



**800-251-1600**

Rings to the Branch Nearest You  
www.actonmobile.com

Contract No: CN08-124 Branch Address:  
Bid No: \_\_\_\_\_ Acton Mobile Industries  
5960 Richard Street  
Jacksonville, FL 32216  
Phone: 904-448-0042  
Fax: 904-448-0708

ALABAMA \* FLORIDA \* GEORGIA \* ILLINOIS \* KENTUCKY  
NORTH CAROLINA \* OKLAHOMA \* PENNSYLVANIA  
SOUTH CAROLINA \* TENNESSEE \* TEXAS \* VIRGINIA

**Lease Order and Agreement**

**Thursday, July 17, 2008**

**Billing Address:**

Nassau County  
76347 Veterans Way  
Yulee, FL 32097  
Phone: (904) 548 4688 / Fax: - -

**Shipping Address:**

Nassau County  
Tim Milligan  
County Building  
Yulee, FL 32097  
Phone: (904) 548 4688 / Fax: - -

| Quote #          | Rev | Quote Type | Model  | Bldg Size | Lease Term | Mo. Rate* | Sale Price | Serial # |
|------------------|-----|------------|--------|-----------|------------|-----------|------------|----------|
| QUO-48236-60H44H | 3   | USEDLEASE  | MO1260 | 12 x 56   | 36 Mo.     | \$215.00  |            |          |

| Description                     | Qty | Sale Price | Total             |
|---------------------------------|-----|------------|-------------------|
| Delivery Freight                | 1   | \$0.00     | \$0.00            |
| Set-up                          | 16  | \$28.00    | \$448.00          |
| Tie Down                        | 14  | \$28.00    | \$392.00          |
| Skirting                        | 1   | \$556.00   | \$556.00          |
| Bld. and Found. plans           | 2   | \$50.00    | \$100.00          |
| Vinyl Skirting Installation     | 1   | \$500.00   | \$500.00          |
| <b>Total Initial / One-Time</b> |     |            | <b>\$1,996.00</b> |

| Description            | Qty | Sale Price | Total           |
|------------------------|-----|------------|-----------------|
| 12x60 Mobile Office    | 1   | \$215.00   | \$215.00        |
| <b>Total Recurring</b> |     |            | <b>\$215.00</b> |

| Description   | Qty | Sale Price | Total    |
|---|-----|------------|----------|
| Knockdown   | 1   | \$56.00    | \$56.00  |
| Return Freight  | 1   | \$182.00   | \$182.00 |
| <b>Final Charges will be billed to Customer at the current rate in effect at the time Equipment is returned to ACTON.</b> |     |            |          |

**First Invoice Amount**  
\$2,211.00  
**Equipment Replacement Value For Insurance:**  
**\$24,965.00**  
Plus Applicable Sales & Use Tax

Notes: Quote based on a construction code setup on hardpan using 16 dry stack piers and 14 anchors. Acton value certificate issued for \$215 credit on the first and last invoice. Vinyl skirting is an optional feature. No charge delivery freight promo code-Jax #042. Based on value certificates being received, lease term must be fulfilled. Physical PO to be issued instead of terms and conditions from Acton.

\* This Lease (defined below) will be subject to an additional monthly property tax and license fee surcharge of \$12.90. Monthly Rate is subject to increase on each anniversary of the Equipment's Delivery Date.

Prices are effective for thirty 30 days from the date at the top of this page and are subject to availability of Equipment. Prices exclude taxes, licenses, permit fees, utility connection charges and site preparation, which is the sole responsibility of Customer. All Customers and leases of Equipment are subject to credit review.

No, representations and warranties regarding (I) the Equipment or otherwise, or (II) compliance with any federal, state or local codes or zoning ordinances (Codes and Ordinances) are made or may be implied hereby unless expressly stated on this page or in the Terms & Conditions. Compliance with all Codes and Ordinances shall be the sole responsibility of Customer. EQUIPMENT IS PROVIDED AS IS.

Customer must notify ACTON prior to delivery of any Equipment of potentially hazardous site conditions or conditions that may otherwise affect delivery, installation, tie down, maintenance, dismantling or return of any Equipment. Failure to notify ACTON of such conditions will result in additional Initial / One-Time Charges or Final Charges, as applicable, and delays.

**Terms of Lease**

Customer agrees to lease the Equipment from Acton, and Acton hereby agrees to lease the Equipment to Customer, on the terms set forth in this Lease Order and Agreement and the Terms & Conditions of Equipment Lease located at <http://www.actonmobile.com> ON THE DATE CUSTOMER SIGNS THIS LEASE ORDER AND AGREEMENT, WHICH ARE INCORPORATED HEREBY BY REFERENCE AND CONTAIN, AMONG OTHER THINGS, ARBITRATION AND WAIVER OF JURY TRIAL PROVISIONS, AND (b) ACKNOWLEDGES THAT IT HAS READ THE TERMS & CONDITIONS.

