RESOLUTION NO. 90-61

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BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA:

ARTICLE I

GENERAL

SECTION 1.01. Definitions. When used in this Resolution, the terms defined in the Original Instrument, as hereby amended, shall have the respective meanings assigned thereto by the Original Instrument, as hereby amended, and the following terms shall have the following meanings, unless the context clearly otherwise requires:

"Construction Account" shall mean the special account for payment of the Cost of Project 1990A, to be established in the Construction Fund pursuant to the Original Instrument and Section 3.04 hereof.

"Original Instrument" shall mean Resolution No. 89-84 passed and adopted by the Governing Body on April 25, 1989, the title of which is quoted in the title of this Resolution, as the same shall have been heretofore amended.

"Parity Obligations" shall mean the Outstanding Water and Sewer Revenue Bonds, Series 1989, issued by the Issuer pursuant to the Original Instrument.

"Project 1990A" shall mean the acquisition, construction and erection of additions and extensions to the System to be made by the Issuer in the vicinity of State Road 16, as more particularly described in and in accordance with certain plans on file or to be on file with the Issuer, with such changes, deletions, additions or modifications to the enumerated improvements, equipment and facilities, or such other improvements, equipment and facilities, as shall be designated and approved by resolution of the Governing Body in accordance with applicable law. Project 1990A shall be an Additional Project, as such term is defined in the Original Instrument.

"Project 1990A Assessments" shall mean the proceeds to be derived by the Issuer from the non-ad valorem special assessments which shall be levied by the Issuer, on its own behalf or as the governing body of a municipal service benefit unit, against certain parcels of real property to be specially benefited by the services and facilities of portions of Project 1990A, including interest on such non-ad valorem special assessments and any penalties thereon and moneys received upon the foreclosure of the liens thereof and, by reason of such non-ad valorem special assessments, upon the sale of tax certificates. Project 1990A
Assessments shall be Assessments as such term is defined in the Original Instrument, as amended hereby.

"Resolution" and "this Resolution" shall mean this instrument, as the same may from time to time be amended, modified or supplemented.

"Series 1990A Bonds" shall mean the Water and Sewer Revenue Bonds, Series 1990A, authorized to be issued by the Issuer pursuant to Section 2.01 hereof.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the singular number include the plural number, and vice versa.

SECTION 1.02. Authority for Resolution. This Resolution is adopted pursuant to the provisions of the Act.

SECTION 1.03. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any or all of the Series 1990A Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Holders from time to time of the Series 1990A Bonds and shall be a part of the contract of the Issuer with any Credit Bank and any Insurer that pertains to the Series 1990A Bonds. The pledge made in this Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Holders of any and all of the Series 1990A Bonds and for the benefit, protection and security of any Credit Bank and any Insurer insuring the Series 1990A Bonds. All of the Series 1990A Bonds, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Series 1990A Bonds over any other thereof except as expressly provided in or pursuant to this Resolution.

SECTION 1.04. Findings. It is hereby ascertained, determined and declared as follows:

(A) The Issuer deems it necessary, desirable and in the best interests of the Issuer that Project 1990A be acquired and constructed, all in the manner hereinafter provided. The Issuer
hereby finds and declares that Project 1990A is an Additional Project within the meaning of the Original Instrument and shall be part of the System.

(B) The Cost of Project 1990A shall be financed with the proceeds of the Series 1990A Bonds. A part of the Cost of Project 1990A will be assessed against certain parcels of real property which will be specially benefited by the acquisition and constrution of Project 1990A, in the manner provided by law. It is deemed necessary and desirable to pledge the Project 1990A Assessments to the payment of the principal of and interest on the Bonds, and no part of the Project 1990A Assessments will be pledged or hypothecated except with respect to the Bonds.

(C) The Issuer deems it necessary, desirable and in the best interest of the Issuer that the Pledged Funds be pledged to the payment of the principal of and interest on the Series 1990A Bonds. No part of the Pledged Funds has been pledged or encumbered in any manner, except that the Pledged Funds have been pledged as security for the Parity Obligations; and the Original Instrument, in Section 5.02 thereof, provides for the issuance of Additional Bonds payable from the Pledged Funds on a parity with the Parity Obligations under the terms, limitations and conditions provided therein. The Issuer will issue the Series 1990A Bonds as Additional Bonds within the authorization contained in Section 5.02 of the Original Instrument. The Series 1990A 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.

(D) No Bondholder shall ever be entitled to compel the payment of the principal of and interest on the Series 1990A Bonds or any other payments provided for in this Resolution from any funds or revenues of the Issuer other than the sources herein provided in accordance with the terms hereof; nor will any Bondholder or any Credit Bank or any Insurer have the right to compel the exercise of the ad valorem taxing power of the Issuer to pay the principal of or interest on the Series 1990A Bonds or to make any other payments provided for in this Resolution, and the Series 1990A Bonds shall not constitute a lien upon the System or any other property of the Issuer or situated within its territorial limits, except the Pledged Funds and the Assessments.

(E) The Issuer deems it necessary, desirable and in the best interest of the Issuer that any Connection Charges pertaining to Project 1990A which shall be collected by the Issuer be pledged for the payment of the principal of and interest on the Series 1990A Bonds to the extent provided in the Original Instrument.
(F) The amendments to the Original Instrument contained in Section 3.07 hereof are necessary in order to permit the Issuer to pledge Assessments to the payment of the debt service on the Bonds and to enhance the marketability of the Series 1990A Bonds.

(G) All of the Parity Obligations are insured by the Insurer and the Insurer is not in default; the Parity Obligations continue to be rated by the rating agencies which rated the Parity Obligations at the time the Parity Obligations were insured no lower than the ratings assigned thereto by such rating agencies on the date the Parity Obligations were insured; the Insurer has delivered to the Issuer the written consent of the Insurer to the amendments to the Original Instrument contained in Section 3.07 hereof; and the Insurer has acknowledged in writing to the Issuer that its Bond Insurance Policy will remain in full force and effect after the Original Instrument shall be amended in the manner provided in Section 3.07 hereof. Accordingly, the consent to the amendments to the Original Instrument contained in Section 3.07 hereof by the Holders of the Parity Obligations shall not be necessary. Such consent and acknowledgment given by the Insurer has been filed with the Clerk; and the Clerk, promptly upon adoption of this Resolution, shall proceed, and he is hereby directed, to mail notice of the amendments herein contained, in accordance with the provisions of Section 7.03 of the Original Instrument.

SECTION 1.05. Project 1990A Authorized. The acquisition and construction of Project 1990A in the manner herein provided is hereby authorized.

SECTION 1.06. Original Instrument. The Original Instrument is hereby amended and supplemented in the manner hereinafter provided.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF SERIES 1990A BONDS

SECTION 2.01. Authorization of Series 1990A Bonds. The Issuer hereby authorizes the issuance of Bonds of the Issuer to be designated as "St. Johns County, Florida, Water and Sewer Revenue Bonds, Series 1990A," in an aggregate principal amount not to exceed $7,455,000 for the principal purpose of paying a part of the cost of acquiring and constructing Project 1990A, funding a portion of the Reserve Account and paying a part of the costs of issuance incurred with respect to such Series.

SECTION 2.02. Description of Series 1990A Bonds. The Series 1990A Bonds shall be dated as of March 1, 1990 or the first day of any month thereafter which shall be prior to the
date of the delivery of the Series 1990A Bonds to the initial purchaser or purchasers thereof; shall be issued as fully registered Bonds; and shall be numbered consecutively from one upward in order of maturity preceded by the letter "R;" shall be in such denominations and shall bear interest at a rate or rates not exceeding the maximum rate permitted by law (calculated on the basis of a 360-day year of twelve 30-day months), payable in such manner and on June 1 and December 1 in each year; shall consist of such amounts of Serial Bonds, Term Bonds, Variable Rate Bonds and Capital Appreciation Bonds, maturing in such amounts and on June 1 or December 1 in such years not exceeding forty (40) years from their date; shall be payable in such place or places; shall have such Paying Agents and Registrars; and shall contain such redemption provisions; all as the Issuer shall hereafter provide by resolution of the Governing Body adopted prior to issuance of the Series 1990A Bonds.

