RESOLUTION NO. 89-143

RESOLUTION FURTHER SUPPLEMENTING RESOLUTION NO. 86-132 ADOPTED SEPTEMBER 30, 1986, AS PREVIOUSLY SUPPLEMENTED AND AMENDED; PROVIDING FOR THE ACQUISITION, CONSTRUCTION AND ERECTION OF NEW COURTHOUSE FACILITIES FOR ST. JOHNS COUNTY, FLORIDA; AUTHORIZING THE ISSUANCE BY THE COUNTY OF NOT EXCEEDING $24,225,000 PRINCIPAL AMOUNT OF SALES TAX REVENUE BONDS, SERIES 1989, TO FINANCE THE COST THEREOF; PLEDGING THE LOCAL GOVERNMENT HALF-CENT SALES TAX TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; ENTERING INTO CERTAIN COVENANTS AND AGREEMENTS WITH THE HOLDERS OF SAID BONDS; AND PROVIDING AN EFFECTIVE DATE.
# TABLE OF CONTENTS

## ARTICLE I
### GENERAL

<table>
<thead>
<tr>
<th>Section 1.01</th>
<th>Definitions</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 1.02</td>
<td>Authority for this Instrument</td>
<td>7</td>
</tr>
<tr>
<td>Section 1.03</td>
<td>Findings</td>
<td>7</td>
</tr>
<tr>
<td>Section 1.04</td>
<td>Project Authorized</td>
<td>8</td>
</tr>
</tbody>
</table>

## ARTICLE II
### AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION

<table>
<thead>
<tr>
<th>Section 2.01</th>
<th>Authorization of Bonds</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 2.02</td>
<td>Description of Bonds</td>
<td>8</td>
</tr>
<tr>
<td>Section 2.03</td>
<td>Payment of Bonds</td>
<td>8</td>
</tr>
<tr>
<td>Section 2.04</td>
<td>Redemption of Bonds</td>
<td>9</td>
</tr>
<tr>
<td>Section 2.05</td>
<td>Execution of Bonds</td>
<td>11</td>
</tr>
<tr>
<td>Section 2.06</td>
<td>Negotiability, Registration, Transfer and Exchange</td>
<td>12</td>
</tr>
<tr>
<td>Section 2.07</td>
<td>Bonds Mutilated, Destroyed, Stolen or Lost</td>
<td>13</td>
</tr>
<tr>
<td>Section 2.08</td>
<td>Form of Bonds</td>
<td>13</td>
</tr>
</tbody>
</table>

## ARTICLE III
### COVENANTS, SPECIAL FUNDS AND APPLICATION THEREOF

<table>
<thead>
<tr>
<th>Section 3.01</th>
<th>Bonds Not to Be General Indebtedness of Issuer</th>
<th>19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 3.02</td>
<td>Security for Bonds</td>
<td>20</td>
</tr>
<tr>
<td>Section 3.03</td>
<td>Application of Bond Proceeds</td>
<td>20</td>
</tr>
</tbody>
</table>
Section 3.04  Construction Account............................................. 20
Section 3.05  Reserve Account.................................................. 21
Section 3.06  Covenants of the Issuer........................................ 23
   (A) Application of Provisions of Original Instrument.................. 23
   (B) Remedies............................................................. 24
   (C) Creation of Superior Liens....................................... 24
   (D) Arbitrage......................................................... 24
   (E) Compliance with Internal Revenue Code............................ 26

ARTICLE IV
MISCELLANEOUS PROVISIONS

Section 4.01  Defeasance....................................................... 26
Section 4.02  Modification or Amendment.................................. 27
Section 4.03  Sale of Bonds................................................... 27
Section 4.04  No Personal Liability........................................ 27
Section 4.05  No Third Party Beneficiaries............................... 27
Section 4.06  Severability of Invalid Provisions......................... 27
Section 4.07  Table of Contents and Headings not Part Hereof............. 28
Section 4.08  Conflicts Repealed............................................ 28
Section 4.09  Effective Date.................................................. 28
BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA, as follows:

ARTICLE I

GENERAL

1.01 Definitions. When used in this Instrument, the
terms defined in the Original Instrument, unless defined in this
section, shall have the respective meanings assigned thereto by
the Original Instrument, and the following terms shall have the
following meanings, unless the text clearly otherwise requires:

"Accreted Value" shall mean, as of any date of computa-
tion with respect to any Capital Appreciation Bond, an amount
equal to the principal amount of such Capital Appreciation Bond
(the principal amount at its initial offering) plus the interest
accrued on such Capital Appreciation Bond from the date of deliv-
ery to the original purchasers thereof to the interest date next
preceding the date of computation or the date of computation if
an interest date, such interest to accrue at a rate not exceeding
the legal rate, compounded semiannually, plus, with respect to
matters related to the payment upon redemption or acceleration of
the Capital Appreciation Bonds, if such date of computation shall
not be an interest date, a portion of the difference between the
Accreted Value as of the immediately preceding interest date and
the Accreted Value as of the immediately succeeding interest date,
calculated based on the assumption that Accreted Value accrues
during any semiannual period in equal daily amounts on the basis
of a 360-day year.

"Act" shall mean Chapter 125, Part I, Florida Statutes,
as amended, and St. Johns County Ordinance No. 86-89.

"Authorized Depository" shall mean the State Board of
Administration of Florida or a state banking corporation or
national banking association situated in the State of Florida,
which is a member of the Federal Deposit Insurance Corporation
and which is eligible under the laws of the State of Florida to
receive county funds.

