes a valid and legally binding and enforceable obligation of Lessee; and (d) Lessee has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal year and reasonably believes that funds can be obtained sufficient to make all payments during the term of this Lease. Lessee represents that the use of the Units is essential to Lessee's proper, efficient and economic operation. Lessee acknowledges and agrees that the payments have been calculated by Lessor assuming that the interest portion of each payment is excludable from gross income for Federal income taxation purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and if it is determined that the interest payable by Lessee is not exempt from Federal income tax the interest rate will be adjusted to 10% per annum retroactive to the delivery date. Lessee represents, warrants and covenants that: (a) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, as the same may be amended from time to time, and such compliance shall include but not be limited to the execution of information statements requested by Lessor; (b) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the Lease to be an arbitrage bond within the meaning of Section 148(a) of the Code; (c) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow this Lease to be a private activity bond within the meaning of Section 141(a) of the Code; (e) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the interest portion of the payments to be or become includable in gross income for Federal income taxation purposes under the Code; and (f) Lessee will be the exclusive owner, user and operator of the Units.

6. **TAXES:** Lessee agrees to promptly pay or reimburse Lessor for all fees and taxes of any nature, together with any penalties, fines or additions to tax, or interest thereon (all of the foregoing hereafter the "Impositions"), arising at any time prior to, during or subsequent to and associated with, the Lease term and levied by Nassau County Florida with respect to or in connection with any Unit, excluding, however, taxes measured by Lessor's net income (of but not excluding any net income taxes which, by the term of the statute imposing such tax, expressly relieve Lessee or Lessor from the payment of any Impositions which Lessee would otherwise be obligated to pay or reimburse). If Lessor is not entitled to a corresponding and equal deduction with respect to any Imposition which Lessee is required to pay or reimburse and such payment or reimbursement constitutes income to Lessor, then Lessee shall also pay to Lessor the amount of any Impositions which Lessor is obligated to pay in respect of (a) such payment or reimbursement by Lessee and (b) any payment by Lessee made pursuant to this sentence. Lessee shall prepare and file, in a manner satisfactory to Lessor, any reports or returns which may be required with respect to the Units. For purposes of this Section, "Lessor" shall include any affiliated group, within the meaning of Section 1504 of the Code, of which Lessor is a member for any year in which a consolidated or combined income tax return is filed for the affiliated group.

7. **LOSS OR DAMAGE; INSURANCE:** Lessee assumes all risks and liabilities of loss, damage or Casualty Occurrence (as hereinafter defined) for any cause whatsoever, for condemnation of any Unit prior to, during or subsequent to and associated with, (until the Unit is returned to Lessor pursuant to Section 10) the Lease term. Subject to the limitations of Section 768.28, Florida Statutes, Lessee shall be responsible for injury to or death of any person or damage to any property arising out of or incident to Lessee's possession, use, operation, condition or storage of the Unit. If any Unit becomes damaged, from any cause whatsoever, Lessee shall give Lessor prompt notice thereof. If Lessor reasonably determines that such damage is not irreparable, then Lessee shall, at its expense, promptly restore the Unit to the condition required by Section 4 above, unless that damage was caused by Lessor, in which event, Lessor shall, at its expense, promptly restore the Unit to the condition required by Section 4 above. If any Unit becomes worn out, lost, stolen, destroyed or irreparably damaged (as reasonably determined by Lessor) from any cause whatsoever other than acts of Lessor, or taken by condemnation or otherwise (any such occurrence herein referred to as a "Casualty Occurrence") prior to, during or subsequent to (until the Unit is returned to Lessor pursuant to Section 10) the Lease term, Lessee shall give Lessor prompt notice thereof. In the event of a Casualty Occurrence, Lessee shall pay to Lessor, on the earlier of (a) the first payment date following such Casualty Occurrence or (b) thirty (30) days following such Casualty Occurrence, a sum (the "Termination Value") equal to (a) the "Beginning Balance" (as specified in the attached Payment Schedule) as of the next payment due following such Casualty Occurrence, plus (b) the amount of the interest portion (as specified in the Payment Schedule) of the next payment due following such Casualty Occurrence multiplied times a fraction the numerator of which is the number of days from the later of (a) the Delivery Date of the Unit or (b) the due date of the payment immediately preceding such Casualty Occurrence until the due date of the payment due hereunder in respect of such Casualty Occurrence and the denominator of which is 360. Lessee, at its expense, shall keep each Unit insured against all risks for not less than the applicable Beginning Balance with respect to such Unit and shall maintain comprehensive public liability insurance covering each Unit for not less than \$1,000,000 for combined coverage for bodily injury and property damage. All insurance shall (a) be in a form and with such companies as Lessor shall approve, (b) specify Lessor (or its designee) as their interest may appear as Additional Insured (as allowed under Section 768.28, Florida Statutes), (c) be primary, without right of contribution from any other insurance carried by Lessor, (d) provide that such insurance may not be cancelled or altered so as to affect the interest of Lessor without at least thirty (30) days' prior written notice to Lessor, and (e) name Lessor (or its designee) as loss payee. Lessee agrees to notify Lessor of any occurrence which may become the basis of an insurance claim hereunder and not to make any adjustments with insurers without Lessor's prior written consent. Prior to the first Delivery Date of any Unit, Lessee shall deliver to Lessor satisfactory evidence of such insurance coverage.

8. **WAIVER AND INDEMNITY: WITHOUT WAIVING ITS SOVEREIGN IMMUNITY AND SUBJECT TO THE LIMITATIONS OF SECTION 768.28, FLORIDA STATUTES, LESSEE HEREBY AGREES TO RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS LESSOR, ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND ASSIGNS FROM AND AGAINST ANY CLAIMS FOR PERSONAL INJURY AND PROPERTY DAMAGE ARISING OUT OF, CAUSED BY, OR RELATING TO USE AND OPERATION OF A UNIT BY LESSEE. UNDER NO CONDITION OR CAUSE OF ACTION SHALL LESSOR BE LIABLE TO LESSEE FOR ANY LOSS OF ACTUAL OR ANTICIPATED BUSINESS OR PROFITS OR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES.**

9. **EVENTS OF DEFAULT; REMEDIES:** Each of the following shall constitute an "Event of Default" hereunder: (a) Lessee shall fail to make any payment to Lessor when due; (b) any representation or warranty of Lessee contained herein or in any document furnished to Lessor in connection herewith shall be incorrect or misleading when made; (c) Lessee shall fail to observe or perform any other covenant, agreement or warranty made by Lessee hereunder and such failure shall continue for ten (10) days after written notice thereof to Lessee; (d) Lessee shall fail to make any payment on its bonded indebtedness when due; or (e) there shall be a default by Lessee under any other agreement between Lessor and Lessee. If any Event of Default shall occur, Lessor, at its option, may (a) proceed by appropriate court action(s) to enforce this Lease or to recover damages for the breach thereof; (b) by notice in writing to Lessee, terminate this Lease, and require Lessee to return the Units as provided in Section 10 of this Lease and demand payment from Lessee of any and all amounts then due under this Lease or which may have accrued to the date of termination. In any litigation arising out of this Lease, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in enforcing this Lease. The remedies herein provided shall be cumulative and in addition to all other remedies at law or in equity; provided, however, Lessor shall not be entitled to recover a greater amount in damages than Lessor could have gained through Lessee's full, timely and complete performance under this Lease, plus all fees, costs and expenses incurred by Lessor in enforcing this Lease and all interest charges pursuant to Section 2. If Lessee fails to perform any of its obligations under this Lease, Lessor may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessee upon demand. If Lessor fails to perform any of its obligations under this Lease, Lessee may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessor upon demand.

10. **RETURN OF UNIT:** Upon any termination of the term of this Lease with respect to each Unit or if Lessor shall rightfully demand possession of any Unit, Lessee, at its expense, shall forthwith deliver the unit to Lessor, appropriately protected and in the condition required by Section 4, at the option of Lessor, to the premises of the nearest RingPower Corporation location, or on board such carrier as Lessor shall specify and shipping the same, freight collect, to the destination designated by Lessor. If the Unit is not in the condition required by Section 4, Lessee shall pay to Lessor, on demand, all costs and expenses incurred by Lessor to bring the Unit into said condition other than those costs covered by Lessor's Total Maintenance & Repair obligation.