The principal of or Redemption Price, if applicable, of the Series 1990A Bonds are payable upon presentation and surrender of the Series 1990A Bonds at the office of the Paying Agent. Interest payable on any Series 1990A Bond on any Interest Date will be paid by check or draft of the Paying Agent to the Holder in whose name such Bond shall be registered 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 Date, or, unless otherwise provided by Supplemental Resolution, at the option of the Paying Agent, and at the request and expense of such Holder, by bank wire transfer for the account of such Holder. In the event the interest payable on any Series 1990A Bond is not punctually paid or duly provided for by the Issuer on such Interest Date, such defaulted interest will be paid to the Holder in whose name such 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 such Holder, not less than ten (10) days preceding such special record date. All payments of principal of or Redemption Price, if applicable, and interest on the Series 1990A Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

From and after any maturity date of any of the Bonds (deposit of moneys and/or Securities for the payment of the principal and interest on such Series 1990A Bonds having been made by the Issuer with the Paying Agents), notwithstanding that any of such Series 1990A Bonds shall not have been surrendered for cancellation, no further interest shall accrue upon the principal or upon the interest which shall have accrued and shall then be due on such date, and such Series 1990A Bonds shall cease to be entitled to any lien, benefit or security under this Resolution,
and the Holders shall have no rights in respect of such Series 1990A Bonds except to receive payment of such principal and unpaid interest accrued to the maturity date.

Redemption of the Series 1990A Bonds shall be in accordance with and governed by the provisions of Article III of the Original Instrument.

SECTION 2.03. Application of Series 1990A Bond Proceeds. The proceeds derived from the sale of the Series 1990A Bonds, including accrued interest and premium, if any, shall, simultaneously, with the delivery of the Series 1990A Bonds to the initial purchaser or purchasers thereof, be applied by the Issuer as follows:

(A) Accrued interest shall be deposited in the Interest Account. Capitalized interest shall be deposited with the Paying Agent, in trust for the Bondholders (and not as agent for the Issuer) solely for payment of the interest on the Series 1990A Bonds, such moneys to be invested by the Paying Agent pending application to the payment of such interest solely in Federal Securities.

(B) An amount shall be deposited in the Reserve Account which, together with any moneys and securities on deposit therein and any Reserve Account Insurance Policy and/or Reserve Account Letter of Credit obtained in accordance with Section 4.06(A)(2)(d) of the Original Instrument, shall equal the Reserve Account Requirement.

(C) The Issuer covenants and agrees to establish a separate account with an Authorized Depository to be known as the "St. Johns County Water and Sewer Revenue Bonds, Series 1990A, Costs of Issuance Account," which shall be used only for payment of the costs and expenses described in this subsection. A sum sufficient to pay all costs and expenses in connection with the preparation, issuance and sale of the Series 1990A Bonds, including fees of financial advisors, engineering and other consulting fees, legal fees, bond insurance premiums, printing fees, rating agency fees and all other similar costs shall be deposited to the credit of said account, and all such costs and expenses shall be promptly paid by the Issuer from said account to the Persons respectively entitled to receive the same. When all moneys on deposit to the credit of said account shall have been disbursed by the Issuer for the payment of such costs and expenses, said account shall be closed; provided, however, that if any balance shall remain in said account six months after issuance of the Series 1990A Bonds, such moneys shall be transferred by the Issuer to the Construction Account and the special account created pursuant to this subsection shall be closed. After said
account shall be closed, the Issuer may pay from the Construction Account any unpaid issuance expenses.

(D) The remaining proceeds of the Series 1990A Bonds shall be deposited in the Construction Account.

SECTION 2.04. Execution of Series 1990A Bonds. The Series 1990A Bonds shall be executed in the name of the Issuer with the manual or facsimile signature of the Chairman and the official seal of the Issuer shall be 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 Series 1990A Bonds or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Series 1990A Bonds so signed and sealed have been actually sold and delivered such Series 1990A Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Series 1990A Bonds had not ceased to hold such office. Any Series 1990A Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Series 1990A Bond shall hold the proper office of the Issuer, although at the date of such Series 1990A Bond 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 Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Series 1990A Bonds shall be actually sold and delivered.

SECTION 2.05. Authentication. No Series 1990A Bond shall be secured hereunder or entitled to the benefit hereof or shall be valid or obligatory for any purpose unless there shall be manually endorsed on such Series 1990A Bond a certificate of authentication by the Registrar or such other entity as may be approved by the Issuer for such purpose. Such certificate on any Bond shall be conclusive evidence that such Series 1990A Bond has been duly authenticated and delivered under this Resolution. The form of such certificate shall be substantially in the form provided in Section 2.09 hereof.

SECTION 2.06. Temporary Bonds. Until the definitive Series 1990A Bonds are prepared, the Issuer may execute, in the same manner as is provided in Section 2.04, and deliver, upon authentication by the Registrar pursuant to Section 2.05 hereof, in lieu of definitive Series 1990A Bonds, but subject to the same provisions, limitations and conditions as the definitive Series 1990A Bonds, except as to the denominations thereof, one or more temporary Series 1990A Bonds substantially of the tenor of the definitive Series 1990A Bonds in lieu of which such temporary
Series 1990A Bond or Bonds are issued, in denominations authorized by the Issuer by resolution of the Governing Body, and with such omissions, insertions and variations as may be appropriate to temporary Series 1990A Bonds. The Issuer, at its own expense, shall prepare and execute definitive Series 1990A Bonds, which shall be authenticated by the Registrar. Upon the surrender of such temporary Series 1990A Bonds for exchange, the Registrar, without charge to the Holder thereof, shall deliver in exchange therefor definitive Series 1990A Bonds, of the same aggregate principal amount and Series and maturity as the temporary Series 1990A Bonds surrendered. Until so exchanged, the temporary Series 1990A Bonds shall in all respects be entitled to the same benefits and security as definitive Series 1990A Bonds issued pursuant to this Resolution. All temporary Series 1990A Bonds surrendered in exchange for another temporary Series 1990A Bond or Bonds or for a definitive Series 1990A Bond or Bonds shall be forthwith cancelled by the Registrar.

SECTION 2.07. Series 1990A Bonds Mutilated, Destroyed, Stolen or Lost. In case any Series 1990A Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Series 1990A Bond of like tenor as the Series 1990A Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Series 1990A Bond upon surrender and cancellation of such mutilated Series 1990A Bond or in lieu of and substitution for the Series 1990A Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer and the Registrar proof of such Holder’s ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer and the Registrar may incur. All Series 1990A Bonds so surrendered or otherwise substituted shall be cancelled by the Registrar. If any of the Series 1990A Bonds shall have matured or be about to mature, instead of issuing a substitute Series 1990A Bond, the Issuer may pay the same or cause the Series 1990A Bond to be paid, upon being indemnified as aforesaid, and if such Series 1990A Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 1990A Bonds issued pursuant to this Section 2.07 shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Series 1990A Bond be at any time found by anyone, and such duplicate Series 1990A Bond shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds and the Assessments to the same extent as all other
Series 1990A Bonds issued hereunder and shall be entitled to the
same benefits and security as the Series 1990A Bond so lost,
stolen or destroyed.

SECTION 2.08. Interchangeability, Negotiability and
Transfer. Series 1990A Bonds, upon surrender thereof at the
office of the Registrar with a written instrument of transfer
satisfactory to the Registrar, duly executed by the Holder
thereof or such Holder’s attorney duly authorized in writing,
may, at the option of the Holder thereof, be exchanged for an
equal aggregate principal amount of registered Series 1990A Bonds
of the same maturity of any other authorized denominations.

