RESOLUTION 88-5

A RESOLUTION AUTHORIZING THE REFUNDING OF CERTAIN PRESENTLY OUTSTANDING ST. JOHNS COUNTY, FLORIDA, LIMITED AD VALOREM TAX BONDS, SERIES 1983; AUTHORIZING THE ISSUANCE OF NOT EXCEEDING $5,500,000 ST. JOHNS COUNTY, FLORIDA, LIMITED AD VALOREM TAX REFUNDING BONDS, SERIES 1988, TO BE APPLIED TO REFUND THE PRINCIPAL AND INTEREST IN RESPECT TO SUCH PRESENTLY OUTSTANDING BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS SOLELY FROM THE LIMITED AD VALOREM TAX; MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AUTHORIZING THE NEGOTIATED SALE OF THE REFUNDING BONDS; AUTHORIZING THE STATEMENT IN CONNECTION WITH THE NEGOTIATED SALE OF THE REFUNDING BONDS; AUTHORIZING THE CONNECTION WITH THE NEGOTIATED SALE OF THE REFUNDING BONDS; AUTHORIZING THE DESIGNATION OF A PAYING AGENT AND A BOND REGISTRAR AND AN ESCROW TRUSTEE; PROVING FOR THE REDEMPTION OF THE REFUNDED BONDS; AND PROVIDING AN EFFECTIVE DATE.
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Exhibit "A" ESCROW DEPOSIT AGREEMENT
BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA, as follows:

Section 1. AUTHORITY FOR THIS RESOLUTION. This
Resolution is adopted pursuant to Sections 132.33 through
132.47, Florida Statutes, Section 125.01, Florida Statutes,
Chapter 100, Florida Statutes, Section 12(b), Article VII,
Florida Constitution, and other applicable provisions of law.

Section 2. DEFINITIONS. Unless the context otherwise
requires, the terms defined in this Section shall have the
meanings specified in this Section. Words importing singular
number shall include the plural number in each case and vice
versa, and words importing persons shall include firms and
corporations.

(A) "ACT" shall mean Sections 132.33 through 132.47,
Florida Statutes, Section 125.01, Florida Statutes, Chapter
100, Florida Statutes, Section 12(b), Article VII, Florida
Constitution, and other applicable provisions of law.

(B) "AGREEMENT" shall mean that certain Escrow Deposit
Agreement by and between the Issuer and a bank or trust
company to be selected by the Issuer at or prior to the sale
of the 1988 Bonds for the purpose of providing for the payment
of the Refunded Bonds, which Agreement shall be in
substantially the form attached as Exhibit "A" and
incorporated herein by reference.
(C) "BOND REGISTRAR" shall mean the Clerk of the Circuit Court of St. Johns County or the bank, trust company or national banking association within or without the State of Florida designated as such by the Issuer, which shall perform such functions as Bond Registrar as required by this Resolution.

(D) "CHAIRMAN" shall mean the Chairman of the Board of County Commissioners of the County.

(E) "CLERK" shall mean the Clerk of the Circuit Court for St. Johns County, ex officio Clerk of the Board of County Commissioners of the County.

(F) "COUNTY" shall mean St. Johns County, a political subdivision of the State of Florida.

(G) "ESCROW TRUSTEE" shall mean a bank, trust company or national banking association as provided by subsequent resolution adopted by the Issuer prior to the sale of the 1988 Bonds.

(H) "INSURER OF THE 1988 BONDS" shall mean that municipal bond insurance company as designated by subsequent resolution adopted by the Issuer prior to the sale of the 1988 Bonds.

(I) "ISSUER" shall mean St. Johns County, Florida, a political subdivision of the State of Florida whose governing body is the Board of County Commissioners of St. Johns County, Florida.
(J) "OUTSTANDING", when used in reference to Bonds, means as of a particular date, all Bonds authorized and issued by the Issuer except: (i) any Bonds canceled at or before such date; (ii) any Bonds for which provision for payment has been made pursuant to Section 21 of the Resolution authorizing the 1988 Bonds; and (iii) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to Sections 11 and 12.

(K) "OWNER" or any similar term shall mean any person who shall be the registered owner of any Outstanding 1988 Bond.

(L) "PAYING AGENT" shall mean the Clerk of the Circuit Court of St. Johns County or that bank, trust company or national banking association within or without the State of Florida designated as such by the Issuer, which shall perform such functions as Paying Agent for the 1988 Bonds as required by this Resolution.

(M) "REFUNDED BONDS" shall mean the Issuer's Outstanding Limited Ad Valorem Tax Bonds, Series 1983, dated March 1, 1983.


(O) "1982 RESOLUTION" shall mean Resolution 82-116 duly enacted by the Issuer on September 21, 1982, as amended and supplemented.
Section 3. FINDINGS. It is hereby ascertained, determined and declared as follows:

A. The Board of County Commissioners of St. Johns County, Florida (hereinafter referred to as "Issuer"), has heretofore determined in the 1982 Resolution that it was necessary to issue the Refunded Bonds for the purpose of financing the cost of the acquisition and construction of jail and criminal justice facilities (including lands therefor) within the County, together with other purposes necessary, appurtenant or incidental thereto, including all costs of issuance of the Refunded Bonds (hereinafter referred to as the "Project").

B. The issuance of such Refunded Bonds has been approved in an amount not to exceed $8,000,000 at a referendum held on November 2, 1982, pursuant to and in compliance with the Constitution and laws of the State of Florida.

C. The Issuer deems it necessary, beneficial and in its best interest to provide for the refunding of the Refunded Bonds. Said refunding, herein described, will be advantageous to the Issuer by resulting in a lower net average interest cost rate and by effecting an overall reduction in debt service applicable to bonded indebtedness issued to finance the Project.
D. It is in the best interest of the Issuer to provide for the refunding of the said Outstanding Refunded Bonds in the manner herein set forth.

E. It is in the best interest of the Issuer to provide for the redemption of Outstanding Refunded Bonds at the earliest Call Date as hereinafter defined in the manner herein set forth.

F. The Issuer hereby finds and determines that the timing, size and complexity of the financing and the present volatility of the municipal bond market require that the terms of the sale of the Bonds be negotiated at private sale rather than offered by competitive bid at public sale in order to assure the most favorable terms in the bond market and, therefore, has determined to sell such Bonds in the amount set forth in the title hereof (the "Bonds") at negotiated sale.

G. The Issuer will make such findings as are required by Chapter 132, Florida Statutes, by subsequent resolution prior to the issuance of the Bonds.

H. The Issuer desires to authorize the preparation of a preliminary official statement and an official statement in connection with the Bonds and to authorize the taking of all other necessary action in connection with the delivery of the Bonds.
Section 4. AUTHORIZATION OF REFUNDING.

There is hereby authorized the refunding of the Outstanding Refunded Bonds.

Section 5. THIS RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the 1988 Bonds authorized to be issued hereunder by those who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and such Owners. The covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the Owners of any and all Outstanding Bonds, all of which shall be of equal rank and without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided therein and herein.

Section 6. NEGOTIATED SALE OF BONDS AUTHORIZED.

The Issuer hereby finds, determines and declares that the timing and size of the issue and complexity of the financing plan for the Bonds, and current rapidly changing bond market conditions require that the Bond issue be negotiated rather than offered by competitive bid at public sale in order to assure the necessary flexibility to change the maturities, redemption features and interest rates necessary to obtain the most favorable terms in the bond market. The negotiated sale of the principal amount of Bonds stated in the title of this
Resolution is hereby authorized pursuant to Section 218.385, Florida Statutes.

Section 7. APPROVAL OF A PRELIMINARY OFFICIAL STATEMENT FOR BONDS.

Preparation of a preliminary official statement relating to the Bonds is hereby authorized and preparation and of an official statement is hereby authorized in connection with the Bonds. The Issuer shall not be responsible for payment of the costs of preparing or printing the preliminary official statement or the official statement.

Section 8. REDEMPTION OF THE OUTSTANDING ST. JOHNS COUNTY, FLORIDA, LIMITED AD VALOREM TAX BONDS, SERIES 1983.

A. The Issuer has heretofore issued $5,000,000.00, St. Johns County, Florida, Limited Ad Valorem Tax Bonds, Series 1983, dated March 1, 1983, (the "Refunded Bonds").

B. The Refunded Bonds maturing on and after March 1, 1991, are upon the issuance of the Bonds, hereby irrevocably called for redemption, as a whole, prior to maturity on March 1, 1990 (the "Call Date"), at the principal amounts thereof, plus applicable premium together with accrued interest thereon to the Call Date.

D. The Notice of Redemption of the Refunded Bonds herein called shall be in substantially the following form:
NOTICE OF REDEMPTION
ST. JOHNS COUNTY, FLORIDA,
LIMITED AD VALOREM TAX BONDS, SERIES, 1983
Dated March 1, 1983

NOTICE IS HEREBY GIVEN, for and on behalf of the Board of County Commissioners of St. Johns County, Florida, (the "Issuer"), that the Outstanding Limited Ad Valorem Tax Bonds, Series 1983, dated March 1, 1983, which mature on March 1, in the years 1991 and thereafter, are at the option of the Issuer redeemable on March 1, 1990; and that all Outstanding Bonds for such Series maturing on March 1, in the years 1991 and thereafter have been called for redemption and will be redeemed on March 1, 1990, in whole, at the principal amount thereof, plus applicable premium and together with accrued interest to the date of redemption.

Payment of the principal amount of, and premium on, such Bonds, plus accrued interest to the redemption date, will be made on or after such redemption date, upon the presentation of such Bonds, on or after such redemption date, at the office of Sun Bank/North Florida, National Association, Jacksonville, Florida. Interest maturing prior to said redemption date on such Bonds which are called for redemption will be paid in the usual manner. Interest on such Bonds which are called for redemption will cease to accrue from and after such redemption date.
DATED this ___ day of __________, 1988.

Escrow Trustee

E. The Escrow Trustee is, upon the issuance of the Bonds, hereby irrevocably instructed and directed not less than thirty (30) days or more than forty-five (45) days prior to the Call Date:

(1) To call for redemption of the outstanding principal amount of the Refunded Bonds maturing on March 1 in the years 1991 and thereafter, by publishing, one time, at least thirty (30) days prior to the Call Date in the name of the Issuer the aforesaid Notice of Redemption in a financial journal of national circulation published in the Borough of Manhattan in the City and State of New York and to also publish such notice in a newspaper of general circulation published in St. Johns County, Florida.

(2) To mail copies of the aforesaid Notice of Redemption by registered mail to the bond registrar and paying agents for such Refunded Bonds to be redeemed and to each registered owner of a Refunded Bond to be redeemed at his or its address as shown on the registration books.

F. The paying agent of the Refunded Bonds is hereby authorized and directed (a) to pay, on or after the Call Date, the Refunded Bonds, which are called pursuant to
this Section 8 hereof, and (b) to deliver to the Issuer for disposition all canceled Refunded Bonds.

