

RESOLUTION NO. 2010-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ST. JOHNS COUNTY SCHOOL BOARD LEASING CORPORATION AUTHORIZING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF NEW ELEMENTARY SCHOOL "L" AS A CAPITAL PROJECT; AUTHORIZING THE EXECUTION AND DELIVERY OF LEASE SCHEDULE NO. 2010 RELATING TO THE LEASE-PURCHASE OF THE PROJECT; AUTHORIZING THE EXECUTION AND DELIVERY OF THE SERIES 2010 SUPPLEMENTAL TRUST AGREEMENT WITH THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS TRUSTEE, PURSUANT TO WHICH THE TRUSTEE WILL EXECUTE, AUTHENTICATE AND DELIVER NOT EXCEEDING \$16,000,000 AGGREGATE PRINCIPAL AMOUNT OF CERTIFICATES OF PARTICIPATION, SERIES 2010 (QUALIFIED SCHOOL CONSTRUCTION BONDS - FEDERALLY TAXABLE - ISSUER SUBSIDY), EVIDENCING AN UNDIVIDED PROPORTIONATE INTEREST OF THE OWNERS THEREOF IN BASIC RENT PAYMENTS TO BE MADE UNDER A MASTER LEASE-PURCHASE AGREEMENT BY THE SCHOOL BOARD OF ST. JOHNS COUNTY, FLORIDA, AS LESSEE, WITH THE CORPORATION, AS LESSOR; AUTHORIZING THE EXECUTION AND DELIVERY OF THE SERIES 2010 GROUND LEASE AGREEMENT RELATING TO THE LEASE OF REAL PROPERTY ON WHICH THE PROJECT WILL BE CONSTRUCTED; AUTHORIZING A NEGOTIATED, PRIVATE PLACEMENT OF THE CERTIFICATES OF PARTICIPATION AND DELEGATING TO THE PRESIDENT, VICE PRESIDENT OR THEIR DESIGNEE THE AUTHORITY TO EXECUTE AND DELIVER THE PURCHASE CONTRACT RELATING TO THE NEGOTIATED PRIVATE PLACEMENT OF SUCH CERTIFICATES OF PARTICIPATION IN ACCORDANCE WITH THE PARAMETERS SET FORTH HEREIN; AUTHORIZING THE EXECUTION AND DELIVERY OF THE SERIES 2010 AMENDMENT TO ASSIGNMENT OF LEASE AGREEMENT WITH THE TRUSTEE WITH RESPECT TO SUCH CERTIFICATES OF PARTICIPATION; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ST. JOHNS COUNTY SCHOOL BOARD LEASING CORPORATION:

SECTION 1. DEFINITIONS. The following terms shall have the following meanings herein, unless the text otherwise expressly requires. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"Act" means Chapters 1001 et. seq. and 617, Florida Statutes and other applicable provisions of law.

"Board" means the Board of Directors of the Corporation.

"Corporation" means the St. Johns County School Board Leasing Corporation, a Florida not-for-profit corporation.

"Lease Agreement" means the Master Lease-Purchase Agreement, dated as of November 15, 2003, between the Corporation and the School Board, as amended and supplemented, and particularly as amended and supplemented by Lease Schedule No. 2010.

"Lease Schedule No. 2010" means Lease Schedule No. 2010 to the Lease Agreement, dated as of September 1, 2010, between the Corporation and the School Board.

"President" means the President of the Corporation and, in his absence or unavailability, the Vice-President or such other person as may be duly designated to act on his behalf.

"Purchase Contract" means the Purchase Contract, to be executed between the Purchaser of the Series 2010 Certificates, the School Board and the Corporation in accordance with the terms hereof.

"Purchaser" means Fifth Third Bank, the purchaser named in the Purchase Contract.

"QSCBs" means "qualified school construction bonds" authorized pursuant to Sections 54A and 54F of the Internal Revenue Code of 1986, as amended (the "QSCB Act").

"School Board" means the School Board of St. Johns County, Florida, acting as the governing body of the School District of St. Johns County.

"Secretary" means the Secretary of the Corporation, and, in his absence or unavailability, the Vice-President or such other person as may be duly authorized to act on his behalf.

"Series 2010 Amendment to Assignment of Lease Agreement" means the Series 2010 Amendment to Assignment of Lease Agreement, dated as of September 1, 2010, between the Corporation and the Trustee.

"Series 2010 Certificates" means the Certificates of Participation, Series 2010 (Qualified School Construction Bonds – Federally Taxable – Issuer Subsidy), Evidencing an Undivided Proportionate Interest of the Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by the School Board of St. Johns County, Florida, as Lessee, with the Corporation, as Lessor, to be dated the day on which the Series 2010 Certificates are issued and to be executed, authenticated and delivered by the Trustee under the Trust Agreement.

"Series 2010 Ground Lease" means the Ground Lease Agreement, dated as of

September 1, 2010, between the School Board and the Corporation.

"Series 2010 Project" shall have the meaning as ascribed thereto in Lease Schedule No. 2010.

"Series 2010 Supplemental Trust Agreement" means the Series 2010 Supplemental Trust Agreement relating to the Series 2010 Certificates, dated as of September 1, 2010, among the Corporation, the School Board and Trustee.

"Trust Agreement" means the Master Trust Agreement, dated as of November 15, 2003, as amended and supplemented, and particularly as amended and supplemented by the Series 2010 Supplemental Trust Agreement, among the Corporation, the School Board and the Trustee.

"Trustee" means The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida.

SECTION 2. FINDINGS. It is hereby found and determined that:

(A) The School Board has expressed its desire to utilize lease-purchase financing for certain educational facilities under the master lease-purchase program evidenced by the Lease Agreement and, in furtherance thereof, has authorized the execution and delivery of Lease Schedule No. 2010, the Series 2010 Supplemental Trust Agreement, the Series 2010 Ground Lease and the Series 2010 Certificates in order to implement the lease-purchase acquisition and construction of the 2010 Project.

(B) The Corporation is authorized and empowered by its Articles of Incorporation, its Bylaws and the Act to enter into transactions such as contemplated by this Resolution, the Lease Agreement, Lease Schedule No. 2010, the Trust Agreement, the Series 2010 Supplemental Trust Agreement, the Series 2010 Ground Lease and the Series 2010 Amendment to Assignment of Lease Agreement, and to fully perform its obligations thereunder in order to acquire, construct, equip and install the 2010 Project and lease it to the School Board.

(C) On March 18, 2010, the Hiring Incentives to Restore Employment ("HIRE") Act was enacted, and pursuant to Section 301 of the HIRE Act (codified in Section 6431(f) of the Code), QSCBs may now be issued as "specified tax credit bonds" and "qualified bonds" under Section 6431 of the Internal Revenue Code of 1986, as amended, ("Federal Subsidy Certificates"), entitling the issuer thereof to Federal subsidy/credit payments ("Federal Subsidy Payments").

(D) Pursuant to a resolution of even date herewith, the School Board has determined it is in the best interest of the School Board to issue Federal Subsidy Certificates entitling the School Board to Federal Subsidy Payments, and the Board hereby authorizes the President and the Secretary to take any and all necessary actions in order to issue Federal Subsidy Certificates and qualify for such Federal Subsidy Payments.

(E) The Purchaser has submitted the proposal to purchase the Series 2010

Certificates.

(F) Due to the present volatility of the market for QSCBs such as the Series 2010 Certificates and the complexity of the transactions relating to such QSCBs, it is in the best interest of the Corporation that the Series 2010 Certificates be sold pursuant to a delegated, negotiated private placement to the Purchaser thereby allowing sale at the most advantageous time, price and interest rate for the Series 2010 Certificates.

SECTION 3. AUTHORITY FOR THIS RESOLUTION. This Resolution is enacted pursuant to the provisions of the Corporation's Articles of Incorporation, the Act and other applicable provisions of law.

SECTION 4. AUTHORIZATION OF LEASE-PURCHASE OF SERIES 2010 PROJECT. The Corporation hereby authorizes the acquisition, construction, equipping and installation of the Series 2010 Project and the lease-purchase of it to the School Board in accordance with the terms of the Lease Agreement and Lease Schedule No. 2010.

SECTION 5. APPROVAL OF LEASE SCHEDULE NO. 2010; DESIGNATION OF SERIES 2010 LEASE AS QSCB; ELECTION TO RECEIVE FEDERAL SUBSIDY PAYMENTS. (A) The Board hereby authorizes and directs the President or his designee to execute Lease Schedule No. 2010, and the Secretary to attest the same, and to deliver Lease Schedule No. 2010 to the School Board for its execution. Lease Schedule No. 2010 shall be in substantially the form attached hereto as Appendix A, with such changes, amendments, modifications, omissions and additions as may be approved by the President or his designee. Execution by the President or his designee of Lease Schedule No. 2010 shall be deemed to be conclusive evidence of approval of such changes. The authorization to execute and deliver Lease Schedule No. 2010 is expressly conditioned upon compliance with the terms and conditions set forth in the Purchase Contract for execution, authentication and delivery of the Series 2010 Certificates. The Board hereby approves the Basic Rent Payments described in Lease Schedule No. 2010.

(B) The Board hereby designates the Series 2010 Lease as a QSCB in accordance with Section 54F(a)(3) of the QSCB Act.

(C) The Board hereby designates the Series 2010 Lease as a "specified tax credit bond" and a "qualified bond" under Section 6431 of the Code. The President or his designees are hereby authorized to take any action necessary or desirable to evidence such election.

SECTION 6. APPROVAL OF SERIES 2010 SUPPLEMENTAL TRUST AGREEMENT. The Board hereby authorizes and directs the President or his designee to execute the Series 2010 Supplemental Trust Agreement, and the Secretary to attest the same and to deliver the Series 2010 Supplemental Trust Agreement to the School Board and the Trustee for their execution. The Series 2010 Supplemental Trust Agreement shall be in substantially the form attached hereto as Appendix B, with such changes, amendments, modifications, omissions and additions as may be approved by said President or his designee. Execution by the President or his designee of the Series 2010 Supplemental Trust Agreement shall be deemed to be conclusive evidence of approval of such changes. The Board hereby approves the terms of the Series 2010 Certificates as

provided in the Series 2010 Supplemental Trust Agreement.

SECTION 7. APPROVAL OF SERIES 2010 GROUND LEASE. The Board hereby authorizes and directs the President or his designee to execute the Series 2010 Ground Lease, and the Secretary to attest the same, and to deliver the Ground Lease to the School Board for its execution. The Ground Lease shall be in substantially the form attached hereto as Appendix C, with such changes, amendments, modifications, omissions and additions as may be approved by said President or his designee. Execution by the President or his designee of the Series 2010 Ground Lease shall be deemed to be conclusive evidence of approval of such changes.

SECTION 8. APPROVAL OF DELEGATED SALE; EXECUTION AND DELIVERY OF PURCHASE CONTRACT. Subject to full satisfaction of the conditions set forth in this Section, the Corporation hereby approves a delegated, negotiated private placement of the Series 2010 Certificates to the Purchaser in accordance with the terms of the Purchase Contract to be dated the date of sale and to be substantially in the form attached hereto as Appendix D, with such changes, amendments, modifications, omissions and additions thereto as shall be approved by the President and Superintendent or their designees in accordance with the provisions of this Section, their execution thereof being deemed conclusive evidence of the approval of such changes and full satisfaction of the conditions set forth in this Section. However, the Purchase Contract shall not be executed by the President and the Superintendent or their designees until such time as all of the following conditions have been satisfied.