"Authorized Construction Account Investments" shall mean
any of the following which shall be authorized from time to time
by applicable laws of the State for deposit or purchase by the
Issuer for the investment of its funds:

(1) accounts with the State Board of Administration;
(2) direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America ("Direct Obligations");

(3) direct obligations and fully guaranteed certificates of beneficial interest of the Export-Import Bank of the United States; senior debt obligations of the Federal Home Loan Banks; debentures of the Federal Housing Administration; guaranteed mortgage-backed bonds and guaranteed pass-through obligations of the Government National Mortgage Corporations; guaranteed Title XI financing of the U.S. Maritime Administration; mortgage-backed securities and senior debt obligations of the Federal National Mortgage Association; and participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation (collectively, "Agency Obligations");

(4) direct obligations of any state of the United States of America or any subdivision or agency thereof whose unsecured general obligation debt is rated "A3" or better by Moody’s Investors Service and "A-" or better by Standard & Poor’s Corporation, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is rated "A3" or better by Moody’s Investors Service and "A-" or better by Standard & Poor’s Corporation;

(5) commercial paper rated "Prime-1" by Moody’s Investors Service and "A-1" or better by Standard & Poor’s Corporation;

(6) obligations rated "A3" or better by Moody’s Investors Service and "A-" or better by Standard & Poor’s Corporation;

(7) deposits, Federal funds or bankers acceptances of any domestic bank, including a branch office of a foreign bank which branch office is located in the United States, provided legal opinions are received to the effect that full and timely payment of such deposit or similar obligation is enforceable against the principal office or any branch of such bank, which:

a. has an unsecured, uninsured and unguaranteed obligation rated "Prime-1" or A3" or better by Moody’s Investors Service and "A-1" or "A-" or better by Standard & Poor’s Corporation, or

b. is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation meeting the rating requirements in (a.) above;
deposits of any bank or savings and loan association which has combined capital, surplus and undivided profits of not less than $3 million, provided such deposits are fully insured by the Federal Deposit Insurance Corporation or Federal Savings and Loan Insurance Corporation;

investments in a money-market fund rated "Am" or "Am-G" or better by Standard & Poor's Corporation;

repurchase agreements collateralized by Direct Obligations or Agency Obligations with any registered broker/dealer subject to the Securities Investors' Protection Corporation jurisdiction or any commercial bank, if such broker/dealer or bank has an uninsured, unsecured and unguaranteed obligation rated "Prime-1" or "A3" or better by Moody's Investors Service and "A-1" or "A-" or better by Standard & Poor's Corporation, provided:

a. a master repurchase agreement or specific written, repurchase agreement governs the transaction, and

b. the securities are held free and clear of any lien by an independent third party acting solely as agent for the Issuer, and such third party is (a) a Federal Reserve Bank, (b) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than $25 million, or (c) a bank approved in writing for such purpose by the Insurer, and the Issuer shall have received written confirmation from such third party that it holds such securities, free of any lien, as agent for the Issuer, and

c. a perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. in such securities is created for the benefit of such third party, and

d. the repurchase agreement has a term of ninety days or less, or such third party will value the collateral securities no less frequently than monthly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two business days of such valuation, and

e. the fair market value of the securities in relation to the amount of the repurchase obligation, including principal and interest, is equal to at least 100%.
(11) investment agreements with a bank or insurance company which has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated "A3" or better by Moody's Investors Service and "A-" or better by Standard & Poor's Corporation, or is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation meeting such rating requirements, provided:

a. interest is paid at least semi-annually at a fixed rate during the entire term of the agreement, consistent with bond payment dates, and

b. moneys invested thereunder may be withdrawn without any penalty, premium, or charge upon not more than one day's notice (provided such notice may be amended or canceled at any time prior to the withdrawal date), and

c. the agreement is not subordinated to any other obligations of such insurance company or bank, and

d. the same guaranteed interest rate will be paid on any future deposits made to restore the reserve to its required amount, and

e. such third party receives an opinion of counsel that such agreement is an enforceable obligation of such insurance company or bank; and

(12) with the consent of the Insurer, such other obligations as shall be legal investments of the Issuer under the laws of the State.

"Bond Register" shall mean the registration books kept by the Registrar for the purpose of registering ownership of the Bonds.

"Bonds" shall mean the obligations of the Issuer authorized to be issued pursuant to Section 2.01 of this Instrument.

"Capital Appreciation Bonds" shall mean those Bonds so designated by resolution of the Issuer adopted prior to their issuance, which may be either Serial Bonds or Term Bonds and which shall bear interest payable at maturity or redemption. In the case of Capital Appreciation Bonds that are convertible to Bonds with interest payable prior to maturity or prior to redemption of such Bonds, such Bonds shall be considered Capital Appreciation Bonds only during the period of time prior to such conversion.

"Construction Account" shall mean the account created pursuant to Section 3.03 of this Instrument for the purpose of
receiving a portion of the proceeds to be derived from the sale of the Bonds and any other funds required to pay the Cost of the Project.

"Cost" when used in connection with the Project, shall mean all expenses necessary, appurtenant or incidental to the acquisition and construction of the Project, including without limitation the cost of any land or interest therein or of any fixtures, equipment or personal property necessary or convenient therefor, the cost of labor and materials to complete such construction, expenses for needs and feasibility studies, consultant, architectural, engineering and legal expenses, fiscal expenses, expenses for estimates of costs and of revenues, expenses for plans, specifications and surveys, interest during construction, administrative expenses related solely to the acquisition and construction of the Project, all expenses incident to the financing of the Project and the issuance of the Bonds, and any other costs properly attributable to the issuance of the Bonds or such construction or acquisition, as determined by generally accepted accounting principles and shall include reimbursement to the Issuer for any such items of Cost heretofore paid by the Issuer. Any supplemental resolution may provide for additional items to be included in the aforesaid Cost.

"Federal Securities" shall mean direct obligations of 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.

"Holder" shall mean the person in whose name any outstanding Bond is registered according to the Bond Register.

"Instrument" shall mean this resolution and all resolutions amendatory hereof which may be hereafter duly adopted by the Issuer.

"Local Government Half-cent Sales Tax" shall mean all moneys now or hereafter allocated to the Issuer from the Local Government Half-cent Sales Tax Clearing Trust Fund pursuant to the provisions of Part IV, Chapter 218, Florida Statutes, as amended.

"Moody’s Investors Service" shall mean Moody’s Investors Service, and any assigns or successors thereto.

"Original Instrument" shall mean the resolution adopted by the Board of County Commissioners of the Issuer on September 30, 1986, as previously amended and supplemented, authorizing issuance of the Parity Obligations.
"Parity Obligations" shall mean the Issuer's outstanding Refunding Revenue Bonds, authorized to be issued by the Issuer pursuant to the Original Instrument.

"Project" shall mean the new county courthouse facilities and new county administration facilities to be acquired and constructed pursuant to the authorization contained in this Instrument in accordance with certain plans and specifications now or hereafter placed on file with the Issuer.