Section 9. AUTHORIZATION OF 1988 BONDS. Subject and pursuant to the provisions hereof, obligations of the Issuer to be known as "Limited Ad Valorem Tax Refunding Bonds, Series 1988," herein defined as the "1988 Bonds," are authorized to be issued in the aggregate principal amount of not exceeding $5,500,000.

Section 10. DESCRIPTION OF 1988 BONDS. The 1988 Bonds shall be numbered consecutively from one upward, preceded by the prefix R, in order of authentication; shall be in the denomination of $5,000 each or any integral multiple thereof; and shall be dated as provided by subsequent resolution adopted by the Issuer at or prior to the sale of the 1988 Bonds, shall bear interest, payable on September 1, 1988, and semi-annually on September 1 and March 1 of each year, such dates being "Interest Payment Dates," at such rate or rates not exceeding the maximum rate fixed by the Act or by other applicable law, and shall mature on March 1 in such years and amounts as shall be determined by resolution of the Issuer adopted at or prior to the sale thereof.

If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the principal office of the Paying Agent is
located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

The Issuer shall deem and treat the Owner of the Bonds as the absolute owner thereof (whether or not such Bonds shall be overdue) for the purpose of receiving payment of or on account of principal thereof and interest due thereon and for all other purposes, and the Issuer shall not be affected by any notice to the contrary.

The 1988 Bonds shall be issued in fully registered form, shall be payable with respect to both principal and interest in lawful money of the United States of America, at such bank or banks to be subsequently determined by the Issuer prior to the delivery of the Bonds, and shall bear interest from their date. Interest shall be paid by check on each Interest Payment Date to the registered Owner at his address as shown on the books of the Bond Registrar at the close of business on the 15th day of the month (whether or not such day is a business day) next preceding such Interest Payment Date (the "Record Date"), irrespective of any transfer of any such 1988 Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless the Issuer shall be in default.
in payment of interest due on such Interest Payment Date. In the event of any such default, such defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date for the payment of defaulted interest as established by notice mailed by the Bond Registrar to the Owner of the Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name such Bond is registered at the close of business on the fifth (5th) day preceding the date of mailing. All amounts due hereunder shall be payable in any coin or currency of the United States, which is, at the time of payment, legal tender for the payment of public or private debts. Principal shall be payable to the Owner upon presentation and surrender when due, of the 1988 Bonds at the principal office of the Bond Registrar.

The 1988 Bonds may be issued or exchanged for 1988 Bonds in coupon form, payable to bearer, in such form, with such attributes and upon such conditions as the Issuer at its option may provide by supplemental resolutions, upon receipt of an opinion from a nationally recognized bond counsel that such issuance or exchange will not cause interest on the 1988 Bonds to be includable in gross income of the holder for federal income tax purposes.

Section 11. EXECUTION OF THE 1988 BONDS. The 1988 Bonds shall be executed in the name of the Issuer by the
manual or facsimile signature of its Chairman and attested by the manual or facsimile signature of the Clerk, and its corporate seal or a facsimile thereof shall be affixed thereto or reproduced thereon. The facsimile signatures of the Chairman and/or Clerk may be imprinted or reproduced on the 1988 Bonds. The Certificate of Authentication of the Bond Registrar shall appear on the 1988 Bonds, and no 1988 Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless such certificate shall have been duly executed on such 1988 Bond. The authorized signature for the Bond Registrar shall be either manual or facsimile; provided that at least one of the signatures for the Bond Registrar, Chairman and/or Clerk, appearing on the 1988 Bonds, shall at all times be a manual signature. In case any officer whose signature shall appear on any of the 1988 Bonds shall cease to be such officer before the delivery of such 1988 Bonds, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The 1988 Bonds may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such 1988 Bonds shall hold the proper office with the Issuer, although at the date of such 1988 Bonds such person may not have held such office or may not have been so authorized.
Section 12. NEGOTIABILITY AND REGISTRATION

A. NEGOTIABILITY. The 1988 Bonds shall be and shall have all of the qualities and incidents of negotiable instrument under the Uniform Commercial Code - Investment Securities of the State of Florida, and each successive Owner, in accepting any of such 1988 Bonds, shall be conclusively deemed to have agreed that such 1988 Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code - Investment Securities of the State of Florida.

B. REGISTRATION, EXCHANGE AND TRANSFER. There shall be a Bond Registrar for the 1988 Bonds. The Bond Registrar shall maintain the registration books of the Issuer for the 1988 Bonds and be responsible for the transfer and exchange of the 1988 Bonds.

The 1988 Bonds may be transferred upon the registration books, upon delivery to the Bond Registrar, together with written instructions as to the details for the transfer of such 1988 Bonds, along with the social security or federal employer identification number of such transferee and, if such transferee is a trust, the name and social security or federal employer identification numbers of the settlor and beneficiaries of the trust, the date of the trust and the name of the trustee. No transfer of any 1988 Bond shall be
effective until entered on the registration books maintained by the Bond Registrar.

Upon surrender for transfer or exchange of any 1988 Bond the Issuer shall execute and the Bond Registrar shall authenticate and deliver in the name of the Owner or the transferee or transferees, as the case may be, a new fully registered 1988 Bond or Bonds of authorized denominations of the same maturity and interest rate for the aggregate principal amount which the Owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Resolution. The Issuer or the Bond Registrar may charge the registered Owner of such 1988 Bond for every such transfer or exchange, an amount sufficient to reimburse them for any tax, fee, or other governmental charge required to be paid with respect to such transfer or exchange, and may require that such charge be paid before any such new 1988 Bond shall be delivered.

All 1988 Bonds delivered upon transfer or exchange shall bear interest from such a date so that neither gain nor loss in interest shall result from the transfer or exchange. New 1988 Bonds delivered upon any transfer or exchange shall be valid obligations of the Issuer, evidencing the same debt as the 1988 Bonds surrendered, shall be secured by this Resolution and shall be entitled to all of the security and
the benefits hereof to the same extent as the 1968 Bonds surrendered.

All 1988 Bonds presented for transfer, exchange, redemption or payment (if so required by the Issuer), shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Issuer and the Bond Registrar duly executed by the registered Owner or by his duly authorized attorney.

Section 13. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any 1988 Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may in its discretion cause to be executed and the Bond Registrar shall authenticate and deliver, a new 1988 Bond of like date and tenor as the 1988 Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated 1988 Bond upon surrender and cancellation of such mutilated 1988 Bond or in lieu of and substitution for the 1988 Bond destroyed, stolen or lost, and upon the Owner furnishing the Issuer and the Bond Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer and the Bond Registrar may prescribe and paying such expenses as the Issuer and the Bond Registrar may incur. All 1988 Bonds so surrendered shall be canceled by the Issuer. If any of the 1988 Bonds shall have matured or be
about to mature, instead of issuing a substitute 1988 Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such 1988 Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate 1988 Bonds issued pursuant to this Section shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed 1988 Bonds be at any time found by anyone, and such duplicate 1988 Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the same extent as all other 1988 Bonds issued hereunder.

Section 14. REDEMPTION PROVISIONS. The 1988 Bonds shall be subject to mandatory redemption or redemption at the option of the Issuer, upon such terms and conditions as are fixed by subsequent resolution adopted at or prior to the sale of the 1988 Bonds. In the event a Bond is of a denomination larger than $5,000, a portion of such may be redeemed, but Bonds shall be redeemed only in the principal amount of $5,000 or any integral multiple thereof.

Notice of redemption of the 1988 Bonds to be redeemed shall be given not more than forty-five (45) days and not less than thirty days prior to the redemption date by first class mail (postage prepaid) to banks or trust companies serving as Paying Agents and to registered Owners of the 1988
Bonds to be redeemed at their addresses as they appear on the registration books herein before provided for, but failure to mail such notice to one or more Owners of the 1988 Bonds shall not affect the validity of the proceedings for such redemption with respect to Owners of 1988 Bonds to which notice was duly mailed hereunder. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the 1988 Bonds of one maturity are to be called, the distinctive numbers of such 1988 Bonds to be redeemed and in the case of 1988 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed.

Upon surrender of any 1988 Bond for redemption in part only the Bond Registrar shall authenticate and deliver to the Owner thereof, the cost of which shall be paid by the Issuer, a new 1988 Bond of an authorized denomination equal to the unredeemed portion of the 1988 Bond surrendered. Upon giving of such notice and the deposit with the Bond Registrar of sufficient funds to pay the principal of the 1988 Bonds to be redeemed, plus interest accrued to the redemption date, plus any applicable redemption premium, or provision having been made for such payment in the manner provided in Section 21 hereof, interest on the 1988 Bonds so redeemed shall cease to accrue after the date fixed for redemption.
Section 15. FORM OF 1988 BONDS. The text of the 1988 Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized and permitted by this Resolution or by any subsequent resolution adopted prior to the issuance thereof or as may be approved by the Chairman, the delivery of the Bonds to the original purchasers thereof to be conclusive proof of his approval:

(Form of 1988 Bonds)

R No. $_______

UNITED STATES OF AMERICA
ST. JOHNS COUNTY, FLORIDA
LIMITED AD VALOREM TAX REFUNDING BONDS, SERIES 1988

Rate of Interest Maturity Date Dated Date CUSIP

Owner:

Principal Amount:
KNOW ALL MEN BY THESE PRESENTS, that St. Johns County, Florida (hereinafter called "Issuer"), for value received, hereby promises to pay solely from the funds hereinafter described, to the order of the Owner named above, or registered assigns, on the Maturity Date specified above, the Principal Amount shown above, and to pay solely from such funds interest on said sum from the Dated Date of this Bond or from the most recent Interest Payment Date to which interest has been paid, at the Rate of Interest per annum set forth above until maturity (whether at fixed maturity or upon date fixed for redemption), such interest being payable on September 1, 1988, and semi-annually on each March 1 and September 1 and thereafter (the "Interest Payment Dates"). The principal of, and premium, if any, on this Bond are payable upon presentation and surrender hereof on the date fixed for maturity or redemption at the principal corporate trust office of Sun Bank National Association of Florida, (the "Bond Registrar") in Orlando, Florida, or at the office designated for such payment of any successor thereof. The interest on this Bond, when due and payable, shall be paid by check to the Owner, at his address as it appears on the Bond Register, at the close of business on the 15th day of the month (whether or not a business day) next preceding the Interest Payment Date (the "Record Date"), irrespective of any
transfer of this Bond subsequent to such Record Date and prior to such Interest Payment Date, unless the Issuer shall be in default in payment of interest due on such Interest Payment Date. In the event of any such default, such defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date for the payment of defaulted interest as established by notice mailed by the Bond Registrar to the Owner of the Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name such Bond is registered at the close of business on the fifth (5th) day preceding the date of mailing. All amounts due hereunder shall be payable in any coin or currency of the United States, which is, at the time of payment, legal tender for the payment of public or private debts.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of $__________, of like date, tenor and effect, except as to number, interest rate, and date of maturity, issued to finance the cost of refunding the Issuer's outstanding Limited Ad Valorem Tax Bonds, Series 1983, dated as of March 1, 1983, under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Sections 132.33 through 132.47, Florida Statutes, Section 125.01, Florida
Statutes, Chapter 100, Florida Statutes, Section 12(b), Article VII, Florida Constitution and other applicable provisions of law (hereinafter collectively referred to as the "Act"), and Resolution No. 88-52 duly adopted by the Issuer on the 23 day of February, 1988, (as supplemented and amended, referred to herein as the "Resolution"), and is subject to all the terms and conditions of such Resolution.