The Series 1990A Bonds shall be and have all the
qualities and incidents of negotiable instruments under the laws
of the State of Florida, subject to the provisions for registra-
tion and transfer contained in this Resolution and in the Series
1990A Bonds. So long as any of the Series 1990A Bonds shall
remain Outstanding, the Issuer shall maintain and keep, at the
office of the Registrar, books for the registration and transfer
of the Series 1990A Bonds.

Each Series 1990A Bond shall be transferable only upon
the books of the Issuer, at the office of the Registrar, under
such reasonable regulations as the Issuer may prescribe, by the
Holder thereof in person or by such Holder’s attorney duly author-
ized in writing upon surrender thereof together with a written
instrument of transfer satisfactory to the Registrar duly ex-
cuted and guaranteed by the Holder or such Holder’s duly author-
ized attorney. Upon the transfer of any such Series 1990A Bond,
the Issuer shall issue, and cause to be authenticated, in the
name of the transferee a new Series 1990A Bond or Bonds of the
same aggregate principal amount and maturity as the surrendered
Series 1990A Bond. The Issuer, the Registrar and any Paying Agent
or fiduciary of the Issuer may deem and treat the Person in whose
name any Outstanding Series 1990A Bond shall be registered upon
the books of the Issuer as the absolute owner of such Series 1990A
Bond, whether such Series 1990A Bond shall be overdue or not, for
the purpose of receiving payment of, or on account of, the prin-
cipal or Redemption Price, if applicable, and interest on such
Series 1990A Bond and for all other purposes, and all such pay-
ments so made to any such Holder or upon such Holder’s order
shall be valid and effectual to satisfy and discharge the
liability upon such Series 1990A Bond to the extent of the sum or
sums so paid and neither the Issuer nor the Registrar nor any
Paying Agent or other fiduciary of the Issuer shall be affected
by any notice to the contrary.

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The Registrar, in the event it is not also the Paying Agent for the Series 1990A Bonds, shall forthwith (a) following the fifteenth day of the calendar month next preceding an interest payment date for the Series 1990A Bonds, (b) following the fifteenth day next preceding the date of first mailing of notice of redemption of any Series 1990A Bonds, and (c) at any other time as reasonably requested by the Paying Agent of the Series 1990A Bonds, certify and furnish to such Paying Agent the names, addresses and holdings of Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Bond shall effect payment of interest on such Series 1990A Bonds by mailing a check or draft to the Holder entitled thereto or may, in lieu thereof, upon the request and at the expense of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging Series 1990A Bonds or transferring Series 1990A Bonds is exercised, the Issuer shall execute and the Registrar shall authenticate and deliver such Series 1990A Bonds in accordance with the provisions of this Resolution. Execution of Series 1990A Bonds by the Chairman and the Clerk for purposes of exchanging, replacing or transferring Series 1990A Bonds may occur at the time of the original delivery of the Series of which such Series 1990A Bonds are a part. All Series 1990A Bonds surrendered in any such exchanges or transfers shall be cancelled by the Registrar. For every such exchange or transfer of Series 1990A Bonds, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or transfer. The Issuer and the Registrar shall not be obligated to make any such exchange or transfer of any Series 1990A Bonds which shall have been selected for redemption or of Series 1990A Bonds during the fifteen (15) days next preceding an Interest Date on the Series 1990A Bonds (other than Capital Appreciation Bonds and Variable Rate Bonds), or, in the case of any proposed redemption of Series 1990A Bonds, during the fifteen (15) days next preceding the date of selection of Series 1990A Bonds to be redeemed.

The Issuer may elect to issue any Series 1990A Bonds as uncertificated registered public obligations (not represented by instruments), commonly known as book-entry obligations, provided it shall establish a system of registration therefor by resolution of the Governing Body.

SECTION 2.09. Form of Bonds. Except for Capital Appreciation Bonds and Variable Rate Bonds, the form of which shall be provided by supplemental resolution of the Governing Body, the Series 1990A Bonds shall be in substantially the following form
with 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 evidenced conclusively by the Issuer's delivery of the Series 1990A Bonds to the initial purchaser or purchasers thereof):

No. R—____ $_______

UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF ST. JOHNS
WATER AND SEWER REVENUE BOND, SERIES 1990A

Interest Rate

Maturity Date

Date of Original Issue

CUSIP

______% ________'______ __________'______

Registered Holder:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS, that St. Johns County, a political subdivision created and existing under and by virtue of the laws of the State of Florida (the "Issuer"), for value received, hereby promises to pay, solely from the sources of payment hereinafter described, to the Registered Holder identified above, or registered assigns as hereinafter provided, the Principal Amount identified above on the Maturity Date identified above and interest (calculated on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the Date of Original Issue 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 June 1 and December 1 of each year commencing June 1, 1990 until such Principal Amount shall have been paid or provided for, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

Such Principal Amount and interest and the premium, if any, 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. Such Principal Amount and the premium, if any, on this bond, are payable, upon presentation and surrender hereof,
at the principal office of ________________, as paying agent, or such other paying agent as the Issuer shall hereafter duly appoint (the "Paying Agent"). 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 ________________, as registrar, or such other registrar as the Issuer shall hereafter duly appoint (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 each interest payment date and shall be paid by a check or draft of the Paying Agent mailed to such Registered Holder at the address appearing on such registration books or, at the option of the Paying Agent, and at the request and expense of such Registered Holder, by bank wire transfer for the account of such Holder. 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 such Registered Holder, not less than ten (10) days preceding such special record date.

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 IN THIS PLACE.

This bond shall not be valid or become obligatory for any purpose until 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 executed by the manual or facsimile signature of the Chairman of its Board of County Commissioners and attested and countersigned by the manual or facsimile signature of the Clerk of said Board and its official seal or a
facsimile thereof to be affixed or reproduced hereon, all as of the _____ day of ______, 19_____.

ST. JOHNS COUNTY, FLORIDA

(SEAL)

By

Chairman of the Board of
County Commissioners

ATTESTED AND COUNTERSIGNED:

Clerk of the Board of
County Commissioners

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the issue described in the within-mentioned Resolution.

DATE OF AUTHENTICATION:

________________________

Registrar

By:

Authorized Officer

(Provisions on Reverse Side of Bond)

This bond is one of an authorized issue of bonds of the Issuer in the aggregate principal amount of $____________ (the "Bonds") of like date, tenor and effect, except as to maturity date, interest rate, denomination and number, issued to finance a part of the cost of additions and extensions ("Project 1990A," as defined in the Resolution hereinafter referred to) to the public water and sewer system of the Issuer (the "System," as defined in the Resolution hereinafter referred to), the cost of funding a debt service reserve for the Bonds and the costs of issuance of the Bonds, 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, St. Johns
County Ordinance No. 86-89, other applicable provisions of law and Resolution No. 89-84 duly adopted by the Board of County Commissioners of the Issuer on April 25, 1989, as amended and supplemented, particularly as amended and supplemented by Resolution No. 90— adopted by said Board on ________, 1990 (the "Resolution"), and is subject to all the terms and conditions of the Resolution.

The principal of and interest on this bond are payable solely from and secured by a prior lien upon and a pledge of (A) (1) the Net Revenues (as defined in the Resolution) of the System, (2) certain Connection Charges (defined in the Resolution) to the extent provided in the Resolution and (3) until applied in accordance with the provisions of the Resolution, the proceeds of the Bonds, all moneys, including investments thereof, in certain of the funds and accounts established pursuant to the Resolution and the earnings on such investments, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds"), and (B) the Assessments (as defined in the Resolution). It is expressly agreed by the Registered Holder of this bond that the full faith and credit of the Issuer is not pledged to the payment of the principal of or premium, if any, or interest on this bond and that the Registered Holder shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer to the payment of such principal, premium, if any, and interest. This bond and the obligation evidenced hereby shall not constitute a lien upon the System or any other property of the Issuer, except the Pledged Funds and the Assessments, and shall be payable solely from the Pledged Funds and the Assessments in accordance with the terms of the Resolution.