"Registrar" shall mean any bank or trust company hereafter duly appointed by resolution of the Issuer to serve as Registrar with respect to the Bonds.

"Reserve Account" shall mean the separate account referred to herein and in the Original Instrument and which shall be established pursuant to Section 3.05 hereof.

"Reserve Account Requirement" shall mean, as of any date of calculation, an amount equal to the lesser of (1) Maximum Bond Service Requirement for all outstanding Bonds, Parity Obligations and Additional Bonds, (2) 125% of the average annual debt service for all outstanding Bonds, Parity Obligations and Additional Bonds, or (3) 10% of the proceeds of outstanding Bonds, Parity Obligations and Additional Bonds. In computing the Reserve Account Requirement in respect of any Bonds and Additional Bonds that constitute Variable Rate Bonds, the interest rate on such Bonds and Additional Bonds shall be assumed to be the greater of (a) 110% of the daily average interest rate on such Variable Rate Bonds during the 12 months ending with the month preceding the date of calculation, or such shorter period of time that such Bonds shall have been outstanding, or (b) the actual rate of interest borne by the Variable Rate Bonds on such date of calculation; provided, in no event shall the Reserve Account Requirement as adjusted on such date of calculation exceed the lesser of the amounts specified in the immediately preceding sentence. In computing the Reserve Account Requirement in accordance with clause (3) of this definition in respect of any Capital Appreciation Bonds, the principal amount of such Bonds shall be the original principal amount thereof, not the Accreted Value.

"Reserve Instrument" shall mean a surety bond, irrevocable letter of credit, guaranty or insurance policy issued by a Reserve Instrument Provider for the benefit of the Bondholders, assuring payment of all or a portion of the Reserve Account Requirement, payable to the paying agent (upon the giving of notice as required under such Reserve Instrument) on any interest date on which a deficiency exists in the moneys required for the payment of any principal of or interest on the Bonds, the Parity Obligations and any Additional Bonds on such interest date which
cannot be cured by funds in any other fund or account held pursuant to this resolution and available for such purpose.

"Reserve Instrument Provider" shall mean the issuer of a Reserve Instrument and which shall be either (a) an insurer (i) whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issues results in such issues being rated in one of the two highest rating categories (without regard to gradations, such as "plus" or "minus" of such categories) by either Standard & Poor's Corporation or Moody's Investors Service, or (ii) which holds one of the two highest policyholder ratings accorded insurers by A. M. Best & Company, or any comparable service, or (b) a commercial bank, insurance company or other financial institution the bonds payable or guaranteed by which have been assigned a rating by either Moody's Investors Service or Standard & Poor's Corporation in one of the two highest rating categories (without regard to gradations, such as "plus" or "minus" of such categories), and with respect to any series of the Bonds, the Parity Obligations or Additional Bonds, the Reserve Instrument Provider who shall have provided a Reserve Instrument to be deposited into the Reserve Account in satisfaction of all or a portion of the Reserve Account Requirement applicable to such series of the Bonds, the Parity Obligations or Additional Bonds.

"Standard and Poor's Corporation" shall mean Standard and Poor's Corporation, and any assigns and successors thereto.

"Variable Rate Bonds" shall mean Bonds issued with a variable, adjustable, convertible or other interest rate which at the date of issue is not fixed as one or more stated percentages for the entire term of such Bonds.

1.02 Authority for this Instrument. This Instrument is adopted pursuant to the provisions of the Act; Section 3.06(E) of the Original Instrument; and other applicable provisions of law.

1.03 Findings. It is hereby found and determined that:

(A) The Project is necessary for county administration and for the administration of justice within St. Johns County and the preservation of the health, welfare, convenience and safety of the citizens and inhabitants of the county.

(B) It is deemed necessary and desirable to pledge the Pledged Funds to the payment of the principal of and interest on the Bonds. No part of the Pledged Funds has been pledged or hypothecated to any obligations of the Issuer other than the Bonds, except that the Pledged Funds have been pledged also to the payment of the principal of and interest on the Parity Obligations. The Original Instrument, in Section 3.06 (E) thereof, provides for the issuance of additional obligations of the Issuer on a
parity with the Parity Obligations under the terms, limitations and conditions provided therein; and the Issuer will issue the Bonds as additional parity obligations within the authorization contained in Section 3.06(E) of the Original Instrument. The Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Pledged Funds, and in all other respects, with the Parity Obligations. Each and every provision of the Original Instrument shall be applicable to the Bonds to the same extent as it is applicable to the Parity Obligations.

(C) This Instrument is declared to be and shall constitute a contract between the Issuer and the Holders; and the covenants and agreements herein set forth to be performed by the Issuer are and shall be for the equal benefit, protection and security of all of the Holders, all of which shall be of equal rank and without preference, priority or distinction of any of the Bonds over any other, except as hereinafter provided.

(D) The Issuer is not, under this Instrument, obligated to levy any ad valorem taxes on any real or personal property situated within St. Johns County to pay the principal of or interest on the Bonds. The Bonds shall not constitute a lien upon the Project or upon any other property of the Issuer or situated within St. Johns County.

1.04 Project Authorized. The Project is hereby authorized.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION
AND REGISTRATION

2.01 Authorization of Bonds. Subject and pursuant to the provisions of this Instrument, obligations of the Issuer to be known as "Sales Tax Revenue Bonds, Series 1989," are hereby authorized to be issued in an aggregate principal amount not exceeding Twenty-Four Million Dollars ($24,000,000) for the purpose of providing the funds required to pay the Cost of the Project.

2.02 Description of Bonds. The Bonds shall be dated as of June 1, 1989 or any date thereafter which shall be prior to the date of their delivery to the purchaser or purchasers thereof; shall bear interest at a rate or rates not exceeding the maximum rate permitted by law, payable on April 1 and October 1 of each year; and shall be issued as fully registered Bonds in denominations of $5,000 each and integral multiples thereof not exceeding the aggregate amount of Bonds maturing on the same date.
and maturing in such amounts and on October 1 of such years, not exceeding 30 years from their date, as the Issuer shall hereafter by resolution provide.

2.03 Payment of Bonds. The Bonds shall be payable as to both principal and interest at such place or places as the Issuer shall hereafter by resolution designate, in lawful money of the United States of America, and shall bear interest from the date of issue.