It is hereby certified and recited that all acts, conditions and things required to happen, exist and be performed, precedent to and in the issuance of this Bond, have happened, exist, and have been performed in due time, form and manner as required by the Constitution and laws of the State of Florida applicable thereto, that the total indebtedness of the Issuer, including the issue of Bonds of which this Bond is one, does not exceed any constitutional, statutory or charter limitation.

This Bond with the interest thereon is payable solely from ad valorem taxes not to exceed one (1) mill levied upon all taxable real property valued at just value in the County.

(INsert redemption provisions)
Bonds in denominations greater than $5,000 shall be deemed to be an equivalent number of Bonds of the denomination of $5,000. In the event a Bond is of a denomination larger than $5,000, a portion of such may be redeemed, but Bonds shall be redeemed only in the principal amount of $5,000 or any integral multiple thereof. In the event any of the Bonds or portions thereof are called for redemption as aforesaid, notice thereof identifying the Bonds or portions thereof to be redeemed will be given by the Bond Registrar (who shall be the Paying Agent for the Bonds, or such other person, firm or corporation as may from time to time be designated by the Issuer as the Bond Registrar for the Bonds) by mailing a copy of the redemption notice by first-class mail (postage prepaid) not more than forty-five (45) days and not less than thirty (30) days prior to the date fixed for redemption to the Owner of each Bond to be redeemed in whole or in part at the address shown on the registration books. Failure to give such notice by mailing to any Owner of Bonds, or any defect therein, shall not affect the validity of any proceeding for the redemption of other Bonds. All Bonds so called for redemption will cease to bear interest after the specified redemption date provided funds for their redemption are on deposit at the place of payment at that time.

If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a Saturday,
Sunday, legal holiday or a day on which banking institutions
in the city where the principal office of the Paying Agent is
located are authorized by law or executive order to close,
then the date for such payment shall be the next succeeding
day which is not a Saturday, Sunday, legal holiday or a day on
which such banking institutions are authorized to close, and
payment on such date shall have the same force and effect as
if made on the nominal date of payment.

(To be inserted where appropriate on face of bond:
"Reference is hereby made to the further provisions of this
Bond set forth on the reverse side hereof, and such further
provisions shall for all purposes have the same effect as if
set forth on this side.")

This Bond is and has all the qualities and incidents
of a negotiable instrument under the Uniform Commercial Code -
Investment Securities of the State of Florida.

The Bonds are issued in the form of fully registered
bonds without coupons in denomination of $5,000 or any
integral multiple of $5,000. Subject to the limitations and
upon payment of the charges provided in the Resolution, Bonds
may be exchanged for a like aggregate principal amount of
Bonds of the same maturity of other authorized denominations.
This Bond is transferable by the Owner hereof in person or by
his attorney duly authorized in writing, at the above-mentioned office of the Bond Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of the same maturity and of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee in exchange therefor. Bonds may be transferred upon the registration books upon delivery to the Bond Registrar of the Bonds, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Bond Registrar, duly executed by the Owner of the Bonds to be transferred or his attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of such Bonds, along with the social security number or federal employer identification number of such transferee and, if such transferee is a trust, the name and social security or federal employer identification numbers of the settlor and beneficiaries of the trust, the federal employer identification number and date of the trust and the name of the trustee. In all cases of the transfer of a Bond, the Bond Registrar shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered
Bond or Bonds of authorized denominations of the same Maturity Date and Rate of Interest for the aggregate principal amount which the Owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The Issuer or the Bond Registrar may charge the Owner of such Bond for every such transfer or exchange of a Bond an amount sufficient to reimburse them for any tax, fee, or other governmental charge and may require that such charge be paid before any such new Bond shall be delivered.

The Issuer shall deem and treat the Owner hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Issuer shall not be affected by any notice to the contrary.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the certificate of authentication hereon shall have been executed by the Bond Registrar.

IN WITNESS WHEREOF, St. Johns County, Florida, has issued this Bond and has caused the same to be signed by the Chairman of its Board of County Commissioners, and attested by the Clerk of the Circuit Court, ex officio Clerk of the Board, either manually or with their facsimile signatures, and the corporate seal of the County or a facsimile thereof to be
affixed, impressed, imprinted, lithographed or reproduced
hereon, as of the ___ day of ____________, 19___.

ST. JOHNS COUNTY, FLORIDA,

(SEAL)

By:
Chairman, Board of County
Commissioners, St. Johns
County, Florida

Attested:

By:
Clerk of the Circuit Court
for St. Johns County, ex
officio Clerk of the Board
of County Commissioners, St.
Johns County, Florida

CSJR 2/22/88
3:10
CERTIFICATE OF AUTHENTICATION OF BOND REGISTRAR

This Bond is one of the Issue of the within described Bonds. The Rate of Interest, Maturity Date, Owner and Principal Amount shown above are correct in all respects and have been recorded, along with the applicable federal taxpayer identification number and the address of the Owner, in the Bond Register maintained at the principal offices of the undersigned. Printed on the reverse hereof is the complete text of the opinion of Meredith & Dobson, P. A., St. Augustine, Florida, Bond Counsel, a signed copy of which is on file with the undersigned, which was dated the date of initial delivery of, and payment for, the within described Bonds.

SUN BANK NATIONAL ASSOCIATION
OF FLORIDA

By: ____________________________
Authorized Signature

Date of Authentication:__________
The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common.

UNIF GIF MIN ACT - (Cust.)
Custodian for (Minor)
Under Uniform Gifts to Minors Act of (State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned

hereby sells, assigns, and transfers unto

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints as attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date:
Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or a trust company.
NOTICE: No transfer will be registered and no new Bond will be issued in the name of the assignee hereof, unless the signature(s) to this assignment corresponds with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the assignee hereof is supplied.
Section 16. PLEDGE OF AD VALOREM TAXES. The payment of principal of and interest on the Bonds shall be secured forthwith equally and ratably by an irrevocable lien on ad valorem taxes, not to exceed one (1) mill, levied upon all taxable real property valued at just value in the County.

Section 17. PLEDGE OF LIMITED TAXING POWER. For the prompt payment of the principal of and interest on the Bonds, the limited taxing power of the County is irrevocably pledged up to an amount not exceeding one (1) mill in each year on all taxable real property valued at just value within the County.

Section 18. LEVY OF AD VALOREM TAX. There is hereby created a Sinking Fund to be held and administered by the Issuer solely for the purpose of paying the principal of, premium, if any, and interest on the Bonds as the same becomes due. A separate account to be known as the "Accrued Interest Account" (herein called "Interest Account") is hereby created and established in the Sinking Fund. In each year while any of such Bonds are Outstanding there shall be levied and collected a tax, not to exceed one (1) mill, on all taxable real property valued at just value within the County, sufficient in amount to pay the principal of, premium, if any, and interest on such Bonds as the same shall become due. Such tax shall be assessed, levied and collected in the same manner.
and at the same time as other County taxes are assessed, levied and collected.

Section 19. REFUNDING FINANCIAL PLAN. The 1988 Bond proceeds, including accrued interest and all moneys received from the sale of the 1988 Bonds shall be applied by the Issuer simultaneously with the delivery of such 1988 Bonds to the purchaser thereof as follows:

A. An amount representing the accrued interest on the Bonds to the date of delivery thereof shall be deposited in the Interest Account in the Sinking Fund. Such account shall be kept separate and apart from all other funds and accounts of the Issuer, and the moneys on deposit therein, until used and applied by the issuer to pay interest due on the Bonds shall be invested as authorized by the laws of the State of Florida. All income, earnings and profits derived from such investments shall be retained in the Interest Account until September 1, 1988, and thereafter shall be withdrawn and deposited in the Sinking Fund.

B. the Issuer shall next deposit with the Escrow Trustee a sum specified in the Agreement which together with such non-bond proceeds amounts, if any, deposited by the Issuer with the Escrow Trustee, and together with earnings thereon will be sufficient to pay, as of any date of calculation, the principal of, applicable redemption premium and interest on the Refunded Bonds as the same shall become due,
whether at maturity or redemption as provided by this Resolution. At the time of execution of the Agreement, the Issuer shall furnished to the Escrow Trustee appropriate documentation to demonstrate that the sums being deposited and the investments to be made pursuant to the Agreement will be sufficient for such purposes.

C. The Issuer shall next deposit with the Escrow Trustee a sum specified in the Agreement for the payment of the refunding expenses, which sum has been determined by the Issuer's financial adviser to be sufficient to pay such expenses.

D. The balance of the moneys, if any, remaining after making all deposits and payments provided for in paragraphs A, B, and C above, shall be deposited by the Issuer into the Sinking Fund for the purposes therefor authorized."

Section 20. ARBITRAGE. The Issuer covenants with the Owners of the 1988 Bonds that no use will be made of the proceeds of the 1988 Bonds including, without limitation, any amounts treated as proceeds thereof or as transferred proceeds attributable to the Refunded Bonds, which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations issued thereunder.

The Issuer at all times while the 1988 Bonds and the interest thereon are Outstanding will comply with the
requirements of Section 148(a) of the Internal Revenue Code of 1986, as amended, and any applicable rules and regulations promulgated thereunder by the United States Treasury Department.

Section 21. DEFEASANCE. If at any time, the Issuer shall have paid, or shall have made provision for payment of, the principal, interest, and premium, if any, with respect to the 1988 Bonds, then, and in that event, the pledge of and lien on the funds pledged in favor of the Owners of the 1988 Bonds shall no longer be in effect. For purposes of the preceding sentence, deposit of sufficient cash and/or direct obligations of, or obligations the principal and interest on which are unconditionally guaranteed by the United States of America ("Federal Securities") or bank certificates of deposit fully secured as to principal and interest by Federal Securities or securities evidencing ownership of future principal and interest payments on United States Treasury notes or bonds (or deposit of any other securities or investments which may be authorized by law from time to time and sufficient under such law to effect such a defeasance), which cash, obligations and securities shall be held in custody solely on behalf of the Owners of the 1988 Bonds by a bank or trust company (the "Securities") in respect to which such Securities, and the principal and interest to be received thereon will be sufficient to make timely payment of the
principal, interest and redemption premiums, if any, on the 1988 Bonds shall be considered "provision for payment." Nothing herein shall be deemed to require the Issuer to call any of the 1988 Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Issuer in determining whether to exercise any such option for early redemption.

Section 22. MODIFICATION OR AMENDMENT. Subsequent to the initial issuance and sale of the 1988 Bonds, no material modification or amendment of this Resolution or of any resolution amendatory hereof or supplemental thereto, that adversely affects the interest of the Outstanding Bondholders, may be made without the consent in writing of the Insurer of the Bonds; provided, however, that no modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon, or in the amount of the principal obligation or affect the promise of the Issuer to pay the principal of and interest on the Bonds as the same shall become due from the proceeds of the limited ad valorem taxes.