(a) Receipt by the President and Superintendent or their designees of a written offer to purchase the Series 2010 Certificates by the Purchaser substantially in the form of the Purchase Contract, said offer to provide for, among other things, (i) the issuance of not exceeding \$16,000,000 aggregate principal amount of Series 2010 Certificates; (ii) a taxable interest rate of not more than 6.25% per annum (determined without regard to any federal credit of subsidy payments) and (iii) the maturities of the Series 2010 Certificates with a final maturity no later than permitted by the QSCB Act (as determined on the date of execution and delivery of the Purchase Contract).

(b) Term Series 2010 Certificates may or may not be established with such Amortization Installments, as the President or his designee deems appropriate.

(c) Receipt by the President or his designee from the Purchaser of a disclosure statement and truth-in-bonding information complying with Section 218.385, Florida Statutes.

SECTION 9. APPROVAL OF SERIES 2010 AMENDMENT TO ASSIGNMENT OF LEASE AGREEMENT. The Board hereby authorizes and directs the President or his designee to execute the Series 2010 Amendment to Assignment of Lease Agreement, and the Secretary to attest the same, and to deliver the Series 2010 Amendment to Assignment of Lease Agreement to the Trustee for its execution. The Series 2010 Amendment to Assignment of Lease Agreement shall be in substantially the form attached hereto as Appendix E, which such changes, amendments, modifications, omissions and additions as may be approved by said President or his designee. Execution by the President or his designee of the Series 2010 Amendment to Assignment of Lease

Agreement shall be deemed to be conclusive evidence of approval of such changes.

SECTION 10. APPOINTMENT OF TRUSTEE. The Bank of New York Mellon Trust Company, N.A. is hereby designated as Trustee.

SECTION 11. GENERAL AUTHORITY. The President, Secretary and other officers, attorneys, agents and employees of the Corporation are hereby authorized to do all acts and things required of them by this Resolution or the Purchase Contract, or desirable or consistent with the requirements of the Resolution, the Lease Agreement, Lease Schedule No. 2010, the Trust Agreement, the Series 2010 Supplemental Trust Agreement, the Series 2010 Ground Lease, the Series 2010 Amendment to Assignment of Lease Agreement or the Purchase Contract for the full punctual and complete performance of all the terms, covenants and agreements contained herein or therein, and each member, employee, attorney and officer of the Corporation is hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder. The foregoing officers are hereby specifically authorized to enter into any investment, guaranteed investment contract, forward delivery agreement, repurchase agreement or invested sinking fund agreement in connection with the proceeds of, and the sinking fund established for, the Series 2010 Certificates upon the advice of the Financial Advisor and special counsel.

SECTION 12. SEVERABILITY AND INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained 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 or provisions and shall in no way affect the validity of any of the other provisions hereof.

SECTION 13. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

ADOPTED this 14th day of September, 2010.

**ST. JOHNS COUNTY SCHOOL BOARD
LEASING CORPORATION**

By: _____

Bill Mignon
President

(SEAL)

ATTEST:

By: _____

Joseph G. Joyner Ed. D.
Secretary

APPENDIX A

LEASE SCHEDULE NO. 2010

LEASE SCHEDULE NO. 2010

**Schedule No. 2010
to the
Master Lease-Purchase Agreement,
dated as of November 15, 2003,
between
St. Johns County School Board Leasing Corporation (the "Corporation")
and
School Board of St. Johns County, Florida (the "Board")**

THIS LEASE SCHEDULE NO. 2010 (the "Lease Schedule") is hereby entered into under and pursuant to that certain Master Lease-Purchase Agreement, dated as of November 15, 2003, as amended (the "Lease Agreement" and together with the Lease Schedule, the "Series 2010 Lease"), pursuant to which the Corporation has agreed to lease-purchase to the Board and the Board has agreed to lease-purchase from the Corporation, subject to the terms and conditions of the Lease Agreement, the Series 2010 Project as herein described. All capitalized terms not otherwise defined herein shall have the respective meanings therefor set forth in the Lease Agreement or the Trust Agreement unless to context clearly indicates otherwise. Reference to "Lease Agreement" herein shall include the terms of this Lease Schedule.

1. Findings. The Board and the Corporation hereby find and determine that:

(a) The Board has heretofore executed and delivered the Lease Agreement pursuant to which it has established a master lease-purchase program.

(b) The Board has heretofore lease-purchased various educational facilities and equipment from the Corporation in accordance with the terms of the Lease Agreement, as described in previously executed Lease Schedules.

(c) In order to finance the acquisition, construction, reconstruction, renovation, installation and equipping of certain educational facilities and equipment (as more particularly described herein, the "Series 2010 Project"), the Board and the Corporation hereby agree to cause the issuance of the hereinafter defined Series 2010 Certificates pursuant to the Master Trust Agreement, dated as of November 15, 2003, and the Series 2010 Supplemental Trust Agreement, dated as of September 1, 2010, among The Bank of New York Mellon Trust Company, N.A., as Trustee, the Corporation and the Board (the "Series 2010 Supplemental Trust Agreement" and together with the Master Trust Agreement, the "Trust Agreement").

(d) In consideration for the financing of the educational facilities equipment and improvements which shall constitute the Series 2010 Project, the Board and the Corporation agree to enter into this Lease Schedule No. 2010, whereby the Board will lease such Series 2010 Project from the Corporation and agree to make Basic Rent Payments and Sinking Fund Payments sufficient to pay the principal and interest represented by the Series 2010 Certificates.

2. Series 2010 Project. The leased property, which is described in Section 6 of this Lease Schedule (the "Series 2010 Project"), and has a Maximum Cost of \$16,000,000 shall be acquired, constructed and installed, and lease-purchased, by the Board from the Corporation pursuant to the terms of the Lease Agreement.

3. Commencement Date; Lease Term; Other Definitions; Prepayment Provisions. For purposes of this Lease Schedule and the Lease Agreement:

(a) The Commencement Date for the Series 2010 Project is September __, 2010.

(b) The Initial Lease Termination Date of the lease of the Series 2010 Project shall be June 30, 2011. The Maximum Lease Term shall commence on the Commencement Date hereof and terminate on June 30, 2027.

(c) The Estimated Completion Date is September __, 2013.

4. Certificates of Participation.

(a) The Certificates of Participation issued under the Trust Agreement and related to this Lease Schedule are identified as "Certificates of Participation School Board of St. Johns County, Florida Master Lease Program, Series 2010 (Qualified School Construction Bonds – Federally Taxable – Issuer Subsidy), Evidencing an Undivided Proportionate Interest of the Owners thereof in Basic Rent Payments to be made by the School Board of St. Johns County, Florida, as Lessee under a Master Lease-Purchase Agreement with St. Johns County School Leasing Corporation, as Lessor" (the "Series 2010 Certificates"). In accordance with the Trust Agreement, the Interest Component of the Basic Rent Payments represented by the Series 2010 Certificates shall be calculated at a rate of _____% per annum, calculated on the basis of a 360 day year consisting of twelve 30 day months.

(b) There is no Credit Enhancement for the Series 2010 Certificates.

(c) The Reserve Requirement for the Series 2010 Subaccount established in the Reserve Account under the Trust Agreement shall be zero (\$0.00).

(d) The Optional Prepayment Date for the Series 2010 Certificates shall be determined in accordance with paragraph (h) below.

(e) The Closure Date of the Series 2010 Subaccount of the Project Account established for the Series 2010 Certificates shall be the date on which the Expenditure Period expires.

(f) No Prepayment Amount is designated for purposes of 6.03(g) of the Trust Agreement; provided, however, that any amounts remaining in the Series 2010 Subaccount of the Project Account upon termination of the Expenditure Period shall be

applied to the prepayment of the Series 2010 Certificates in accordance with paragraph (g) below.

(g) The Series 2010 Certificates are subject to extraordinary mandatory prepayment in Authorized Denominations, in whole or in part, on a date designated by the Board that occurs no later than the ninetieth day following the last day of the Expenditure Period, at a Prepayment Price equal to the Principal Component represented by the Series 2010 Certificates called for prepayment, plus accrued interest to the prepayment date, in an amount equal to the unexpended proceeds of the sale of the Series 2010 Certificates held by the Trustee, but only to the extent that the Board fails to expend all of the "available project proceeds" (as defined in Section 54A(e)(4) of the Code) of the Series 2010 Certificates for Qualified Purposes within the Expenditure Period; provided, however, to the extent that the principal amount of the Series 2010 Certificates required to be prepaid exceeds \$1,000,000, the Board shall also pay an amount equal to the Prepayment Premium (as defined in the Series 2010 Supplemental Trust Agreement) with respect to such excess.

(h) The Series 2010 Certificates may be prepaid, from prepayments of Basic Rent made by the Board pursuant to the Series 2010 Lease, in whole or in part on any date, and if in part, by lot within a maturity in such manner as may be designated by the Trustee, at the Prepayment Price equal to (a) 100% of the Principal Component of the Basic Rent Payments represented by the Series 2010 Certificates to be prepaid, plus (b) the Prepayment Premium, plus (c) accrued and unpaid interest thereon to the optional prepayment date.

(i) Prepayment is not permitted pursuant to Section 5.08(c) of the Lease Agreement. Any insurance or condemnation proceeds derived with respect to the Series 2010 Project shall be applied in accordance with Section 14 hereof.

4. Basic Rent Payments; Sinking Fund Payment Dates and Basic Rent Payment Dates. The Basic Rent Payments payable by the Board to the Corporation with respect to the Series 2010 Project under the Lease Agreement are set forth in Schedule A attached hereto. The Sinking Fund Payment Date with respect to the Series 2010 Certificates shall be each September 1 as set forth in Schedule A hereto. The Basic Rent Payment Date with respect to the principal portion of the Basic Rent Payments represented by the Series 2010 Certificates shall be on the August 15 prior to the Maturity Date of the Series 2010 Certificates. The Basic Rent Payment Dates with respect to the Interest Component of the Basic Rent Payments represented by the Series 2010 Certificates shall be on the February 15 and August 15 prior to each March 1 and September 1 payment set forth in Schedule A.

5. Use of Certificate Proceeds. The proceeds of the Series 2010 Certificates shall be disbursed as follows:

Deposit to Series 2010 Subaccount of Project Account
established for the Series 2010 Certificates

6. The Series 2010 Project. The Project Description, Project Budget and Project Schedule for the Series 2010 Project are attached hereto as Schedule B. The Board agrees to maintain Builder's Risk Insurance during the construction period.

7. Designated Equipment. The Designated Equipment for the Series 2010 Project is attached hereto as part of Schedule B.

8. The Land. A description of the Land, including any Ground Leases, is attached as Schedule C attached hereto.

9. Title Insurance. For purposes of Section 6.03(c) of the Trust Agreement, the aggregate amount of title insurance applicable to the site on which the Series 2010 Project shall be located shall be the lesser of (i) \$1,000,000, or (ii) the fair market or agreed upon value of such site.

10. Other Permitted Encumbrances. Those encumbrances set forth in the title policy delivered in connection with the 2010 Project Site.

11. Other Documents. The documents required by Section 3.01(c) of the Lease Agreement to be submitted with this Lease Schedule are attached hereto as Schedule D.

12. Assignment of Lease Agreement and Assignment of Ground Lease. The Corporation hereby acknowledges that all Lease Payments and its rights, title and interest in this Lease Schedule and, with certain exceptions, the Lease Agreement have been assigned to the Trustee pursuant to the Assignment of Lease Agreement, dated as of November 15, 2003, as supplemented and amended pursuant to the Series 2010 Amendment to Assignment of Lease Agreement between the Corporation and the Trustee, dated as of September 1, 2010, and that all of its right, title and interest in the Ground Lease Agreement, dated as of September 1, 2010, between the Board and the Corporation (the "Ground Lease"), have been assigned to the Trustee pursuant to the Assignment of Ground Lease, dated as of September 1, 2010, from the Corporation to the Trustee.