The Lease Term set forth on the first page of this Lease Order and Agreement shall commence upon Acton's delivery of the Equipment to Customer. Customer will have forty-eight (48) hours from time of delivery of Equipment (Delivery Date) to notify ACTON in writing of any Equipment defects or deficiencies. If Acton does not receive a timely written notice from Customer, then Customer shall be deemed to have accepted such Equipment on the terms and conditions set forth in this Lease Order and Agreement and the Terms & Conditions. No alterations, additions, exceptions, or changes to the Lease made by Customer shall be effective against ACTON, whether made hereon, contained in any printed form of Customer or elsewhere, unless accepted in writing by ACTON.

The Lease will automatically continue on a month-to-month basis from and after the expiration of the Lease Term until Equipment is returned.

Customer will be responsible for all repairs and maintenance to Equipment during the Lease. ACTON assumes no liability for non-coded setups.

All Equipment must be insured during the Lease period with the Terms & Conditions. All-Risk Physical Loss or Damage Insurance coverage shall be provided by Customer for the full Equipment Replacement Value and name NEW ACTON MOBILE INDUSTRIES LLC as 'Additional Insured and Loss Payee'.

BY CHECKING THIS BOX, CUSTOMER (b) AGREES THAT CUSTOMER SHALL BE BOUND BY THIS LEASE ORDER AND XXXX AGREEMENT AND THE TERMS & CONDITIONS OF EQUIPMENT LEASE LOCATED AT <http://www.actonmobile.com> ON THE DATE CUSTOMER SIGNS THIS LEASE ORDER AND AGREEMENT, WHICH ARE INCORPORATED HEREBY BY REFERENCE AND CONTAIN, AMONG OTHER THINGS, ARBITRATION AND WAIVER OF JURY TRIAL PROVISIONS, AND (c) ACKNOWLEDGES THAT IT HAS READ THE TERMS & CONDITIONS.

Quote #: QUO-48236-60H44H

Nassau County Board of County Commissioners

By: Marianne Marshall

Date: July 16, 2008

Name: MARIANNE MARSHALL

Title: Chair

New Acton Mobile Industries LLC (ACTON)

Lease Order and Agreement Prepared by:

By: Kim Johnson  
Katherine K. Giannelli  
Vice President, Finance  
Kim Johnson  
Credit/Collection Mgr

Blaine Hess  
Blaine Hess  
bhess@actonmobile.com  
Jacksonville

ATTEST TO CHAIR'S SIGNATURE:

Approved as to form by the Nassau County Attorney:

John A. Crawford  
JOHN A. CRAWFORD  
Its: Ex-Officio Clerk

David A. Halliman  
David A. Halliman

The Lease and all rights of ACTON under the Lease are subject to the security interest of Wachovia Bank, National Association, as Agent, and any sale, transfer, assignment or encumbrance of the Lease violates the rights of such secured party.

## TERMS AND CONDITIONS OF EQUIPMENT LEASE

### TERMS AND CONDITIONS OF EQUIPMENT LEASE

#### WITH NASSAU COUNTY

The following Terms and Conditions of Equipment Lease together with the Lease Order and Agreement (collectively, this "Agreement") are entered into by and between New Acton Mobile Industries LLC ("Lessor") (d/b/a Acton Mobile Industries) and the Customer identified on the Lease Order and Agreement ("Lessee"), which constitute the complete and exclusive statement of the agreement between Lessor and Lessee, superseding and replacing all prior documents and representations and warranties, and shall not be modified or amended except as set forth in this Agreement or by a separate written agreement signed by the parties:

1. TRUE LEASE. This Agreement constitutes a true lease and not a sale of the Equipment identified on the Lease Order and Agreement (the "Equipment"). Title to and ownership of the Equipment at all times will remain in the Lessor. Lessee will acquire no right or interest in the Equipment, except as expressly set forth herein. The Equipment is and shall remain personal property.
2. LEASE TERM OF LEASE NO CANCELLATION.
  - a. Customer will lease the Equipment from Lessor, and Lessor will lease the Equipment to Customer, on the terms and conditions of this Agreement.
  - b. The Lease Term set forth on the Lease Order and Agreement will begin on the date of delivery of the Equipment (the "Delivery Date"), as Lessor and Lessee shall agree upon, and end on the last day of such Lease Term.
  - c. Upon expiration of the Lease Term, provided that no Event of Default (as herein defined) has occurred and is continuing, this Agreement shall continue on a month-to-month basis (each, an "Extension Period"), unless (i) either party shall provide written notice of termination of this Agreement at least thirty (30) days prior to the expiration of the Lease Term or any Extension Period thereof, or (ii) the parties shall have entered into a new written agreement.
  - d. Either party may terminate this Agreement with ninety days advance written notice to the other party.
  - d. ~~Except as set forth in this Section 2(c), Lessee shall not cancel this Agreement during the Lease Term. As an essential inducement to Lessor to enter into this Agreement, Lessee has agreed that it shall have no right to cancel this Agreement during the Lease Term, and Lessee hereby irrevocably agrees that it will pay to Lessor the entire amount of the Rental Payment (as herein defined) when due during the Lease Term, without reduction for any reason whatsoever. Notwithstanding the foregoing, Lessee may at any time cancel or terminate this~~

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Agreement prior to the end of the Lease Term by paying to Lessor all amounts of Rental Payments which are then due and payable and which are to become due and payable during the entire remaining portion of the Lease Term.