From and after any maturity date or any date fixed for redemption as designated in any notice given pursuant to Section 2.04 hereof (deposit of moneys for the payment of the principal or redemption price of and/or interest on such Bonds having been made by the Issuer and notice of redemption having been given to the extent required hereunder), notwithstanding that any of such Bonds shall not have been surrendered for payment and cancellation, no further interest shall accrue upon the principal of such Bonds after such date, no interest shall accrue upon the interest which shall have accrued and shall then be due on such date, and such Bonds shall cease to be entitled to any lien, benefit or security under this Instrument, and the Holders shall have no rights in respect of such Bonds except to receive, but solely from legally available revenues derived from sources other than ad valorem taxation, payment of such principal or the redemption price thereof and unpaid interest accrued to the due date or redemption date.

2.04 Redemption of Bonds. All or any portion of the Bonds may be made subject to redemption prior to their respective stated dates of maturity upon such terms as the Issuer shall hereafter provide by resolution adopted anytime prior to issuance of the Bonds.

Unless waived by any Holder of Bonds to be redeemed, notice of any redemption made pursuant to this section shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to each Holder of Bonds to be redeemed at the address of such Holder shown on the Bond Register, or at such other address as shall be furnished in writing by such Holder to the Registrar; provided, however, that no defect in any notice given pursuant to this section to any Holder of Bonds to be redeemed nor failure to give such notice to any such Holder nor failure of any such Holder to receive such notice shall in any manner defeat the effectiveness of a call for redemption as to all other Holders of Bonds to be redeemed.

Every official notice of redemption shall be dated and shall state:
(1) the redemption date,

(2) the redemption price,

(3) if less than all outstanding Bonds are to be redeemed, the number (and, in the case of a partial redemption of any Bond, the principal amount) of each Bond to be redeemed,

(4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

(5) that such Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the redemption price at the principal office of the Registrar.

Prior to any redemption date, the Issuer shall deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions thereof which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions thereof to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions thereof shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the redemption price. Each check or other transfer of funds issued by the Registrar for the purpose of the payment of the redemption price of Bonds being redeemed shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal of such partially redeemed Bond. All Bonds which have been redeemed shall be cancelled and destroyed by the Registrar and shall not be reissued.

In addition to the foregoing notice, further notice shall be given by the Registrar as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.
(1) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each Bond being redeemed; (iv) the maturity date of each Bond being redeemed; and (v) any other descriptive information needed to identify accurately the Bonds being redeemed.

(2) Each further notice of redemption shall be sent at least 35 days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being Depository Trust Company of New York, New York, Midwest Securities Trust Company of Chicago, Illinois, Pacific Securities Depository Trust Company of San Francisco, California, and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania) and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(3) Each such further notice shall be published one time in The Bond Buyer of New York, New York or, if such publication is impractical or unlikely to reach a substantial number of the Holders of the Bonds, in some other financial newspaper or journal which regularly carries notices of redemption of obligations similar to the Bonds, such publication to be made at least 30 days prior to the date fixed for redemption.

2.05 Execution of Bonds. The Bonds shall be executed in the name of the Issuer with the manual or facsimile signature of the Chairman and the official corporate seal of the Issuer shall be impressed or imprinted thereon, attested and countersigned with the manual or facsimile signature of the Clerk. In case any one or more of the officers who shall have signed or sealed any of the Bonds or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Bond shall hold the proper office of the Issuer, although at the date of such Bonds such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such
offices at any time after the date of the adoption of this Instrument, notwithstanding that either or both shall have ceased to hold such office at the time the Bonds shall be actually sold and delivered.

From time to time after the adoption of this Instrument, the Issuer may deliver executed Bonds to the Registrar for authentication, and the Registrar shall manually authenticate and deliver such Bonds in accordance with written instructions of the Issuer and not otherwise. No Bond shall be entitled to any benefit under this Instrument or be valid for any purpose unless such Bond shall bear thereon a certificate of authentication substantially in the form set forth in the form of Bond set out in Section 2.08 hereof executed on behalf of the Registrar with the manual signature of an authorized signatory of the Registrar. Such certificate of authentication executed as aforesaid on a Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Instrument.

2.06 Negotiability, Registration, Transfer and Exchange. The Bonds shall be and shall have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, and each successive Holder, in accepting any Bonds shall be conclusively deemed to have agreed that the same shall be and have all of said qualities and incidents of negotiable instruments.

The transfer of Bonds shall be registered on the Bond Register upon delivery to the Registrar of the Bonds to be transferred, accompanied by a written instrument or instruments of transfer in form and with guaranty of signatures satisfactory to the Registrar, duly executed by the Holder of the Bonds to be transferred, or by such Holder's attorney duly authorized in writing, containing such identification information for the transferee as the Registrar shall reasonably require.

In all cases of the transfer of any Bond, the Registrar shall enter the transfer of ownership in the Bond Register and shall deliver in the name of the transferee or transferees a new registered Bond or Bonds of authorized denominations of the same maturity and interest rate for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Instrument. The Issuer or the Registrar may charge the owner of such Bond for every such transfer an amount sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer and may require that such charge be paid before any such new Bond shall be delivered.

The Issuer and the Registrar shall not be required to issue or transfer any Bonds during the period beginning with the fifteenth day next preceding either any interest payment date or
any day on which such Bonds shall have been duly called for redemption in whole or in part and with respect to which the applicable notice of redemption shall have been duly given.

New Bonds delivered upon any transfer shall be valid, limited obligations of the Issuer, evidencing the same debt as the Bonds surrendered, shall be payable solely from the Pledged Funds and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

The Issuer and the Registrar may treat the registered owner of any Bond as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and any notice to the contrary shall not be binding upon the Issuer or the Registrar.

2.07 Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. If any such Bonds shall have matured or be about to mature, instead of issuing a substitute Bond the Issuer may pay the same, upon being indemnified as aforesaid, if such Bond be lost, stolen or destroyed, without surrender thereof. All Bonds so surrendered shall be cancelled by the Clerk.

Any such duplicate 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 Bonds be at any time found by anyone, and such duplicate 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 Bonds issued hereunder.