13. Certification Required by Lease Agreement. Pursuant to Section 3.01(c)(ii) of the Lease Agreement, the Board hereby reaffirms the Board's covenants, representations and warranties made under the Lease Agreement, except as modified hereby, and further certifies that no default has occurred and is continuing under the Lease Agreement.

14. Section 5.08(c) and (d) of Lease Agreement Not Applicable. Notwithstanding the provisions set forth in Sections 5.08(c) and (d) of Lease Agreement, the Board may elect not to repair, restore or replace the Series 2010 Project or any portion thereof which has been destroyed, damaged or lost or condemned, with the Net Proceeds of any insurance or condemnation award, by filing a certificate with the Trustee for the Series 2010 Certificates stating that (i) the Board has made such an election and (ii) it is not in the best interests of the Board to repair, restore or replace such Series 2010 Project or portion thereof. Upon such an election, if the Net Proceeds are not greater than the amount of the Basic Rent Payments coming due in the immediately following fiscal year under the Series 2010 Lease, then such amounts shall be used first, to pay the Interest

Component of the Series 2010 Certificates for the next two Interest Payment Dates and then to pay the Sinking Fund Payment next coming due. In the event the Net Proceeds are greater than the amount of the Basic Rent Payments coming due under the Series 2010 Lease in the immediately following fiscal year, at the option of the Board, the Board shall apply the Net Proceeds of such insurance or condemnation award to (i) the acquisition, construction and installation of other Land and/or Buildings to be used for educational purposes that will be subject to the Series 2010 Lease or (ii) upon receipt of a Favorable Opinion, to the Series 2010 Subaccount of the Interest Account, or Series 2010 Subaccount of the Principal Account, as applicable, to be credited against the payments next due to such accounts or subaccounts. The provisions of Section 5.08(d) of the Lease Agreement shall not apply to the Series 2010 Project.

15. Fire and Extended Coverage Insurance and Flood Insurance. In lieu of provisions contained in Section 5.05 of the Lease Agreement, with respect to the Series 2010 Certificates and Series 2010 Project, the following provisions shall apply:

(a) The Board shall procure and maintain, or cause to be procured and maintained, throughout the Lease Term, subject to the requirements of State law, insurance against loss or damage to any part of the Series 2010 Project by fire or lightning, with extended coverage and vandalism and malicious mischief insurance. Said extended coverage insurance shall, as nearly as practicable, also cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance may be maintained as part of or in conjunction with any other fire and extended coverage insurance carried or required to be carried by the Board, and may be maintained in whole or in part in the form of self-insurance by the Board, provided such self-insurance complies with the provisions of Section 5.07 of the Lease Agreement. The Net Proceeds of such insurance shall be applied as provided in Section 5.06 of the Lease Agreement.

(b) Flood insurance shall be separately maintained by the Board for any property included in the Series 2010 Project which is located in a federally designated flood plain, in such amounts per occurrence as are available at commercially reasonable costs and in minimum amounts necessary to qualify for federal disaster relief programs. In the event the Board considers flood insurance to be unavailable at commercially reasonable rates, it shall so notify the Trustee. If the Trustee identifies insurance for such coverage at commercially reasonable rates, the Board shall be obligated to obtain such insurance. In the event that the Trustee and the Board determine that flood insurance is unavailable at commercially reasonable rates, such flood insurance shall be maintained in whole in the form of self-insurance by the Board in compliance with the provisions of Section 5.07 of the Lease Agreement.

16. Unexpended Moneys. In lieu of the provisions contained in Section 3.07 of the Lease Agreement, with respect to the Series 2010 Certificates and Series 2010 Project, the following provisions shall apply:

(a) The Corporation and the Board agree that unexpended moneys remaining in the Series 2010 Subaccount of the Costs of Issuance Account shall, upon payment in full of Costs of Issuance relating thereto be deposited in the Series 2010 Subaccount of the Project Account and that excess moneys, if any, remaining in a Series

2010 Subaccount of the Project Account funded from the Series 2010 Certificates shall, upon termination of the Expenditure Period, be applied in accordance with Section 3(g) hereof and Section 501(b) of the Series 2010 Supplemental Trust Agreement.

17. Amendments. Notwithstanding anything to the contrary in the Lease Agreement, any amendment or modification for purposes of conforming the Series 2010 Lease to any amendment to Section 54A, 54F, 6431 or other applicable sections of the Code, or to guidance or regulations published or promulgated, as the case may be, by the Internal Revenue Service, the Treasury Department or the Securities and Exchange Commission regarding or affecting Qualified School Construction Bonds shall be permitted without the consent of any Holder of Series 2010 Certificates, but only with prior written notice to the Holders of the Series 2010 Certificates; provided, that in no event shall any amendment or modification affect the amount or timing of any Lease Payments to be made by the School Board to the Trustee or any payments from the Trustee to the Owners of the Series 2010 Certificates.

18. Qualified School Construction Bonds. Notwithstanding anything to the contrary in the Lease Agreement, the following provisions shall apply to this Lease Schedule No. 2010:

(A) Designation. The Board hereby designates this Series 2010 Lease as a qualified school construction bond for purposes of Section 54F(a)(3) of the Code.

(B) Election to Receive Issuer Subsidy. Pursuant to Section 6431(f)(3)(B) of the Code, the School Board hereby makes an irrevocable election to have Section 6431 of the Code apply to the Series 2010 Lease and to receive the applicable credit under Section 6431(b) of the Code as determined in accordance with Section 6431(f)(l)(C) of the Code.

19. Representations, Warranties and Covenants Related to Qualified School Construction Bonds.

(A) The School Board represents and warrants that (i) prior to the expenditure of proceeds of the Series 2010 Certificates for Series 2010 Project, the School Board declared its intent to reimburse such expenditure with the proceeds of the Series 2010 Certificates, (ii) not later than 60 days after payment of the original expenditure, the School Board adopted an official intent to reimburse the original expenditure with proceeds of the Series 2010 Certificates, (iii) pursuant to the provisions of the Recovery Act, the State Department of Education has allocated to the School Board the authority to issue up to \$16,000,000 aggregate principal amount of QSCB's, which allocation must be utilized by October 1, 2010, (iv) it reasonably expects that 100% or more of the available project proceeds (as defined in Section 54A of the Code) will be spent for one or more Qualified Purposes within the three-year period beginning on the Closing Date and a binding commitment with a third party to spend at least 10% of the available project proceeds will be incurred within the six-month period beginning on the Closing Date.

(B) The School Board covenants that (i) no more than 2% of the sale proceeds of the Series 2010 Certificates shall be expended for costs of issuance of the Series 2010 Certificates; (ii) no reimbursement for expenditures shall be made later than

18 months after the date the original expenditure is made, (iii) no reimbursement of expenditures from proceeds of the Series 2010 Certificates shall be made after the end of the Expenditure Period, (iv) it will submit reports required by Section 54A(d)(3) of the Code, and (v) it will comply with special rules relating to arbitrage in accordance with Section 54A(d)(4) of the Code.

(C) The School Board hereby certifies that the applicable State and local law requirements governing conflicts of interest have been satisfied.

(D) The School Board hereby agrees to file Form 8038-CP (or any successor or similar form required under the Code) no earlier than the 90th day and no later than the 45th day preceding each Interest Payment Date identifying the amount of the interest to be paid on the Interest Payment Date.

(E) The School Board covenants that it will not take or fail to take any action, including, without limitation, substitution of the original Series 2010 Project, which could result in the Series 2010 Lease losing its status as a Qualified School Construction Bond or which would otherwise affect its right to receive the Issuer Subsidy.

20. Amendments to Lease Agreement.

(A) Notwithstanding any provision of the Lease Agreement to the contrary and only with respect to the Series 2010 Certificates or Series 2010 Project, any provisions of the Lease Agreement requiring an opinion of Special Counsel, including, without limitation, Sections 3.03(e), 5.13(b)(iii), 6.01(b)(ii) and 6.05 thereof, shall instead be deemed to require a Favorable Opinion (as defined in the Series 2010 Supplemental Trust Agreement).

(B) For purposes of the Series 2010 Lease, Section 7.03(ii) of the Lease Agreement shall be deemed to read as follows:

"(ii) Except in the case of an Event of Default under Section 7.02(c) hereof, without terminating this Lease Agreement, to re-enter and take possession of the Projects, or any portion thereof, other than Designated Equipment, and sell, lease or sublease such Projects, or any portion thereof, in accordance with applicable law, for the account of the Board, holding the Board liable for the difference between (i) the purchase price, rent and other amounts paid by the purchaser, lessee or sublessee pursuant to such sale, lease or sublease, and (ii) the Lease Payments and other amounts currently payable by the Board under and pursuant to this Lease Agreement; provided, however, that prior to termination of this Lease Agreement, the Projects, or any portion thereof, may be sold, re-let or otherwise disposed of only to such Person or Persons as shall not adversely affect the status of the Series 2010 Lease as a Qualified School Construction Bond; or"

(C) For all purposes hereof, Section 6.02 of the Lease Agreement shall be deemed inapplicable to the Series 2010 Lease.

(D) For the purposes of the Series 2010 Lease, Section 5.01 of the Lease Agreement is hereby amended to add the following subsection (r):

"(r) In the event 25% or less of District students are utilizing Projects financed under the Lease Agreement (such percentage to be projected by the Board from time to time), and except with respect to any lease-purchase agreements heretofore entered into by the Board outside of the Lease Agreement (including any future refinancings thereof), and except as consented to by a majority of the Owners of the Series 2010 Certificates, which consent shall not be unreasonably withheld, the Board hereby covenants not to lease-purchase any educational facilities comprised of Buildings and/or Land except pursuant to this Lease Agreement."

IN WITNESS WHEREOF, each of the parties hereto have caused this Lease Schedule No. 2010 to be executed by their proper corporate officers, all as of the 1st day of September , 2010.

**ST. JOHNS COUNTY SCHOOL BOARD
LEASING CORPORATION**

By: _____
President

(SEAL)

Attest: _____
Secretary

**SCHOOL BOARD OF ST. JOHNS
COUNTY, FLORIDA**

By: _____
Chairman

(SEAL)

Attest: _____
Superintendent

SCHEDULE A

BASIC RENT SCHEDULE

Basic Rent Payment Date	<u>Interest Component</u>	<u>Principal Component</u>	<u>Total Basic Rent Payment</u>
8/15/11			
2/15/12			
8/15/12			
2/15/13			
8/15/13			
2/15/14			
8/15/14			
2/15/15			
8/15/15			
2/15/16			
8/15/16			
2/15/17			
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2/15/22			
8/15/22			
2/15/23			
8/15/23			
2/15/24			
8/15/24			
2/15/25			
8/15/25			
2/15/26			
8/15/26			
2/15/27			
8/15/27			
Total			

SCHEDULE B

**SERIES 2010 PROJECT DESCRIPTION, SERIES 2010 PROJECT BUDGET,
PROJECT SCHEDULE AND DESIGNATED EQUIPMENT**

PROJECT DESCRIPTION AND SCHEDULE

ESTIMATED PROJECT BUDGET*

*Excludes investment earnings.

ESTIMATED DRAWDOWN SCHEDULE

DESIGNATED EQUIPMENT

That portion of the Series 2010 Project comprised of all equipment components not constituting fixtures of the educational facilities described under the heading "PROJECT DESCRIPTION AND SCHEDULE" above.