11. **REPORT TO IRS:** Lessee will report this Lease to the Internal Revenue Service by filing Form 8038-G, 8038-GC or 8038 whichever is applicable. Failure to do so will cause the Lease to lose its tax exempt status. Lessee agrees that if the appropriate form is not filed, the interest rate will be adjusted to an equivalent taxable interest rate.

12. **TITLE, SECURITY INTEREST AND FURTHER ASSURANCES:** Provided (a) Lessee has accepted each Unit on its delivery date; (b) no Event of Default exists as of the Delivery Date of the Unit, title to each Unit shall vest in Lessee on the Delivery Date of the Unit, provided, however, that in the event (i) this Lease is terminated pursuant to Section 1 hereof, or (ii) an Event of Default has occurred and is continuing, title to the Unit shall immediately revert in Lessor, free of any right, title and interest of Lessee, unless Lessor elects otherwise in writing.

13. **ASSIGNMENT; COUNTERPARTS:** Without the prior written consent of Lessor, no assignment of this Lease or any right or obligation hereunder may be made by Lessee or any assignee of Lessee. Lessor may not assign its right, title and interest in and to this Lease and the Units and/or grant or assign a security interest in this Lease and the Units, in whole or in part. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by RingPower Corporation on the signature page thereof as the original will constitute original chattel paper.

14. **EFFECT OF WAIVER:** No delay or omission to exercise any right or remedy accruing to Lessor hereunder shall impair any such right or remedy nor shall it be construed to be a waiver of any breach or default of Lessee. Any waiver or consent by Lessor under this Lease must be in writing specifically set forth. This Lease completely states the rights of Lessor and Lessee with respect to the Units and supersedes all prior agreements with respect thereto. Time is of the essence of this Lease. No variation or modification of this Lease shall be valid unless in writing and signed by the authorized representatives of Lessor and Lessee. All notices hereunder shall be in writing, addressed to each party at the address set forth on the front of this Lease or at such other address as may be furnished in writing. If any provision of this Lease shall be invalid under any applicable law, such provision shall be deemed omitted but the remaining provisions shall be given effect. All obligation of Lessee under this Lease shall survive the expiration or termination of this Lease to the extent required for their full observance and performance.

15. **GENERAL:** This Lease shall be governed by and construed under the laws of the State where the Units are located.

**LESSEE ACKNOWLEDGES HAVING RECEIVED A FULLY COMPLETED AND EXECUTED COPY OF THIS AGREEMENT**

Lessee: Nassau County BOCC

Lessor: RINGPOWER CORPORATION

By 

By \_\_\_\_\_

Name (PRINT) Vickie Samus

Name (PRINT) \_\_\_\_\_

Title Chairman

Title: \_\_\_\_\_

Date: May 14, 2003

Date: \_\_\_\_\_

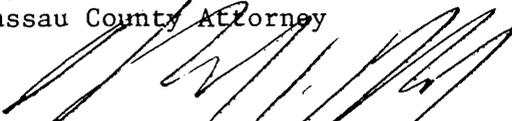
ATTEST:



J.M. "Chip" Oxley, Jr.

Ex-Officio Clerk

Approved as to Form by the  
Nassau County Attorney



Michael S. Mullin

**RING POWER CORPORATION**  
**Lease Return Condition Agreement**

This agreement is between Nassau County BOCC (Lessee) and Ring Power Corporation (Lessor), with regards to the following unit Caterpillar 950G, S/N \_\_\_\_\_ which is being leased by the Lessee.

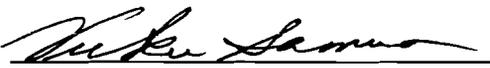
The Lessee agrees that each unit, upon its return, shall:

1. Be in sound mechanical shape and, if mobile, shall be in good working order under full payload.
2. Have tires in safe and operable condition with a minimum of forty percent (40%) life remaining  
OR  
Have a minimum of forty percent (40%) life remaining on all undercarriage components including track shoes, links, pins and bushings, idlers, bogies, sprockets, carrier rollers and track rollers.
3. Have no missing sheet metal and any damage to sheet metal or glass shall not exceed \$1,500.00; and
4. Have no structural damage to the frame.

The condition of each unit shall be determined by an inspection report done prior to its return to be provided by Lessor. In lieu of returning a unit in the condition specified above, Lessee shall reimburse Lessor for the cost to restore the unit to such condition.

Nassau County BOCC (Lessee)

Ring Power Corporation

  
Signature

\_\_\_\_\_  
Signature

Name (Print): Vickie Samus

Name (Print): \_\_\_\_\_

Title: Chairman

Title: \_\_\_\_\_

Date: 5-15-03

Date: \_\_\_\_\_

Form **8038-G**

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

(Rev. May 1999)  
Department of the Treasury  
Internal Revenue Service

Under Internal Revenue Code section 149(c)  
See separate instructions.

OMB No. 1545-0120

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

<b>Part I Reporting Authority</b>		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name	2 Issuer's employer identification number		
3 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	4 Report number	G -
5 City, town, or post office, state, and ZIP code		6 Date of issue	
7 Name of issue Ringham Equipment Company Governmental Lease Purchase Agreement		8 CUSIP number	
9 Name and title of officer or legal representative whom the IRS may call for more information		10 Telephone number of officer or legal representative	

**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 type="checkbox"/> Public safety	14
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	\$	\$	years	%

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

22 Proceeds used for accrued interest	22
23 Issue price of entire issue (enter amount from line 21, column (b))	23
24 Proceeds used for bond issuance costs (including underwriters' discount)	24
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
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30

**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
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a
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 and the date of the issue	
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(II) (small issuer exception), check box <input 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.

**Please Sign Here**

Signature of issuer's authorized representative \_\_\_\_\_ Date \_\_\_\_\_ Type or print name and title \_\_\_\_\_

**DELIVERY SUPPLEMENT**

This pertains to the Lease, dated as of \_\_\_\_\_, between **Ring Power Corporation** as Lessor and Nassau County BOCC as Lessee.

This confirms that the Lessee physically received the following Unit(s) on the possession date below. As of the date of signature of this form, (i) the Unit(s) are in all respects satisfactory to Lessee for leasing under the Lease, and (ii) Lessor has performed all of its obligations under the Lease.

**Description of Unit(s)**

**Location**

(1) Caterpillar 950G Series II

Nassau County Landfill

Possession Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name (PRINT) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_



**GROVE**  
**GRADALL**  
A JLG COMPANY

JACKSONVILLE: 8050 Phillips Hwy  
OCALA: 6200 North US 301/441  
TALLAHASSEE: 4760 Capital Circle NW  
PERRY: 2920 S. Byron Butler Pkwy  
LAKE CITY: 500 Cannon Creek Dr  
GAINESVILLE: 4900 N. Main St

- 904-737-7730
- 352-732-2800
- 850-562-2121
- 850-584-2800
- 904-755-3997
- 352-371-9983

MAIL ADDRESS: P.O. BOX 45022 , JACKSONVILLE, FLORIDA 32232

**RING POWER CORPORATION**  
**QUOTATION #826G-041603**

TO: Nassau County Solid Waste  
Callahan, Fl.