Any insurer of the Bonds shall be deemed for the following purposes to be the Owner of the Bonds insured by it:

(i) at all times for the purpose of giving any approval or consent to the authorization, execution and delivery of an amendatory or supplemental resolution hereunder.
or any amendment, change or modification of other documents which under this Resolution requires the written approval or consent of the Insurer of the Bonds, and

(ii) following an event of default for all purposes.

Section 23. ESCROW DEPOSIT AGREEMENT. The Escrow Deposit Agreement is hereby approved in substantially the form attached hereto as Exhibit "A" and the Chairman and Clerk are hereby authorized to select the Escrow Trustee, which shall be a banking institution or a trust company, and to execute and deliver the Escrow Deposit Agreement with such changes, insertions and omissions as may be approved by such officers, including the approval and attachment of the Exhibit described in, and to be made a part of, the Escrow Deposit Agreement such execution to be conclusive evidence of their approval.

Section 24. SALE OF BONDS. The 1988 bonds shall be issued and sold by negotiation and at such price or prices consistent with the Act, all at one time or in installments from time to time, as shall be hereafter determined by a subsequent resolution of the Issuer adopted prior to the delivery of the 1988 Bonds to the respective original purchasers thereof.

Section 25. SEVERABILITY. If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly
prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Resolution or of the 1988 Bonds issued hereunder.

Section 26. TABLE OF CONTENTS AND HEADINGS NOT PART HEREOF. The Table of Contents preceding the body of this Instrument and the headings preceding the several articles and sections hereof shall be solely for convenience of reference and shall not constitute a part of this Instrument or affect its meaning, construction or effect.

Section 27. GENERAL AUTHORITY. The members of the Issuer and the Issuer's officers, attorneys, or other agents or employees are hereby authorized to do all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full punctual and complete performance of all of the terms, covenants, and agreements contained in the Bonds and this Resolution, and they are hereby authorized to execute and deliver all documents which are required by Bond Counsel or the initial purchaser of the Bonds, to effectuate the sale of the Bonds to said initial purchaser.

Section 28. NO PERSONAL LIABILITY. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the
Bonds, or in any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Bonds, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member, officer, employee or agent of the Issuer in his individual capacity, and none of the foregoing persons nor any officer of the Issuer executing the Bonds, or any certificate or other instrument to be executed in connection with the issuance of the Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 29. NO THIRD PARTY BENEFICIARIES. Except as otherwise expressly provided herein or in the Bonds, nothing in this Resolution, or in the Bonds, express or implied, is intended or shall be construed to confer upon any person, firm, corporation or other organization, other than the Issuer and the Owners from time to time of the Bonds any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Bonds all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Owners from time to time of the Bonds.

Section 30. COMPLIANCE WITH CHAPTER 218, PART III, FLORIDA STATUTES. The Issuer hereby approves and authorizes Bond Counsel to complete and file with the Division of Bond
Finance, Department of General Services of the State of Florida, any advance notice of the impending sale of the Bonds, and to perform any other acts as may be necessary to comply with Chapter 218, Part III, Florida Statutes, as amended.

Section 31. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

ADOPTED this 27th day of February 27, 1988.

ST. JOHNS COUNTY, FLORIDA

By Lawrence O. Hartley
Chairman of the Board of County Commissioners of St. Johns County, Florida

ATTEST:

Paul B. Marshall
Clerk of the Circuit Court for St. Johns County, ex officio Clerk of the Board of County Commissioners, St. Johns County, Florida
ESCROW DEPOSIT AGREEMENT

In consideration of the facts hereinafter recited and of the mutual covenants and agreements herein contained, ST. JOHNS COUNTY, FLORIDA, a political subdivision of the State of Florida, by and through its Clerk (the "Issuer"), and organized and existing under the laws of the United States of America, as Escrow Trustee (the "Escrow Trustee"), do hereby agree as follows:

Section 1. Definitions. As used herein, the following terms mean:

(a) "Aggregate Debt Service" means, as of any date, the sum of all present and future annual debt service payments, including redemption premiums, then remaining unpaid with respect to the Refunded Bonds.

(b) "Agreement" means this Escrow Deposit Agreement.

(c) "Bonds" or "1988 Bonds" or "Tax Refunding Bonds" means the St. Johns County, Florida, Limited Ad Valorem Tax Refunding Bonds, Series 1988, of the Issuer authorized by the Resolution, as herein defined.

(d) "Escrow Account" means the account established and held by the Escrow Trustee pursuant to this Agreement, in which cash and investments will be held for payment of the Refunded Bonds, as herein defined.
(e) "Escrow Requirement" means, as of any date of calculation, the sum of an amount in cash and principal amount of Federal Securities in the Escrow Account which, together with the interest due on the Federal Securities, will be sufficient to pay, as the installments become due, the Aggregate Debt Service and to pay when due all expenses and fees of the Escrow Trustee and the Registrar and Paying Agent for the Refunded Bonds then unpaid and yet to become due.

(f) "Escrow Trustee" means ________________ organized and existing under the laws of the United States of America, having its principal office in __________, Florida.

(g) "Federal Securities" means direct obligations of (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), the United States of America and obligations the principal of and interest on which are fully guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor.

(h) "Holder of Refunded Bonds" shall mean the bearer or owner of any Refunded Bond or Refunded Bonds, registered as to principal only or as to both principal and interest, registered to bearer or not registered, and the holder of any coupon appertaining to any Refunded Bond.
(i) "Insurer of the 1988 Bonds" shall mean AMBAC Indemnity Corporation ("AMBAC Indemnity"), a Wisconsin-domiciled stock insurance company.

(j) "Issuer" means St. Johns County, Florida, a political subdivision of the State of Florida.

(k) "Owner" shall mean holder of Refunded Bonds.

(l) "Paying Agent" shall mean that bank, trust company or national banking association within or without the State of Florida designated as such by the Issuer, which shall perform such functions as Paying Agent for the Refunded Bonds.

(m) "Refunded Bonds" shall mean the Issuer's outstanding Limited Ad Valorem Tax Bonds, Series 1983, dated as of March 1, 1983.

(n) "Refunding Expenses" means the costs and expenses incidental to the issuance of the Bonds, including, but not limited to, the costs and expenses of developing the refunding financial plan; credit enhancement costs and expenses; fees and expenses of consultants, advisors and counsel; costs and expenses of printing disclosure documents and Bonds; initial fees of the Escrow Trustee, Paying Agent and Bond Registrar; and the costs and fees of performing the terms and conditions of the Escrow Agreement.

(o) "Resolution" means Resolution No. 88-____ duly adopted by the governing body of the Issuer on _________
_____, 1988, as amended and supplemented from time to time, authorizing the Bonds and this Agreement.

(p) "1982 RESOLUTION" shall mean Resolution 82-116 duly enacted by the Issuer on September 21, 1982, as amended and supplemented.

Section 2. Recitals.

(a) On _____________, 1988 the Issuer adopted the Resolution for the purpose of authorizing the issuance of the Bonds for the purpose of refunding the Refunded Bonds.

(b) The Bonds will be payable solely from and secured by a lien upon a pledge by the Issuer. Reference is made to the Resolution for a more complete description of the covenants, lien and pledge securing payment of the Bonds.

(c) The principal of and interest on the Bonds will be payable solely from and secured by a prior lien upon ad valorem taxes, not to exceed one (1) mill, levied upon all taxable real property valued at just value in St. Johns County, in the manner provided in the Resolution.

(d) The Resolution authorized the Issuer to enter into this Agreement for the purposes expressed therein and herein, and all acts and things have been done and performed to make this Agreement valid and binding for the security of the Refunded Bonds.

(e) An Agreement between the Issuer and the Escrow Trustee which provides for the Escrow Trustee's fees and
manner of payment thereof is attached hereto as Schedule A to the Escrow Deposit Agreement and is incorporated herein.

(f) The Escrow Trustee has the powers and authority of a trust company under the laws of the State of Florida and, accordingly, the power to execute the trust hereby created. The execution and delivery of this Escrow Deposit Agreement have been duly authorized by the Escrow Trustee.

Section 3. Deposit of Funds.

(a) The Issuer hereby deposits $__________ with the Escrow Trustee in immediately available funds, to be held in irrevocable escrow in the Escrow Account. Such funds shall be applied solely as provided in this Agreement. The Issuer represents that:

(i) such funds are derived from the net proceeds of the Tax Refunding Bonds and other legally available funds of the Issuer.

(ii) such funds, when applied pursuant to Section 4 below, will at least equal the Escrow Requirement as of the date hereof.

(b) The Issuer hereby deposits $__________ with the Escrow Trustee in immediately available funds to be held in a separate account and to be disbursed by the Escrow Trustee for payment of the Refunding Expenses.

Section 4. Use and Investment of Funds.
(a) The Escrow Trustee acknowledges receipt of the sum described in Section 3(a) and agrees:

(i) to hold the funds in irrevocable escrow during the term of this Agreement,

(ii) to retain the sum of $______ in cash in such Escrow Account,

(iii) as to the Escrow Account to immediately invest $____________ of such funds by the purchase of the Federal Securities set forth on Schedule B attached hereto, and

(iv) to deposit in the Escrow Account, as received, the receipts of maturing principal of and interest on the Federal Securities in such Escrow Account.

(b) The Escrow Trustee acknowledges receipt of the sum described in Section 3(b) and agrees:

(i) to hold the funds in a separate account, and

(ii) to disburse said funds for payment of the Refunding Expenses.

Section 5. Payment of Refunded Bonds.

(a) On each Interest Payment Date for the Refunded Bonds, the Escrow Trustee shall pay to the Paying Agent solely from the cash on hand in the Escrow Account, a sum sufficient to pay that portion of the interest for the Refunded Bonds coming due on such date, as shown on Schedule C.
(b) The Escrow Trustee shall pay to the Paying Agent and the Paying Agent shall pay to the Owners of such Refunded Bonds, upon delivery of such Refunded Bonds to the Escrow Trustee, the principal and interest on such Refunded Bonds maturing on or prior to March 1, 1990, as such principal and interest comes due and shall on or prior to March 1, 1990, pay to the Paying Agent and the Paying Agent upon delivery of such Refunded Bonds to the Escrow Trustee shall pay to the Owners of the Refunded Bonds maturing March 1, 1991, and thereafter and called for at Redemption the principal amount thereof, plus premium together with accrued interest thereon to the Call Date. Interest on such Refunded Bonds which are called for redemption will cease to accrue from and after such redemption date.

(c) Any moneys remaining in the custody of the Escrow Trustee after the full satisfaction of all obligations to be paid from moneys held in escrow by the Escrow Trustee under this Escrow Agreement shall be returned to the Issuer and, if any Bonds remain outstanding, shall be deposited by the Issuer into the Sinking Fund established by the Resolution and applied by the Issuer to the payment of the principal of or interest on such Bonds as the same becomes due.