2.08 Form of Bonds. The text of the Bonds shall be in substantially the following form, with only such omissions, insertions and variations as may be necessary and/or desirable and approved by the Chairman or the Clerk prior to the issuance thereof (which necessity and/or desirability and approval shall
be presumed by the Issuer's delivery of the Bonds to the pur-
chaser or purchasers thereof):

(FORM OF BOND)

[Front of Bond]

No. ________  $________

UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF ST. JOHNS
SALES TAX REVENUE BOND, SERIES 1989

SEE REVERSE SIDE FOR
CERTAIN DEFINITIONS

INTEREST RATE: MATURITY DATE: BOND DATE: CUSIP:
_____ %  October 1, 19__  ____, 19__  ________

REGISTERED OWNER:

PRINCIPAL AMOUNT: _______________ DOLLARS

FOR VALUE RECEIVED, St. Johns County, a political sub-
division of the State of Florida (the "Issuer"), hereby promises
to pay, solely from the special funds hereinafter described, to
the Registered Owner identified above, or registered assigns as
hereinafter provided, the Principal Amount identified above on
the Maturity Date identified above, and interest (computed on the
basis of a 360-day year of twelve 30-day months) on such Principal
Amount from the Bond Date identified above or from the most recent
interest payment date to which interest has been paid, at the
Interest Rate per annum identified above on April 1 and October 1
of each year commencing October 1, 1989 until such Principal
Amount shall have been paid, except as the provisions hereinafter
set forth with respect to redemption prior to maturity may be or
become applicable hereto, and except as is provided in the Resolu-
tion, as hereinafter defined, with respect to failure to surrender
Bonds for payment at maturity.

Such Principal Amount and interest and any premium on
this bond are payable in any coin or currency of the United States
of America which, on the respective dates of payment thereof,
shall be legal tender for the payment of public and private debts,
at the office of the Registrar hereinafter identified, located in
__________________, Florida. Payment of each installment of
interest shall be made to the person in whose name this bond shall be registered on the registration books of the Issuer maintained by the Registrar at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date and shall be paid by a check of the Registrar mailed to such registered owner at the address appearing on such registration books or at such other address as may be furnished in writing by such registered owner to the Registrar. In the event interest payable on this bond is not punctually paid or duly provided for by the Issuer on such interest payment date, payment of each installment of such defaulted interest shall be made to the person in whose name this bond shall be registered at the close of business on a special record date for the payment of such defaulted interest as established by notice to the registered owner hereof, not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the person in whose name this bond is registered at the close of business on the fifth (5th) day preceding the date of mailing.

Reference is hereby made to further provisions of this bond set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if fully set forth in this place.

This bond shall not be valid unless the certificate of authentication hereon shall have been manually signed by the 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 and countersigned by the Clerk of said Board, either manually or with their facsimile signatures, and its official seal or a facsimile thereof.
to be affixed, impressed, imprinted or engraved hereon, all as of 

1, 1989.

ST. JOHNS COUNTY, FLORIDA

By ______________
Chairman of the Board of County Commissioners

(SEAL)

ATTESTED AND COUNTERSIGNED:

Clerk of the Board of County Commissioners

Registration Date:

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the issue herein de-
scribed and issued pursuant to the within mentioned Resolution.

________________________, __________________________

[City] , [State]

By

________________________
Authorized Signatory

[Back of Bond]

This bond is one of an authorized issue of Sales Tax
Revenue Bonds, Series 1989, in the aggregate principal amount of
$________ (the "Bonds") of like date, tenor and effect, except
as to number, denomination, interest rate and date of maturity,
issued to finance the cost of acquiring, erecting and construct-
ing new county courthouse and administration facilities for
St. Johns County (the "Project"), under the authority of and in
full compliance with the Constitution and laws of the State of
Florida, particularly Chapter 125, Part I, Florida Statutes, as
amended, and Resolution No. 86-132 duly adopted by the Issuer on
September 30, 1986, as previously amended and supplemented (the
"Original Instrument"), as further supplemented by Resolution
No. 89-__ duly adopted by the Issuer on __________, 1989, as amended and supplemented (collectively, the "Resolution"), and is subject to all the terms and conditions of the Resolution.

This bond and the interest hereon are payable solely from and secured by a lien upon and a pledge of the Local Governmental Half-cent Sales Tax, as such term is defined in the Resolution, all in the manner described in the Resolution. It is expressly agreed by the owner of this bond that the full faith and credit of the Issuer is not pledged to the payment of the principal of and interest on this bond and that such owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer for the payment of such principal and interest. This bond and the obligation evidenced hereby shall not constitute a lien upon the Project or any part thereof or upon any other property of the Issuer or situated within St. Johns County, Florida, but shall constitute a lien only on said Local Government Half-cent Sales Tax.

The lien in favor of the owners of the Bonds on said Local Government Half-cent Sales Tax is on a parity, equally and ratably, with the lien thereon in favor of the owners of the Issuer’s outstanding Refunding Revenue Bonds authorized pursuant to the Original Instrument.

[Insert redemption provisions.] provided, however, that notice of such redemption shall be given in the manner required by the Resolution.

This bond is transferable upon the registration books of __________, Florida, as registrar, or such other registrar as the Issuer shall hereafter duly appoint (the "Registrar"), but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender of this bond to the Registrar, with the form of Assignment hereon or other written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Registrar, duly executed by the registered owner hereof, or by such owner’s attorney duly authorized in writing, and containing the information identifying the transferee requested hereon. In all cases of the transfer of this bond, the Registrar shall enter the transfer of ownership in such registration books and shall deliver in the name of the transferee or transferees a new bond or bonds of authorized denomination or denominations and of the same maturity, interest rate and aggregate principal amount, at the earliest practicable time. Prior to every such transfer the Registrar shall be entitled to receive from the owner of this bond a sum sufficient only to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer.
It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this bond, exist, have happened and have been performed, in regular and due form and time as required by the Constitution and laws of the State of Florida applicable hereto, and that the issuance of the Bonds does not violate any constitutional or statutory limitations or provisions.

This bond is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida.

LEGAL OPINION

[Insert appropriate approving opinion of bond counsel.]

The above is a true copy of the opinion rendered by Foley & Lardner, Jacksonville, Florida, in connection with the issuance of, and dated as of the original delivery of, the Bonds of the issue of which this bond is one. An executed copy of that opinion is on file in my office.