3. RENT, RENTAL INCREASES, LATE CHARGES.

- a. Rental Payments begin to accrue on the Delivery Date, provided that any advance rental or deposit specified on the Lease Order and Agreement shall be due upon execution of this Agreement or such other date as may be specified on the Lease Order and Agreement. If, however, delivery of all or any portion of the Equipment is delayed at the request of Lessee or due to Lessee's acts or non-performance of any covenant under this Agreement for more than thirty days after the earlier of Lessor's attempt to deliver such Equipment to Lessee or any Delivery Date scheduled by Lessor and Lessee, thereafter Lessor may, at its option, charge Lessee the Rental Payment as if Lessee had taken delivery of such Equipment on the last day of such thirty-day period. Lessee shall pay Lessor the Monthly Rate for the Equipment (specified on the Lease Order and Agreement, as may be adjusted from time to time) together with any other recurring rentals, charges, fees or taxes (including rental for all auxiliary items) comprising the Total Recurring Payment (or, if rent is payable on a quarterly or other periodic basis, such total recurring payment) specified on the Lease Order and Agreement (collectively, the "Rental Payment") ~~in advance or~~ within forty-five (45) days of the Due Date. The "Due Date" shall be the same date of each month (or, if rent is payable on a quarterly or other periodic basis, the same date of the first month of each such quarter or other period) during the Lease Term and any Extension Period thereof as the Delivery Date; provided that if any such month shall not have a date that coincides with the same date as the Delivery Date, the Rental Payment shall be due on the last day of such month. (By means of illustration, if the Delivery Date is June 15 and Rental Payments are paid monthly, then all Rental Payments shall be due on the 15th day of each month during the Lease Term and any Extension Period thereof.) This is a net lease. The Lessee's obligation (without prior notice or demand) to pay the Rental Payment and all other amounts due hereunder shall be absolute and unconditional, and not subject to any abatement, set off, defense, recoupment or reduction for any reason whatsoever.
- b. On each anniversary of the Delivery Date, the Monthly Rate for the Equipment may, at the option of the Company, be increased by an amount equal to (i) the Monthly Rate (then in effect) multiplied by (ii) a fraction (A) the numerator of which is the difference between (I) the Revised Consumer Price Index for all Urban Consumers, all items, U.S. City Average, as reported by the Bureau of Labor Statistics, Department of Labor (the "CPI") for the last full calendar month preceding such anniversary of the Delivery Date, and (II) the CPI for the corresponding month of the prior anniversary of the Delivery Date (or, in the case of the first anniversary of the Delivery Date, the Delivery Date) (the "Prior Year's CPI"); and (B) the denominator of which is the Prior Year's CPI. There shall be no adjustment to the Monthly Rate on any anniversary

date if any such adjustment would result in a decrease in the Monthly Rate.

- c. If any payment is not paid within forty-five (45) day of the due date~~when due~~, Lessee agrees to pay Lessor a charge of one and one-half percent (1.5%) per month of the amount in arrears for the period such amount remains unpaid, but not to exceed the maximum amount permitted by law. Lessor may apply any payment received from Lessee at any time against any obligation due and owing by Lessee under this Agreement.
- d. Lessee shall remit all payments to Lessor as follows, unless otherwise directed by Lessor:

New Acton Mobile Industries LLC  
PO Box 758689  
Baltimore, MD 21275-8689

4. **DELIVERY AND ACCEPTANCE.** Upon delivery, Lessee shall inspect and determine the acceptability of the Equipment. Lessee will have forty-eight (48) hours from the time of delivery of the Equipment to notify Lessor in writing of any defects or deficiencies in the Equipment, which notice shall specify each defect or deficiency in the Equipment. If Lessor does not receive a timely written notice from Lessee before the expiration of such 48-hour period, Lessee is deemed to accept the Equipment and to acknowledge that the Equipment is in good order and operating condition, free of all Hazardous Materials.
5. **SITE SUITABILITY, INSPECTION.** Lessee shall choose a firm, level site accessible by truck to locate the Equipment. If Lessee fails to provide such a site, then Lessee shall pay Lessor for any additional delivery, site preparation, and return charges required to set up or return the Equipment. Lessee shall not alter the manner of installation of the Equipment or relocate the Equipment from its delivery location without the prior written consent of Lessor. Lessor shall have the right to enter the premises and inspect the Equipment during normal business hours during the Lease Term and any Extension Period thereof.
6. **USE AND MAINTENANCE.** Lessee has the right to hold, use and enjoy the Equipment peaceably and quietly, subject to the terms and conditions of this Agreement. Lessee shall use the Equipment solely in the conduct of its business (and not for personal, household, family or farming use) and in a careful and lawful manner. Lessee shall comply with all laws related to the use, operation, possession and maintenance of the Equipment, including obtaining all permits necessary for or related to the use and/or possession of the Equipment, and attaching any license plates, nameplates, decals or other markings required by law. Lessor, however, makes no representations as to the Equipments compliance with local or state building codes or zoning ordinances. At all times during the term of this Agreement, Lessee shall keep the Equipment in good order and operating condition, ordinary wear and tear excepted, shall keep the Equipment properly ventilated and shall not allow, or permit any condition to exist that allows, standing water to accumulate in, on or under the Equipment. During the Lease Term and any Extension Period thereof, Lessee is responsible for all maintenance and repairs; provided that Lessee shall not make any changes or alterations to the Equipment without Lessor's prior written consent.