DATE: April 16, 2003

ATTN: Bob McIntyre

APPROX. DELIVERY DATE: Will Advise

TERMS: Net 10 Days

*This offer to sell is made subject to buyer's acceptance within ten (10) days from this date. All quoted prices are subject to change without notice and those in effect on the date of shipment shall prevail.*

QTY	DESCRIPTION OF EQUIPMENT
1	<p><b>New Caterpillar 826G Series II Landfill Compactor</b> equipped with 50 AMP alternator, external lighting system (front, rear), heater and defroster, integrated ROPS structure, sound suppressed pressurized cab with two doors, 3406 DITA diesel engine with 24 volt HD electric starting system, ether start aid, automatic planetary powershift transmission with fully automatic speed range transmission, locking engine enclosure, powered crankcase &amp; power train guards.</p> <p><b>Plus the Following Additional Equipment:</b>            Caterpillar Straight Landfill Blade                      Caterpillar 48" wheels with Plus Tips            Front and Rear Seal Guards                                      Rear Wiper</p> <p><b>Warranty: Three year / 7500 hour full machine warranty. All parts and labor will be performed by Ring Power Corp. Deductible of \$200.00 per warranty claim applies for the extended warranty period (After the first six months). If the usage is more than 7500 hours prior to 36 months then all repairs after that period will be the responsibility of Nassau County.</b></p> <p><b>If available, RPC will provide a loaner machine if repairs require more than 72 hours.</b></p> <p><b>Maintenance: Nassau County will provide all scheduled maintenance, all daily / weekly maintenance and scheduled oil samples. Nassau County is also responsible for all wear items (i.e., tips, cutting edges, etc) and any damages beyond normal wear.</b></p> <p><b>Terms: Fair market value lease for three years / 7500 hours based on Caterpillar Governmental Pricing.</b></p> <p><b>Payment: \$9,430.00 per month for 36 months or 7500 hours. If the usage is more than 7500 hours prior to 36 months then excess hours will be charged at \$54.00 per hour.</b></p>

Accepted By: *Sean McKillip*  
Date: 5-15-03

Sales Representative: Sean McKillip

Above Prices Are F.O.B. Jacksonville, FL  
Florida State Sales Tax To Apply If Applicable  
RING POWER CORPORATION  
By: *Pat O'Brien*  
Pat O'Brien, VP, Asst. Sales Manager

**RINGPOWER CORPORATION**

**GOVERNMENTAL LEASE-PURCHASE AGREEMENT**

Dated as of \_\_\_\_\_

LESSEE: Nassau County BOCC

LESSOR: **RINGPOWER CORPORATION**

“A political agency or subdivision of the state of Florida”  
ADDRESS: P.O. Box 4000  
Fernandina Beach, Florida 32035

ADDRESS:

Lessor, in reliance on Lessee’s selection of the equipment described below (“Unit” or “Units”), agrees to acquire, lease, let and sell the Units to Lessee, and Lessee agrees to rent, lease, hire and purchase the Units from Lessor.

**Description of Unit(s)**

**Serial#**

(1) Caterpillar 826G Landfill Compactor  
See attached Quotation 826G-041603, dated 4/16/03 for specifications

To be supplied at the time of delivery

**Location of Unit(s):** Nassau County Road Department, Nassau County, Florida

**Payment Schedule attached.** Lease Term: 36 Months

**PAYMENT PROVISION:**

Lessee shall pay to Lessor payments (including the principal and interest portion) in 36 consecutive monthly installments of \$9,430.00 commencing at the time of delivery

**ADDITIONAL PROVISIONS:** Per the attached Quotation #826G-041603 dated 4/16/03, the machine has full warranty for 36 months/7500 hours with all parts and labor to be supplied by Ring Power Corporation. A deductible of \$200.00 will be charged for repairs after the standard warranty period (the standard warranty period is six months / unlimited hours).

Nassau County is responsible for all scheduled maintenance, all daily/weekly maintenance and all scheduled oil samples. Nassau County is responsible for all wear items (tires, etc.) and any damage beyond normal wear.

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The lease period is for 36 months or 7500 hours. Should the machine be used more than 7500 hours prior to 36 months then excess hours will be charged at \$54.00 per hour and all repairs after that period will be the responsibility of Nassau County. The machine will be returned to Ring Power at the end of the lease period in a condition in accordance with the Lease Return Condition Agreement

**TERMS AND CONDITIONS**

1. **LEASE TERM; NON-APPROPRIATIONS:** The Lease term for each Unit shall commence on its “Delivery Date” (which is the later of the date on which (a) Lessor executes this Lease, (b) Lessee or its agent receives possession or takes control of the Unit) and shall continue through the last day of Lessee’s fiscal year in which the Delivery Date occurs and, thereafter, shall covenant to budget and appropriate the funds. Within seven days following the Delivery Date of each Unit, Lessee shall execute and deliver to Lessor a Delivery Supplement using Lessor’s standard form. In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year for payments due under this Lease, Lessee will immediately notify Lessor of such occurrence and this Lease shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to Lessee, except as to the portions of payments herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available. Notwithstanding the foregoing, Lessee agrees that, to the extent permitted by law, it will not cancel the Lease under the provisions of this Section 1 if any funds are appropriated to it or by it for the acquisition, retention or operation of the Units or other equipment performing functions similar to the Units for the fiscal year in which termination occurs or the next succeeding fiscal year.

2. **PAYMENTS; NET LEASE:** During the Lease term, Lessee shall pay to Lessor, rent for each Unit as stated in the attached Payment Schedule and according to the above Payment Provision. An amount equal to one payment for all of the Units must accompany this Lease. If Lessor accepts and executes this Lease, said amount shall be applied to the first payment due. If Lessor does not execute this Lease, said amount will be returned to Lessee. If Lessor does not receive a payment on the date it is due, Lessee shall pay to Lessor, on demand, interest at the rate of six percent (6%) per annum, simple, on the late payment. This Lease is a net lease, and Lessee shall not be entitled to any abatement or reduction of payment or any setoff against payment, whether arising by reason of any past, present or future claims of any nature by Lessee against Lessor. Except as otherwise expressly provided herein, the obligations of Lessor and Lessee shall not be affected by any defect in, damage to, loss of possession or use of any Unit, however caused, by the attachment of any lien or other claim to any Unit, by any interference with Lessee’s use of the Unit, for any cause, other than Lessor’s failure to satisfy Lessor’s Total Maintenance & Repair obligations under this Lease, whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding.

3. **DISCLAIMER OF WARRANTIES:** Lessee acknowledges and agrees that Lessor is not the manufacturer of the Unit(s) and that Lessee has selected each Unit based on Lessee's own judgment without any reliance whatsoever on any statements or representations made by Lessor. AS BETWEEN LESSOR AND LESSEE, THE UNIT(S) ARE PROVIDED "AS IS" WITHOUT ANY WARRANTIES OF ANY KIND. LESSOR HEREBY EXPRESSLY DISCLAIMS a) ALL WARRANTIES OF MERCHANTABILITY, b) ALL WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, AND c) ALL WARRANTIES AGAINST INFRINGEMENT OR THE LIKE. Lessor assigns to Lessee its interest in any of the manufacturer's warranties on the Unit(s).

4. **POSSESSION, USE AND MAINTENANCE:** Lessee shall not (a) use, operate, maintain or store any Unit improperly, carelessly, unsafely or in violation of any applicable law or regulation or for any purpose other than in the conduct of Lessee's business; (b) abandon any Unit; (c) sublease any Unit, permit the use of any Unit by anyone other than Lessee, change the use of any Unit from that specified in the attached Application Survey/Usage Rider, or change the location of any Unit from that specified above, without the prior written consent of Lessor, or (d) sell, assign or transfer, or directly or indirectly create or suffer to exist any lien, claim, security interest or encumbrance on any of its rights hereunder or in any Unit. The Units are and shall remain personal property irrespective of their use or manner of attachment to realty. Upon prior notice to Lessee, Lessor or its agent shall have the right (but not the obligation) at all reasonable times to inspect any Unit and maintenance records relating thereto. Lessee shall not alter any Unit or affix any accessory or equipment to any Unit if such alteration or addition would impair the originally intended function or use or reduce the value of such Unit. Any alteration or addition to any Unit shall be the responsibility of and at the sole risk of Lessee. If Lessor supplies Lessee with labels stating that the unit is leased from Lessor, Lessee shall affix and keep them in a prominent place on the Unit. The Lessee is responsible for daily fluid top-offs, vandalism, fire & theft, operator abuse and acts of nature.