Clerk of the Board of County Commissioners of St. Johns County, Florida

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 TRANS MIN ACT - Custodian
(Cust) (Minor)
under Uniform Transfers to Minors
Act (State)

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

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF TRANSFEE

(Please print or typewrite name and address, including zip code of Transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints

to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: ______________________

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Registered Owner

NOTE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this bond in every particular, without alteration or enlargement or any change whatsoever.

ARTICLE III

COVENANTS, SPECIAL FUNDS AND APPLICATION THEREOF

3.01 Bonds Not to Be General Indebtedness of Issuer.
The Bonds shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of Article VII, Section 12 of the Constitution of Florida, but shall be payable solely from and secured by a prior lien upon and a pledge of the Pledged Funds. No Holder shall ever have the right to compel the exercise of any ad valorem taxing power of the Issuer, the State of Florida or any political subdivision thereof to pay the principal of or interest on any Bond or be entitled to
payment of such Bond from any moneys of the Issuer except from the Pledged Funds, in the manner provided herein.

3.02 Security for Bonds. The payment of the principal of and interest on the Bonds shall be secured forthwith equally and ratably by a pledge of and prior lien upon the Pledged Funds. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal of and premium, if any, and interest on the Bonds and for reserves therefor and for all other payments required hereby and by the Original Instrument. The Bonds are payable from the Pledged Funds on a parity, equally and ratably, with the Parity Obligations.

3.03 Application of Bond Proceeds. The proceeds derived from the sale of the Bonds, including accrued interest and premium, if any, thereon shall, simultaneously with the delivery of the Bonds to the purchaser thereof, be deposited by the Issuer in a special account in an Authorized Depository and applied by the Issuer as follows:

(A) To the extent not paid or reimbursed by the purchaser of the Bonds, all costs and expenses in connection with the issuance and sale of the Bonds, including without limitation bond insurance premium and the fees and expenses of accountants, attorneys and financial advisors, shall be paid by the Issuer to those Persons who shall be entitled to receive the same.

(B) Accrued interest shall be deposited in the Interest Account.

(C) A sum which shall equal the Reserve Account Requirement shall be deposited in the Reserve Account.

(D) The balance shall be deposited in the Construction Account.

3.04 Construction Account. The Issuer hereby covenants that it will establish with an Authorized Depository a separate account or accounts to be designated collectively as the "St. Johns County Courthouse 1989 Construction Account," into which shall be deposited a portion of the proceeds from the sale of the Bonds and the additional funds, if any, required to assure payment in full of the Cost of the Project. Withdrawals from the Construction Account shall be made only for such purposes as shall be specified in the Project Cost estimates and as shall be approved by the Issuer's consulting architects for the Project.

The Issuer's share of any liquidated damages or other moneys paid by defaulting contractors or their sureties, and all proceeds of insurance compensating for damages to the Project
during the period of construction, shall be deposited in the Construction Account to assure completion of the Project.

Moneys in the Construction Account shall be continuously secured by the Authorized Depository in the manner prescribed by the laws of the State of Florida relating to the securing of public funds. Moneys on deposit in the Construction Account not immediately necessary for disbursements on account of the Project may be invested by the Issuer in Authorized Construction Account Investments. The earnings from any investment of Construction Account moneys shall be deposited in the Construction Account. Notwithstanding the provisions of this paragraph, when the State Board of Administration of Florida is the Authorized Depository, all Construction Account moneys may be invested by such Board in such investments and securities and in such manner as shall from time to time be allowed by the laws of Florida for investments by such Board.

When the construction of the Project has been completed and all Costs thereof have been paid in full, all funds remaining in the Construction Account shall be deposited in the Debt Service Fund created pursuant to the Original Instrument, and the Construction Account shall be closed.

All moneys deposited in the Construction Account shall be and constitute a trust fund created for the purposes stated, and there is hereby created a lien upon such fund in favor of the Holders until the moneys thereof shall have been applied in accordance with this Instrument.

3.05 Reserve Account. The Issuer hereby covenants that it will establish with an Authorized Depository a separate account to be designated as the "St. Johns County Sales Tax Revenue Bonds Reserve Account," into which shall be deposited moneys as provided herein and in Original Instrument. After making the deposits required by paragraphs (1), (2) and (3) of subsection (B) of Section 3.06 of the Original Instrument, the Issuer shall deposit into or credit to the Reserve Account a sum sufficient to maintain therein an amount equal to the Reserve Account Requirement. Moneys in the Reserve Account shall be applied by the Issuer to the payment of maturing principal of or interest or Amortization Installments on the Bonds, the Parity Obligations and Additional Bonds when the other moneys in the Debt Service Fund are insufficient therefor, and shall be used by the Issuer for no other purpose. However, whenever the moneys on deposit in the Reserve Account exceed the Reserve Account Requirement, such excess shall be withdrawn and deposited into the Interest Account. The Issuer shall promptly, and in any event within thirty (30) days of the occurrence thereof, give written notice to every Insurer of any withdrawal from the Reserve Account other than a withdrawal pursuant to the last sentence of this section.
Upon the issuance of any Additional Bonds under the terms, limitations and conditions as provided in the Original Instrument, the Issuer shall increase the sum on deposit in the Reserve Account to the Reserve Account Requirement for all outstanding Bonds, Parity Obligations and Additional Bonds, including such Additional Bonds. The required deposit to the Reserve Account may be paid in full or in part from the proceeds of such Additional Bonds and may be accumulated in part, to the extent hereinafter provided, in equal monthly payments to the Reserve Account over a period of months from the date of issuance of the Additional Bonds, which shall not exceed the greater of (a) twenty-four (24) months, or (b) the number of months for which interest on such Additional Bonds has been capitalized, as determined by a resolution adopted prior to the issuance of such Additional Bonds. In the event that any part of the Reserve Account Requirement is to be accumulated, (i) the amount in the Reserve Account immediately after delivery of such Additional Bonds shall not be less than the Reserve Account Requirement on all Bonds, Parity Obligations and Additional Bonds, outstanding (excluding such Additional Bonds) on such date, and (ii) a portion of the Reserve Account Requirement equal to at least one-half of the difference between the Reserve Account Requirement for all Bonds, Parity Obligations and Additional Bonds, outstanding (excluding such Additional Bonds) on the date of delivery of such Additional Bonds and the Reserve Account Requirement for all such Bonds, Parity Obligations and Additional Bonds, and such Additional Bonds which shall be funded upon delivery of such Additional Bonds.