7. HAZARDOUS MATERIALS. Lessee shall not use, manufacture, release, store, dispose of, or otherwise have present any Hazardous Materials (as defined herein) in, on, under, or near the Equipment, unless Lessor shall have first consented in writing to such use, manufacture, release, storage, disposal of, or presence of such Hazardous Materials by Lessee and such Hazardous Materials are used, stored, manufactured, disposed of or otherwise present in accordance with all applicable laws. The term "Hazardous Materials" shall mean any explosives, flammable substances, radioactive materials, asbestos in any form, paint containing lead, materials containing urea, formaldehyde, polychlorinated biphenyls, oil, petroleum products or byproducts, or any other hazardous, toxic, dangerous or otherwise regulated substances, wastes, pollutants, contaminants, materials, or biological substances (including fungi, bacteria, mold and microbial matter of any kind) whether having such characteristics in fact or defined as such under federal, state, or local laws or regulations and any amendments thereto, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9061 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. 1802 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq., the Toxic Substance Control Act of 1976, as amended, 2601 et seq., the Federal Water Pollution Control Act, 33 U.S.C. 1251 et seq., the Clean Air Act, 42 U.S.C. 7401 et seq., the National Environmental Policy Act, 42 U.S.C. Section 4321, the Safe Drinking Water Act, 42 U.S.C. Sections 300F, et seq., and the Environmental Protection Agency and Occupational Safety and Health Administration regulations pertaining to asbestos.
8. FEES, TAXES AND PERMITS. Lessee shall pay Lessor any additional monthly property tax and license fee surcharges specified on the the Lease Order and Agreement. Lessee shall also reimburse Lessor for all sales, use, and personal property taxes, fees, charges, assessments or expenses imposed by any government or taxing authority related to the Equipment, its value, use, possession, operation, transport or Rental Payments paid hereunder (except for Lessors income taxes). Lessee shall also reimburse Lessor for the cost of, or obtain at Lessee's cost and expense, as directed by Lessor from time to time, all licenses, permits, nameplates, decals or other markings supplied by Lessor. Lessee agrees to cooperate fully with Lessor in (a) preparing a return, (b) filing, reporting and/or paying all such taxes, fees and assessments and (c) preparing, filing or renewing all such licenses and permits.
9. LIENS.
- a. Lessee agrees, at its sole cost and expense, to keep the Equipment free and clear of and from all claims, liens, security interests, encumbrances and attachments ("Liens"). Other than such Liens granted by Lessor ("Permitted Liens"), Lessee represents and warrants to Lessor that the Equipment is free and clear of all Liens, other than Permitted Liens, at the commencement of this Agreement and shall return the Equipment to Lessor free and clear of all Liens, other than Permitted Liens.
  - b. In order to secure the prompt payment and performance as and when due of all obligations and liabilities of Lessee to Lessor under this Agreement, Lessee hereby grants to Lessor a security interest in Lessee's interest in the Equipment, and all additions, parts, repairs, accessories, accessions and attachments thereto, substitutions and replacements therefor, and proceeds (including insurance proceeds)

thereof. Lessee authorizes Lessor to take any actions necessary to perfect Lessor's security interest in the Equipment, including, but not limited to, the filing of any financing statement or other documents, with or without Lessee's signature. If Lessee's signature is required, Lessee hereby appoints Lessor as its attorney-in-fact to execute any such financing statements or documents. Lessee shall reimburse Lessor for all actual costs of Lessor for the preparation and filing of such financing statements or documents. Lessor shall provide Lessee with a copy of any such financing statements or documents so prepared and/or filed upon Lessee's request.