Section 6. Reinvestment.

(a) Except as provided in Section 4 hereof, and in this Section, the Escrow Trustee shall have no power or duty
to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Federal Securities held hereunder.

(b) At the request of the Issuer and upon compliance with the conditions hereinafter stated, the Escrow Trustee shall sell, transfer, otherwise dispose of or request the redemption of any of the Federal Securities acquired hereunder and shall either apply the proceeds thereof to the full discharge and satisfaction of the Refunded Bonds or substitute other Federal Securities for such Federal Securities. The Issuer will not request the Escrow Trustee to exercise any of the powers described in the preceding sentence in any manner which would cause any Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended, and the Regulations thereunder. The transactions may be effected only if (i) an independent certified public accountant shall certify to the Escrow Trustee and any Insurer of the 1988 Bonds that the cash and principal amount of Federal Securities remaining on hand after the transactions are completed, together with the interest due thereon, will be not less than the Escrow Requirement, and (ii) the Escrow Trustee and any Insurer of the 1988 Bonds shall receive an unqualified opinion from a nationally recognized bond counsel or tax counsel to the effect that the transactions will not cause such Bonds to be "arbitrage bonds"
within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended, and the Regulations thereunder in effect on the date of the transactions and applicable to obligations issued on such date.

Section 7. Redemption of Refunded Bonds.
The Escrow Trustee acknowledges receipt of the 1982 resolution.

Section 8. Indemnity. To the full extent permitted by Florida law, the Issuer hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated) to indemnify, protect, save and keep harmless the Escrow Trustee and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against the Escrow Trustee at any time (whether or not also indemnified against the same by the Issuer or any other person under any other agreement or instrument), and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Account, established hereunder, the acceptance of the funds and securities deposited therein, the purchase of the Federal Securities, the retention of the Federal Securities or the proceeds
thereof and any payment, transfer or other application of funds or securities by the Escrow Trustee in accordance with the provisions of this Agreement; provided, however, that the Issuer shall not be required to indemnify the Escrow Trustee against its own negligence or willful misconduct or theft or embezzlement. In no event shall the Issuer or Escrow Trustee be liable to any person by reason of the transactions contemplated hereby other than to each other as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement.

Section 9. Responsibilities of Escrow Trustee. The Escrow Trustee and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Accounts, the acceptance of the funds deposited therein, the purchase of the Federal Securities, the retention of the Federal Securities or the proceeds thereof or any payment, transfer or other application of money or securities by the Escrow Trustee in any non-negligent act, non-negligent omission or non-negligent error of the Escrow Trustee made in good faith in the conduct of its duties. The Escrow Trustee shall, however, be liable to the Issuer for any misrepresentations by it contained herein and for its negligent or willful acts, omissions or errors which violate or
fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Trustee shall be determined by the express provisions of this Agreement. The Escrow Trustee may consult with counsel, who may or may not be counsel to the Issuer, and in reliance upon the opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer.

Section 10. Notice to any Insurer of the 1988 Bonds. Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Escrow Deposit Agreement shall be in writing and a copy thereof sent by registered or certified mail to any Insurer of the 1988 Bonds.

Section 11. Resignation of Escrow Trustee The Escrow Trustee may resign and thereby become discharged from the duties and obligations hereby created, by notice in writing given to the Issuer and published once each week for four (4) consecutive weeks in a newspaper of general circulation published in the territorial limits of the Issuer, and in
a daily newspaper of general circulation or a financial journal published in the Borough of Manhattan, City and State of New York, not less than sixty (60) days before such resignation shall take effect. Such resignation shall take effect immediately upon the appointment of a new Escrow Trustee hereunder, if such new Escrow Trustee shall be appointed before the time limited by such notice and shall then accept the duties and obligations thereof.

Section 12. Removal of Escrow Trustee.

(a) The Escrow Trustee may be removed at any time by an instrument or concurrent instruments in writing, executed by the Owners of not less than fifty-one per centum (51%) in aggregate principal amount of the Refunded Bonds then Outstanding, such instruments to be filed with the Issuer, and notice in writing given by such Owners to the underwriter of the Refunded Bonds and published once each week for four (4) consecutive weeks in a newspaper of general circulation published in the territorial limits of the Issuer, and in a daily newspaper of general circulation or a financial journal published in the Borough of Manhattan, City and State of New York, not less than sixty (60) days before such removal is to take effect as stated in such instrument or instruments. A photographic copy of any instrument filed with the Issuer under the provisions of this paragraph shall be delivered by the Issuer to the Escrow Trustee.
(b) The Escrow Trustee may also be removed at any time for insolvency of the Escrow Trustee or for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Agreement with respect to the duties and obligations of the Escrow Trustee, by any court of competent jurisdiction upon the application of the Issuer or of the Owners of not less than five per centum (5%) in aggregate principal amount of the Refunded Bonds then Outstanding.

(c) The Escrow Trustee may be removed at any time, at the request of any Insurer of the 1988 Bonds, for any breach of the trust set forth herein.

Section 13. Successor Escrow Trustee.

(a) If at any time hereafter the Escrow Trustee shall resign, be removed, be dissolved or otherwise become incapable of acting, or shall be taken over by any governmental official, agency, department or board, the position of Escrow Trustee shall thereupon become vacant. If the position of Escrow Trustee shall become vacant for any of the foregoing reasons or for any other reason, the Issuer shall appoint an Escrow Trustee to fill such vacancy. Every successor Escrow Trustee appointed pursuant to this Section shall be a trust company or bank in good standing located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state
authority, having a reported capital and surplus of not less than $75,000,000. The Issuer shall publish notice of any such appointment once in each week for four (4) successive weeks in a newspaper of general circulation published in the territorial limits of the Issuer and in a daily newspaper of general circulation or a financial journal published in the Borough of Manhattan, City and State of New York, and, before the second publication of such notice, shall mail a copy thereof to the underwriter of the Refunded Bonds.

(b) At any time within one year after such vacancy shall have occurred, the Holders of a majority in principal amount of each issue of Refunded Bonds then Outstanding, by an instrument or concurrent instruments in writing, executed by all such bondholders and filed with the governing body of the Issuer, may appoint a successor Escrow Trustee, which shall supersede any Escrow Trustee theretofore appointed by the Issuer. Photographic copies of each such instrument shall be delivered promptly by the Issuer, to the predecessor Escrow Trustee and to the Escrow Trustee so appointed by the bondholders.

(c) If no appointment of a successor Escrow Trustee shall be made pursuant to the foregoing provisions of this Section, the Holder of any Refunded Bonds then Outstanding, or any retiring Escrow Trustee may apply to any court of competent jurisdiction to appoint a successor Escrow Trustee.
Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Escrow Trustee.

Section 14. **Duties of Escrow Trustee after Removal or Resignation.** Notwithstanding any provision contained in Sections 11, 12 or 13 to the contrary, the duties of the Escrow Trustee shall not diminish nor terminate until all escrowed funds, revenues and securities have been accounted for and have been transferred to and received by the successor Escrow Trustee.

Section 15. **Notice of Redemption.** The Escrow Trustee shall cause to be published, filed and mailed a notice of the redemption of the Refunded Bonds at the time and in the manner required by Section 8 of the Resolution authorizing the issuance of the 1988 Bonds.

Section 16. **Term.** This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Bonds have been paid and discharged in accordance with the proceedings authorizing the Refunded Bonds, and all amounts and surrendered Refunded Bonds held by the Escrow Trustee hereunder have been accounted for and applied or delivered in accordance herewith.

Section 17. **Severability.** If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Trustee to be performed
should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreements herein contained shall be null and void and shall be severed from the remaining covenants and agreements and shall in no way affect the validity of the remaining provisions of this Agreement.

Section 18. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as duplicate originals and shall constitute and be but one and the same instrument.

Section 19. Governing Law. This Agreement shall be construed under the laws of the State of Florida.

Section 20. Security for Accounts and Funds. All accounts and funds maintained or held pursuant to this Agreement shall be continuously secured by the Escrow Trustee in the same manner as other deposits of public funds are required to be secured by the laws of Florida.

SECTION 21. Annual Accounting. On or before April 1, of 1988 and each year thereafter, the Escrow Trustee shall account to the Issuer for all funds, including Federal Securities, received and expended by it in connection with the Escrow Account and shall deliver to the Issuer all surrendered Refunded Bonds.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized
officers and their official seals to be hereunto affixed and attested as of the date first above written.

ST JOHNS COUNTY, FLORIDA

(SEAL)

By:________________________________________

Clerk of the Circuit Court for St. Johns County, ex officio, Clerk of the Board of County Commissioners, St. Johns County, Florida

By:________________________________________

Escrow Trustee
BOND PURCHASE AGREEMENT

February 23, 1988

Board of County Commissioners
St. Johns County, Florida

Re: $4,685,000 St. Johns County, Florida, Limited
Ad Valorem Tax Refunding Bonds, Series 1988

Ladies and Gentlemen:

The Underwriter hereby proposes to purchase all of the
Bonds from the County and to make a public offering of the Bonds
subject to the acceptance of this proposal by the County on or
before 9:00 o'clock p.m. local time then prevailing in St.
Augustine, Florida, on February 23, 1988; and subject to the
following provisions

Section 1. Definitions. The following terms shall have
the following meanings in this Agreement unless another meaning is
plainly intended:

(a) "Accountants" means Price Waterhouse, independent
certified public accountants;

(b) "Agreement" means this Bond Purchase Agreement
between the Underwriter and the County;

(c) "Bond Counsel" means Meredith & Dobson, P.A.

(d) "Bonds" means the County's $4,685,000 Limited Ad
The Bonds shall be issued under and secured as provided in the
Resolution and shall have the maturities and interest rates and be
subject to redemption as set forth on Annex A hereto.

(e) "County" means St. Johns County, Florida, a politi-
cal subdivision of the State of Florida;

(f) "County's Counsel" means James G. Sisco, Esquire;

(g) "Closing" refers to the transaction at which the
Bonds are delivered by the County to the Underwriter, and paid for
by the Underwriter, pursuant to this Agreement;

(h) "Closing Documents" means the documents described in
Section 9 hereof and required to be delivered to the Underwriter
at the Closing;
Board of County Commissioners
February 23, 1988
Page 2

(i) "Code" means the Internal Revenue Code of 1986, and the regulations promulgated thereunder and otherwise in effect;

(j) "Comfort Letter" means the letter from the Accountants to the County and the Underwriter, in form and content satisfactory to the Underwriter and the County, dated the date of Closing, to the effect that (i) with respect to the County they are independent certified public accountants; (ii) they have performed procedures (but not an examination in accordance with generally accepted auditing standards) consisting of:

(A) reading of minutes of meetings of the Board of County Commissioners of the County as set forth in the County's minute book through a specified date not more than five days prior to the date of Closing; and

(B) reading the audited financial statements of the County dated as of September 30, 1986, or September 30, 1987, whichever is the latest available, and the latest available interim unaudited financial statements; and

(C) making inquiries of those officials and administrative personnel of the County who have responsibility for financial and accounting matters regarding the specific items for which representations are requested below;

and (iii) on the basis of such procedures:

(A) to the best of their knowledge, the unaudited interim financial statements of the County which are identified in the Comfort Letter as having been read by the Accountants, have been prepared on a basis consistent with that of the audited financial statements included in the Official Statement; and

(B) nothing has come to their attention that causes them to believe that as of the date of their latest inquiry, being a date not earlier than five days prior to the date of the Closing there was any
material adverse change in the financial condition of the County, as compared to the financial condition shown in the September 30, 1986, or September 30, 1987, whichever is the latest available, audited statement included in the Official Statement.