Notwithstanding the foregoing provisions, with the consent of all Insurers, in lieu of the required deposits into the Reserve Account, the Issuer may cause to be deposited into the Reserve Account a Reserve Instrument for the benefit of the Bondholders in an amount equal to the difference between the Reserve Account Requirement and the sum, if any, then on deposit in the Reserve Account. If and to the extent that cash shall also have been deposited in the Reserve Account, all such cash shall be applied by the Issuer (and investments of Reserve Account moneys, if any, liquidated and the proceeds thereof so applied) to the purposes of the Reserve Account prior to any claim upon any Reserve Instrument. The Issuer shall ascertain the need for any claim upon a Reserve Instrument and provide notice thereof to the Reserve Instrument Provider within the time and in the manner required by the Reserve Instrument. If a disbursement is made by a Reserve Instrument Provider under a Reserve Instrument provided pursuant to this paragraph, the Issuer shall, promptly following such disbursement, but solely from Pledged Funds and after complying with parts (1), (2) and (3) of subsection (B) of section 3.06 of the Original Instrument, reinstate the limits of such Reserve Instrument to the amount required by the first sentence of this section, or deposit into the Reserve Account funds in an amount sufficient to meet the Reserve Account Requirement, or accomplish a combination of such alternatives; and if compliance with the
foregoing part of this sentence does not accomplish the payment and reimbursement to the Reserve Instrument Provider of such disbursement and its expenses and interest in accordance with the Reserve Instrument and any Issuer's reimbursement agreement related thereto, the Issuer shall pay to the Reserve Instrument Provider from Pledged Funds all such sums in full prior to such replenishment of the Reserve Account to the Reserve Account Requirement. If and to the extent that more than one Reserve Instrument shall be provided pursuant to this paragraph, disbursements under all such Reserve Instruments and reimbursements thereof and payments of related expenses and interest to the Reserve Instrument Providers shall be made from Pledged Funds on a pro rata basis, after applying all available cash in the Reserve Account and prior to replenishing the Reserve Account to the Reserve Account Requirement. If the Issuer shall fail to make any payment to a Reserve Instrument Provider as required in this paragraph, such Reserve Instrument Provider shall be entitled to exercise any and all remedies available at law or under this Resolution for the enforcement of such payment from Pledged Funds only, other than (i) acceleration of the maturity of any Bond or (ii) any remedy which shall adversely affect any Bondholder. Reserve Instrument Providers shall have a security interest in the Pledged Funds subordinate only to that of the Bondholders, to secure all of the Issuer's payment and reimbursement obligations under this Resolution and under the Reserve Instruments and all Issuer reimbursement agreements related thereto, and this Resolution shall not be discharged until all such obligations shall have been met and paid in full by the Issuer.

Whenever moneys in the Reserve Account, together with the other moneys in the Debt Service Fund, are sufficient to fully pay all outstanding Bonds, Parity Obligations and Additional Bonds in accordance with their terms (including principal or applicable redemption price and interest thereon), the funds on deposit in the Reserve Account may be transferred to the other accounts of the Debt Service Fund for the payment of the Bonds, Parity Obligations and Additional Bonds.

3.06 Covenants of the Issuer. So long as any of the principal or premium, if any, or interest on any of the Bonds shall be outstanding and unpaid, or until provision for payment thereof shall have been made within the meaning of Section 4.01 hereof, except as to any Bonds which shall have not been surrendered for payment at maturity or on the date fixed for redemption as provided in Section 2.03 hereof, the Issuer covenants with the Holders as follows:

(A) Application of Provisions of Original Instrument. The Bonds shall for all purposes be considered to be additional parity obligations issued under the authority of Section 3.06(E)
of the Original Instrument and shall be entitled to all the
protection and security provided by the Original Instrument for the
Parity Obligations and shall be in all respects entitled to the
same security, rights and privileges enjoyed by the Parity Obliga-
tions. All of the covenants and pledges contained in the Original
Instrument, including particularly Section 3.06 thereof, shall be
applicable to the Bonds in like manner as applicable to the Parity
Obligations. The Issuer shall pay all Pledged Funds into the
Sinking Fund established by the Original Instrument, and the prin-
cipal of, interest on and redemption premiums on the Bonds shall
be payable therefrom on a parity with the Parity Obligations.
The Reserve Account shall be as available to pay the principal of
and interest on the Parity Obligations and Additional Bonds as to
pay the principal of and interest on the Bonds.

(B) Remedies. Any Holder may either at law or in
equity, by suit, action, mandamus or other proceedings in any
court of competent jurisdiction, protect and enforce any and all
rights, including the right to the appointment of a receiver,
existing under the laws of the State of Florida, or granted and
contained herein or in the Original Instrument, and may enforce
and compel the performance of all duties required thereby and
hereby or by any applicable state or federal statute to be per-
formed by the Issuer or by any officer thereof. This provision
shall not be deemed to waive any venue privileges which the
Issuer may have.

Nothing herein, however, shall be construed to grant to
any Holder any lien on the Project or any part thereof or on any
other property of the Issuer or situated within St. Johns County,
except the Pledged Funds.

(C) Creation of Superior Liens. The Issuer covenants
that it will not issue any other notes, bonds, certificates or
obligations of any kind or nature or create or cause or permit to
be created any debt, lien, pledge, assignment or encumbrance or
charge payable from or enjoying a lien upon the Pledged Funds
ranking prior and superior to the lien created by this Instrument
for the benefit of the Bonds, or enjoying a lien upon the Pledged
Funds equal to or on a parity with the lien in favor of the Bonds
unless the conditions prescribed by Section 3.06(E) of the Orig-
inal Instrument shall be fully complied with.