SCHEDULE C
DESCRIPTION OF THE LAND

SCHEDULE D

**DOCUMENTS REQUIRED BY SECTION 3.01(C)
OF THE LEASE AGREEMENT**

1. Resolution of the School Board.
2. Certificate of School Board.
3. Ground Lease Agreement.
4. Series 2010 Supplemental Trust Agreement.
5. Memorandum of Lease with respect to Series 2010 Project.
6. Memorandum of Ground Lease with respect to Series 2010 Project

APPENDIX B

SERIES 2010 SUPPLEMENTAL TRUST AGREEMENT

SERIES 2010 SUPPLEMENTAL TRUST AGREEMENT

by and among

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee**

and

**ST. JOHNS COUNTY SCHOOL BOARD LEASING CORPORATION,
as Lessor**

and

**SCHOOL BOARD OF ST. JOHNS COUNTY, FLORIDA,
as Lessee**

Dated as of September 1, 2010

Relating to

\$16,000,000

CERTIFICATES OF PARTICIPATION

**School Board of St. Johns County, Florida, Master Lease Program, Series 2010
(Qualified School Construction Bonds - Federally Taxable - Issuer Subsidy)
Evidencing an Undivided Proportionate Interest of the Owners thereof in**

**Basic Rent Payments to be made by the
School Board of St. Johns County, Florida, as Lessee,
under a Master Lease - Purchase Agreement with
St. Johns School Board Leasing Corporation, as Lessor.**

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EXHIBIT A FORM OF SERIES 2010 CERTIFICATES

SERIES 2010 SUPPLEMENTAL TRUST AGREEMENT

THIS SERIES 2010 SUPPLEMENTAL TRUST AGREEMENT, dated as of September 1, 2010 (the "Series 2010 Supplemental Trust Agreement"), amending and supplementing the Master Trust Agreement, dated as of November 15, 2003, as amended and supplemented (the "Trust Agreement"), by and among **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association with corporate trust powers qualified to accept trusts of the type set forth in the Trust Agreement (the "Trustee"), the **ST. JOHNS COUNTY SCHOOL BOARD LEASING CORPORATION**, a not-for-profit educational corporation duly organized and existing under the laws of the State of Florida (the "Corporation"), and the **SCHOOL BOARD OF ST. JOHNS COUNTY, FLORIDA**, acting as the governing body of the School District of St. Johns County, Florida (the "Board").

W I T N E S S E T H:

WHEREAS, the Board has heretofore deemed it in its best interests to lease-purchase certain real and/or personal property from time to time and has heretofore entered into a Master Lease-Purchase Agreement, dated as of November 15, 2003, as amended and supplemented (the "Lease Agreement"), between the Corporation, as lessor, and the Board, as lessee; and

WHEREAS, pursuant to the Lease Agreement, the Board may from time to time, by execution of a Lease Schedule to the Lease Agreement (a "Lease Schedule"), direct the Corporation to acquire, construct and lease-purchase to the Board the items of property described in such Lease Schedule (which items of property are collectively referred to herein as the "Projects"); and

WHEREAS, provision for the payment of the cost of acquiring, constructing and installing each Project will be made by the issuance and sale from time to time of a Series (as defined in the Trust Agreement) of Certificates of Participation issued under the Trust Agreement (the "Certificates"), which shall be secured by and be payable from the right of the Corporation to receive Basic Rent Payments (as defined in the Trust Agreement) to be made by the Board pursuant to the Lease Agreement and related Lease Schedule; and

WHEREAS, the Trustee has agreed to deliver a Series of Certificates pursuant to and upon receipt of a Request and Authorization (as defined in the Trust Agreement) from the Corporation and the Board and the terms of this Series 2010 Supplemental Trust Agreement; and

WHEREAS, the Corporation has assigned by absolute outright assignment to the Trustee all of its right, title and interest in and to the Lease Agreement and the Lease Payments (as defined in the Trust Agreement), other than its rights of indemnification, its obligations pursuant to Section 6.03 of the Lease Agreement and its right to enter into Lease Schedules from time to time, pursuant to the Assignment of Lease Agreement, dated as of November 15, 2003, as amended and supplemented (the "Assignment of Lease Agreement"), between the Corporation and the Trustee; and

WHEREAS, the Board has heretofore caused the Trustee to execute, authenticate and deliver, from time to time under the Trust Agreement, multiple Series of Certificates of Participation for the purpose of financing or refinancing the costs of Projects; and

WHEREAS, each Series of Certificates (other than Completion Certificates and partial Refunding Certificates) shall be secured independently from each other Series of Certificates; and

WHEREAS, the Board and the Corporation shall enter into Lease Schedule No. 2010, dated as of the date hereof, for the lease-purchase of various educational facilities and equipment, as more particularly described in said Lease Schedule No. 2010; and

WHEREAS, on February 17, 2009, the American Recovery and Reinvestment Act of 2009 (the "Recovery Act") was enacted to provide a stimulus to the economy including provisions for alternative forms of financing public school facilities; and

WHEREAS, Section 1521 of the Recovery Act (the "QSCB Act," codified in Section 54A and 54F of the Internal Revenue Code of 1986, as amended), subject to the limitations and conditions imposed therein, authorizes the Board to issue or cause to be issued on its behalf "qualified school construction bonds" ("QSCBs") for the construction, rehabilitation or repair of a public school facility, for the acquisition of land on which such a facility is to be constructed and for the cost of acquisition of equipment to be used in such facilities with the proceeds of such QSCBs; and

WHEREAS, the State Department of Education has allocated the School Board the authority to issue up to \$16,000,000 aggregate principal amount of QSCBs, which allocation must be utilized by October 1, 2010; and

WHEREAS, the Code has been amended to, among other things, permit issuers of QSCBs to elect to issue current interest paying obligations and to receive a direct federal payment of current interest pursuant to Section 6431 of the Code in lieu of the tax credits provided for QSCBs; and

WHEREAS, it is in the best interests of the School Board to issue QSCBs with a direct federal subsidy pursuant to Section 6431 of the Code; and

WHEREAS, the School Board has designated the Series 2010 Lease as a QSCB and has elected in the Series 2010 Lease to receive the direct federal subsidy pursuant to Section 6431 of the Code; and

WHEREAS, the Trustee has received a Request and Authorization from the Corporation relating to the issuance of \$16,000,000 aggregate principal amount of "Certificates of Participation School Board of St. Johns County, Florida Master Lease Program, Series 2010 (Qualified School Construction Bonds – Federally Taxable – Issuer Subsidy), Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made by the School Board of St. Johns County, Florida, as Lessor, under a Master Lease-Purchase Agreement with St. Johns County School Board Leasing Corporation, as Lessor" (the "Series 2010 Certificates"); and

WHEREAS, proceeds of the Series 2010 Certificates shall be used pursuant to the Trust Agreement to finance the acquisition, construction and installation of the Series 2010 Project and to pay the costs of issuance of the Series 2010 Certificates; and

WHEREAS, the Series 2010 Certificates shall be secured in the manner provided in the Trust Agreement and shall have the terms and provisions contained in this Series 2010 Supplemental Trust Agreement; and

WHEREAS, all things necessary to make the Series 2010 Certificates, when authenticated by the Trustee and issued as provided herein and in the Trust Agreement, the valid, binding and legal obligations according to the terms thereof, have been done and performed, and the creation, execution and delivery of this Series 2010 Supplemental Trust Agreement, and the creation, execution and issuance of the Series 2010 Certificates subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS SERIES 2010 SUPPLEMENTAL TRUST AGREEMENT WITNESSETH:

ARTICLE I
DEFINITIONS

SECTION 101. DEFINITIONS. Capitalized words and terms which are defined in the Trust Agreement, shall have the same meanings ascribed to them when used herein, unless the context or use indicates a different meaning or intent. In addition to the words and terms elsewhere defined in this Series 2010 Supplemental Trust Agreement, the following words and terms as used in this Series 2010 Supplemental Trust Agreement shall have the following meanings unless the context or use indicates another or different meaning or intent:

"Available Revenues" shall mean the moneys and revenues of the Board legally available under the Act to make the Lease Payments.

"Arbitrage Certificate" shall mean the Certificate as to Arbitrage and Other Tax Matters executed and delivered by the Board in connection with the issuance of the Series 2010 Certificates.

"Authorized Denomination" shall mean \$5,000 and integral multiples thereof.

"Business Day" shall mean a day other than (a) a Saturday, Sunday or day on which banks in the State of New York or banks located in the city in which the designated corporate trust office of the Trustee is located are required or authorized by law or executive order to close for business, and (b) a day on which The New York Stock Exchange is closed.

"Closing Date" shall mean the date of delivery of the Series 2010 Certificates to the Initial Purchasers against payment therefor.

"Expenditure Period" shall mean the three-year period beginning on the Closing Date, as such period may be extended pursuant to Section 54A(d)(2)(B) of the Code.

"Favorable Opinion" shall mean a written opinion of Special Counsel addressed to the Board, the Corporation and the Trustee to the effect that the action proposed to be taken will not adversely affect the status of the Series 2010 Lease as a Qualified School Construction Bond.

"Initial Purchaser" shall mean Fifth Third Bank.

"Interest Payment Date" shall mean each January 1, and July 1, commencing January 1, 2011 and ending on the Maturity Date or earlier prepayment date.

"Issuer Subsidy" shall mean the amount payable by the United States Treasury to the School Board on each Payment Date pursuant to Section 6431 of the Code.

"Lease Schedule No. 2010" shall mean Lease Schedule No. 2010 relating to the Series 2010 Project dated as of September 1, 2010 which shall be part of the Lease Agreement.

"Maturity Date" shall mean July 1, 2027.

"Payment Date" shall mean each Interest Payment Date and the Maturity Date or date of earlier prepayments.

"Permitted Investments" shall mean:

1. (a) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"), (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

2. Federal Housing Administration debentures.

3. The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

- Federal Home Loan Mortgage Corporation (FHLMC) Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts) Senior Debt obligations
- Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) Consolidated system-wide bonds and notes
- Federal Home Loan Banks (FHL Banks) Consolidated debt obligations
- Federal National Mortgage Association (FNMA) Senior debt obligations Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)
- Student Loan Marketing Association (SLMA)
Senior debt obligations (excluded are securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date)
- Financial Corporation (FICO) Debt obligations
- Resolution Funding Corporation (REFCORP) Debt obligations

4. Unsecured certificates of deposit, time deposits and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which are rated "A-1" or better by S&P.

5. Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least \$5 million.

6. Commercial paper (having original maturities of not more than 270 days) rated "A-1+" by S&P and "Prime-1" by Moody's.

7. Money market funds rated "AAM" or "AAM-G" by S&P, or better.

8. "State Obligations," which means:

A. Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's and "A" by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

B. Direct general short-term obligations of any state agency or subdivision or agency thereof described in (A) above and rated "A-1+" by S&P and "MIG-1" by Moody's.

C. Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (A) above and rated "AA" or better by S&P and "Aa" or better by Moody's.

9. Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

A. the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

B. the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

C. the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");

D. the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the

municipal obligations;

E. no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

F. the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

10. Repurchase agreements with (1) any domestic bank, or domestic branch of a foreign bank, the long-term debt of which is rated at least "A" by S&P and Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A" or better by S&P and Moody's and acceptable to the Insurer, provided that:

A. The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach);

B. The Trustee or a third party acting solely as agent therefor or for the Board (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

C. The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

D. All other requirements of S&P in respect of repurchase agreements shall be met; and

E. The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must, at the direction of the Board or the Trustee (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Board or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (A) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

11. Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in

the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "A" by S&P and "A" by Moody's; provided that, by the terms of the investment agreement:

A. interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on the Bonds;

B. the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the Board and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

C. the investment agreement shall state that it is the unconditional and general obligation of, and is not subordinated to any other obligation or, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

D. the Board or the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the Board, the Trustee and the Insurer) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Insurer;

E. the investment agreement shall provide that if during its term:

(1) the provider's rating by either S&P or Moody's falls below "A" or "A," respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the Board, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

(2) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3," respectively, the provider must, at the direction of the Board or the Trustee (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Board or Trustee, and

F. The investment agreement shall state and an opinion of counsel shall

be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

G. the investment agreement must provide that if during its term:

(1) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Board or the Trustee (who shall give such direction if so directed by the Credit Enhancer), be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Board or Trustee, as appropriate, and

(2) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Board or Trustee, as appropriate.

12. Nonnegotiable Certificates of Deposit with a qualified public depository in accordance with Chapter 280, Florida Statutes.

13. Such other obligations as shall be permitted to be legal investments of the Board by the laws of the State.

14. Units of participation in the Local Government Surplus Funds Trust Fund established pursuant to Part IV, Chapter 218, Florida Statutes, as amended.

15. Other forms of investments approved in writing by a majority of the Owners of the Series 2010 Certificates.

For purposes of the foregoing, compliance with any minimum rating requirement shall be determined at the time the investment is made; and the Trustee shall have no duty to monitor rating levels of investments on an ongoing basis.

"Prepaid Installment" shall mean the amount of the principal portion of the Basic Rent Payments represented by the Series 2010 Certificates to be prepaid pursuant to the terms hereof which would have been paid on the Maturity Date.

"Prepayment Premium" means the sum of fees calculated separately for each Prepaid Installment, as follows:

(i) The Owner of the Series 2010 Certificates will first determine the amount of interest which would have accrued each month for the Prepaid Installment had it remained outstanding until the Maturity Date, using the interest rate applicable to the Series 2010 Certificates under the Trust Agreement plus 25 basis points.

(ii) The Owner of the Series 2010 Certificates will then subtract from each

monthly interest amount determined in (i), above, the amount of interest which would accrue for that Prepaid Installment if it were reinvested from the date of prepayment through the Maturity Date, using the Treasury Rate plus 227 basis points.

(iii) If (i) minus (ii) for the Prepaid Installment is greater than zero, the Owner of the Series 2010 Certificates will discount the monthly differences to the date of prepayment by the Treasury Rate plus 227 basis points. The Owner of the Series 2010 Certificates will then add together all of the discounted monthly differences for the Prepaid Installment to determine the Prepayment Premium.

Upon the School Board's written request, the Owner shall provide the School Board with the dollar amount of the Prepayment Premium as of a particular date, including evidence of the mathematical computation by which such Prepayment Premium was calculated for such date.

"QSCBs" or **"Qualified School Construction Bonds"** shall mean qualified school construction bonds as defined in Sections 54A and 54F of the Code.

"Qualified Purpose" shall mean the expenditure of proceeds of the Series 2010 Certificates for the construction, rehabilitation, or repair of a public school facility or the acquisition of land on which such a facility is to be constructed and for the cost of acquisition of equipment to be used in such facilities. Reimbursement of such costs to the School Board shall constitute a Qualified Purpose if such proceeds are used to reimburse the School Board for amounts paid for a Qualified Purpose after the date the Secretary of the United States Treasury made an allocation of bond limitation applicable to the Series 2010 Certificates, but only if (i) prior to the payment of the original expenditure, the School Board has declared its intent to reimburse such expenditure with the proceeds of the Series 2010 Certificates, (ii) not later than 60 days after payment of the original expenditure, the School Board adopts an official intent to reimburse the original expenditure with such proceeds, and (iii) the reimbursement is made not later than 18 months after the date the original expenditure is paid.

"Record Date" shall mean, (a) with respect to the interest portion of the Basic Rent Payments represented by the Series 2010 Certificates, the close of business on the first day of the month preceding an Interest Payment Date, and (b) with respect to the principal portion of the Basic Rent Payments represented by the Series 2010 Certificates, the close of business on the first (1st) day of the month preceding the Maturity Date or earlier prepayment date.

"Recovery Act" shall mean the American Recovery and Reinvestment Act of 2009.

"Refunding Securities" means the investments set forth in paragraphs 1 and 9 of Permitted Investments.

"Related Documents" shall mean the Trust Agreement, the Lease Agreement, the Ground Lease, the Assignment of Lease Agreement and the Assignment of Ground Lease, as the same may be supplemented and amended from time to time.

"Reserve Requirement" shall mean, with respect to the Series 2010 Certificates, zero dollars (\$0.00).

"Series 2010 Account of the Prepayment Fund" shall mean the account established in the Prepayment Fund established pursuant to Section 6.02 of the Trust Agreement and Section 401 hereof.

"Series 2010 Certificates" shall mean \$16,000,000 Certificates of Participation School Board of St. Johns County, Florida Master Lease Program, Series 2010 (Qualified School Construction Bonds – Federally Taxable – Issuer Subsidy), Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made by the School Board of St. Johns County, Florida, as Lessor, under a Master Lease-Purchase Agreement with St. Johns County School Board Leasing Corporation, as Lessee.

"Series 2010 Lease" shall mean, the Master Lease-Purchase Agreement, dated as of November 15, 2003, between the Board and the Corporation, as amended and supplemented, particularly as amended and supplemented by Lease Schedule No. 2010.

"Series 2010 Pledged Accounts" shall mean the Series 2010 Subaccount of the Project Account, the Series 2010 Subaccount of the Costs of Issuance Account, the Series 2010 Subaccount of the Principal Account, the Series 2010 Subaccount of the Interest Account, the Series 2010 Account of the Prepayment Fund and the Series 2010 Sinking Fund Account.

"Series 2010 Project" shall mean the educational facilities, equipment and improvements described as the "Series 2010 Project" in Lease Schedule No. 2010, as the same may be amended or modified from time to time.

"Series 2010 Subaccount of the Costs of Issuance Account" shall mean the subaccount established in the Costs of Issuance Account pursuant to Sections 6.02 and 6.04 of the Trust Agreement and Section 401 hereof.

"Series 2010 Subaccount of the Interest Account" shall mean the subaccount established in the Interest Account pursuant to Sections 6.02 and 6.06 of the Trust Agreement and Section 401 hereof.

"Series 2010 Subaccount of the Principal Account" shall mean the subaccount established in the principal account pursuant to Sections 6.02 and 6.06 of the Trust Agreement and Section 401 hereof.

"Series 2010 Subaccount of the Project Account" shall mean the subaccount established in the Project Account pursuant to Sections 6.02 and 6.03 of the Trust Agreement and Section 401 hereof.

"Series 2010 Supplemental Trust Agreement" shall mean this instrument, as amended and supplemented.

"Sinking Fund Payments" means the payments to be made by the Board and deposited to the Series 2010 Sinking Fund Account as set forth in Schedule A to Lease Schedule No. 2010.

"Sinking Fund Forward Delivery Agreement" means a forward delivery agreement in form and substance and with a counterparty that is reasonably acceptable to the Initial Purchaser and which meets the following conditions:

(a) The forward delivery agreement provides for delivery (delivery versus payment) of non-callable direct obligations of the U.S. Treasury or obligations of U.S. Agencies the timely payment of principal and interest on which is guaranteed by the full faith and credit of the United States of America;

(b) The securities will be held by the Trustee in the Series 2010 Sinking Fund Account; and

(c) All delivered securities must be free and clear of any liens and shall have a maturity of 5 years or less, but in no event may any such securities mature after the Maturity Date.

"Sinking Fund Investment Agreement" means a Sinking Fund Forward Delivery Agreement or a Sinking Fund Repurchase Agreement.

"Sinking Fund Repurchase Agreement" means a repurchase agreement in form and substance and with a counterparty that is reasonably acceptable to the Initial Purchaser and which meets the following conditions:

(a) The repurchase agreement provides for delivery of non-callable direct obligations of the U.S. Treasury or obligations of U.S. Agencies the timely payment of principal and interest on which is guaranteed by the full faith and credit of the United States of America;

(b) The securities will be held by the Trustee, or if not held by the Trustee, another third-party custodian and valuation agent acceptable to the Initial Purchaser;

(c) The repurchase agreement has a minimum margin requirement of 103%, subject to a higher margin requirement if the counterparty is downgraded below "A";

(d) All securities shall be marked-to-market daily by the valuation agent;

(e) The provider of the repurchase agreement must cure deficiencies within two (2) business days;

(f) All delivered securities must be free and clear of any liens; and

(g) Amounts held subject to the repurchase agreement will be pledged as collateral to the Trustee for the benefit of the Owners of the Series 2010 Certificates, and to the extent that it is not the owner, the Trustee shall have a perfected first security interest therein.

Additionally, any Sinking Fund Repurchase Agreement shall be entered into on or before July 1, 2012.

"Special Counsel" shall mean Livermore, Freeman & McWilliams, P.A., or such other firm of nationally recognized bond counsel as may be selected by the Board.

"Treasury Rate" shall mean the yield on the Treasury Constant Maturity Series with maturity equal to the Maturity Date of the Principal Installment which are principal payments. If no maturity exactly, corresponding to such Maturity Date appears on Release No. 15, the Treasury Rate will be determined by linear interpolation between the yields reported in Release No. 15 (calculated as of the date of prepayment in accordance with accepted financial practice and rounded to the nearest quarter-year), as reported in Federal Reserve Statistical Release H.15, Selected Interest Rates of the Board of Governors of the Federal Reserve System, or any successor publication. If for any reason Release H.15 is no longer published, the Owner of the Series 2010 Certificates shall select a comparable publication to determine the Interest Rate Swap Rate.

"Trustee" shall mean The Bank of New York Mellon Trust Company, N.A. and any successor thereto.

ARTICLE II
THE SERIES 2010 CERTIFICATES

SECTION 201. AUTHORIZATION OF SERIES 2010 CERTIFICATES. (a)

There is hereby created a Series of Certificates to be issued under the Trust Agreement to be known as "Certificates of Participation School Board of St. Johns County, Florida Master Lease Program, Series 2010 (Qualified School Construction Bonds – Federally Taxable – Issuer Subsidy) Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made by the School Board of St. Johns County, Florida, as Lessor, under a Master Lease-Purchase Agreement with St. Johns County Leasing Corporation, as Lessee." The aggregate principal amount of Series 2010 Certificates which may issued is hereby expressly limited to \$16,000,000. The Series 2010 Certificates shall be issued for the purposes of (i) financing the acquisition, construction, installation and lease-purchase of the Series 2010 Project, and (ii) paying Costs of Issuance of the Series 2010 Certificates; provided, however, that proceeds of Series 2010 Certificates shall be used only for Qualified Purposes and payment of Costs of Issuance of the Series 2010 Certificates shall not exceed 2% of the proceeds of the sale of the Series 2010 Certificates. The Series 2010 Certificates shall bear interest from their dated date and shall be issuable as fully registered Certificates without coupons in denominations of \$1,000 and integral multiples thereof.

(b) Except as otherwise provided in the Trust Agreement, each Series 2010 Certificate shall be dated as of Closing Date. Interest on the Series 2010 Certificates shall be payable on each Payment Date, commencing September 1, 2011; provided, however, if any Payment Date is not a Business Day then the scheduled interest shall be paid on the next succeeding Business Day but the amount of interest then due shall only be determined as of the originally scheduled Payment Date. The Series 2010 Certificates shall be payable in the manner provided in the Trust Agreement.