The Bonds are payable on a parity, equally and ratably, from the Pledged Funds and the Assessments with the Issuer’s outstanding Water and and Sewer Revenue Bonds, Series 1989 (the "Parity Obligations.")

[Insert rate covenant].

Neither the members of the Board of County Commissioners of the Issuer nor any person executing this bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

(INsert Redemption Provisions)

Notice of redemption, unless waived, is to be given by the Registrar by mailing 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 the registered holders of the Bonds to be redeemed at such holders’ addresses.
shown on the registration books maintained by the Registrar or at such other addresses as shall be furnished in writing by such registered holders to the Registrar; provided, however, that no defect in any such notice to any registered holder of Bonds to be redeemed nor failure to give such notice to any such registered holder nor failure of any such registered holder to receive such notice shall in any manner defeat the effectiveness of a call for redemption as to all other registered holders of Bonds to be redeemed. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds 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 of Bonds shall cease to bear interest.

This bond is transferable in accordance with the terms of the Resolution only upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder hereof in person or by such Holder’s attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or such Holder’s attorney duly authorized in writing, and thereupon a new bond or bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, prescribed in the Resolution. Each of the Bonds is issuable in fully registered form in the denomination of $5,000 or any integral multiple thereof not exceeding the aggregate principal amount of the Bonds having the same maturity. The Issuer, the Registrar and any Paying Agent may treat the Registered Holder of this bond as the absolute owner hereof for all purposes, whether or not this bond shall be overdue, and shall not be affected by any notice to the contrary. The Issuer and the Registrar shall not be obligated: (i) to make any exchange or transfer of Bonds during the fifteen (15) days next preceding an interest payment date or, in the case of any proposed redemption of Bonds, during the fifteen (15) days next preceding the date of selection of Bonds to be redeemed; or (ii) after the selection of Bonds for redemption, to make any exchange or transfer of Bonds so selected.

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 thereto, 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 Uniform Commercial Code - Investment Securities 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

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 -- (Cust.)

Custodian for ___________________________

under Uniform Transfer to Minors Act of (State)

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

-17-
ASSIGNMENT

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

Insert Social Security or Other Identifying Number of Assignee

(Name and Address of Assignee)

the within bond and does hereby irrevocably constitute and appoint , as attorneys to register the transfer of the said 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.

NOTICE: The signature to this assignment must correspond with the name of the Registered Holder 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 other identifying number of such assignee must be supplied.
ARTICLE III
SECURITY, SPECIAL FUNDS AND
APPLICATION THEREOF

SECTION 3.01. Series 1990A Bonds not to be Indebtedness
of Issuer. The Series 1990A Bonds shall not be or constitute
general obligations or indebtedness of the Issuer as "bonds"
within the meaning of any constitutional or statutory provision,
but shall be special obligations of the Issuer, payable solely
from and secured by a lien upon and pledge of the Pledged Funds
and the Assessments in accordance with the terms of this Resolu-
tion. No Holder of any Series 1990A Bond or any Credit Bank or
any Insurer shall ever have the right to compel the exercise of
the ad valorem taxing power of the Issuer to pay such Series
1990A Bond or be entitled to payment of such Series 1990A Bond
from any moneys of the Issuer except the Pledged Funds and the
Assessments, in the manner provided herein.

SECTION 3.02. Security for Series 1990A Bonds. The
payment of the principal of or Redemption Price, if applicable,
and interest on the Series 1990A Bonds shall be secured forthwith
equally and ratable by a pledge of and prior lien upon the Pledged
Funds and the Assessments. The Pledged Funds and the Assess-
ments shall be subject to the lien of this pledge immediately upon the
issuance and delivery of the Series 1990A Bonds, without any phy-
sical delivery by the Issuer of the Pledged Funds and the Assess-
ments or further act, and the lien of this pledge shall be valid
and binding as against all parties having claims of any kind
against the Issuer, in tort, contract or otherwise. The Issuer
does hereby irrevocably pledge the Pledged Funds and the Assess-
ments to the payment of the principal of or Redemption Price, if
applicable, and interest on the Series 1990A Bonds in the manner
provided in this Resolution.

The Series 1990A Bonds are payable from the Pledged Funds
and the Assessments on a parity, equally and ratable, with the
Parity Obligations. The Assessments are hereby pledged to the
payment of the principal of or Redemption Price, if applicable,
and interest on all Bonds.

SECTION 3.03. Additional Security. Anything herein to
the contrary notwithstanding, however, the Issuer may cause the
Series 1990A Bonds to be payable from and secured by a Credit Fa-
cility or an insurance policy of an Insurer not applicable to any
one or more other Series of Bonds, as shall be provided by supple-
mental resolution of the Governing Body, in addition to the secur-
ity of the Pledged Funds and the Assessments provided herein.
SECTION 3.04. Construction Account. The Issuer covenants and agrees to establish a separate account within the Construction Fund, which shall be used only for payment of the Cost of Project 1990A. Moneys in such Construction Account, until applied in payment of any item of the Cost of Project 1990A in the manner hereinafter provided, shall be held in trust by the Issuer and shall be subject to a lien and charge in favor of the Holders of the Series 1990A Bonds and for the further security of such Holders.

There shall be paid into such Construction Account the amounts required to be so paid by the provisions of this Resolution, and there may be paid into the Construction Account, at the option of the Issuer, any moneys received for or in connection with Project 1990A by the Issuer from any other source.

The proceeds of insurance against physical loss of or damage to Project 1990A, or of contractors' performance bonds with respect thereto pertaining to the period of construction thereof, shall be deposited into the Construction Account.

The Issuer covenants that the acquisition and construction of Project 1990A will be completed without delay and in accordance with sound engineering practices. The Issuer shall make disbursements or payments from the Construction Account to pay items of the Cost of Project 1990A upon the filing with the Clerk of documents and/or certificates signed by an Authorized Issuer Officer stating with respect to each disbursement or payment to be made: (1) the item number of the payment, (2) the name and address of the Person to whom payment is due, (3) the amount to be paid, (4) that the Construction Account is the proper Construction Fund account from which payment is to be made, (5) the purpose, by general classification, for which payment is to be made, and (6) that (A) each obligation, item of cost or expense mentioned therein has been properly incurred, is in payment of a part of the Cost of Project 1990A and is a proper charge against the Construction Account and has not been the basis of any previous disbursement or payment, or (B) each obligation, item of cost or expense mentioned therein has been paid by the Issuer prior to or subsequent to issuance of the Series 1990A Bonds, is a reimbursement of a part of the Cost of Project 1990A, is a proper charge against the Construction Account, has not been theretofore reimbursed to the Issuer or otherwise been the basis of any previous disbursement or payment and the Issuer is entitled to reimbursement thereof. The Clerk shall retain all such documents and/or certificates of the Authorized Issuer Officers for seven (7) years from the dates of such documents and/or certificates. The Clerk shall make available the documents and/or certificates at all reasonable times for inspection by any Holder of
any of the Series 1990A Bonds or the agent or representative of any Holder of any of the Series 1990A Bonds.

The date of completion of Project 1990A shall be determined by the Authorized Issuer Officer who shall certify such fact in writing to the Governing Body. Promptly after the date of the completion of Project 1990A, and after paying or making provisions for the payment of all unpaid items of the Cost thereof, the Issuer shall deposit in the following order of priority any balance of moneys remaining in the Construction Account in (1) another account of the Construction Fund for which the Authorized Issuer Officer has stated that there are insufficient moneys on deposit in full of the Cost of the project for which such account is maintained, (2) the Reserve Account, to the extent of a deficiency therein, (3) the Debt Service Fund, to the extent of a deficiency therein, and (4) any other fund or account of the Issuer designated by the Governing Body provided that the Issuer has received an opinion of Bond Counsel to the effect that such transfer shall not adversely affect the exclusion, if any, of interest on the Bonds from gross income for federal income tax purposes.