~~10. INDEMNITY. Lessee agrees to indemnify, defend, and hold harmless Lessor, its officers, directors, employees, agents, independent contractors, affiliates, successors and assigns, from and against any and all losses, claims (including third party claims), damages, costs, and expenses, including, without limitation, reasonable attorneys' fees and costs and the costs of any repair, clean-up, detoxification, abatement or remediation, arising from or relating to: (a) any loss or damage to the Equipment and any part or component thereof while in the possession or control of the Lessee; (b) the death of, injury to, or damage to the property (whether real or personal) of, any person or party arising from or relating to the use, possession or condition of the Equipment and any part or component thereof while in the possession or control of the Lessee; (c) Lessee's breach of any covenant of this Agreement, including the failure to use or maintain the Equipment as agreed to herein or to maintain the Equipment free of all Liens (other than Permitted Liens); (d) the existence, use, manufacture, storage, release or disposal of Hazardous Materials by Lessee or other third parties in, on, under, or near the Equipment; and (e) any return or repossession of the Equipment by Lessor or its agent or designee. Lessee shall give Lessor immediate notice of any claim or liability against which Lessor is indemnified hereby.~~

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~~11-~~10. **LOSS AND DAMAGE.** Lessee assumes the risk of all loss and damage to the Equipment from all causes. Upon the occurrence of the actual or constructive total loss of the Equipment, to such an extent as to make the repair thereof uneconomical or unfit for normal use (as the Lessor may determine in its sole discretion), then the Lessor may, at its option, declare the Equipment a "Total Loss." In the event of a Total Loss, Lessee shall pay Lessor, on the next Due Date, the Equipment Value as set forth on the Lease Order and Agreement, less all insurance proceeds actually paid and/or assigned to Lessor as of such date in respect of the Equipment declared a Total Loss from insurance maintained by Lessee, plus any plus all applicable sales and/or transfer taxes (the "Total Loss Amount"). Upon receipt of the Total Loss Amount, the Lessee's lease obligation will terminate and Lessor will transfer title to the Equipment to the Lessee. In the event of loss or damage to the Equipment which Lessor does not declare a Total Loss, Lessee, at its sole cost and expense, shall pay or reimburse Lessor, to the extent Lessor has not been paid or reimbursed from insurance maintained by Lessee, for the repair of such damage to the condition required by this Agreement as directed by the Lessor in a written notice to Lessee. Payments pursuant to the foregoing sentence shall be due and payable on the next Due Date following the date Lessor gives Lessee notice of such repairs. Any loss or damage to the Equipment shall not reduce or otherwise abate Lessee's obligation to pay all Rental Payments when

due, except as otherwise provided in this Agreement. Moreover, Lessee's obligations to pay Lessor amounts pursuant to this Section 11 shall be binding upon Lessee in accordance with the terms hereof notwithstanding if, when or to what extent (if at all) Lessee may receive, or otherwise be determined by the insurer to be entitled to receive, any insurance proceeds or other benefits in respect of the Equipment or any loss or damage thereof under insurance maintained by Lessee.

~~12.~~11. INSURANCE.

- a. Unless Lessee obtained the Physical Damage Waiver, Lessee, at its sole cost and expense, shall obtain and keep in force during the entire Lease Term and any Extension Period thereof, commencing on the Delivery Date, (i) commercial general liability insurance ("Liability Insurance") with limits no less than \$1,000,000 per each occurrence and a \$2,000,000 general aggregate limit, which shall insure against all liability arising out of the use, occupancy, operation, maintenance, possession or control of the Equipment and Lessee's obligations under Section 10 hereof, and (ii) property insurance in an amount equal to one hundred percent (100%) of the Equipment Value, as set forth on the Lease Order and Agreement, providing protection against all perils included within the classification and special extended perils ("all risk" insurance) ("Property Insurance" and together with the Liability Insurance, the "Required Insurance").
- b. The Required Insurance shall be issued by insurance companies satisfactory to Lessor. Within ten (10) days after the Delivery Date, Lessee shall provide Lessor with Certificates of Insurance evidencing that the Required Insurance is in effect and naming Lessor as Additional Insured and Loss Payee and requiring Lessor to be provided with thirty (30) days prior written notice of any cancellation. Any proceeds of such Required Insurance, whether paid by reason of loss, damage, return of premium or otherwise, shall be paid to Lessor and shall, as determined by the Lessor in its sole discretion, be applied to the repair or replacement of the Equipment or payment of all obligations due under this Agreement.
- c. For each month and each item of Equipment leased from Lessor that Lessee fails to obtain the Required Insurance or deliver to Lessor the related Certificate of Insurance, Lessor may, at its option upon notice to Lessee, require Lessee to pay for the Physical Damage Waiver, subject to the provisions of Section 13.