(c) Pursuant to Section 18(A) of Lease Schedule No. 2010, the Board has designated the Series 2010 Lease as a QSCB and pursuant to Section 18(B) of Lease Schedule No. 2010 has elected to receive the Issuer Subsidy pursuant to Section 6431 of the Code.

(d) The Series 2010 Certificates shall be dated as of their date of delivery, shall be issued in the aggregate principal amount of \$16,000,000, shall have a final maturity of July 1, 2027 and bear interest at ___% (calculated on the basis of a 360 day year consisting of twelve 30-day months). The Series 2010 Certificates shall be registered in the name of the Initial Purchaser and shall be lettered and numbered in such manner as the Trustee deems appropriate.

SECTION 202. ISSUANCE OF SERIES 2010 CERTIFICATES. The Series 2010 Certificates shall be issued upon delivery to the Trustee of the documents referred to in Section 4.02 of the Trust Agreement and the payment of the purchase price therefor; provided that in lieu of the opinion of Special Counsel to the effect that the Interest Component of such Series of Certificates is excluded from gross income for federal income tax purposes required under Section 4.02, there shall be delivered to the Trustee instead an opinion of Special Counsel to the effect that the Series 2010 Lease constitutes a "qualified school construction bond" under Section 54F of the Code and that the interest

component of the Series 2010 Certificates is not excluded from gross income for federal income tax purposes.

SECTION 203. THE SERIES 2010 PROJECT. The Series 2010 Project shall be acquired, constructed and installed as provided in the Trust Agreement, the Lease Agreement and Lease Schedule No. 2010.

SECTION 204. SECTIONS 6.03(C) AND (D) OF TRUST AGREEMENT DEEMED SATISFIED. Pursuant to the provisions of Section 11.01(i) of the Trust Agreement, the Board, the Corporation and the Trustee hereby agree that with respect to the Series 2010 Certificates (A) the requirements of Section 6.03(c)(ii) of the Master Trust shall be deemed satisfied, and the Board shall not be required to deliver copies of the invoices, bills of sale or purchase contracts with respect to Equipment or the construction of a Building on Land to the Trustee in connection with the Series 2010 Project, as long as the Board provides the Trustee with a written summary of the invoices, bills of sale or purchase contracts for Equipment or the construction of a Building on Land relating to the Series 2010 Project for which payment is requested under such Requisition, and (B) the requirements of Section 6.03(d) of the Master Trust shall be deemed satisfied, and the Board shall not be required to deliver the documents required by Section 6.03(d) of the Master Trust to the Trustee, in each case as long as the Board retains the documents required by said Section 6.03(d) on file in its offices and makes such documents available to the Trustee upon reasonable request; provided, however, that the Board shall certify in such Requisition that the documents required by Section 6.03(d) of the Master Trust are then on file with the Board and open to inspection by the Trustee upon reasonable request.

SECTION 205. LETTER OF INSTRUCTIONS. The Letter of Instructions relating to the Series 2010 Certificates required by Section 6.12 of the Trust Agreement shall be attached to the Arbitrage Certificate. The Trustee, the Corporation and the Board agree to abide by the provisions of such Letter of Instructions in accordance with and to the extent of the terms of the Trust Agreement.

ARTICLE III

APPLICATION OF SERIES 2010 CERTIFICATE PROCEEDS

SECTION 301. APPLICATION OF SERIES 2010 CERTIFICATE PROCEEDS.

The proceeds of the Series 2010 Certificates shall be applied by the Trustee as follows:

(1) Deposit to the credit of the Series 2010 Subaccount of the Costs of Issuance Account an amount equal to the Costs of Issuance of the Series 2010 Certificates \$_____;

(2) Deposit to the credit of the Series 2010 Subaccount of the Project Account of the Project Fund the balance of the proceeds from the sale of the Series 2010 Certificates \$_____.

All moneys on deposit in the Subaccounts described in this Section shall be applied in accordance with Section 301 hereof and shall be disbursed by the Trustee in the manner and for the purposes described in the Trust Agreement.

ARTICLE IV

ESTABLISHMENT OF SERIES 2010 PLEDGED ACCOUNTS

SECTION 401. ESTABLISHMENT OF SERIES 2010 PLEDGED ACCOUNTS.

In accordance with Section 6.02(b) of the Trust Agreement, there is hereby established with the Trustee, solely for the benefit of the Owners of the Series 2010 Certificates, the following accounts and subaccounts:

(a) The "School Board of St. Johns County, Florida, Master Lease Series 2010 Subaccount of the Project Account."

(b) The "School Board of St. Johns County, Florida, Master Lease Series 2010 Subaccount of the Costs of Issuance Account."

(c) The "School Board of St. Johns County, Florida, Master Lease Series 2010 Subaccount of the Interest Account."

(d) The "School Board of St. Johns County, Florida, Master Lease Series 2010 Subaccount of the Principal Account."

(e) The "School Board of St. Johns County, Florida, Master Lease Series 2010 Account of the Prepayment Fund."

(f) The "School Board of St. Johns County, Florida, Master Lease Series 2010 Sinking Fund."

The moneys on deposit in the Account and Subaccounts described in this Section shall be disbursed by the Trustee in the manner and for the purposes described in the Trust Agreement, except as follows:

(i) The Trustee shall deposit the Sinking Fund Payments received from the Board into the Series 2010 Sinking Fund Account to be held therein until transferred to the Series 2010 Subaccount of the Principal Account and used to pay the Principal Component represented by Series 2010 Certificates due at maturity or to the Series 2010 Account of the Prepayment Fund upon earlier prepayment. Interest earnings on amounts on deposit in the Series 2010 Sinking Fund Account shall be credited against the next Sinking Fund Payment due from the Board. In the event the Sinking Fund Investment Agreement is terminated or any other investment therein is liquidated, and as a result thereof, there is a loss on amounts on deposit in the Series 2010 Sinking Fund Account, the Board shall deposit, on or prior to the next Sinking Fund Payment Date, an amount equal to such investment loss into the Series 2010 Sinking Fund Account. Said amount, together with all future Sinking Fund Payments and interest earnings thereon, shall be reasonably expected to result in an amount not greater than the Principal Component of the Series 2010 Certificates on the Maturity Date, and

(ii) The Trustee shall deposit the principal portion of the Basic Rent Payments represented by the Series 2010 Certificates received from the Board and Sinking Fund Payments transferred from the Series 2010 Sinking Fund Account pursuant to clause (i) above, to the Series 2010 Subaccount of the Principal Account to be held

therein until used to pay the Principal Component represented by the Series 2010 Certificates due at their Maturity Date or to the Series 2010 Account of the Prepayment Fund on a Prepayment Date upon earlier prepayment.

(iii) The moneys in the Series 2010 Sinking Fund Account may only be invested in a Sinking Fund Investment Agreement, United States Treasury STRIPS, or investments set forth in clauses (a), (b) or (c) of paragraph 1 of Permitted Investments with a maturity not later than the Maturity Date, or if consented to by a majority of the Owners of the Series 2010 Certificates, any other Permitted Investment with a maturity not later than the Maturity Date.

(iv) With respect to the Series 2010 Certificates and Series 2010 Project, Section 6.03(g) of the Trust Agreement shall read as follows:

"(g) Upon expiration of the Expenditure Period relating to such Project for the closure of the related subaccount of the Project Account, the subaccount of the Project Account established in relation to such Project shall be closed and any amounts remaining in such subaccount of the Project Account shall be deposited into the account of the Prepayment Fund established for the Series of Certificates which financed such Project and shall be applied by the Trustee to effect an extraordinary mandatory prepayment of the Series of Certificates which financed such Project in accordance with the provision of Section 501(b) of the Series 2010 Supplemental Trust Agreement."

SECTION 402. SECURITY FOR SERIES 2010 CERTIFICATES. The Series 2010 Certificates shall be secured in the manner provided in the Trust Agreement and shall receive all the benefits of the Trust Estate created thereunder; provided, such portion of the Trust Estate which is derived from the sale, re-letting or other disposition of the Series 2010 Project and, subject only to the provisions of the Trust Agreement permitting the application thereof for the other purposes set forth therein, any cash, securities and investments in the Series 2010 Pledged Accounts shall be utilized solely for the benefit of the Owners of the Series 2010 Certificates. The Owners of the Series 2010 Certificates shall have no claim against, nor receive any benefits from, any portion of the Trust Estate derived from the sale, re-letting or other disposition of projects, other than the Series 2010 Project, or any cash, securities and investments in the Pledged Accounts, other than the Series 2010 Pledged Accounts.

ARTICLE V

PREPAYMENT OF SERIES 2010 CERTIFICATES

SECTION 501. PREPAYMENT DATES AND PRICES OF SERIES 2010 CERTIFICATES. (a) The Series 2010 Certificates are subject to prepayment only as provided in this Section. The Series 2010 Certificates are not subject to extraordinary prepayment prior to maturity pursuant to Section 5.08(c) of the Lease Agreement.

(b) *Extraordinary Mandatory Prepayment from Unexpended Proceeds of the Series 2010 Certificates.* The Series 2010 Certificates are subject to extraordinary mandatory prepayment in Authorized Denominations, in whole or in part, on a Date designated by the Board that occurs no later than the ninetieth day following the last day of the Expenditure Period, at a Prepayment Price equal to the principal portion of the Basic Rent Payments represented by the Series 2010 Certificates called for prepayment, plus accrued interest to the Prepayment Date, in an amount equal to the unexpended proceeds of the sale of the Series 2010 Certificates held by the Trustee, but only to the extent that the Board fails to expend all of the "available project proceeds" (as defined in Section 54A(e)(4) of the Code) of the Series 2010 Certificates for Qualified Purposes within the Expenditure Period; provided, however, to the extent that the principal amount of the Series 2010 Certificates required to be prepaid exceeds \$1,000,000, the School Board shall also pay an amount equal to the Prepayment Premium with respect to such excess.

(c) *Optional Prepayment.* The Series 2010 Certificates may be prepaid, from prepayments of Basic Rent Payments made by the School Board pursuant to the Series 2010 Lease, in whole or in part on any date, and if in part, by lot within a maturity in such manner as may be designated by the Trustee, at the Prepayment Price equal to (i) 100% of the principal portion of the Basic Rent Payments represented by the Series 2010 Certificates to be prepaid, plus (ii) the Prepayment Premium, plus (iii) accrued and unpaid interest thereon to the prepayment date.

(d) Notwithstanding anything in the Trust Agreement to the contrary, the School Board shall only be required to provide the Owner of the Series 2010 Certificates with irrevocable written notice at least fifteen (15) Business Days prior to any prepayment. Such notice shall specify the principal portion of the Basic Rent Payments represented by the Series 2010 Certificates to be prepaid and the date of such prepayment.

ARTICLE VI
MISCELLANEOUS

SECTION 601. PROVISIONS OF TRUST AGREEMENT NOT OTHERWISE MODIFIED. Except as expressly modified or amended hereby, the Trust Agreement shall remain in full force and effect. To the extent of any conflict between the terms of the Trust Agreement and this Series 2010 Supplemental Trust Agreement, the terms hereof shall control.