The Issuer has made application for and may receive a grant for the purpose of paying a portion of the Cost of Project 1990A. When and if received by the Issuer, such grant shall be applied and accounted for by the Issuer strictly in accordance with all of the terms and conditions thereof. To the extent permitted by such terms and conditions, the Issuer shall apply such grant in the manner provided in this paragraph. Prior to or contemporaneously with the sale of the Series 1990A Bonds, the Issuer shall by resolution of the Governing Body designate particular Series 1990A Bonds, in an aggregate principal amount substantially equivalent to the amount of the grant applied for, which shall be subject to mandatory redemption from grant funds (the "Grant Redemption Bonds"). If construction of Project 1990A shall have progressed to the extent that all or part of the grant can be applied directly to the payment of such portion of such Cost, the Issuer shall withdraw from the Construction Account a sum equal to the amount of the grant or the part thereof which shall have been applied directly to the payment of such portion of such Cost and deposit the same to a special account for application by the Issuer to the mandatory purchase or redemption of Grant Redemption Bonds. If construction of Project 1990A shall have progressed to the extent that all or part of the grant cannot be applied directly to the payment of such portion of such Cost, the grant or the portion thereof which shall not be applied directly to the payment of items of such Cost shall be deposited by the
Issuer in such special account for the mandatory purchase or redemption of Grant Redemption Bonds. Grant moneys and/or Construction Account moneys which shall have been deposited by the Issuer into such special account created pursuant to this paragraph may be applied by the Issuer, promptly upon deposit thereof in such special account, to the purchase of said Grant Redemption Bonds, at a price not greater than the Redemption Price at which such Grant Redemption Bonds may be redeemed on the next succeeding June 1 or December 1 which shall be at least sixty days after receipt by the Issuer of such grant, or shall be exhausted by the Issuer, to the maximum extent possible, on such next succeeding June 1 or December 1 which shall be at least sixty days after receipt by the Issuer of such grant, by application thereof by the Issuer to the mandatory redemption of Grant Redemption Bonds. The Issuer shall call for redemption the Grant Redemption Bonds to be redeemed, which shall be selected by the Issuer by lot if less than all of the Grant Redemption Bonds shall be redeemed, by causing notice to be given as provided in Section 3.03 of the Original Instrument. The Issuer shall pay out of such special fund created pursuant to the provisions of this paragraph, to the Paying Agent for the Grant Redemption Bonds to be redeemed, on or before the day preceding the redemption date, the amount required to pay the principal of or Redemption Price, if applicable, and interest on the Grant Redemption Bonds to be redeemed, and such amount shall be applied by the Paying Agent to such redemption.

SECTION 3.05. Assessments. By subsection 42B and 42C of its Ordinance No. 90-16, the Issuer has determined to impose, levy and collect the Project 1990A Assessments, consisting of the fire protection assessments and the sewage collection assessments respectively. There is hereby created and established within the Assessments Fund two special accounts: the "Project 1990A Fire Protection Assessments Account" ("Account A") and the "Project 1990A Sewage Collection Assessments Account" ("Account B"). The Issuer covenants and agrees to deposit into the Assessments Fund all of the Project 1990A Assessments promptly upon receipt thereof. Into Account A the Issuer will deposit all Assessments derived from the fire protection assessments levied pursuant to said subsection 42B, and into Account B the Issuer will deposit all Assessments derived from the sewage collection assessments levied pursuant to said subsection 42C. The Series 1990A Bonds maturing on June 1 of the years 2000, 2001 and 2010 are hereby designated as Assessments Redemption Bonds subject to mandatory redemption by operation of the Assessments Fund in the manner provided in Section 4.06(A)(7) of the Original Instrument. Moneys in Account A and Account B shall be applied according to the provisions of said Section 4.06(A)(7); provided, however, that (a) moneys in either account which shall correspond to prepayments of assessments shall be the last Assessment Fund moneys transferred to the Debt Service Fund each month, (b) if moneys in both accounts shall
result from prepayments of assessments each account shall con-
tribute to required transfers to the Debt Service Fund in pro-
portion to the aggregate amount of outstanding assessments levied
for such account, and (c) excess moneys in Account A available
for the purchase or redemption of Bonds shall be applied only to
the purchase or redemption of Series 1990A Bonds maturing June 1,
2000 while any such Series 1990A Bonds maturing June 1, 2000 shall
remain outstanding and thereafter applied only to the purchase or
redemption of Series 1990A Bonds maturing June 1, 2010 while any
such Series 1990A Bonds maturing June 1, 2010 shall remain out-
standing, and excess moneys in Account B available for the pur-
chase or redemption of Bonds shall be applied only to the pur-
chase or redemption of Series 1990A Bonds maturing June 1, 2001
while any such Series 1990A Bonds maturing June 1, 2001 shall
remain outstanding.

The Issuer covenants that it will forthwith, whenever it
shall first be timely, adopt all resolutions, hold all hearings
and perform all acts which are conditions precedent to and are
necessary for the lawful levy and collection of the non-ad valorem
special assessments against the lands and properties which shall
be specially benefited by the construction of Project 1990A and
which shall be within the area designated by the Issuer for assess-
ment for such benefit. The Issuer covenants that if any such
non-ad valorem special assessment shall be either in whole or in
part annulled, vacated or set aside by the judgment of any court,
or if the Issuer shall be satisfied that any such non-ad valorem
special assessment is so irregular or defective that the same
cannot be enforced or collected, or if the Issuer shall have
failed to assess any particular parcel of property which should
have been assessed within such area so designated by the Issuer
and specially benefited by Project 1990A, the Issuer shall take
all necessary steps to cause a new and valid non-ad valorem spe-
cial assessment to be made against such property; and in any case
any such second assessment, or an initial assessment for one that
shall have been omitted, shall be either in whole or in part an-
nulled, vacated or set aside or be unenforceable or uncollectible
by reason of defect or irregularity, the Issuer shall obtain and
make other non-ad valorem special assessments until a valid
assessment shall be made.

SECTION 3.06. Application of Provisions of Original
Instrument. The Series 1990A Bonds shall for all purposes be
considered to be Additional Bonds issued under the authority of
Section 5.02 of the Original Instrument and shall be entitled to
all the protection and security provided in and by the Original
Instrument for the Parity Obligations, and the Series 1990A Bonds
shall be in all respects entitled to the same security, rights
and privileges enjoyed by the Parity Obligations. Other than as
expressly modified hereby, the covenants and pledges contained in
Articles IV, V, VI and VII of the Original Instrument and in Sections 8.01 and 8.02 of Article VIII thereof shall be applicable to the Series 1990A Bonds in like manner as applicable to the Parity Obligations. The principal of, interest on and redemption premiums on the Series 1990A Bonds shall be payable from the Debt Service Fund established by the Original Instrument on a parity with the Parity Obligations, and deposits shall be made into the Debt Service Fund by the Issuer in amounts fully sufficient to pay the principal of and interest on the Series 1990A Bonds and on the Parity Obligations as such principal and interest become due. The Reserve Account established by the Original Instrument shall be applicable pro rata to the Series 1990A Bonds in the same manner as applicable to the Parity Obligations.