~~13.~~12. PHYSICAL DAMAGE WAIVER. If Lessee obtains the Physical Damage Waiver with respect to any item of Equipment or is required to obtain the Physical Damage Waiver pursuant to Section 12(c), then, for each month that Lessee has paid Lessor the fee(s) for the Physical Damage Waiver, Lessee shall not be obligated to obtain the Property Insurance with respect to such Equipment and Lessor shall relieve the Lessee of any liability for physical damage to such Equipment from fire, lightning, windstorm, vandalism or theft in excess of \$1,000 per item of Equipment per occurrence (excluding cleaning or other ordinary course maintenance or repairs) that does not arise from or relate to Lessee's gross negligence or willful misconduct. Notwithstanding the foregoing, the Physical Damage Waiver shall not in any manner (a) limit Lessee's liabilities, or excuse Lessee from its obligations, under Sections ~~10 and~~

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11 of this Agreement except to the extent provided by this Section 13 or to obtain the Liability Insurance and deliver a Certificate of Insurance therefor, (b) shall not provide Lessee with any insurance coverage or constitute a contract of insurance, and (c) shall not provide Lessee with any protection or indemnification with respect to any claims for personal injury or death of any person or any third party claims. Lessor shall have no liability or obligation with respect to any loss or damage covered by the Physical Damage Waiver unless Lessee notifies Lessor in writing of any such loss or damage within seventy-two (72) hours after the occurrence thereof. Lessee may cancel the Physical Damage Waiver upon at least ten (10) days prior written notice and delivery to Lessor of a Certificate of Insurance evidencing that Lessee has obtained the Property Insurance. Lessor may cancel the Physical Damage Waiver upon at least ten (10) days prior written notice to Lessee. Fees for the Physical Damage Waiver shall be as set forth on the Lease Order and Agreement or the Physical Damage Waiver addenda attached hereto and may be increased or decreased by Lessor from time to time.

44.13. DEFAULTS AND REMEDIES.

- a. Lessee shall be deemed to be in default hereunder upon the occurrence of any of the following events ("Events of Default"): (i) Lessee shall fail to make any Rental Payment (as may be adjusted from time to time) or any other payment due hereunder by its due date; (ii) Lessee shall not perform or observe any other term, covenant, or condition of this Agreement; (iii) Lessee shall have abandoned the Equipment; (iv) Lessee shall become the subject of any bankruptcy or insolvency proceedings (whether voluntary or involuntary) under any federal or state law; or (v) any representation or warranty of Lessee shall have been untrue in any material respect when made, or any information submitted by Lessee to Lessor shall be false or misleading in any material respect.
- b. Upon the occurrence of an Event of Default, Lessor, at its sole option, may declare this Agreement to be in default, and thereafter may exercise any one or more of the following remedies: (i) declare the entire unpaid balance of Rental Payments for the Lease Term and all other unpaid Rental Payments, fees, taxes, and charges, immediately due and payable; (ii) repossess, retake and/or retain the Equipment, free of all rights and claims of Lessee without notice, legal process or judicial intervention, and without releasing Lessee of any term, covenant or condition provided herein; (iii) cancel this Agreement; and/or (iv) exercise any other right or remedy available to Lessor at law or in equity. Lessors waiver of any Event of Default shall not constitute a waiver of any other Event of Default or a waiver of any term or condition of this Agreement. ~~Lessee shall pay all of Lessors reasonable out of pocket costs and expenses, including, without limitation, reasonable attorneys' fees and court costs, incurred by reason of any Event of Default. No right or remedy referred to herein is intended to be exclusive, and each may be exercised concurrently or separately and from time to time. If Lessor shall repossess or retake the Equipment, and there shall be in or attached to such Equipment any property owned by, or in the custody or control of Lessee, then Lessor is hereby authorized to take possession of such property. If any such property is not claimed and taken by Lessee within ten (10) days after Lessor~~

repossesses or retakes the Equipment, such property will be deemed abandoned by Lessee, and Lessor shall have the right to dispose of any such items, subject to applicable law.

~~15.~~14. **RETURN OF EQUIPMENT AND DEPOSITS.** Lessee shall notify Lessor in writing at least ten (10) business days prior to the date Lessee intends to surrender or otherwise return the Equipment to Lessor. Lessee acknowledges and agrees that all amounts for Final Charges set forth on the Lease Order and Agreement are estimated amounts and that Final Charges for knockdown, dismantle, return freight or otherwise identified as Estimated Final Charges on the Lease Order and Agreement will be billed by Lessor to Lessee at the rates then in effect on the date of surrender. Upon the expiration, termination or cancellation of this Agreement, Lessee shall return the Equipment to Lessor in good order and operating condition, ordinary wear and tear excepted. Lessee agrees that upon the expiration, termination or cancellation of this Agreement, Lessee shall, at its sole cost and expense, disconnect all utilities connected to the Equipment, and vacate the Equipment so that the Equipment can be returned to Lessor. Lessee hereby consents to entry by the Lessor or its agents upon the premises where the Equipment may be located for the purposes of returning or repossessing the Equipment. Whenever Lessor or its agents picks up or repossesses the Equipment, Lessee shall remove any barriers or restrictions to make the Equipment readily accessible for removal by truck. Except as otherwise provided in Section 14(b), any property of Lessee not removed from the Equipment will be deemed abandoned by Lessee. Lessor shall not be responsible for any damage to any personal property of Lessee left in or on the Equipment. Any accessories and additions to the Equipment shall be deemed to be part of the Equipment and the property of Lessor. Lessee shall reimburse Lessor for all costs incurred by Lessor related to the return of the Equipment and in repairing, cleaning, vacating and otherwise restoring the Equipment to its condition when delivered, ordinary wear and tear excepted. Nothing set forth in this Section 15 shall limit Lessee's liabilities, or excuse Lessee from its obligations, under Sections 2 and 3 of this Agreement. Lessor may apply the funds comprising "Deposits" described on the Lease Order and Agreement towards all amounts due under this Agreement. If Lessee performs all its obligations under this Agreement, any "Security Deposit" identified on the Lease Order and Agreement (excluding Deposits for freight, dismantling costs, advance Rental Payments, any taxes or other deposits identified on the Lease Order and Agreement) shall be returned to Lessee after the expiration, termination or cancellation of this Agreement. Lessor will not pay Lessee interest on any Deposits.