(k) "Escrow Deposit Agreement" means that certain Escrow Deposit Agreement between the County and Sun Bank, N.A. relating to the Refunded Bonds;

(l) "Official Statement" means the Official Statement of the County, relating to the Bonds, dated February 23, 1988, including the cover page and appendices thereto;

(m) "Refunded Bonds" means the County's outstanding Limited Ad Valorem Tax Bonds, Series 1983;

(n) "Resolution" means Resolution No. 88-3 of the County, as amended and supplemented, authorizing the issuance of the Bonds;

(o) "Underwriter" means William R. Hough & Co., acting for and on behalf of itself and such other securities dealers, if any, as may from time to time be designated by the Underwriter;

(p) "Underwriter's Counsel" means Rogers, Towers, Bailey, Jones & Gay.

Section 2. Purchase Price. Upon the terms and conditions and upon the basis of the representations herein set forth, the Underwriter shall purchase and the County shall sell all, but not less than all, of the Bonds at an aggregate purchase price of $4,614,725 plus accrued interest thereon from February 15, 1988, to the date of Closing.

Section 3. Public Offering. The Underwriter shall make a bona fide public offering of the Bonds at not in excess of the initial offering price or prices (or yields) set forth in the Official Statement. The Underwriter reserves the right to change such initial public offering prices as the Underwriter deem necessary in connection with the marketing of the Bonds.

Section 4. Good Faith Check. Delivered to the County herewith is a check payable to the order of the County in the amount of $50,000 as security for the performance by the Underwriter of its obligation to accept and pay for the Bonds on the
Closing Date referred to in Section 8 hereof (the "Closing Date") in accordance with the provisions hereof. The County shall hold such check uncashed until the Closing Date. The amount of such check is hereinafter called "Earnest Money." In the event of the Underwriter's compliance with its obligations hereunder, the Earnest Money shall be returned to the Underwriter on the Closing Date upon payment to the County as provided in Section 8 hereof, of the purchase price of the Bonds plus accrued interest. In the event of the County's failure to deliver the Bonds on the Closing Date, or if the County shall be unable on the Closing Date to satisfy the conditions to the obligations of the Underwriter contained herein, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, the Earnest Money shall be immediately returned to the Underwriter. If the Underwriter fails (other than for a reason permitted hereunder) to accept and pay for the Bonds upon tender thereof by the County on the Closing Date as herein provided, the Earnest Money shall be retained by the County as and for full agreed upon liquidated damages to the County, and not as a penalty, for such failure it being understood and agreed by the parties hereto that the actual amount of damages caused by such failure to accept and pay for the Bonds may be difficult to ascertain.

Section 5. Representations of County. The County represents to the Underwriter that: (a) on the date hereof and on the date of the Closing the statements and information contained in the Official Statement are and will be true and complete in all material respects, and the Official Statement does not and will not omit any statement or information which is necessary to make the statements and information therein, in light of the circumstances under which they are made, not misleading; (b) the Official Statement does not and will not omit any information with respect to the County or its business, properties and affairs which might in a material respect adversely or unfavorably affect the transactions contemplated by the Official Statement; (c) when delivered to and paid for by the Underwriter at the Closing in accordance with the provisions of this Agreement, the Bonds will have been duly authorized, executed, issued and delivered and, when properly authenticated, will constitute valid and binding obligations of the County of the character referred to in the Official Statement, in conformity with, and entitled to the benefit and security of, the Resolution; (d) the County is empowered and has been duly authorized to enter into this Agreement and the Escrow Deposit Agreement and to adopt the Resolution; (e) the execution and delivery of this Agreement, the Escrow Deposit Agreement, the Bonds and compliance with the provisions thereof, under the circumstances contemplated herein and therein, will not in any material respect conflict with or
constitute on the part of the County a breach of or default under any agreement or other instrument to which the County is a party, or any existing law, administrative regulation, court order or consent decree to which the County is subject; (f) the County has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon; (g) all approvals, consents and orders, if any, of any governmental body having jurisdiction in any matter which would constitute a condition precedent to the performance by the County of its obligations under the Resolution and this Agreement have been obtained and are in full force and effect; and (h) subsequent to the date of the last audited financial statements contained in the Official Statement, there have been no material adverse changes in the assets, liabilities or condition of the County, financial or otherwise, and neither the business, the properties, nor the affairs of the County have been adversely affected in any substantial way as the result of any fire, explosion, accident, strike, riot, flood, windstorm, earthquake, embargo, war or act of God or of the public enemy.

Section 6. Official Statement; Public Offering. You confirm that you have heretofore made available to us a signed copy of the Official Statement. On or prior to the Closing Date, the County shall deliver to the Underwriter a reasonable number of the Official Statement. The County agrees that the Official Statement and copies of the Resolution and comparative financial statements of the County may be used by the Underwriter in the public offering of the Bonds; and that they will cooperate with the Underwriter if the Underwriter decides to qualify the Bonds under the securities acts of any state; provided, however, the County shall not be required to register as a dealer or broker in any such state or to qualify to do business in connection with any such qualification of the Bonds for sale in any state.

Section 7. Comfort Letter. The County will cause the applicable Comfort Letter to be delivered to the Underwriter on the date hereof and on the date of Closing.

Section 8. Closing, Delivery and Payment. The Bonds shall be printed or lithographed on steel engraved borders as fully registered Bonds in the denomination or compounded amounts at maturity of $5,000 each or integral multiples thereof as requested by the Underwriter prior to the Closing, and shall be made available for checking and packaging by representatives of the Underwriter at the offices of The Signature Company, 130 Cedar Street, New York, New York, or such other place as the Underwriter
and the County shall agree to, not less than 24 hours prior to the Closing.

The Closing shall be held beginning at 9:00 o'clock a.m., March 16, 1988, at Rogers, Towers, Bailey, Jones & Gay, 1300 Gulf Life Drive, Suite 800, Jacksonville, Florida 32207, or at such later time and other place as is mutually agreeable to the Underwriter and the County. At the Closing, the Underwriter shall accept the delivery of the Bonds from the County and shall make payment therefor as provided herein in federal funds or other immediately available funds upon (i) tender of the definitive Bonds or temporary Bonds to the Underwriter by the County; and (ii) the delivery by the County to the Underwriter of all of the Closing Documents.

Section 9. Closing Documents. The Closing Documents shall consist of the following, each properly executed, certified or otherwise verified, dated as of the date of Closing, and in such form, as may be satisfactory to Bond Counsel, the Underwriter and Underwriter's counsel, including, but not limited to, the matters hereinafter set forth:

(a) A certified copy of the Resolution as amended and supplemented to the date of Closing;

(b) The County's closing certificate confirming (i) the representations made by the County herein; (ii) that there is no litigation pending or, to its knowledge, threatened to restrain or enjoin the issuance or delivery of the Bonds or in any way contesting or affecting any authority for the issuance of the Bonds, or the validity of the Bonds, the Resolution, the Escrow Deposit Agreement, or in any way contesting the existence or the powers of the County; (iii) that, other than as disclosed in the Official Statement, there is no litigation pending or, to its knowledge, threatened against or affecting the County or involving any of the businesses, properties or affairs of the County which involves the possibility of any judgment or liability which may result in any material adverse change in the properties, businesses or assets or in the condition, financial or otherwise, of the County to the extent that it would materially affect the County's ability to perform its obligations to the owners of the Bonds; (iv) the application of the proceeds of the sale of the Bonds as described in the Resolution; and (v) the adoption and present effectiveness of all resolutions considered necessary, in the opinion of Bond Counsel and Underwriter's Counsel, in connection with the transactions contemplated hereby, together with copies of said resolutions;
(c) The unqualified approving opinion of Bond Counsel, dated the date of Closing, substantially in the form of Annex B hereto;

(d) A reliance letter of Bond Counsel, dated the date of Closing, addressed to the Underwriter to the effect that the Underwriter may rely on the opinion of Bond Counsel described in paragraph (c) above as if such opinion were addressed to it;

(e) A supplemental opinion of Bond Counsel, dated the date of Closing, addressed to the Underwriter to the effect that: (i) the information contained in the Official Statement under the headings "PURPOSE OF THE BONDS AND REFUNDING PLAN," "DESCRIPTION OF THE BONDS," "AD VALOREM TAX PROCEDURES," "SOURCES AND USES OF FUNDS," "RATING," "LEGALITY," and "TAX EXEMPTION," are accurate statements or summaries of the matters set forth therein and fairly present the information purported to be shown, and nothing has come to their attention which would lead them to believe that such sections of the Official Statement contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such statements, in light of the circumstances in which they were made, not misleading; (ii) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; (iii) the lien of the Refunded Bonds on the ad valorem taxing power of the County has been defeased; and (iv) the issuance and sale of the Bonds to the Underwriter will be subject to any transfer, documentary stamp or other excise taxes of the State of Florida or any political subdivision thereof.