5. **LESSEE'S REPRESENTATION AND WARRANTIES:** Lessee represents and warrants to Lessor that (a) Lessee is a fully constituted political subdivision or agency duly organized and existing under the Constitution and laws of the state where the Units will be located; (b) Lessee has the power to enter into and perform this Lease and has taken all necessary and appropriate action to authorize the execution, delivery and performance hereof; (c) this Lease constitutes a valid and legally binding and enforceable obligation of Lessee; and (d) Lessee has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal year and reasonably believes that funds can be obtained sufficient to make all payments during the term of this Lease. Lessee represents that the use of the Units is essential to Lessee's proper, efficient and economic operation. Lessee acknowledges and agrees that the payments have been calculated by Lessor assuming that the interest portion of each payment is excludable from gross income for Federal income taxation purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and if it is determined that the interest payable by Lessee is not exempt from Federal Income tax the interest rate will be adjusted to 10% per annum retroactive to the delivery date. Lessee represents, warrants and covenants that: (a) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, as the same may be amended from time to time, and such compliance shall include but not be limited to the execution of information statements requested by Lessor; (b) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the Lease to be an arbitrage bond within the meaning of Section 148(a) of the Code; (c) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow this Lease to be a private activity bond within the meaning of Section 141(a) of the Code; (e) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the interest portion of the payments to be or become includable in gross income for Federal income taxation purposes under the Code; and (f) Lessee will be the exclusive owner, user and operator of the Units.

6. **TAXES:** Lessee agrees to promptly pay or reimburse Lessor for all fees and taxes of any nature, together with any penalties, fines or additions to tax, or interest thereon (all of the foregoing hereafter the "Impositions"), arising at any time prior to, during or subsequent to and associated with, the Lease term and levied by Nassau County Florida with respect to or in connection with any Unit, excluding, however, taxes measured by Lessor's net income (of but not excluding any net income taxes which, by the term of the statute imposing such tax, expressly relieve Lessee or Lessor from the payment of any Impositions which Lessee would otherwise be obligated to pay or reimburse). If Lessor is not entitled to a corresponding and equal deduction with respect to any Imposition which Lessee is required to pay or reimburse and such payment or reimbursement constitutes income to Lessor, then Lessee shall also pay to Lessor the amount of any Impositions which Lessor is obligated to pay in respect of (a) such payment or reimbursement by Lessee and (b) any payment by Lessee made pursuant to this sentence. Lessee shall prepare and file, in a manner satisfactory to Lessor, any reports or returns which may be required with respect to the Units. For purposes of this Section, "Lessor" shall include any affiliated group, within the meaning of Section 1504 of the Code, of which Lessor is a member for any year in which a consolidated or combined income tax return is filed for the affiliated group.

7. **LOSS OR DAMAGE; INSURANCE:** Lessee assumes all risks and liabilities of loss, damage or Casualty Occurrence (as hereinafter defined) for any cause whatsoever, for condemnation of any Unit prior to, during or subsequent to and associated with, (until the Unit is returned to Lessor pursuant to Section 10) the Lease term. Subject to the limitations of Section 768.28, Florida Statutes, Lessee shall be responsible for injury to or death of any person or damage to any property arising out of or incident to Lessee's possession, use, operation, condition or storage of the Unit. If any Unit becomes damaged, from any cause whatsoever, Lessee shall give Lessor prompt notice thereof. If Lessor reasonably determines that such damage is not irreparable, then Lessee shall, at its expense, promptly restore the Unit to the condition required by Section 4 above, unless that damage was caused by Lessor, in which event, Lessor shall, at its expense, promptly restore the Unit to the condition required by Section 4 above. If any Unit becomes worn out, lost, stolen, destroyed or irreparably damaged (as reasonably determined by Lessor) from any cause whatsoever other than acts of Lessor, or taken by condemnation or otherwise (any such occurrence herein referred to as a "Casualty Occurrence") prior to, during or subsequent to (until the Unit is returned to Lessor pursuant to Section 10) the Lease term, Lessee shall give Lessor prompt notice thereof. In the event of a Casualty Occurrence, Lessee shall pay to Lessor, on the earlier of (a) the first payment date following such Casualty Occurrence or (b) thirty (30) days following such Casualty Occurrence, a sum (the "Termination Value") equal to (a) the "Beginning Balance" (as specified in the attached Payment Schedule) as of the next payment due following such Casualty Occurrence, plus (b) the amount of the interest portion (as specified in the Payment Schedule) of the next payment due following such Casualty Occurrence multiplied times a fraction the numerator of which is the number of days from the later of (a) the Delivery Date of the Unit or (b) the due date of the payment immediately preceding such Casualty Occurrence until the due date of the payment due hereunder in respect of such Casualty Occurrence and the denominator of which is 360. Lessee, at its expense, shall keep each Unit insured against all risks for not less than the applicable Beginning Balance with respect to such Unit and shall maintain comprehensive public liability insurance covering each Unit for not less than \$1,000,000 for combined coverage for bodily injury and property damage. All insurance shall (a) be in a form and with such companies as Lessor shall approve, (b) specify Lessor (or its designee) as their interest may appear as Additional Insured (as allowed under Section 768.28, Florida Statutes), (c) be primary, without right of contribution from any other insurance carried by Lessor, (d) provide that such insurance may not be cancelled or altered so as to affect the interest of Lessor without at least thirty (30) days' prior written notice to Lessor, and (e) name Lessor (or its designee) as loss payee. Lessee agrees to notify Lessor of any occurrence which may become the basis of an insurance claim hereunder and not to make any adjustments with insurers without Lessor's prior written consent. Prior to the first Delivery Date of any Unit, Lessee shall deliver to Lessor satisfactory evidence of such insurance coverage.

8. **WAIVER AND INDEMNITY: WITHOUT WAIVING ITS SOVEREIGN IMMUNITY AND SUBJECT TO THE LIMITATIONS OF SECTION 768.28, FLORIDA STATUTES, LESSEE HEREBY AGREES TO RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS LESSOR, ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND ASSIGNS FROM AND AGAINST ANY CLAIMS FOR PERSONAL INJURY AND PROPERTY DAMAGE ARISING OUT OF, CAUSED BY, OR RELATING TO USE AND OPERATION OF A UNIT BY LESSEE. UNDER NO CONDITION OR CAUSE OF ACTION SHALL LESSOR BE LIABLE TO LESSEE FOR ANY LOSS OF ACTUAL OR ANTICIPATED BUSINESS OR PROFITS OR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES.**

9. **EVENTS OF DEFAULT; REMEDIES:** Each of the following shall constitute an "Event of Default" hereunder: (a) Lessee shall fail to make any payment to Lessor when due; (b) any representation or warranty of Lessee contained herein or in any document furnished to Lessor in connection herewith shall be incorrect or misleading when made; (c) Lessee shall fail to observe or perform any other covenant, agreement or warranty made by Lessee hereunder and such failure shall continue for ten (10) days after written notice thereof to Lessee; (d) Lessee shall fail to make any payment on its bonded indebtedness when due; or (e) there shall be a default by Lessee under any other agreement between Lessor and Lessee. If any Event of Default shall occur, Lessor, at its option, may (a) proceed by appropriate court action(s) to enforce this Lease or to recover damages for the breach thereof; (b) by notice in writing to Lessee, terminate this Lease, and require Lessee to return the Units as provided in Section 10 of this Lease and demand payment from Lessee of any and all amounts then due under this Lease or which may have accrued to the date of termination. In any litigation arising out of this Lease, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in enforcing this Lease. The remedies herein provided shall be cumulative and in addition to all other remedies at law or in equity; provided, however, Lessor shall not be entitled to recover a greater amount in damages than Lessor could have gained through Lessee's full, timely and complete performance under this Lease, plus all fees, costs and expenses incurred by Lessor in enforcing this Lease and all interest charges pursuant to Section 2. If Lessee fails to perform any of its obligations under this Lease, Lessor may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessee upon demand. If Lessor fails to perform any of its obligations under this Lease, Lessee may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessor upon demand.