SECTION 3.07. Amendments to Original Instrument. The Original Instrument is hereby amended in the following respects:

(A) There shall be inserted, alphabetically among the definitions contained in Section 1.01 thereof the following paragraphs:

"'Assessments' shall mean the proceeds to be derived by the Issuer from any non-ad valorem special assessments which shall be levied by the Issuer, on its own behalf or as the governing body of a municipal service benefit unit, against some or all of the parcels of real property to be specially benefited by the services and facilities of any Additional Project or by any portion thereof, and which shall be expressly declared by resolution of the Governing Body to be Assessments, as hereby defined and pledged, including interest on such non-ad valorem special assessments and any penalties thereon and moneys received upon the foreclosure of the liens thereof and, by reason of such non-ad valorem special assessments, upon the sale of tax certificates. The Issuer shall have the right to levy and collect non-ad valorem special assessments upon some or all of the parcels or real property specially benefited by any Additional Project or by any portion thereof without declaring that such assessments shall be Assessments, as hereby defined and pledged, and to provide for the application of such assessments to any lawful public purpose, including provision for the application of such assessments to the payment of the principal of or Redemption Price, if applicable, and interest on any particular Series of Bonds or Subordinated Indebtedness or any other obligations of the Issuer.

"'Assessments Fund' shall mean the St. Johns County Water and Sewer Assessments Fund established pursuant to Section 4.06(A)(7) hereof.
"'Assessments Redemption Bonds' shall mean the particular Bonds designated as such by resolution of the Governing Body, which shall be term or serial Bonds amortizing corresponding to the Issuer's receipt of the installments of the Assessments which shall be pledged to their payment, and which shall be subject to mandatory redemption by operation of the Assessments Fund pursuant to Section 4.06(A)(7) hereof. The final maturity of every Series of Assessment Redemption Bonds shall not be later than one year after the due date of the final installment of the Assessments which shall be pledged to their payment. Assessments Redemption Bonds shall not be issued in any principal amount which will cause the aggregate principal amount of all Assessments Redemption Bonds Outstanding to exceed 25% of the par value of all Bonds then Outstanding, unless all Bonds shall be insured and the Insurer shall consent to the issuance of any amount of Assessments Redemption Bonds which shall result in an aggregate principal amount of Assessments Redemption Bonds Outstanding in an amount greater than 25% of the par value of all Bonds Outstanding."

(B) The definition of the term Bond Insurance Policy contained in Section 1.01 thereof is hereby amended to read as follows:

"'Bond Insurance Policy' shall mean the municipal bond new issue insurance policy or policies issued by an Insurer guaranteeing the payment of the principal of and interest on any portion of the Bonds, including the municipal bond new issue insurance policy issued by the Insurer that guarantees payment of the principal of and interest on the Series 1989 Bonds and the municipal bond new issue insurance policy issued by the Insurer that guarantees payment of the principal of and interest on the Series 1990A Bonds."

(C) The second paragraph of the definition of the term Debt Service Requirement contained in Section 1.01 thereof is hereby amended to read as follows:

"(1) The aggregate amount required to pay the interest becoming due on the Bonds, other than Capital Appreciation Bonds, during such Bond Year, except to the extent that such interest shall have been provided by payments into the Interest Account out of Bond proceeds or other sources for a specific period of time. For purposes of this definition, any Variable Rate Bonds shall be assumed to bear interest at the rate of 9.20% per annum."

(D) The definition of the term Gross Revenues contained in Section 1.01 thereof is hereby amended to read as follows:
"'Gross Revenues' shall mean all income and moneys received by the Issuer from the Rates, and all earnings and income derived from the investment of moneys under the provisions of this Resolution which are transferred to the Revenue Fund or the Interest Account as herein provided, but excluding (i) Connection Charges and (ii) non-ad valorem special assessments, including the Assessments."

(E) The definition of the term Rates contained in Section 1.01 thereof is hereby amended to read as follows:

"'Rates' shall mean the fees and charges which shall be made and collected by the Issuer for the use of the services or facilities of the System. Rates shall be deemed to exclude (i) Connection Charges and (ii) non-ad valorem special assessments, including the Assessments."

(F) The first paragraph of Section 4.06(A)(2) thereof is hereby amended to read as follows:

"(2) Debt Service Fund. Next, the Issuer shall deposit into or credit to the Debt Service Fund, from moneys in the Revenue Fund and/or the Current Account, such sums which, together with the moneys deposited into or credited to the Debt Service Fund from the Assessment Fund pursuant to the provisions of part (7) of this subsection (A), shall be sufficient to make all of the deposits, transfers and payments described in this part (2). The moneys on deposit in the Debt Service Fund shall be applied by the Issuer in the manner provided herein solely for the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds, including Assessments Redemption Bonds, and for the purchase of, and reinstatement of the maximum limits of, any Reserve Account Insurance Policy and/or Reserve Account Letter of Credit, and shall not be available for any other purpose. The moneys transferred to the Debt Service Fund from the Assessments Fund, the Revenue Fund and the Current Account shall be deposited or credited in the following manner and in the following order of priority:"

(G) There shall be added to subsection (A) of Section 4.06 thereof a new part (7) to read as follows:

"(7) Assessments. The Issuer covenants and agrees to establish with one or more Authorized Depositories a separate fund to be known as the "St. Johns County Water and Sewer Assessments Fund." The Assessments Fund shall be used only for the purposes hereinafter provided. All Assessments shall be deposited by the Issuer into the Assessments Fund promptly upon receipt thereof. As a first charge against moneys at any time on deposit to the credit of the Assessments Fund, the Issuer shall reimburse
itself for all expenses incurred by the Issuer in connection with its conduct of the proceedings necessary for the imposition, levy and collection of the Assessments in accordance with applicable law. On or before the last day of each month in every Bond Year, all moneys in the Assessments Fund shall be deposited or credited to the Debt Service Fund until the aggregate amount of all such deposits therein during such Bond Year shall equal all of the installments of the Assessments scheduled to be paid to the Issuer during such Bond Year, and all such moneys thus deposited to the Debt Service Fund shall be applied by the Issuer in the same manner as other moneys therein are applied pursuant to the provisions of part (2) of this subsection (A). On each April 1 and October 1, moneys in the Assessments Fund in excess of the aggregate installments of Assessments scheduled to be paid to the Issuer in the current Bond Year shall be applied by the Issuer, promptly thereafter, to the purchase of Assessments Redemption Bonds, at a price not greater than the Redemption Price at which such Assessments Redemption Bonds may be redeemed on the next succeeding Interest Date (or the principal amount of any such Assessments Redemption Bonds which shall be about to mature on the next succeeding June 1), and/or shall be exhausted by the Issuer, to the maximum extent possible, on such next succeeding Interest Date, by application thereof by the Issuer to the mandatory redemption of Assessments Redemption Bonds. The Issuer shall call for redemption the Assessments Redemption Bonds to be redeemed by causing notice to be given as provided in Section 3.03 hereof. The Issuer shall pay out of the Assessments Fund to the Paying Agent for the Assessments Redemption Bonds to be redeemed (or paid at maturity), on or before the day preceding the redemption date (or maturity date) the amount required to pay the principal or Redemption Price, if applicable, and interest on the Assessments Redemption Bonds to be redeemed (or then maturing), and such amount shall be applied by the Paying Agent to such redemption (or payment). All expenses in connection with the purchase, redemption or payment of Assessments Redemption Bonds shall be paid by the Issuer from the Revenue Fund.

"Nothing in this part (7) contained shall be construed to limit the source of payment of the principal of or Redemption Price, if applicable, or interest on the Assessments Redemption Bonds to moneys on deposit in the Assessments Fund, the Assessments Redemption Bonds being secured and payable in the same manner as all other Bonds as provided in part (2) of this subsection (A). After all of the Assessments Redemption Bonds of any Series shall have been retired, whether from moneys of the Debt Service Fund or moneys of the Assessments Fund or both, all funds remaining on deposit to the credit of the account for such Series in the Assessments Fund and all Assessments collected by the Issuer for such Series shall be promptly deposited in the Revenue Fund.
"The Assessments Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Assessments Fund may be invested and reinvested in Authorized Investments maturing not later than thirty (30) days from the date of acquisition thereof. Any and all income received by the Issuer from the investment of moneys in the Assessments Fund shall be deposited in the Interest Account."