(f) An opinion of the County's Counsel to the effect that (i) the County is a political subdivision of the State of Florida and has all the necessary power and authority to issue the Bonds and enter into this Agreement and the Escrow Deposit Agreement; (ii) this Agreement, the Escrow Deposit Agreement, the Official Statement, and the Bonds have been duly authorized, executed and delivered by the County and the agreement, when duly executed and delivered by the other parties thereto, and the Bonds when properly authenticated will constitute legal, valid and binding obligations of the County enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, reorganization, insolvency and other similar laws affecting the enforcement of creditors' rights generally, and no opinion need be expressed as to the availability of any discretionary equitable remedy; (iii) the County has approved the Official Statement and the execution and
delivery thereof to the purchasers of the Bonds; (iv) the execution and delivery of the Bonds, this Agreement, and the Escrow Deposit Agreement, the adoption of the Resolution and the issuance of the Bonds pursuant thereto, and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the County a breach of or default under any existing law, regulation, court order or consent decree to which the County is subject; (v) nothing has come to his attention which would lead him to believe that the Official Statement (with the exception of financial and statistical information) contains an untrue statement of a material fact, or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (vi) no litigation or proceeding is pending or to the best of his knowledge is threatened against or affecting the County to restrain or enjoin the issuance or delivery of the Bonds or in any way contesting or affecting any authority for the issuance of the Bonds, or the validity of the Bonds or of this Agreement, or in any way contesting the existence or the powers of the County; (vii) other than as disclosed in the Official Statement, no litigation or proceeding is pending or to the best of his knowledge is threatened against or affecting the County or involving any of the business, property or affairs of the County which involves the possibility of any judgment or liability which may result in any material adverse change in the properties, business, assets or in the condition, financial or otherwise, of the County to the extent that it would materially affect the County's ability to perform its obligations to the owners of the Bonds; and (viii) the County has obtained the consents, approvals, authorizations or other orders of all municipal, state or regulatory authorities required for the consummation of the transaction contemplated hereby; such opinion may state that the County's counsel has assumed that interest on the Bonds is excluded from gross income for federal income tax purposes and that neither the Bonds, the Resolution, the Escrow Deposit Agreement nor any other matter or documents need be registered or qualified under the Securities Act of 1933, as amended, the Florida Securities Act, Chapter 517, Florida Statutes, as amended, the Trust Indenture Act of 1939, as amended, the laws of Florida, or the securities or blue sky laws of any jurisdiction (except to the extent registration, or qualification under any state blue sky laws is effected);

(g) A copy of all historical financial statements included in the Official Statement, together with the report issued in connection therewith, manually signed by the Accountants, and the Accountants' consent to the use of their report in
the Official Statement and to the references to their firm therein;

(h) Appropriate arbitrage certifications and agreements by the County in form and substance satisfactory to Bond Counsel and Underwriter's Counsel;

(i) A certificate of the Registrar and Paying Agent relating to the incumbency of its officers and its power to serve as Registrar and Paying Agent in form and substance acceptable to Bond Counsel and Underwriter's Counsel;

(j) A certificate of Escrow Trustee (as defined in the Escrow Deposit Agreement) relating to the incumbency of its officers, its power to serve as Escrow Trustee and legality, validity and enforceability of the Escrow Deposit Agreement and an opinion of the Escrow Trustee's counsel with respect to such matters, both in form and substance acceptable to Bond Counsel and Underwriter's Counsel.

(k) A verification report from a firm of independent certified public accountants acceptable to the Underwriter as to the accuracy of: (i) the mathematical computation of the adequacy of the maturing principal amounts and interest of the assets held in the Escrow Deposit Agreement to pay, when due or when called for redemption, the principal of, redemption premiums, if any, and interest on the Refunded Bonds, and (ii) the mathematical computation supporting the conclusion that the Bonds are not "arbitrage bonds" under Section 148 of the Code;

(l) A municipal bond insurance policy as described in the Official Statement insuring the payment of the principal of and the interest on the Bonds when due.

(m) Appropriate evidence that the Bonds have been assigned a ratings of Aaa by Moody's Investors Service and AAA by Standard and Poor's Corporation; and

(n) Such additional legal opinions, certificates, instruments and other documents and such multiple copies of the above listed documents as the Underwriter, Underwriter's Counsel or Bond Counsel may reasonably request to evidence compliance by the County with legal requirements; the truth and accuracy, as of the date of Closing, of the respective representations contained herein and in the Official Statement; and the due performance or satisfaction by them of all agreements to be performed by them and all conditions to be satisfied by them at or prior to the Closing.
Section 10. Termination by Underwriter. This Agreement may be terminated in writing prior to the Closing by the Underwriter if any of the following shall occur: (i) this Agreement shall not have been accepted by the County within the time herein provided; (ii) the signed Official Statement and the Comfort Letter shall not have been provided within the time required by this Agreement; (iii) the Bonds and all of the Closing Documents shall not have been delivered to the Underwriter as of 2:00 p.m. (unless such time shall have been extended by mutual agreement of the parties hereto) on the date of Closing; (iv) (a) legislation shall have been enacted by the Congress, or introduced in the Congress, or recommended to the Congress for passage by the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration; or (b) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (c) an order, ruling, regulation or communication (including a press release) shall have been issued by the Treasury Department of the United States, the Internal Revenue Service or the Securities and Exchange Commission, or (d) any action shall be taken or statement made by or on behalf of the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, which indicates or implies that interest on obligations such as the Bonds may not be excludable from gross income for federal income tax purposes or that legislation will be introduced in the next scheduled session of the United States Congress, in each case referred to in clauses (a), (b), (c) and (d), with the purpose or effect, directly or indirectly, of (x) imposing federal income taxation upon interest to be received by any holders of the Bonds or (y) requiring the offer or sale of the Bonds to be registered under the Securities Act of 1933 or the Resolution to be qualified as an indenture under the Trust Indenture Act of 1939; (v) there shall exist any event or circumstance which, in the reasonable opinion of the Underwriter, either makes untrue or incorrect in a material respect any statement or information contained in the Official Statement, or any event or circumstance is not reflected in the Official Statement but should be reflected therein in order to make the statements and information contained therein not misleading in a material respect; (vi) there shall have occurred any outbreak of hostilities or other national or international calamity or crisis, the effect of such outbreak, calamity or crisis on the financial markets of the United States of America being such as in the reasonable opinion of the Underwriter, would make it impracticable for the
Underwriter to sell the Bonds; (vii) there shall be in force a
general suspension of trading on the New York Stock Exchange, or
any other major United States stock exchange, or minimum or
maximum prices for trading shall have been fixed and be in force;
(viii) in the reasonable judgment of the Underwriter the market
price of the Bonds, or the market price generally of obligations
of the general character of the Bonds, might be adversely affected
because: (a) additional material restrictions not in force as of
the date hereof shall have been imposed upon trading in securities
generally by any governmental authority or by any national securi-
ties exchange, or (b) the New York Stock Exchange or other na-
tional securities exchange, or any governmental authority, shall
impose, as to the Bonds or similar obligations, any material
restrictions not now in force, or increase materially those now in
force, with respect to the extension of credit by, or the charge
to the net capital requirements of, the Underwriter; (ix) a
general banking moratorium shall have been declared by either
federal, New York or Florida authorities having jurisdiction, and
shall be in force; or (x) there shall have occurred any material
adverse change in the affairs of the County.

Section 11. Termination by County. This Agreement may
be terminated in writing by the County in the event that the
Underwriter shall fail to accept delivery of the Bonds on the
Closing Date upon tender thereof to the Underwriter by the County,
and delivery to the Underwriter of all of the Closing Documents.

Section 12. Changes Affecting the Official Statement
After the Closing. After the Closing, and so long as the
Underwriter or any participating dealer shall be offering Bonds
which constitute the whole or a part of their unsold participa-
tions, but in no event later than 90 days after the Closing, the
County will not adopt any amendment of or supplement to the
Official Statement except with the written consent of the Under-
writer, which consent shall not be unreasonably withheld; and
during such period of time, if any event relating to or affecting
the County shall occur the result of which shall make it neces-
sary, in the reasonable opinion of the (i) County or (ii) Under-
writer or Underwriter's Counsel, to amend or supplement the
Official Statement in order to make it not misleading in the light
of the circumstances existing at that time, the County shall
forthwith prepare and furnish to the Underwriter, at the County's
expense, a reasonable number of copies of an amendment of or
supplement to the Official Statement in form and substance
satisfactory to the Underwriter, so that it then will not contain
an untrue statement of material fact or omit to state a material
fact necessary to make the statements therein, in the light of the
circumstances existing at that time, not misleading.
Section 13. Expenses. The Underwriter shall pay its own out-of-pocket expenses, the fees and expenses of Underwriter's counsel and the fees and expenses in connection with the preparation of the Legal Investment Survey and Blue Sky Memorandum and the registration of the Bonds for "Blue Sky" purposes.

Upon the sale and delivery of the Bonds, the County will pay all of the other costs and expenses in connection with the financing contemplated by this Agreement, including, but not limited to (i) the fees and expenses of Bond Counsel, Counsel to the County and the expenses of the County, if any; (ii) fees and expenses incurred for the preparation of the Comfort Letter, and the fees and expenses of any other experts or consultants; (iii) the cost of preparation and printing of the Bonds; (iv) the cost of printing and duplication for the Official Statement and any amendments or supplements thereto; (v) bond rating agency fees and (vi) municipal bond insurance premium. In the event that the Bonds are not sold and delivered pursuant to this Agreement, the County shall only be responsible for costs and expenses for items or services that it had specifically agreed in writing to pay.

Section 14. Notices. Any notice or other communication to be given to the County under this Agreement may be given by delivering the same in writing to the County's Counsel, James G. Sisco, whose mailing address is P.O. Box 1533, St. Augustine, Florida 32085; and any such notice or other communication to be given to the Underwriter may be given by delivering the same in writing to the Underwriter at 1440 First Union Building, Jacksonville, Florida 32202.

Section 15. Parties and Interests; County's Undertakings; Survival of Representations. This Agreement is made solely for the benefit of the County and the Underwriter, including the successors and assigns of the Underwriter, and no other person, partnership, association or corporation shall acquire or have any rights hereunder or by virtue hereof except as provided in Section 12 hereof. All representations and agreements by the County in this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the Underwriter, and shall survive the delivery of and payment for the Bonds.

Section 16. No Individual Liability. No covenant, stipulation, obligation or agreement contained herein shall be deemed to
be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the County in his individual capacity.

WILLIAM R. HOUGH & CO.

By: [Signature]
First Vice President

Accepted by the Board of County Commissioners of St. Johns County, Florida on February 23, 1988

By: [Signature]
Chairman
ANNEX A

MATURITIES, INTEREST RATES AND AMOUNTS

<table>
<thead>
<tr>
<th>Maturity March 1,</th>
<th>Principal Amount</th>
<th>Interest Rate</th>
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<tbody>
<tr>
<td>1989</td>
<td>$ 210,000</td>
<td>5.0 %</td>
</tr>
<tr>
<td>1990</td>
<td>210,000</td>
<td>5.2</td>
</tr>
<tr>
<td>1991</td>
<td>225,000</td>
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<td>235,000</td>
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<td>265,000</td>
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<td>1995</td>
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<td>2001</td>
<td>415,000</td>
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</tr>
<tr>
<td>2002</td>
<td>440,000</td>
<td>7.2</td>
</tr>
<tr>
<td>2003</td>
<td>470,000</td>
<td>7.3</td>
</tr>
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</table>

REDEMPTION PROVISIONS

The Bonds maturing on March 1 of the years 1989 to 1996, inclusive, are not subject to redemption prior to maturity.

The Bonds maturing in the years 1997 and thereafter may, at the option of the County, be called for redemption prior to maturity in whole on any date on or after March 1, 1996, or in part, in inverse order of maturities and by lot within maturities on March 1, 1996, or any interest payment date thereafter at a redemption price (plus accrued interest to the date fixed for redemption) equal, for each period indicated below, to the percentage of the principal amount thereof shown in the following table:

<table>
<thead>
<tr>
<th>Date</th>
<th>Redemption Price</th>
</tr>
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<tbody>
<tr>
<td>March 1, 1996 through February 28, 1997</td>
<td>102 %</td>
</tr>
<tr>
<td>March 1, 1997 through February 28, 1998</td>
<td>101.5</td>
</tr>
<tr>
<td>March 1, 1998 through February 28, 1999</td>
<td>101</td>
</tr>
<tr>
<td>March 1, 1999 through February 28, 2000</td>
<td>100.5</td>
</tr>
<tr>
<td>March 1, 2000 and thereafter</td>
<td>100</td>
</tr>
</tbody>
</table>
March 16, 1988

St. Johns County, Florida
St. Johns County Administration Building
St. Augustine, Florida 32085

Re: $4,685,000 St. Johns County, Florida
Limited Ad Valorem Tax Refunding Bonds,
Series 1988

Gentlemen:

Pursuant to Florida Statutes, Section 218.385(4), the following information is provided.