10. **RETURN OF UNIT:** Upon any termination of the term of this Lease with respect to each Unit or if Lessor shall rightfully demand possession of any Unit, Lessee, at its expense, shall forthwith deliver the unit to Lessor, appropriately protected and in the condition required by Section 4, at the option of Lessor, to the premises of the nearest RingPower Corporation location, or on board such carrier as Lessor shall specify and shipping the same, freight collect, to the destination designated by Lessor. If the Unit is not in the condition required by Section 4, Lessee shall pay to Lessor, on demand, all costs and expenses incurred by Lessor to bring the Unit into said condition other than those costs covered by Lessor's Total Maintenance & Repair obligation.

11. **REPORT TO IRS:** Lessee will report this Lease to the Internal Revenue Service by filing Form 8038-G, 8038-GC or 8038 whichever is applicable. Failure to do so will cause the Lease to lose its tax exempt status. Lessee agrees that if the appropriate form is not filed, the interest rate will be adjusted to an equivalent taxable interest rate.

12. **TITLE, SECURITY INTEREST AND FURTHER ASSURANCES:** Provided (a) Lessee has accepted each Unit on its delivery date; (b) no Event of Default exists as of the Delivery Date of the Unit, title to each Unit shall vest in Lessee on the Delivery Date of the Unit, provided, however, that in the event (i) this Lease is terminated pursuant to Section 1 hereof, or (ii) an Event of Default has occurred and is continuing, title to the Unit shall immediately revert in Lessor, free of any right, title and interest of Lessee, unless Lessor elects otherwise in writing.

13. **ASSIGNMENT; COUNTERPARTS:** Without the prior written consent of Lessor, no assignment of this Lease or any right or obligation hereunder may be made by Lessee or any assignee of Lessee. Lessor may not assign its right, title and interest in and to this Lease and the Units and/or grant or assign a security interest in this Lease and the Units, in whole or in part. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by RingPower Corporation on the signature page thereof as the original will constitute original chattel paper.

14. **EFFECT OF WAIVER:** No delay or omission to exercise any right or remedy accruing to Lessor hereunder shall impair any such right or remedy nor shall it be construed to be a waiver of any breach or default of Lessee. Any waiver or consent by Lessor under this Lease must be in writing specifically set forth. This Lease completely states the rights of Lessor and Lessee with respect to the Units and supersedes all prior agreements with respect thereto. Time is of the essence of this Lease. No variation or modification of this Lease shall be valid unless in writing and signed by the authorized representatives of Lessor and Lessee. All notices hereunder shall be in writing, addressed to each party at the address set forth on the front of this Lease or at such other address as may be furnished in writing. If any provision of this Lease shall be invalid under any applicable law, such provision shall be deemed omitted but the remaining provisions shall be given effect. All obligation of Lessee under this Lease shall survive the expiration or termination of this Lease to the extent required for their full observance and performance.

15. **GENERAL:** This Lease shall be governed by and construed under the laws of the State where the Units are located.

**LESSEE ACKNOWLEDGES HAVING RECEIVED A FULLY COMPLETED AND EXECUTED COPY OF THIS AGREEMENT**

Lessee: Nassau County BOCC

Lessor: RINGPOWER CORPORATION

By 

By \_\_\_\_\_

Name (PRINT) Vickie Samus

Name (PRINT) \_\_\_\_\_

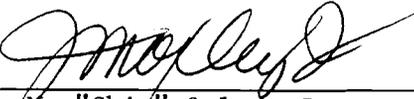
Title Chairman

Title: \_\_\_\_\_

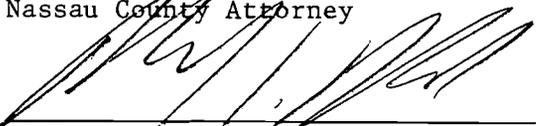
Date: May 14, 2003

Date: \_\_\_\_\_

ATTEST:

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

Approved as to Form by the  
Nassau County Attorney

  
Michael S. Mullin

**RING POWER CORPORATION**  
**Lease Return Condition Agreement**

This agreement is between Nassau County BOCC (Lessee) and Ring Power Corporation (Lessor), with regards to the following unit Caterpillar 826G II, S/N \_\_\_\_\_ which is being leased by the Lessee.

The Lessee agrees that each unit, upon its return, shall:

1. Be in sound mechanical shape and, if mobile, shall be in good working order under full payload.
2. Have tires in safe and operable condition with a minimum of forty percent (40%) life remaining  

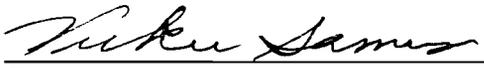
OR

Have a minimum of forty percent (40%) life remaining on all undercarriage components including track shoes, links, pins and bushings, idlers, bogies, sprockets, carrier rollers and track rollers.
3. Have no missing sheet metal and any damage to sheet metal or glass shall not exceed \$1,500.00; and
4. Have no structural damage to the frame.

The condition of each unit shall be determined by an inspection report done prior to its return to be provided by Lessor. In lieu of returning a unit in the condition specified above, Lessee shall reimburse Lessor for the cost to restore the unit to such condition.

Nassau County BOCC (Lessee)

Ring Power Corporation

  
Signature

\_\_\_\_\_  
Signature

Name (Print): Vickie Samus

Name (Print): \_\_\_\_\_

Title: Chairman

Title: \_\_\_\_\_

Date: 5-15-03

Date: \_\_\_\_\_

**Information Return for Tax-Exempt Governmental Obligations**  
 Under Internal Revenue Code section 149(e)  
 See separate instructions.

OMB No. 1545-0720

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

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

1 Issuer's name	2 Issuer's employer identification number
3 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite
5 City, town, or post office, state, and ZIP code	4 Report number G -
7 Name of issue Ringhaver Equipment Company Governmental Lease Purchase Agreement	6 Date of issue
9 Name and title of officer or legal representative whom the IRS may call for more information	8 CUSIP number
10 Telephone number of officer or legal representative	

**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 type="checkbox"/> Public safety	14
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	\$	\$	years	%

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

22 Proceeds used for accrued interest	22
23 Issue price of entire issue (enter amount from line 21, column (b))	23
24 Proceeds used for bond issuance costs (including underwriters' discount)	24
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
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30

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

**Please Sign Here**

Signature of issuer's authorized representative	Date	Type or print name and title
-------------------------------------------------	------	------------------------------

**DELIVERY SUPPLEMENT**

This pertains to the Lease, dated as of \_\_\_\_\_, between **Ring Power Corporation** as Lessor and Nassau County BOCC as Lessee.

This confirms that the Lessee physically received the following Unit(s) on the possession date below. As of the date of signature of this form, (i) the Unit(s) are in all respects satisfactory to Lessee for leasing under the Lease, and (ii) Lessor has performed all of its obligations under the Lease.

**Description of Unit(s)**

**Location**

(1) Caterpillar 826G Series II

Nassau County Landfill

Possession Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name (PRINT) \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**RINGPOWER CORPORATION**

**GOVERNMENTAL LEASE-PURCHASE AGREEMENT**

Dated as of 6-11-03

LESSEE: Nassau County BOCC

LESSOR: **RINGPOWER CORPORATION**

“A political agency or subdivision of the state of Florida”  
ADDRESS: P.O. Box 4000  
Fernandina Beach, Florida 32035

ADDRESS:

Lessor, in reliance on Lessee’s selection of the equipment described below (“Unit” or “Units”), agrees to acquire, lease, let and sell the Units to Lessee, and Lessee agrees to rent, lease, hire and purchase the Units from Lessor.

**Description of Unit(s)**

**Serial#**

(1) Gradall XL3100 Excavator  
See attached Quotation #XL3100-041703, dated 4/17/03 for specifications

To be supplied at the time of delivery

**Location of Unit(s):** Nassau County Road Department, Nassau County, Florida

**Payment Schedule attached.**

Lease Term: 36Months

**PAYMENT PROVISION:**

Lessee shall pay to Lessor payments (including the principal and interest portion) in 36 consecutive monthly installments of \$5,300.00 commencing at the time of delivery

**ADDITIONAL PROVISIONS:** Per the attached Quotation #XL3100-041703 dated 4/17/03, the machine has full warranty for 36 months/4500 hours with all parts and labor to be supplied by Ring Power Corporation. A deductible of \$200.00 will be charged for repairs after the original warranty period. (The original warranty period is 12 months or 1500 hours).