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~~16.~~15. **LIMITED WARRANTY.** Lessor will repair structural or mechanical defects in the Equipment (excluding HVAC filters, fuses, light bulbs or other ordinary course repairs or maintenance) other than any conditions or defects arising from or relating to misuse of the Equipment or excessive wear and tear. Lessee acknowledges that Lessor is not the manufacturer of the Equipment. Lessor assumes no liability whatsoever for any incidental, consequential, special or punitive damages, including, without limitation, any loss of profits, loss of sales, and any costs or expenses related to any defect, condition or repair of the Equipment or its delivery location. **EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION 16, LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT AND ANY REPAIR OR MAINTENANCE**

**THEREOF PERFORMED BY LESSOR AND DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY, SUITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.**

**17-16. ASSIGNMENT.**

- a. LESSEE SHALL NOT ASSIGN THIS AGREEMENT OR SUBLET THE EQUIPMENT WITHOUT LESSOR'S PRIOR WRITTEN CONSENT, WHICH CONSENT MAY BE WITHHELD IN LESSOR'S SOLE DISCRETION. This Agreement shall be binding upon any permitted assignee or successor of Lessee.
- b. Lessor may assign at any time any or all of its rights, obligations, title and interest hereunder, to anyone (an "Assignee") without notice to Lessee. Lessee waives all defenses against the Assignee. After receiving notice of any such assignment, Lessee will pay to Assignee when due, the Rental Payments, as may be adjusted from time to time, and any other payments that thereafter will become due to Lessor hereunder, despite any defense, setoff or counterclaim whatsoever, whether arising from any breach or default by Lessor under this Agreement or otherwise, that Lessee may from time to time have against Lessor or any other person. Lessee agrees that any grant of a security interest or assignment or transfer by Lessor shall not materially change Lessee's duties or obligations under this Agreement, nor materially increase the burdens or risks imposed on Lessee. Lessee agrees that any such transfer or assignment or grant of a security interest shall be permitted even if it could be deemed to materially affect the interests of Lessee. Lessee agrees that its rights under this Agreement are subordinate to the Liens granted by Lessor or any affiliate of Lessor. Lessee agrees to execute such documents as may be reasonably necessary to confirm such subordination within ten (10) days of its receipt of a written request therefor from Lessor. Any Assignee may reassign the rights and interests assigned to it with the same effect as the original assignment, and after an assignment (whether by Lessor or any Assignee), the assignor shall have no liability for the obligations of its assignee which arise subsequent to the assignment. The counterpart of this Agreement marked "Original" is the only counterpart which may be assigned as chattel paper.

**18-17. LESSEE'S WAIVERS; LIMITATIONS.** To the extent permitted by applicable law, Lessee hereby waives any and all rights and remedies conferred upon a lessee by sections 2A-508 through 2A-522 of the Maryland Uniform Commercial Code, including but not limited to Lessee's rights to (i) cancel or repudiate this Agreement; (ii) reject or revoke acceptance of the Equipment; (iii) recover damages from Lessor for any breaches of warranty or for any other reason; (iv) grant a security interest in the Equipment in Lessee's possession or control for any reason; (v) deduct all or any part of any claimed damages resulting from Lessor's default, if any, under this Agreement; (vi) accept partial delivery of the Equipment; (vii) "cover" by making any purchase or lease of or contract to purchase or lease Equipment in substitution for those due from Lessor; (viii) recover any general, special, incidental or consequential damages, for any reason whatsoever; and (ix) specific performance, replevin, detinue, sequestration, claim and delivery or the like for any Equipment identified to this Agreement. To the extent permitted by applicable law, Lessee also hereby waives any rights now or hereafter conferred by statute or otherwise which

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may require Lessor to sell, lease or otherwise use any Equipment in mitigation of Lessor's damages as set forth in Section 14 of this Agreement or which may otherwise limit or modify any of Lessor's rights or remedies under Section 14. Any action by Lessee against Lessor for any default by Lessor under this Agreement shall be commenced within one year after any such cause of action accrues.