(D) Arbitrage. The Issuer covenants that it will not
knowingly make any investments or acquiesce in the making of any
investments by any depository pursuant to or under the provisions
of this Instrument which could cause the Bonds to be “arbitrage
bonds” within the meaning of Section 148 of the United States
Internal Revenue Code of 1986, as amended from time to time, and
the applicable regulations issued thereunder (collectively, the
"Internal Revenue Code"). Unless the Issuer is furnished with an
opinion of counsel, which counsel’s legal and tax opinion on
municipal bond issues is nationally recognized ("Bond Counsel"), that the Bonds qualify for any applicable exception to the arbitrage rebate requirements contained in the Internal Revenue Code, the Issuer covenants that it shall pay, from the special account described in paragraph (2) of this subsection, any rebate amount required to be paid on behalf of the Issuer to the U.S. Treasury pursuant to Section 148 the Internal Revenue Code. The Issuer shall take the following actions to provide for payment to the U.S. Treasury pursuant to Section 148 of the Internal Revenue Code:

(1) Unless the Issuer is furnished with an opinion of Bond Counsel to the effect that failure to make such determinations will not adversely affect the tax-exempt status of the Bonds, either the Issuer, or Bond Counsel employed by the Issuer, shall make a determination on behalf of the Issuer of the amount required to be paid to the U.S. Treasury at least every year (as of the anniversary of the date of issue of the Bonds) and upon the final payment of the Bonds.

(2) An amount equal to the amount to be paid pursuant to paragraph (1) above shall be transferred from the Revenue Fund to be placed into a special account, which shall be held for the sole benefit of the U.S. Treasury and shall not be or be deemed to be a pledged fund (and no moneys deposited therein shall be or deemed to be Pledged Funds). The Issuer shall promptly deposit into the special account any deficiency in such amount.

(3) The Issuer shall make payment to the U.S. Treasury from the special account on the dates and in the manner required by law.

(4) The Issuer shall take any additional action required to be taken pursuant to the nonarbitrage certificate, or other instructions from Bond Counsel, delivered in connection with or subsequent to the issuance and sale of the Bonds.

(5) The Issuer shall keep records of the determinations made under this section until six years after the final payment on the Bonds. The Issuer shall keep adequate records, including any necessary certifications, to evidence the fair market value of any Federal Securities purchased with Bond proceeds.

(6) Foley & Lardner, Jacksonville, Florida, is hereby appointed to serve as rebate administrator hereunder with respect to the Bonds until the Issuer shall by resolution appoint as successor rebate administrator any other Bond Counsel or any certified public accountant, bank or trust company, or other agent of the Issuer who shall be qualified to assure compliance by the
Issuer with the requirements of this section. The rebate administrator is hereby authorized to hire counsel, accountants, and other experts which the rebate administrator may, in its sole discretion, determine advisable for the purpose of obtaining the required calculations of the rebate amounts and determinations as to the due dates for the rebate thereof and other matters necessary for compliance with Section 148(f) of the Code as the same relates to the Bonds. The rebate administrator will not be liable for any loss occasioned by its reliance upon the instructions of such experts or upon the Issuer's certification of the amounts earned on nonpurpose investments, as such term is defined in Section 148(b)(2) of the Code, in which gross proceeds of the Bonds shall be invested. The duties and responsibilities of the rebate administrator may be performed by more than one Person.

(E) Compliance with Internal Revenue Code. The Issuer covenants and agrees that it will take any additional action required to be taken pursuant to the nonarbitrage certificate, or other instructions from Bond Counsel, whether delivered in connection with or subsequent to the issuance and sale of the Bonds, in order to comply with all provisions of the Internal Revenue Code compliance with which is required to maintain the tax-exempt status of the interest payable on the Bonds.

ARTICLE IV

MISCELLANEOUS PROVISIONS

4.01 Defeasance. If, at any time, the Issuer shall have paid, or shall have made provision for payment of, the principal, interest and redemption premiums, if any, with respect to any of the Bonds, then, and in that event, the pledge of and lien on the Pledged Funds in favor of the Holders of such Bonds shall be no longer in effect. For purposes of the preceding sentence, deposit by the Issuer of cash and/or Federal Securities, or bank certificates of deposit fully secured as to principal and interest by Federal Securities (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), in irrevocable trust with a banking institution or trust company, for the sole benefit of the Holders, in an aggregate principal amount which, together with interest to accrue thereon, will be sufficient to make timely payment of the principal of and redemption premiums, if any, and interest accrued on and which shall thereafter accrue on such Bonds in accordance with their terms, the Registrar's and paying agents' fees and expenses with respect thereto and any other expenses occasioned by escrow arrangements or provision for redemption, shall be considered "provision for payment." Nothing herein shall be deemed to require the Issuer to call any outstanding 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. The trust agreement providing for the deposit of such securities may provide for the investment of moneys unclaimed by Holders and for payment to the Issuer of such unclaimed moneys and the investment earnings thereon.

4.02 Modification or Amendment. No material modification or amendment of this Instrument may be made without the consent in writing of the Holders of fifty-one percent (51%) or more in principal amount of any Bonds then outstanding and which shall be affected by such modification or amendment; 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 reduce the number of such Bonds the written consent of the Holders of which are required by this section for such modification or amendment, without the consent of all Holders.

4.03 Sale of Bonds. The Bonds shall be sold pursuant to applicable law in such manner and upon such terms as the Issuer shall provide by resolution adopted at any time prior to the respective dates of delivery thereof to the respective original purchasers thereof.

4.04 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 of the Board of County Commissioners, officer, employee or agent of the Issuer in his or her 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.

4.05 No Third Party Beneficiaries. Except as may be expressly described herein or in the Bonds, nothing in this Instrument, or in the Bonds, expressed or implied, is intended or shall be construed to confer upon any person, firm, corporation or other entity other than the Issuer and the Holders any right, remedy or claim, legal or equitable, under and by reason of this Instrument 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 Holders.
4.06 **Severability of Invalid Provisions.** If any one or more of the covenants, agreements or provisions of this Instrument or of the Bonds 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 and provisions of this Instrument and the Bonds.

4.07 **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.

4.08 **Conflicts Repealed.** All resolutions or parts of resolutions in conflict herewith are hereby repealed.

4.09 **Effective Date.** This Instrument shall take effect immediately upon its passage.

PASSED, APPROVED AND ADOPTED this 27th day of June, 1989.

(OFFICIAL SEAL)  
BOARD OF COUNTY COMMISSIONERS  
OF ST. JOHNS COUNTY, FLORIDA

By [Signature]
Its Chairman

ATTEST:

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

DG14RES6