Nassau County is responsible for all scheduled maintenance, all daily/weekly maintenance and scheduled oil samples. Nassau County is responsible for all wear items (tires, bucket teeth, etc.) and any damages beyond normal wear.

RPC will provide a comparable loaner machine if repairs require more than 72 hours.

The lease period is for 36 months or 4500 hours. Should the machine be used more than 4500 hours prior to 36 months then excess hours will be charged at \$30.00 per hour and all repairs after that period will be the responsibility of Nassau County. The machine will be returned to Ring Power at the end of the lease period in a condition in accordance with the Lease Return Condition Agreement (attached).

**TERMS AND CONDITIONS**

**1. LEASE TERM; NON-APPROPRIATIONS:** The Lease term for each Unit shall commence on its “Delivery Date” (which is the later of the date on which (a) Lessor executes this Lease, (b) Lessee or its agent receives possession or takes control of the Unit) and shall continue through the last day of Lessee’s fiscal year in which the Delivery Date occurs and, thereafter, shall covenant to budget and appropriate the funds. Within seven days following the Delivery Date of each Unit, Lessee shall execute and deliver to Lessor a Delivery Supplement using Lessor’s standard form. In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year for payments due under this Lease, Lessee will immediately notify Lessor of such occurrence and this Lease shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to Lessee, except as to the portions of payments herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available. Notwithstanding the foregoing, Lessee agrees that, to the extent permitted by law, it will not cancel the Lease under the provisions of this Section 1 if any funds are appropriated to it or by it for the acquisition, retention or operation of the Units or other equipment performing functions similar to the Units for the fiscal year in which termination occurs or the next succeeding fiscal year.

**2. PAYMENTS; NET LEASE:** During the Lease term, Lessee shall pay to Lessor, rent for each Unit as stated in the attached Payment Schedule and according to the above Payment Provision. An amount equal to one payment for all of the Units must accompany this Lease. If Lessor accepts and executes this Lease, said amount shall be applied to the first payment due. If Lessor does not execute this Lease, said amount will be returned to Lessee. If Lessor does not receive a payment on the date it is due, Lessee shall pay to Lessor, on demand, interest at the rate of six percent (6%) per annum, simple, on the late payment. This Lease is a net lease, and Lessee shall not be entitled to any abatement or reduction of payment or any setoff against payment, whether arising by reason of any past, present or future claims of any nature by Lessee against Lessor. Except as otherwise expressly provided herein, the obligations of Lessor and Lessee shall not be affected by any defect in, damage to, loss of possession or use of any Unit, however caused, by the attachment of any lien or other claim to any Unit, by any interference with Lessee’s use of the Unit, for any cause, other than Lessor’s failure to satisfy Lessor’s Total Maintenance & Repair obligations under this Lease, whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding.

**3. DISCLAIMER OF WARRANTIES:** Lessee acknowledges and agrees that Lessor is not the manufacturer of the Unit(s) and that Lessee has selected each Unit based on Lessee's own judgment without any reliance whatsoever on any statements or representations made by Lessor. AS BETWEEN LESSOR AND LESSEE, THE UNIT(S) ARE PROVIDED "AS IS" WITHOUT ANY WARRANTIES OF ANY KIND. LESSOR HEREBY EXPRESSLY DISCLAIMS a) ALL WARRANTIES OF MERCHANTABILITY, b) ALL WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, AND c) ALL WARRANTIES AGAINST INFRINGEMENT OR THE LIKE. Lessor assigns to Lessee its interest in any of the manufacturer's warranties on the Unit(s).

**4. POSSESSION, USE AND MAINTENANCE:** Lessee shall not (a) use, operate, maintain or store any Unit improperly, carelessly, unsafely or in violation of any applicable law or regulation or for any purpose other than in the conduct of Lessee's business; (b) abandon any Unit; (c) sublease any Unit, permit the use of any Unit by anyone other than Lessee, change the use of any Unit from that specified in the attached Application Survey/Usage Rider, or change the location of any Unit from that specified above, without the prior written consent of Lessor, or (d) sell, assign or transfer, or directly or indirectly create or suffer to exist any lien, claim, security interest or encumbrance on any of its rights hereunder or in any Unit. The Units are and shall remain personal property irrespective of their use or manner of attachment to realty. Upon prior notice to Lessee, Lessor or its agent shall have the right (but not the obligation) at all reasonable times to inspect any Unit and maintenance records relating thereto. Lessee shall not alter any Unit or affix any accessory or equipment to any Unit if such alteration or addition would impair the originally intended function or use or reduce the value of such Unit. Any alteration or addition to any Unit shall be the responsibility of and at the sole risk of Lessee. If Lessor supplies Lessee with labels stating that the unit is leased from Lessor, Lessee shall affix and keep them in a prominent place on the Unit. The Lessee is responsible for daily fluid top-offs, vandalism, fire & theft, operator abuse and acts of nature.

**5. LESSEE'S REPRESENTATION AND WARRANTIES:** Lessee represents and warrants to Lessor that (a) Lessee is a fully constituted political subdivision or agency duly organized and existing under the Constitution and laws of the state where the Units will be located; (b) Lessee has the power to enter into and perform this Lease and has taken all necessary and appropriate action to authorize the execution, delivery and performance hereof; (c) this Lease constitutes a valid and legally binding and enforceable obligation of Lessee; and (d) Lessee has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal year and reasonably believes that funds can be obtained sufficient to make all payments during the term of this Lease. Lessee represents that the use of the Units is essential to Lessee's proper, efficient and economic operation. Lessee acknowledges and agrees that the payments have been calculated by Lessor assuming that the interest portion of each payment is excludable from gross income for Federal income taxation purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and if it is determined that the interest payable by Lessee is not exempt from Federal Income tax the interest rate will be adjusted to 10% per annum retroactive to the delivery date. Lessee represents, warrants and covenants that: (a) Lessee will comply with the information reporting requirements of Section 149(e) of the Code, as the same may be amended from time to time, and such compliance shall include but not be limited to the execution of information statements requested by Lessor; (b) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the Lease to be an arbitrage bond within the meaning of Section 148(a) of the Code; (c) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow this Lease to be a private activity bond within the meaning of Section 141(a) of the Code; (e) Lessee will not do or cause to be done any act which will cause, or by omission of any act allow, the interest portion of the payments to be or become includable in gross income for Federal income taxation purposes under the Code; and (f) Lessee will be the exclusive owner, user and operator of the Units.

**6. TAXES:** Lessee agrees to promptly pay or reimburse Lessor for all fees and taxes of any nature, together with any penalties, fines or additions to tax, or interest thereon (all of the foregoing hereafter the "Impositions"), arising at any time prior to, during or subsequent to and associated with, the Lease term and levied by Nassau County Florida with respect to or in connection with any Unit, excluding, however, taxes measured by Lessor's net income (of but not excluding any net income taxes which, by the term of the statute imposing such tax, expressly relieve Lessee or Lessor from the payment of any Impositions which Lessee would otherwise be obligated to pay or reimburse). If Lessor is not entitled to a corresponding and equal deduction with respect to any Imposition which Lessee is required to pay or reimburse and such payment or reimbursement constitutes income to Lessor, then Lessee shall also pay to Lessor the amount of any Impositions which Lessor is obligated to pay in respect of (a) such payment or reimbursement by Lessee and (b) any payment by Lessee made pursuant to this sentence. Lessee shall prepare and file, in a manner satisfactory to Lessor, any reports or returns which may be required with respect to the Units. For purposes of this Section, "Lessor" shall include any affiliated group, within the meaning of Section 1504 of the Code, of which Lessor is a member for any year in which a consolidated or combined income tax return is filed for the affiliated group.