18. DISPUTE RESOLUTION.-: Any dispute arising under this Contract shall be addressed by the representatives of the County and the Contractor as set forth herein. Disputes shall be set forth in writing to the County Coordinator with a copy to the Department Head or Contractor, depending on which party initiates the dispute, and provided by overnight mail, UPS, FedEx, or certified mail. A response shall be provided in the same manner prior to the initial meeting with the County Coordinator, the Department Head (or their designee), and a representative of the Contractor. This initial meeting shall take place no more than thirty (30) days from the written notification of the dispute addressed to the County Coordinator.

If the dispute is not settled at at the initial meeting, the County Coordinator shall immediately notify the County Attorney. The Department Head (or his/her designee), the County Attorney, the County Coordinator, and the Department Head (or their designee(s)) shall meet with the Contractor's representative(s) within thirty (30) days of the County Coordinator's notification to the County Attorney of the continued dispute.

If there is no satisfactory resolution, the claims, disputes, or other matters in question between the parties to this Agreement arising out of or relating to this Agreement or breach thereof, shall be submitted to mediation in accordance with mediation rules as established by the Florida Supreme Court. Mediators shall be chosen by the County and the cost of mediation shall be borne by the Contractor. If either party initiates a Court proceeding, and the Court orders, or the parties agree to, mediation, the cost of mediation shall be borne by the Contractor. Contractor shall not stop work during the pendency of mediation or dispute resolution. No litigation shall be initiated unless and until the procedures set forth herein are followed.

18. The parties shall settle all disputes, claims or matters (collectively, "Disputes") arising under this Agreement, other than Disputes arising from or relating to an Event of Default or an Event of Default alleged by Lessor and the rights or remedies of the parties in connection therewith (each, an "Event of Default Dispute"), by means of negotiations between employees of the parties responsible for the parties' day-to-day relationship. If any Dispute (other than an Event of Default Dispute) should arise between the parties that cannot be resolved in such manner, before resorting to any other legal remedy (other than provisional equitable remedies such as temporary injunction or restraining order), the parties shall attempt in good faith to resolve any such Dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures. The mediation shall take place in Baltimore, Maryland before a single mediator. The parties shall attempt to resolve each Dispute submitted to mediation for at least twenty (20) business days from the

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date of the mediator's selection. The time period for mediation shall be extended automatically past the initial twenty (20) business days until one party notifies the other in writing of an impasse, after which either party may file suit in any court of competent jurisdiction. If there shall be any Event of Default Dispute, the Lessor shall be entitled to exercise all rights and remedies available to it under this Agreement or at law or in equity.

19.17. ~~JURISDICTION, JURY TRIAL WAIVER.~~ The Lessee hereby consents and submits to the jurisdiction of the courts of Baltimore County, Maryland Nassau County, Florida and any federal court in the State of Maryland (Northern Division) for purposes of enforcing this Agreement. LESSEE AND LESSOR WAIVE ALL RIGHT TO TRIAL BY JURY OF ALL CLAIMS, DEFENSES, COUNTERCLAIMS AND SUITS OF ANY KIND ARISING FROM OR RELATING TO THIS AGREEMENT.

20.18. ~~MISCELLANEOUS.~~ (a) Time is of the essence with respect to the performance of this Agreement. (b) These Terms and Conditions of Equipment Lease are the Terms and Conditions of Equipment Lease referenced in the Lease Order and Agreement. To the extent that the provisions on the Lease Order and Agreement shall conflict with these Terms and Conditions, the provisions on the Lease Order and Agreement shall govern. (c) If any provision of this Agreement is deemed unenforceable for any reason, then such provision shall be deemed stricken and shall not affect the enforceability of any of its other provisions. (d) The obligations of Lessee under Sections 3. (RENT; RENTAL INCREASES; LATE CHARGES), 8. (FEES; TAXES AND PERMITS), 9. (LIENS), 10. (INDEMNITY), and 11. (LOSS AND DAMAGE) which accrue during the term of this Agreement shall survive the expiration or termination of this Agreement. (e) If Lessee fails to perform any of its obligations hereunder, Lessor shall have the right but not the obligation to effect such performance and the cost and expense thereof incurred by Lessor shall be payable by Lessee upon demand. (f) THIS AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY THE LAWS OF THE STATE OF MARYLAND, REGARDLESS OF THE LOCATION OF THE EQUIPMENT FLORIDA. (g) If any terms of any invoice or purchase order of Lessee are not identical to this Agreement, the terms of this Agreement shall govern. (h) All notices shall be deemed given upon confirmation of receipt or transmission (whether automatic or manual) after sent by facsimile or other electronic transmission or within five (5) business days after deposited in the mail, postage prepaid, by registered or certified mail to the address of the party set forth on the Lease Order and Agreement, unless such party has given notice to the other that its address has changed.

Revised: [May 30, 2007].

Effective: [ May 31, 2007 ].