SECTION 602. AMENDMENT OF SERIES 2010 SUPPLEMENTAL TRUST AGREEMENT. Notwithstanding anything to the contrary in the Trust Agreement, the Corporation and the Trustee may amend this Series 2010 Supplemental Agreement or waive any provision hereof, without the consent of the holders of the Series 2010 Certificates or any other person, if (i) (a) an amendment to Section 54A, 54F or 6431 or any other Section of the Code is adopted, or a new or modified official interpretation of Section 54A, 54F or 6431 of the Code is issued, which is applicable to this Series 2010 Supplemental Trust Agreement and the transactions contemplated hereby; (b) legislation shall have been enacted by the United States or the State, or a decision shall have been rendered by a court of the United States or the Tax Court of the United States, or a ruling shall have been made or a regulation, proposed regulation or a temporary regulation or an official statement shall have been published in the Federal Register or any other release or announcement shall have been made by or on behalf of the Treasury Department of the United States, U.S. Securities and Exchange Commission or the Internal Revenue Service with respect to Qualified School Construction Bonds, or (ii) the substance of any amendment to or waiver of the provisions of this Series 2010 Supplemental Trust Agreement reflect the substantive changes described in clause (i), and (iii) the School Board shall have delivered to the Trustee a Favorable Opinion; provided, that in no event shall any such amendment affect the amount or timing of the payments of principal and interest represented by the Series 2010 Certificates.

SECTION 603. PROVISION OF FINANCIAL INFORMATION. So long as the Initial Purchaser is the owner of the Series 2010 Certificates, the School Board shall deliver to the Initial Purchaser a copy of its annual audited financial statements when available but no later than 210 days after the end of the School Board's fiscal year unless the audit is being conducted by the Auditor General of the State, in which case the audited financial statements shall be provided to the Initial Purchaser within fifteen (15) days after they are available. Upon written request, the School Board shall also provide the Initial Purchaser within a copy of its adopted annual budget.

SECTION 604. WAIVER OF JURY TRIAL. This Section 604 concerns the resolution of any controversies or claims between the parties, whether arising in contract, tort or by statute, that arise out of or relate to: (a) the Series 2010 Certificates; (b) the Trust Agreement; or (c) any Financing Document (collectively a "Claim"). The parties hereto irrevocably and voluntarily waive any right they may have to a trial by jury in respect of any Claim.

To the extent permitted by law, the School Board and the Owner agree that in any suit, action or proceeding brought in connection with the Trust Agreement, the

Series 2010 Certificates or any Financing Document (including any appeal(s)), the prevailing party shall be entitled to recover costs and attorneys' fees from the other party.

SECTION 605. COVENANT REGARDING REFINANCING OF OUTSTANDING CERTIFICATES. Until such time as the Series 2010 Certificates are no longer Outstanding under the Trust Agreement and except as may be consented to by a majority of the owners of the Series 2010 Certificates, which consent shall not be unreasonably withheld, the Board hereby covenants not to refinance any Series of Certificates currently Outstanding under the Master Trust Agreement on the date hereof except through the issuance of additional Certificates under the Master Trust Agreement.

SECTION 606. THIRD PARTY BENEFICIARIES. Nothing in this Series 2010 Supplemental Trust Agreement, express or implied, is to or shall be construed to confer upon or to give to any person or party other than the Corporation, and its assignee, the Trustee, the Owners of the Series 2010 Certificates and the Board any rights, remedies or claims under or by reason of this Series 2010 Supplemental Trust Agreement or any covenants, condition or stipulation hereof; and all covenants, stipulations, promises and agreements in this Series 2010 Supplemental Trust Agreement contained by or on behalf of the Corporation or the Board shall be for the sole and exclusive benefit of the Corporation, and its assignee, the Trustee, the Owners of the Series 2010 Certificates and the Board.

SECTION 607. COUNTERPARTS. This Series 2010 Supplemental Trust Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 608. HEADINGS. Any heading preceding the text of the several Articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Series 2010 Supplemental Trust Agreement, nor shall they affect its meaning, construction or effect.

SECTION 609. LAWS. This Series 2010 Supplemental Trust Agreement shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the parties have executed this Series 2010 Supplemental Trust Agreement by their officers thereunto duly authorized as of the date and year first written above.

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.**, as Trustee

By: _____
Vice President

**ST. JOHNS COUNTY SCHOOL BOARD
LEASING CORPORATION**, as Lessor

(SEAL)

By: _____
President

ATTEST:

By: _____
Secretary

**SCHOOL BOARD OF ST. JOHNS
COUNTY, FLORIDA**, as Lessee

(SEAL)

By: _____
Chairman

ATTEST:

By: _____
Superintendent

EXHIBIT A
FORM OF SERIES 2010 CERTIFICATES

APPENDIX C

SERIES 2010 GROUND LEASE

SERIES 2010 GROUND LEASE AGREEMENT

by and between

**THE SCHOOL BOARD OF ST. JOHNS COUNTY, FLORIDA,
as Lessor**

and

**ST. JOHNS COUNTY SCHOOL BOARD LEASING CORPORATION
as Lessee**

Dated as of September 1, 2010

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SERIES 2010 GROUND LEASE AGREEMENT

THIS SERIES 2010 GROUND LEASE AGREEMENT (hereinafter referred to as this "Series 2010 Ground Lease") is made and entered into as of September 1, 2010, by and between the **SCHOOL BOARD OF ST. JOHNS COUNTY, FLORIDA**, a school board duly organized and existing under the laws of the State of Florida (the "Board"), as lessor, acting as the governing body of the St. Johns County School District, and **THE ST. JOHNS COUNTY SCHOOL BOARD LEASING CORPORATION**, a single-purpose, not-for-profit corporation organized and existing under the laws of the State of Florida, having an office in St. Augustine, Florida (the "Corporation"), as lessee.

Capitalized terms not otherwise defined herein shall have the meanings set forth in Exhibit A to the Trust Agreement referred to herein.

WHEREAS, the Board is the owner of a certain parcel of real property located in St. Johns County, Florida and described in Exhibit A hereto (which, together with any easements or other rights or privileges in adjoining property inuring to the fee simple owner of such land by reason of ownership of such land and together with all parcels of real property hereunder made subject to the Series 2010 Ground Lease, is hereinafter referred to as the "Premises"); and

WHEREAS, the Corporation has acquired a leasehold interest in the Premises and will construct thereon certain educational facilities (together with the acquisition of certain equipment, the "Series 2010 Project") and has leased the Series 2010 Project, including a sublease of the Premises, to the Board; and

WHEREAS, in consideration for the acquisition and construction of the Series 2010 Project, the Corporation and the Board are entering into this Series 2010 Ground Lease with respect to the Premises;

NOW, THEREFORE, in consideration of the mutual agreements and covenants herein contained and for other valuable consideration, the parties hereto agree as follows;

SECTION 1. LEASED PREMISES. (a) Pursuant to the terms and provisions hereof, the Board hereby leases, grants, demises and transfers the Premises and the Series 2010 Project, other than the Designated Equipment, to the Corporation. The Board hereby agrees to make all parcels of real property on which the Series 2010 Project is sited part of the Premises and subject to this Series 2010 Ground Lease. The Board shall execute, deliver and record one or more supplements to this Series 2010 Ground Lease upon acquisition of each such parcel.

(b) Subject to the Permitted Encumbrances, the Board hereby warrants that (i) the Board owns the Premises in fee simple title, has full and insurable title to the fee estate in the Premises and owns unencumbered all such right, title and interest; (ii) all consents to or approvals of this Series 2010 Ground Lease required by law or any agreements or indentures binding upon the Board have been obtained; (iii) the Board has

the right to lease the Premises to the Corporation pursuant to the terms and provisions hereof and to grant to the Board the Premises Rights; and (iv) this Series 2010 Ground Lease complies with all the requirements and restrictions of record applicable to the Premises and the Servient Property. The Board represents and warrants that none of the Permitted Encumbrances has an adverse effect on the use of the Premises or the enjoyment of the leasehold estate therein created under this Series 2010 Ground Lease.

SECTION 2. TERM. The initial term of this Series 2010 Ground Lease (the "Initial Series 2010 Ground Lease Term") shall be for the period commencing on the Commencement Date, and ending on the earlier of (a) the date on which the Series 2010 Certificates (and any Completion Certificates and Refunding Certificates hereafter issued in connection with the Series 2010 Project) have been paid or provision for payment of such Series 2010 Certificates has been made pursuant to Section 12.01 of the Trust Agreement and any Supplemental Rent arising under the Lease Agreement shall have been paid or provided for, or (b) June 30, 2027 (both dates inclusive). As used herein, the expression "term hereof," "Series 2010 Ground Lease Term" or any similar expression refers collectively to the Initial Series 2010 Ground Lease Term and to any renewals of the Initial Series 2010 Ground Lease Term exercised by the Corporation or its assignee as provided in Section 22 hereof.

SECTION 3. USE OF PREMISES. (a) It is the express intent of the parties hereto that, for as long as no Event of Default or Event of Non-Appropriation under the Lease Agreement has occurred:

(i) the Premises shall be used by the Corporation as the site for acquisition, construction and installation of the Buildings comprising the Series 2010 Project;

(ii) the Buildings and Equipment comprising the Series 2010 Project shall be acquired, constructed, equipped and installed by the Board as agent for the Corporation as provided in Section 3.08 of the Lease Agreement; and

(iii) title to the Premises shall be in the Board upon commencement of the Series 2010 Ground Lease Term and title to all components of the Series 2010 Project, other than Designated Equipment, shall be in name of Corporation pursuant to the Lease Agreement, and title to the Buildings comprising the Series 2010 Project constructed on the Premises shall remain severed from title to the Premises until the earlier of (A) the date on which the Series 2010 Certificates (and any Completion Certificates and Refunding Certificates hereafter issued in connection with the Series 2010 Project) issued under the Trust Agreement shall no longer be Outstanding, and (B) the end of the Series 2010 Ground Lease Term.

(b) If the Lease Agreement has been terminated, the Corporation and each Permitted Transferee (as defined in Section 9(b) hereof) may use the Premises for any lawful purpose, in its sole discretion, and may alter, modify, add to or delete from the Series 2010 Project existing from time to time on the Premises.

(c) Neither the Corporation nor any Permitted Transferee shall use or permit the Premises to be used in violation of any valid present or future laws, ordinances, rules or regulations of any public or governmental authority at any time applicable thereto.

(d) The Board may at any time place portable educational facilities on the Premises. Such portables shall be owned by the Board.

SECTION 4. RENTAL. (a) So long as the Lease Agreement has not been terminated, the Corporation or its assignee shall pay to the Board as and for rental for the Premises the sum of ten dollars (\$10.00) per annum, which sum shall be due in advance on the Commencement Date (pro rated) and annually thereafter on the first day of each Renewal Lease Term.

(b) From and after the date on which the Lease Agreement has been terminated, the Corporation or its assignee shall pay as and for rental for the Premises an amount determined by an M.A.I. appraisal to be the fair market rental for the Premises (the "Appraisal"), which Appraisal shall be prepared by an appraiser selected by the Corporation (with the consent of the Trustee as assignee of the Corporation); provided, however, that such fair market rental and the payment thereof shall be subject to the following adjustments and conditions:

(i) if the Lease Agreement has been terminated on a date other than June 30 of any year, the fair market rental determined pursuant to the Appraisal shall be pro rated for the number of days between the date terminated and the next succeeding June 30;

(ii) for each twelve-month period beginning on the July 1 next succeeding the date on which terminated and beginning on each succeeding July 1, the amount of the fair market rental determined by the Appraisal shall be adjusted by the percentage (positive or negative) which is equal to the Implicit Price Deflator of the Consumer Price Index published by the United States Department of Commerce for the region of the United States where Florida is located or for the United States as a whole if not so published for such region;

(iii) the fair market rental due in any year shall be paid in the current year only to the extent that the moneys received by the Trustee as assignee of the Corporation from the exercise of the remedies permitted under the Lease Agreement during the preceding twelve months prior to such July 1 exceeded the Principal and Interest Requirements for such preceding twelve months and other amounts payable under the Lease Agreement; provided, however, that any portion of such fair market rental not paid in any year due to the provisions of this clause (iii) shall remain due and payable and shall accumulate from year to year and shall be paid in any future years to the extent that moneys received in such year from the exercise of the remedies permitted by the Lease Agreement exceed the Principal and Interest Requirements and the fair market rental due in such years; and

(iv) the failure to pay any portion of the fair market rental in any year due to insufficiencies of moneys realized from the exercise of the remedies permitted

under the Lease Agreement (A) shall not give rise to any obligation to pay interest on such unpaid fair market rental, and (B) shall not constitute a default under this Series 2010 Ground Lease by the Corporation or the Trustee as the assignee of the Corporation.