**7. LOSS OR DAMAGE; INSURANCE:** Lessee assumes all risks and liabilities of loss, damage or Casualty Occurrence (as hereinafter defined) for any cause whatsoever, for condemnation of any Unit prior to, during or subsequent to and associated with, (until the Unit is returned to Lessor pursuant to Section 10) the Lease term. Subject to the limitations of Section 768.28, Florida Statutes, Lessee shall be responsible for injury to or death of any person or damage to any property arising out of or incident to Lessee's possession, use, operation, condition or storage of the Unit. If any Unit becomes damaged, from any cause whatsoever, Lessee shall give Lessor prompt notice thereof. If Lessor reasonably determines that such damage is not irreparable, then Lessee shall, at its expense, promptly restore the Unit to the condition required by Section 4 above, unless that damage was caused by Lessor, in which event, Lessor shall, at its expense, promptly restore the Unit to the condition required by Section 4 above. If any Unit becomes worn out, lost, stolen, destroyed or irreparably damaged (as reasonably determined by Lessor) from any cause whatsoever other than acts of Lessor, or taken by condemnation or otherwise (any such occurrence herein referred to as a "Casualty Occurrence") prior to, during or subsequent to (until the Unit is returned to Lessor pursuant to Section 10) the Lease term, Lessee shall give Lessor prompt notice thereof. In the event of a Casualty Occurrence, Lessee shall pay to Lessor, on the earlier of (a) the first payment date following such Casualty Occurrence or (b) thirty (30) days following such Casualty Occurrence, plus (b) the amount of the interest portion (as specified in the Payment Schedule) of the next payment due following such Casualty Occurrence multiplied times a fraction the numerator of which is the number of days from the later of (a) the Delivery Date of the Unit or (b) the due date of the payment immediately preceding such Casualty Occurrence until the due date of the payment due hereunder in respect of such Casualty Occurrence and the denominator of which is 360. Lessee, at its expense, shall keep each Unit insured against all risks for not less than the applicable Beginning Balance with respect to such Unit and shall maintain comprehensive public liability insurance covering each Unit for not less than \$1,000,000 for combined coverage for bodily injury and property damage. All insurance shall (a) be in a form and with such companies as Lessor shall approve, (b) specify Lessor (or its designee) as their interest may appear as Additional Insured (as allowed under Section 768.28, Florida Statutes), (c) be primary, without right of contribution from any other insurance carried by Lessor, (d) provide that such insurance may not be cancelled or altered so as to affect the interest of Lessor without at least thirty (30) days' prior written notice to Lessor, and (e) name Lessor (or its designee) as loss payee. Lessee agrees to notify Lessor of any occurrence which may become the basis of an insurance claim hereunder and not to make any adjustments with insurers without Lessor's prior written consent. Prior to the first Delivery Date of any Unit, Lessee shall deliver to Lessor satisfactory evidence of such insurance coverage.

**8. WAIVER AND INDEMNITY: WITHOUT WAIVING ITS SOVEREIGN IMMUNITY AND SUBJECT TO THE LIMITATIONS OF SECTION 768.28, FLORIDA STATUTES, LESSEE HEREBY AGREES TO RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS LESSOR, ITS DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND ASSIGNS FROM AND AGAINST ANY CLAIMS FOR PERSONAL INJURY AND PROPERTY DAMAGE ARISING OUT OF, CAUSED BY, OR RELATING TO USE AND OPERATION OF A UNIT BY LESSEE. UNDER NO CONDITION OR CAUSE OF ACTION SHALL LESSOR BE LIABLE TO LESSEE FOR ANY LOSS OF ACTUAL OR ANTICIPATED BUSINESS OR PROFITS OR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES.**

**9. EVENTS OF DEFAULT; REMEDIES:** Each of the following shall constitute an "Event of Default" hereunder: (a) Lessee shall fail to make any payment to Lessor when due; (b) any representation or warranty of Lessee contained herein or in any document furnished to Lessor in connection herewith shall be incorrect or misleading when made; (c) Lessee shall fail to observe or perform any other covenant, agreement or warranty made by Lessee hereunder and such failure shall continue for ten (10) days after written notice thereof to Lessee; (d) Lessee shall fail to make any payment on its bonded indebtedness when due; or (e) there shall be a default by Lessee under any other agreement between Lessor and Lessee. If any Event of Default shall occur, Lessor, at its option, may (a) proceed by appropriate court action(s) to enforce this Lease or to recover damages for the breach thereof; (b) by notice in writing to Lessee, terminate this Lease, and require Lessee to return the Units as provided in Section 10 of this Lease and demand payment from Lessee of any and all amounts then due under this Lease or which may have accrued to the date of termination. In any litigation arising out of this Lease, the prevailing party shall be entitled to recover reasonable attorney's fees and costs incurred in enforcing this Lease. The remedies herein provided shall be cumulative and in addition to all other remedies at law or in equity; provided, however, Lessor shall not be entitled to recover a greater amount in damages than Lessor could have gained through Lessee's full, timely and complete performance under this Lease, plus all fees, costs and expenses incurred by Lessor in enforcing this Lease and all interest charges pursuant to Section 2. If Lessee fails to perform any of its obligations under this Lease, Lessor may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessee upon demand. If Lessor fails to perform any of its obligations under this Lease, Lessee may (but need not) at any time thereafter perform such obligation, and the expenses incurred in connection therewith shall be payable by Lessor upon demand.

**10. RETURN OF UNIT:** Upon any termination of the term of this Lease with respect to each Unit or if Lessor shall rightfully demand possession of any Unit, Lessee, at its expense, shall forthwith deliver the unit to Lessor, appropriately protected and in the condition required by Section 4, at the option of Lessor, to the premises of the nearest RingPower Corporation location, or on board such carrier as Lessor shall specify and shipping the same, freight collect, to the destination designated by Lessor. If the Unit is not in the condition required by Section 4, Lessee shall pay to Lessor, on demand, all costs and expenses incurred by Lessor to bring the Unit into said condition other than those costs covered by Lessor's Total Maintenance & Repair obligation.

11. **REPORT TO IRS:** Lessee will report this Lease to the Internal Revenue Service by filing Form 8038-G, 8038-GC or 8038 whichever is applicable. Failure to do so will cause the Lease to lose its tax exempt status. Lessee agrees that if the appropriate form is not filed, the interest rate will be adjusted to an equivalent taxable interest rate.

12. **TITLE, SECURITY INTEREST AND FURTHER ASSURANCES:** Provided (a) Lessee has accepted each Unit on its delivery date; (b) no Event of Default exists as of the Delivery Date of the Unit, title to each Unit shall vest in Lessee on the Delivery Date of the Unit, provided, however, that in the event (i) this Lease is terminated pursuant to Section 1 hereof, or (ii) an Event of Default has occurred and is continuing, title to the Unit shall immediately revert in Lessor, free of any right, title and interest of Lessee, unless Lessor elects otherwise in writing.

13. **ASSIGNMENT; COUNTERPARTS:** Without the prior written consent of Lessor, no assignment of this Lease or any right or obligation hereunder may be made by Lessee or any assignee of Lessee. Lessor may not assign its right, title and interest in and to this Lease and the Units and/or grant or assign a security interest in this Lease and the Units, in whole or in part. Although multiple counterparts of this document may be signed, only the counterpart accepted, acknowledged and certified by RingPower Corporation on the signature page thereof as the original will constitute original chattel paper.

14. **EFFECT OF WAIVER:** No delay or omission to exercise any right or remedy accruing to Lessor hereunder shall impair any such right or remedy nor shall it be construed to be a waiver of any breach or default of Lessee. Any waiver or consent by Lessor under this Lease must be in writing specifically set forth. This Lease completely states the rights of Lessor and Lessee with respect to the Units and supersedes all prior agreements with respect thereto. Time is of the essence of this Lease. No variation or modification of this Lease shall be valid unless in writing and signed by the authorized representatives of Lessor and Lessee. All notices hereunder shall be in writing, addressed to each party at the address set forth on the front of this Lease or at such other address as may be furnished in writing. If any provision of this Lease shall be invalid under any applicable law, such provision shall be deemed omitted but the remaining provisions shall be given effect. All obligation of Lessee under this Lease shall survive the expiration or termination of this Lease to the extent required for their full observance and performance.

15. **GENERAL:** This Lease shall be governed by and construed under the laws of the State where the Units are located.