(H) Subsection (B) of Section 5.02 thereof is hereby amended to read as follows:

"(B) There shall have been obtained and filed with the Issuer a certificate of an independent certified public accountant: (1) stating that he has examined the books and records of the Issuer relating to the collection and receipt of the Gross Revenues, the Connection Charges and the Assessments; (2) stating for the immediately preceding Fiscal Year or any twelve (12) consecutive months selected by the Issuer of the twenty-four (24) months immediately preceding the issuance of such Additional Bonds the amount of the Net Revenues, the amount of the Connection Charges deposited into the Current Account and, as to each separate lot of Assessments which shall have been levied for a Project or a part of a Project, the dollar amount of the Assessments deposited into the Assessments Fund, and stating, for each separate lot of Assessments which shall have been levied for a Project or a part of a Project, the dollar amount of the portion of such lot of Assessments to become due and payable to the Issuer during the first full Fiscal Year after the issuance of such Additional Bonds in which installments of such lot of Assessments shall be payable; (3) stating that such Net Revenues adjusted as provided in Section 5.02(E) hereof, together with the dollar amount of the portion of each lot of Assessments to become due and payable during the first full Fiscal Year after the issuance of such Additional Bonds in which installments of such lot of Assessments shall be payable, but (except for the first Fiscal Year in which such lot of Assessments shall be billed) not exceeding the dollar amount of the portion of such lot of Assessments deposited into the Assessments Fund as stated pursuant to clause (2) of this paragraph, equal at least 1.10 times the Maximum Debt Service Requirement for all Outstanding Bonds and such Additional Bonds then proposed to be issued; (4) stating that such adjusted Net Revenues and the amount of Assessments allowed under clause (3) of this paragraph and such Connection Charges, adjusted as provided in Section 5.02(E) hereof, equal at least 1.20 times the Maximum Debt Service Requirement for all Outstanding Bonds and such Additional Bonds then proposed to be issued; (5) stating that such adjusted Net Revenues equal at least 1.10 times the Maximum Debt Service Requirement for all Outstanding Bonds and such Additional Bonds then proposed to be issued, excluding all
Outstanding and proposed Assessments Redemption Bonds; (6) stating that such adjusted Net Revenues and such Connection Charges, adjusted as provided in Section 5.02(E) hereof, equal at least 1.20 times the Maximum Debt Service Requirement for all Outstanding Bonds and such Additional Bonds then proposed to be issued, excluding all Outstanding and proposed Assessments Redemption Bonds; and (7) stating that no Event of Default was disclosed in the report of the most recent Annual Audit, or if such Event of Default was so disclosed, that it shall have been cured."

(I) Subsection (E) of Section 5.02 thereof is hereby amended to read as follows:

"(E) The Net Revenues and the Connection Charges deposited into the Current Account may be adjusted by the independent certified public accountant, at the option of the Issuer, as follows:

"(1) If the Issuer, prior to the issuance of the proposed Additional Bonds but not prior to the beginning of such twelve consecutive months, shall have increased the Rates and/or shall have begun to derive revenues from newly constructed or acquired facilities of the System or from a new contract with any public or private entity for residential and/or business use of the facilities and services of the System, which contract shall have a duration not less than the final maturity of such Additional Bonds ("capacity agreement"), the Net Revenues for the twelve consecutive months shall be adjusted to show the Net Revenues which would have been derived in such twelve consecutive months if such increased Rates had been in effect and/or such new facilities and/or such capacity agreement had produced revenues during all of such twelve consecutive months.

"(2) In the event the Issuer shall have completed additions, extensions or improvements to the System prior to the issuance of the proposed Additional Bonds but not prior to the beginning of such twelve consecutive months and/or shall be constructing or acquiring additions, extensions or improvements to the System to be financed wholly or in part from the proceeds of such Additional Bonds or from any other source, and/or shall have entered into a capacity agreement, from which capacity agreement and/or from which Project or Projects the Issuer expects to derive revenues within three (3) years after issuance of such Additional Bonds, such Net Revenues may be adjusted by adding thereto the net revenues estimated by the Consulting Engineers to be derived by reason of such capacity agreement during the first twelve (12) months the Issuer shall receive income thereunder and/or to be derived from existing occupied residential and business
development during the first twelve (12) months of operation of
such Project or Projects after completion of the construction or
acquisition thereof.

"(3) If the Issuer, in connection with the issuance of
Additional Bonds, shall enter into a capacity agreement, then the
Net Revenues of the System during the twelve (12) consecutive
months shall be increased by the least amount to be paid to the
Issuer in any one year thereunder, after deducting therefrom the
proportion of operating expenses and repair, renewal and replace-
ment cost attributable in such year to such capacity agreement.

"(4) In the event the Issuer shall be constructing or
acquiring additions, extensions or improvements to the System
from the proceeds of such Additional Bonds and shall have entered
into any capacity agreement and/or established fees, rates or
charges to be charged and collected from users of such facilities
when service is rendered, such Net Revenues and such Connection
Charges may be adjusted by adding thereto the Net Revenues and
the Connection Charges (in an amount not exceeding the Connection
Charges Debt Service Component for the proposed Additional Bonds
for the first Bond Year commencing after completion of the con-
struction or acquisition of said additions, extensions and
improvements) estimated by the Consulting Engineers to be derived
during the first twelve (12) months of operation after completion
of the construction or acquisition of said additions, extensions
and improvements pursuant to such capacity agreement and/or from
existing residential and business users of the facilities to be
financed by such Additional Bonds together with other funds on
hand or lawfully obtained for such purpose."

(J) The first paragraph of Section 5.07 thereof is here-
by amended to read as follows:

"Section 5.07. Rates and Connection Charges. The Issuer
shall fix, establish, maintain and collect Rates, and revise the
same effective at the beginning of each Fiscal Year, in the man-
er provided in this Section 5.07, to the extent necessary, to
provide (1) Net Revenues in such Fiscal Year, together with the
dollar amount of the Assessments to be collected in such Fiscal
Year (but as to each separate lot of Assessments levied for any
improvements which shall be part of a Project, except for the
first Fiscal Year in which such lot of Assessments shall be billed,
not exceeding the dollar amount of the portion of such lot of
Assessments actually collected by the Issuer in the immediately
preceding Fiscal Year) and any Connection Charges actually on
deposit in the Current Account at the beginning of such Fiscal
Year, equal to at least one hundred twenty percent (120%) of the
Maximum Debt Service Requirement and at least one hundred percent
(100%) of any amounts required by the terms hereof to be deposited
in the Reserve Account or in the Renewal and Replacement Fund or with any issuer of a Reserve Account Letter of Credit or Reserve Account Insurance Policy in such Fiscal Year, (2) Net Revenues in such Fiscal Year, together with the dollar amount of the Assessments to be collected in such Fiscal Year (but as to each separate lot of Assessments levied for any improvements which shall be part of a Project, except for the first Fiscal Year in which such lot of Assessments shall be billed, not exceeding the dollar amount of the portion of such lot of Assessments actually collected by the Issuer in the immediately preceding Fiscal Year), without taking into account Connection Charges, equal to at least one hundred ten percent (110%) of the Maximum Debt Service Requirement and at least one hundred percent (100%) of any amounts required by the terms hereof to be deposited in the Reserve Account or in the Renewal and Replacement Fund or with any issuer of a Reserve Account Letter of Credit or Reserve Account Insurance Policy in such Fiscal Year, (3) Net Revenues in such Fiscal Year, together with any Connection Charges actually on deposit in the Current Account at the beginning of such Fiscal Year, without taking into account Assessments, equal to at least one hundred twenty percent (120%) of the amount obtained by reducing the Maximum Debt Service Requirement by the amount of the debt service for all Assessments Redemption Bonds, and at least one hundred percent (100%) of any amounts required by the terms hereof to be deposited in the Reserve Account or in the Renewal and Replacement Fund or with any issuer of a Reserve Account Letter of Credit or Reserve Account Insurance Policy in such Fiscal Year, and (4) Net Revenues in such Fiscal Year, not taking into account Assessments or Connection Charges, equal to at least one hundred ten percent (110%) of the amount obtained by reducing the Maximum Debt Service Requirement by the amount of the debt service for all Assessments Redemption Bonds, and at least one hundred percent (100%) of any amounts required by the terms hereof to be deposited in the Reserve Account or in the Renewal and Replacement Fund or with any issuer of a Reserve Account Letter of Credit or Reserve Account Insurance Policy in such Fiscal Year. Such Rates shall not be so reduced that the same will be insufficient to provide Net Revenues in each Fiscal Year fully adequate for the purposes provided therefor by this Resolution, provided, however, anything herein to the contrary notwithstanding, no provision hereof shall be construed to obligate the Issuer to impose or, once imposed, continue Connection Charges; but at any time and while Connection Charges shall be in effect and imposed by the Issuer, the same shall be pledged hereunder to the extent provided herein.”