1. The estimated amount of expenses which the managing underwriter expects to incur with respect to the captioned obligations (the "Bonds") is as follows:

   clearance....$0.25 per $1,000
   underwriters' counsel....see 5 below
   other expenses....$1.75 per $1,000

2. There are no finders, as defined in Section 218.386, Florida Statutes, who have been employed by the managing underwriter in connection with the issuance of the Bonds.

3. The amount of underwriting spread expected to be realized with respect to the Bonds is $15.00 per $1,000.

4. The management fee expected to be charged by the managing underwriter is $1.50 per $1,000.

5. The managing underwriter expects to pay its counsel, Rogers, Towers, Bailey, Jones & Gay, for legal services rendered in connection with the purchase of the Bonds a fee in the amount of $2.00 per $1,000.

6. The underwriter is William R. Hough & Co., 1440 First Union Building, Jacksonville, Florida 32202.

Very truly yours,

WILLIAM R. HOUGH & CO.

Mitchell N. Owens
First Vice President
The Honorable
Board of County Commissioners  William R. Hough and Company
St. Johns County  1440 First Union Building
St. Augustine, Florida  32084  Jacksonville, Florida  32202

Re: $4,685,000, St. Johns County, Florida,
Limited Ad Valorem Tax Refunding Bonds,
Series 1988

Ladies and Gentlemen:

We have acted as Bond Counsel for St. Johns County, Florida (the "Issuer"), in connection with the issuance by the Issuer of its $4,685,000 St. Johns County, Florida, Limited Ad Valorem Tax Refunding Bonds, Series 1988 (the "Bonds"), dated as of February 15, 1988, pursuant to the Constitution and Laws of the State of Florida, particularly Sections 132.33 through 132.47, Florida Statutes, Section 125.01, Florida Statutes, Chapter 100, Florida Statutes, Section 12(b), Article VII, Florida Constitution, Resolution 88-____, duly adopted by the Board of County Commissioners of St. Johns County, Florida, as the governing body of the Issuer, on February 23, 1988, as amended and supplemented (the "Resolution"), and other applicable provisions of law. We have examined all proceedings of the Issuer in connection with the authorization, issuance and sale of the Bonds by the Issuer and other proofs deemed necessary to render this Opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Resolution and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of the Official Statement (the "Official Statement"), relating to the Bonds or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement and except
with respect to the information contained in the Official Statement under the headings, "Purpose of the Bonds and Refunding Plan," "Description of the Bonds," "Ad Valorem Tax Procedures," "Ratings," "Legality," "Tax Exemption" and in "Appendix C - Bond Resolution"), and we express no opinion relating thereto (excepting only the matters set forth in the provisions concerning Purpose of the Bonds and Refunding Plan, Description of the Bonds, Ad Valorem Tax Procedures, Ratings, Legality and Tax Exemption and in Appendix C and in those other areas wherein the text is set forth as our opinion in the Official Statement and it is our opinion that the information contained under such headings is true, accurate and complete in all material respects and is not misleading and that based upon our review of information received from AMBAC Indemnity Corporation, which we consider satisfactory for the purpose of our opinion, the information contained in the Official Statement under the heading "Municipal Bond Insurance" is true, correct and complete and not misleading.)

As of the date hereof, and based on an examination of the foregoing and the law and proceedings in this matter, we are of the opinion that:

1. The Issuer is duly created and validly existing as a political subdivision existing under the laws of the State of Florida, with the power to adopt the Resolution and to perform the agreements on its part contained therein and to issue the Bonds.

2. The Resolution has been duly adopted by the governing body of the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer. The Resolution creates an irrevocable lien on ad valorem taxes, not to exceed one (1) mill levied upon all taxable real property valued at just value in the County.

3. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding limited obligations of the Issuer, enforceable in accordance with their terms, and payable solely from ad valorem taxes not to exceed one (1) mill levied upon all taxable real property valued at just value in the County as provided.

4. Interest on the Bonds is not subject to federal income taxation under existing statutes, regulations, rulings
and judicial decisions, as enacted and construed on the date hereof except:

[i] interest earned on obligations such as the Bonds is taken into account in determining adjusted net book income (adjusted current earnings for taxable years ending after December 31, 1989) for the purpose of computing the federal alternative minimum tax imposed on corporations (as defined for federal income tax purposes) by Section 55 of the Internal Revenue Code of 1986; and

[ii] in some instances a portion of interest on obligations such as the Bonds which are held by certain taxpayers, including, without limitation, property and casualty insurance companies, individual recipients of social security or railroad retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Bonds may be subject to federal income taxation under the Internal Revenue Code of 1986; and

[iii] interest earned on obligations such as the Bonds which are held by a foreign corporation engaged in a trade or business in the United States may be subject to a branch profits tax imposed by Section 884 of the Internal Revenue Code of 1986; and

[iv] interest earned on obligations such as the Bonds which are held by a corporation may be subject to an environmental tax imposed by Section 59A of the Internal Revenue Code of 1986.

5. The Bonds and the interest thereon are exempt from taxation under the Laws of the State of Florida, except estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations.

6. The information contained in the Official Statement "Appendix C - Bond Resolution" is the Resolution authorizing the issuance of the 1988 Bonds.
7. The Refunded Bonds (as such term is defined in the Resolution) have been defeased.

8. The Bonds comply with Sections 132.35(1) through 132.35(5), Florida Statutes, as amended.

9. The Escrow Deposit Agreement complies with Sections 132.41 through 132.43, Florida Statutes, as amended.

We have also examined a fully executed and authenticated Bond, which we find to be in due form and duly executed.

It is to be understood that the rights of the Owners of the Bonds, and the enforceability of the Resolution and the Bonds, may be subject to the exercise of judicial discretion in accordance with general principles or equity, and to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

Respectfully submitted,

MEREDITH & DOBSON, P.A.
February 22, 1988

Board of County Commissioners
St. Johns County
St. Augustine, Florida 32085

RE: Proposed Refunding Limited
Ad Valorem Tax Bonds Series 1983

Dear Commissioners:

At the request of the County, Public Financial Management, Inc. has reviewed the attached analysis submitted by William R. Hough & Co. to refund the 1983 Series Jail Bonds.

PFM has reviewed the proposed interest rate scale and finds it conforms to today's market rate and under these conditions the County would have over $335,000. in cumulative savings and present value savings exceeding $210,000. which represents annual savings from $20,000. to over $24,000.

This savings falls within the guidelines recommended by PFM and exceeds the savings limitation established by the Board of County Commissioners in December, 1987.

As this is a first time refunding and the present value savings meet industry standards, PFM recommends that St. Johns County accept the Bond Purchase Agreement at their meeting of February 24, 1988.

Sincerely,

PUBLIC FINANCIAL MANAGEMENT, INC.

Lavon Wisher
Senior Managing Consultant

Enclosure
St. Johns County, Florida
Limited Ad Valorem Tax Bonds, Series 1988
Schedule Showing Sources And Uses Of Refunding Issue

### Sources:

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<tr>
<th>Source</th>
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<td>Accrued Interest To March 16, 1988</td>
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<tr>
<td><strong>Total Sources</strong></td>
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### Uses:

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<td>Deposit To 1988 Principal And Interest Account</td>
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<tr>
<td>Underwriter's Discount</td>
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<tr>
<td>Cost Of Issuance</td>
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<tr>
<td>AMBAC Insurance</td>
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<td>Contingency</td>
<td>1,537.00</td>
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<td><strong>Total Uses</strong></td>
<td><strong>4,711,910.39</strong></td>
</tr>
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</table>

### Refunding Assumptions:

1. The dated date is February 15, 1988 and the delivery date is March 16, 1988.
2. The outstanding bonds were called on the first call date, 3/1/90 at 102% of par.
3. The AMBAC insurance premium is 0.4% of refunding debt service net of accrued interest, and includes the Standard & Poor's rating fee of $4,500.

### Summary of Savings:

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<th>Category</th>
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<tr>
<td>Net Future Value Savings</td>
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<td>Period Ending</td>
<td>Principal</td>
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<tr>
<td>---------------</td>
<td>-----------</td>
</tr>
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<td>9/ 1/88</td>
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<td>450,000.00</td>
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<tr>
<td></td>
<td>4,330,000.00</td>
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# Schedule 3

## St. Johns County, Florida

**Limited Ad Valorem Tax Bonds, Series 1988**

**Schedule Showing Refunding Debt Service**

### Debt Service From Delivery Date: 3/16/1988

<table>
<thead>
<tr>
<th>Period Ending</th>
<th>Principal</th>
<th>Rate</th>
<th>Interest</th>
<th>Total Debt Service</th>
<th>Annualized Debt Service</th>
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<td>140,039.17</td>
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<tr>
<td>9/ 1/89</td>
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<td>5.200%</td>
<td>147,320.00</td>
<td>362,770.00</td>
<td>505,040.00</td>
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<tr>
<td>9/ 1/90</td>
<td>210,000.00</td>
<td>5.400%</td>
<td>142,050.00</td>
<td>357,920.00</td>
<td>509,120.00</td>
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<tr>
<td>9/ 1/91</td>
<td>225,000.00</td>
<td>5.600%</td>
<td>135,985.00</td>
<td>353,985.00</td>
<td>503,120.00</td>
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<tr>
<td>9/ 1/92</td>
<td>235,000.00</td>
<td>5.700%</td>
<td>135,985.00</td>
<td>350,985.00</td>
<td>506,970.00</td>
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<td>9/ 1/93</td>
<td>245,000.00</td>
<td>5.900%</td>
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<td>347,287.50</td>
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Total Principal: 4,683,000.00

Total Interest: 2,911,779.17

Total Debt Service: 7,596,779.17

Annualized Debt Service: 7,596,779.17
St. Johns County, Florida  
Limited Ad Valorem Tax Bonds, Series 1989  
Schedule Showing Net Present Value Savings

Calculation Dates: 3/16/88

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<tr>
<th>Period Ending</th>
<th>Total Outstanding Debt Service</th>
<th>Total Refunding Debt Service</th>
<th>Difference</th>
<th>Cumulative Difference</th>
<th>Present Value Of Difference At 6.890000%</th>
<th>Annualized Difference</th>
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Total: 7,934,517.90  7,946,779.17  337,733.27  213,440.30  337,738.33
Sun Bank/North Florida, National Association
Good Faith Bid $4,685,000.00 - St. Johns Cty, Ltd.
Advocare Tax Series 1988

PAY

To the Order of St. Johns County Florida

SUN BANK $50,000.00

CASHIER'S CHECK

Original Check to Henry Funk 2/25/98