**LESSEE ACKNOWLEDGES HAVING RECEIVED A FULLY COMPLETED AND EXECUTED COPY OF THIS AGREEMENT**

Lessee: Nassau County BOCC

By   
Name (PRINT) Vickie Samus  
Title Chairman  
Date: May 14, 2003

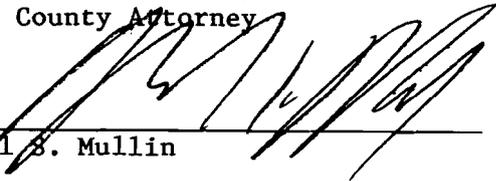
Lessor: RINGPOWER CORPORATION

By   
Name (PRINT) BREE RINGHAVER  
Title: CREDIT MANAGER  
Date: 6/11/03  
RING POWER CORPORATION

ATTEST:

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

Approved as to Form by the  
Nassau County Attorney

  
Michael S. Mullin

**RING POWER CORPORATION**  
**Lease Return Condition Agreement**

This agreement is between Nassau County BOCC (Lessee) and Ring Power Corporation (Lessor), with regards to the following unit Gradall XL3100, S/N \_\_\_\_\_ which is being leased by the Lessee.

The Lessee agrees that each unit, upon its return, shall:

1. Be in sound mechanical shape and, if mobile, shall be in good working order under full payload.
2. Have tires in safe and operable condition with a minimum of forty percent (40%) life remaining

OR

Have a minimum of forty percent (40%) life remaining on all undercarriage components including track shoes, links, pins and bushings, idlers, bogies, sprockets, carrier rollers and track rollers.

3. Have no missing sheet metal and any damage to sheet metal or glass shall not exceed \$1,500.00; and
4. Have no structural damage to the frame.

The condition of each unit shall be determined by an inspection report done prior to its return to be provided by Lessor. In lieu of returning a unit in the condition specified above, Lessee shall reimburse Lessor for the cost to restore the unit to such condition.

Nassau County BOCC (Lessee)

Ring Power Corporation

*Vickie Samus*  
Signature

*Bree Ringhaver*  
Signature

Name (Print): Vickie Samus

Name (Print): **BREE RINGHAVER**  
**CREDIT MANAGER**  
**RING POWER**

Title: Chairman

Title: \_\_\_\_\_

Date: 5-15-03

Date: 6/11/03



**GROVE**  
**GRADALL**  
A JLG COMPANY

JACKSONVILLE: 8050 Philips Hwy  
OCALA: 6200 North US 301/441  
TALLAHASSEE: 4760 Capital Circle NW  
PERRY: 2920 S. Byron Butler Pkwy  
LAKE CITY: 500 Cannon Creek Dr  
GAINESVILLE: 4900 N. Main St

- 904-737-7730
- 352-732-2800
- 850-562-2121
- 850-584-2800
- 904-755-3997
- 352-371-9983

MAIL ADDRESS: P.O. BOX 45022 , JACKSONVILLE, FLORIDA 32232

**RING POWER CORPORATION**  
**QUOTATION #: XL3100-041703**

TO: Nassau County Road Dept.  
2496 Eastwood Road  
Hilliard, FL.

DATE: April 17, 2003

ATTN: Butch Hartman

TERMS: Net 10 Days  
*This offer to sell is made subject to buyer's acceptance within ten (10) days from this date. All quoted prices are subject to change without notice and those in effect on the date of shipment shall prevail.*

APPROX. DELIVERY DATE: Will Advise

QTY	DESCRIPTION OF EQUIPMENT
1	<p><b>NEW GRADALL XL3100 HYDRAULIC EXCAVATOR WITH TELESTICK, A/C, LIGHTS, SEAT BELT, AUXILIARY HYDRAULICS W/ 4-LINE HOSE TROUGH, REAR TOW HOOKS, 60" DITCHING BUCKET, CUMMINS 190HP ENGINE, 1500X22.5 FRONT DISC WHEELS, 1000X20 14-PLY REAR DISC WHEELS, WINDSHIELD WIPERWASHER, CARRIER-XL3100 REMOTE CONTROL 4X4,</b></p> <p><b>Warranty: Three year / 4500 hour full machine warranty. All parts and labor will be performed by Ring Power Corp. Deductible of \$200.00 per warranty claim applies for the extended warranty period (After the first twelve months or 1500 hours). If the usage is more than 4500 hours prior to 36 months then all repairs after that period will be the responsibility of Nassau County.</b></p> <p><b>RPC will provide a comparable loaner machine if repairs require more than 72 hours.</b></p> <p><b>Nassau County will provide all scheduled maintenance, all daily / weekly maintenance and scheduled oil samples. Nassau County is also responsible for all wear items (i.e., tires, cutting edges, etc) and any damages beyond normal wear.</b></p> <p><b>Terms: Three year / 4500 hour lease with Ring Power Corporation.</b></p> <p><b>Payment: \$5,300.00 per month for 36 months or 4500 hours. If the usage is more than 4500 hours prior to 36 months then excess hours will be charged at \$30.00 per hour.</b></p>

Accepted By:  
Date:

5-15-03

Sales Representative: Sean McKillip

Above Prices Are F.O.B. Jacksonville, FL  
Florida State Sales Tax To Apply If Applicable  
RING POWER CORPORATION

By:   
Pat O'Brien, VP, Asst. Sales Manager



*Send fully executed  
copies to Melissa*

March 26, 2003

Mr. Mike Mullin  
County Attorney  
Nassau County Board of County Commissioners  
P.O. Box 1010  
Fernandina Beach, Florida 32035-1010

Dear Mike,

Attached please find the lease documents from Ring Power Corporation with the revised changes we agreed to. These leases are for the models listed below:

Solid Waste Department

Caterpillar 826G Series II  
Caterpillar 950G Series II  
Caterpillar 725

Road and Bridge Department

2 units Gradall XL3100 (please find two separate leases, one for each unit)

Also I have included all necessary documents (Quotations, Delivery supplements, Tax Form 8038G and our Lease Return Condition Report) to execute these leases. These leases have been budgeted for and will be a substantial savings to Nassau County over the three year term.

Upon approval by the Board of County Commissioners I can proceed with delivery of the units. I will be at the May 14, 2003 meeting if there are any questions.

Please call me at 904-545-8186 if you have any questions in the meantime.

Sincerely,

Sean B. McKillip  
Ring Power Corporation

**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		2 Issuer's employer identification number	
3 Number and street (or P.O. box if mail is not delivered to street address)		Room/suite	4 Report number <b>3</b>
5 City, town, or post office, state, and ZIP code		6 Date of issue	
7 Name of issue Ring Power Corporation Government Lease Purchase Agreement		8 CUSIP number	
9 Name and title of officer or legal representative whom the IRS may call for more information		10 Telephone number of officer or legal representative	

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

- 11  Education
- 12  Health and hospital
- 13  Transportation
- 14  Public safety
- 15  Environment (including sewage bonds)
- 16  Housing
- 17  Utilities
- 18  Other. Describe ►
- 19 If obligations are TANs or RANs, check box  If obligations are BANs, check box
- 20 If obligations are in the form of a lease or installment sale, check box

5-22-03  
12:30

Sean picked up originals on 5-22. Will get them signed + return orig. Mary is completing the 8038-G form

**Part III Description of Obligations. Complete for the entire issue for which the issue price is reported on this form.**

(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity
21	\$	\$

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

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

24	
25	
26	
27	

**Part V Description of Refunded Bonds (Complete this part only if the issuer has refunded bonds)**

- 31 Enter the remaining weighted average maturity of the bonds to be called
- 32 Enter the remaining weighted average maturity of the bonds to be advanced
- 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 149(b)(1)(B)
- 36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract
- 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 loan participations
- b If this issue is a loan made from the proceeds of another tax-exempt issuer
- 38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (other than for a qualified mortgage)
- 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

5-27-03  
Chris called Sean. They do not think we'll need the 8038-G forms.

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 \_\_\_\_\_ Date \_\_\_\_\_ Type or print name and title \_\_\_\_\_