(K) Section 7.03 thereof is hereby amended to read as follows:
"SECTION 7.03. Amendment with Consent of Insurer and/or Credit Bank Only. If all of a Series of Bonds Outstanding hereunder are insured or secured as to payment of principal and interest by an Insurer or Insurers and/or by a Credit Facility provided by a Credit Bank or Credit Banks, and the Insurer or Insurers and/or the Credit Bank or Credit Banks, as applicable, are not in default, and such Bonds, at the time of the herein-after described amendment, shall be rated by the rating agencies which shall have rated the Bonds at the time such Bonds were insured or such Credit Facility was provided no lower than the ratings assigned thereto by such rating agencies on the date such Bonds were insured or such Credit Facility was provided, the Issuer may enact one or more Supplemental Resolutions amending all or any part of Articles I, IV, V, VI and VIII hereof with the written consent of said Insurer or Insurers and/or said Credit Bank or Credit Banks, as applicable, and the acknowledgment by said Insurer or Insurers and/or said Credit Bank or Credit Banks that its Bond Insurance Policy or its Credit Facility, as the case may be, will remain in full force and effect. If the Issuer shall provide to Moody's Investors Service and Standard & Poor's Corporation notice of an amendment and a copy thereof at least 15 days in advance of its adoption, the consent of the Holders of any Bonds shall not be necessary. The foregoing right of amendment, however, does not apply to any amendment to Section 5.15 hereof with respect to the exclusion, if applicable, of interest on said Bonds from the gross income of the Holders thereof for federal income tax purposes nor may any such amendments deprive the Holders of any Bond or right to payment of the Bonds from, and their lien on, the Pledged Funds and any additional security pledged hereunder. Upon filing with the Clerk of evidence of such notice to such rating agencies and such consent of the Insurer or Insurers and/or the Credit Bank or Credit Banks as aforesaid, the Issuer may adopt such Supplemental Resolution. After the adoption by the Issuer of such Supplemental Resolution, notice thereof shall be mailed in the same manner as notice of an amendment under Section 7.02 hereof. Anything contained in this section to the contrary notwithstanding, any Supplemental Resolution or other amendment or supplement to the Original Instrument as to this Resolution shall be subject to the prior written consent of Financial Guaranty Insurance Company so long as any Bonds insured by Financial Guaranty Insurance Company shall remain Outstanding."

(L) Section 8.05 thereof is hereby amended to read as follows:

"SECTION 8.05. No Third Party Beneficiaries. Except such other Persons as may be expressly described herein or in the Bonds, nothing in this Resolution, or in the Bonds, expressed or implied, is intended or shall be construed to confer upon any

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Person other than the Issuer, the Insurer and the Holders 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, the Insurer and the Persons who shall from time to time be the Holders. The Insurer shall be entitled to (i) give notice of the occurrence of an Event of Default and (ii) intervene in judicial proceedings that affect the Bonds or the security therefor."

ARTICLE IV

MISCELLANEOUS

SECTION 4.01 Bond Insurance. Financial Guaranty Insurance Company shall be deemed the Insurer of the Series 1990A Bonds as well as the Series 1989 Bonds and shall be granted the same rights to receive notices, grant consents and direct actions as provided in the bond documents for the Series 1989 Bonds as is the Insurer of the Series 1989 Bonds. The Bond Insurance Policy shall not be taken into account in determining whether or not any proposed action shall adversely affect the rights of Bondholders within the meaning of the terms and provisions of the Original Instrument or of this Resolution or any resolution supplementary or amendatory thereof. Remedies shall be cumulative with respect to the Paying Agent, the Bondholders and the Insurer, if any remedial action shall be discontinued or abandoned, the Paying Agent, the Bondholders and the Insurer shall be restored to their respective former positions.

SECTION 4.02 General Authority. The members of the Governing Body and the Issuer’s officers, attorneys and other agents and 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 Series 1990A Bonds and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be reasonably required by Bond Counsel or the initial purchaser or purchasers of the Series 1990A Bonds to effectuate the sale and delivery of the Series 1990A Bonds.

SECTION 4.03 No Personal Liability. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Series 1990A Bonds, or in any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Series 1990A
Bonds, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member of the Governing Body, 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 Series 1990A Bonds or any certificate or other instrument to be executed in connection with the issuance of the Series 1990A Bonds, shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

SECTION 4.04 No Third Party Beneficiaries. Except such other Persons as may be expressly described herein or in the Series 1990A Bonds, nothing in this Resolution, or in the Series 1990A Bonds, expressed or implied, is intended or shall be construed to confer upon any Person other than the Issuer, the Insurer and the Holders any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Series 1990A Bonds, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer, the Insurer and the Persons who shall from time to time be the Holders. The Insurer shall be entitled to (i) give notice under the provisions of the Original Instrument and this Resolution of the occurrence of an Event of Default and (ii) intervene in judicial proceedings that affect the Bonds or the security therefor.

SECTION 4.05. Sale of Series 1990A Bonds. The Series 1990A Bonds shall be issued and sold at public or private sale at one time or in installments from time to time and at such price or prices as shall be consistent with the provisions of this Resolution and other applicable provisions of law.

SECTION 4.06. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions of this Resolution shall 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 separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Series 1990A Bonds.

SECTION 4.07. Repeal of Inconsistent Resolutions. All other resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.
SECTION 4.08. Table of Contents and Headings not Part Hereof. The Table of Contents preceding the body of this Resolution 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 Resolution or affect its meaning, construction or effect.

SECTION 4.09. Effective Date. This Resolution shall become effective immediately upon its passage.

PASSED, APPROVED AND ADOPTED this 27 day of MARCH, 1990.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

By
Its Chairman

(UNREADABLE SIGNATURE)

ATTEST:

(UNREADABLE SIGNATURE)

Clerk

GF01A25
March 28, 1990

Barnett Banks Trust Company, N.A.
Bond Registrar
P. O. Box 40200
Jacksonville, FL 32231

Re: St. Johns County, Florida, Water and Sewer Revenue Bonds, Series 1989

Dear Barnett Banks Trust Company,

Section 1.04 (G) of St. Johns County Resolution No. 90-61 and Sections 7.02 and 7.03 of St. Johns County Resolution No. 89-84 require that you mail the enclosed Notice To Bond Holders to the bond insurer and to the Bond Holders of Record.

Please mail the Notices at your earliest convenience.

Should you have any questions regarding this matter please feel free to call me.

Very truly yours,

Carl "Bud" Markel
Clerk of Courts

CBM/cm
Enclosure

✓ cc: Jim Sisco - County Attorney