SECTION 5. OWNERSHIP OF IMPROVEMENTS AND SURRENDER OF PREMISES. (a) The Corporation or its assignee shall at all times during the Series 2010 Ground Lease Term have a leasehold estate in the Premises with full right to vest the use, enjoyment and possession of such leasehold estate therein in a Permitted Transferee.

(b) Possession and use of the Premises, together with all improvements thereon, shall, upon the last day of the Series 2010 Ground Lease Term or earlier termination of this Series 2010 Ground Lease, automatically revert to the Board free and clear of liens and encumbrances other than Permitted Encumbrances without necessity of any act by the Corporation or any Permitted Transferee. Upon such termination of this Series 2010 Ground Lease, the Corporation or its assignee shall peaceably and quietly surrender to the Board the Premises together with any improvements located in or upon the Premises. Upon such surrender of the Premises, the Corporation or any Permitted Transferee, at the reasonable request of the Board, shall execute an instrument prepared by or on behalf of the Board in recordable form evidencing such surrender and shall deliver to the Board all books, records, construction plans, surveys, permits and other documents relating to, and necessary or convenient for, the operation of the Premises and the improvements thereon in the possession of the Corporation or any Permitted Transferee.

(c) Any personal property of the Corporation, any Permitted Transferee or any Person which shall remain on the Premises after expiration or earlier termination of the Series 2010 Ground Lease Term and for sixty (60) days after request by the Board for removal, shall, at the option of the Board, be deemed to have been abandoned and may be retained by the Board and the same may be disposed of, without accountability, in such manner as the Board may see fit.

(d) If the Corporation or any Permitted Transferee holds over or refuses to surrender possession of the Premises after expiration or earlier termination of this Series 2010 Ground Lease, the Corporation or any Permitted Transferee shall be a tenant at sufferance and shall pay a rental rate equal to the fair market rental of the Premises determined in the manner provided in Section 4(b) hereof.

(e) The provisions of Sections 5(a), 5(b) and 5(c) hereof shall not apply to vending machines or other commercial equipment or trade fixtures located in or about the Premises to the extent that such equipment is readily removable from the Premises without causing material harm or damage thereto and that such equipment is not owned by the Corporation or any Permitted Transferee.

SECTION 6. BOARD'S INTEREST NOT SUBJECT TO CERTAIN LIENS. It is mutually intended, stipulated and agreed that neither the fee simple title to nor any interest of the Board in the Premises may be subject to liens of any nature arising by reason of any act or omission of the Corporation or any Person claiming under, by or

through the Corporation, including, but not limited to, mechanics' and materialmen's liens.

SECTION 7. INSURANCE. The Corporation covenants and agrees with the Board that the Corporation will cooperate with the Board in providing any information necessary for the Board to obtain and maintain in full force and effect insurance coverages desired by the Board or required by the Lease Agreement.

SECTION 8. CONDITION OF PREMISES, UTILITIES, CONCEALED CONDITIONS. (a) Except with regard to any environmental conditions and subject to the provisions of this Section 8, the Corporation agrees to accept the Premises in their presently existing condition, "as is."

(b) It is understood and agreed that the Board has determined that the Premises will safely or adequately support the Series 2010 Project, and hereby certifies same to the Corporation.

(c) The Board, at its sole expense, shall bring or cause to be brought to the Premises adequate connections for water, electrical power, storm sewerage and sewerage, and shall arrange with the appropriate utility companies for furnishing such services and shall provide to the Premises water service and capacity sufficient for operation, heating, ventilation and air conditioning equipment, and to the extent necessary to permit the Board to use the Series 2010 Project for the purposes intended or to permit such Series 2010 Project to comply with all requirements of law, the Corporation will provide and construct (but only to the extent of the proceeds of the Series 2010 Certificates (and any Completion Certificates and Refunding Certificates hereafter issued in connection with the Series 2010 Project) available therefor) such roads, streets, sidewalks and other methods of ingress and egress necessary therefor. Nothing herein shall prohibit the Board from dedicating any such utilities or roads, streets and sidewalks to the appropriate governmental authority or duty constituted investor-owned utility as required or permitted by law, and the Corporation or the Trustee as assignee of the Corporation shall cooperate in such dedication by executing any deeds or other instruments prepared by or on behalf of the Board required to effect such dedication.

SECTION 9. LIMITATION ON LEASEHOLD MORTGAGES, ASSIGNMENT AND SUBLETTING. (a) If the Lease Agreement has been terminated and subject to the terms and conditions herein provided, the Corporation may enter into a mortgage or mortgages of its leasehold interest created hereby in the Premises as security for the performance of its obligations under any financing obtained by the Corporation; provided, however, the fee title to the Premises shall not be subject to, or otherwise encumbered by, any such mortgage; provided, however, that each such leasehold mortgage shall be subject to the provisions of Section 9(d) hereof. Any such mortgage executed by the Corporation or its assignee pursuant to the provisions of the preceding sentence shall be hereinafter called a "Leasehold Mortgage" and the holder of any such mortgage shall be hereinafter called the "Leasehold Mortgagee."

(b) Except as expressly provided in this Section 9(b), the Corporation or its assignee shall not assign this Series 2010 Ground Lease, or any portion hereof, or

sublease all or any portion of the Premises at any time. Except as expressly permitted in this Section 9(b), any purported assignment, partial assignment or sublease without the Board's prior written consent in violation of this Section 9(b) shall be null and void. So long as the Lease Agreement has not been terminated, (i) the Corporation may assign this Series 2010 Ground Lease to the Trustee for the benefit of the Owners of the Series 2010 Certificates, and (ii) the Corporation shall sublet all of the Premises to the Board (the "Initial Sublessee") under the Lease Agreement. If the Lease Agreement shall have been terminated, the Corporation or its assignee may sublet the Premises or assign its interest in this Series 2010 Ground Lease (a "Permitted Sublease") to any Person for any lawful purpose without the prior consent of the Board; provided, however, that no Permitted Sublease shall relieve the Corporation of any of its duties or obligations hereunder without the prior written consent of the Board; provided, however, that each Permitted Sublease shall be subject to the provisions of Section 9(d) hereof. "Permitted Transferee" shall mean a sublessee or assignee permitted by this Section 9(b).

(c) If the Lease Agreement shall have been terminated and the Corporation or its assignee proposes to create a Permitted Sublease of any portion of its interest in this Series 2010 Ground Lease, the Corporation shall provide written notice thereof to the Board containing the names and addresses of the proposed assignee(s), sublessee(s) or transferee(s); provided, however, that failure to provide such notice shall not affect the validity or effectiveness of any Permitted Sublease to a Permitted Transferee.

(d) If the Lease Agreement shall have been terminated, nothing herein shall prevent the Corporation or its assignee from entering into a Leasehold Mortgage or a Permitted Sublease for individual parcels of land constituting the Premises. It shall not be necessary for a Leasehold Mortgage or a Permitted Sublease to cover all of the Premises.

(e) The Board recognizes that the Corporation, or its assignee, has the right to re-let the Series 2010 Project under the terms of the Lease Agreement upon an Event of Default or Event of Non-Appropriation.

SECTION 10. UTILITY EASEMENTS. So long as the Lease Agreement has not been terminated, the Board reserves the right to grant nonexclusive utility easements, licenses, rights-of-way and other rights or privileges in the nature of easements to others over, under, through, across or on the Premises but only to the extent reasonably necessary to provide services to the Premises or any other real property adjacent to the Premises; provided, however, that such grant and any use permitted thereby is not detrimental to the use or operation of the Premises or to any other uses permitted hereunder after the Series 2010 Ground Lease Term, will not impose any cost upon the Corporation or its assignee, will not weaken, diminish or impair lateral or subjacent support to the improvements to the Premises, including, without limitation the Series 2010 Project, will not impair or diminish the security of any Leasehold Mortgagee or Permitted Transferee hereunder and the Board agrees to indemnify and save harmless, to the extent permitted by law and only from Available Revenues, the Corporation or its assignee and any Leasehold Mortgagee and Permitted Transferee (whether the interest of such party in the Premises arises prior or subsequent to such grants) against any loss,

claim, liability or damages, including legal costs and defense arising or accruing from the use or exercise of such easement.

SECTION 11. DUTIES DEEMED PERFORMED. All obligations of the Corporation hereunder which are assumed by the Initial Sublessee shall be deemed, as between the Board and the Corporation hereunder, fully performed whether or not such Initial Sublessee actually performs same.

SECTION 12. TAXES AND FEES. (a) The Board represents and warrants that this Series 2010 Ground Lease is and will be exempt from ad valorem and intangible taxation. However, for as long as the Lease Agreement is in effect, should the Premises thereon or any interest therein ever become subject to any such taxes, the Board agrees to pay any and all such lawful taxes, assessments or charges which at any time may be levied by any federal, state, county, city, or any tax or assessment levying body upon the Premises or the Series 2010 Project, or any interest in this Series 2010 Ground Lease, or any possessory right which the Corporation or its assignee may have in or to the Premises thereon by reason of its use or occupancy thereof or otherwise.

(b) Notwithstanding the foregoing provision, either the Board or the Corporation shall, after notifying the other party hereto of its intention to do so, have the right in its own name or behalf, or in the name and behalf of the other party hereto, to contest in good faith by all appropriate proceedings the amount, applicability or validity of any such tax or assessment, and in connection with such contest, the Board may refrain from paying such tax or assessment. Each party shall, upon request by the other party hereto, assist and cooperate with the other party hereto in any such proceedings.

(c) In the event that the Board shall fail to pay any of the items required under this Section 12, the Corporation or its assignee may, at its sole option, pay the same and any amounts so advanced therefor by it shall become an additional obligation of the Board and Supplemental Rent under the Lease Agreement.

SECTION 13. DEFAULT BY THE CORPORATION. (a) Each of the following events shall be deemed a default by the Corporation hereunder and a breach of this Series 2010 Ground Lease:

(i) If the Corporation or its assignee shall fail to pay, when due, any rent or portion thereof, or any other sum, if any, which the Corporation or its assignee is obligated to pay under the terms and provisions of this Series 2010 Ground Lease, and such rent or other sums, if any, remain unpaid for a period of thirty (30) days after receipt of written notice to the Corporation from the Board;

(ii) If the Corporation or its assignee shall attempt to mortgage the leasehold estate hereby created in violation of Section 9(a) hereof or to assign this Series 2010 Ground Lease, or any portion thereof, or to sublease any portion of the Premises or the Series 2010 Project in violation of Section 9(b) hereof; or

(iii) If the Corporation or its assignee shall use the Premises for any purposes not permitted by this Series 2010 Ground Lease, and such use shall

continue for a period of thirty (30) days after the Board shall have given written notice to the Corporation or its assignee to desist from such use.

(b) In the event that the item of default set forth in Section 13(a)(iii) above is of such a nature that it cannot be remedied within the time limits therein set forth, then the Corporation shall have such additional time as is reasonably necessary to cure such default, provided the Corporation diligently commences the curing of such default within said time limits and proceeds to completely cure the same in a timely and diligent manner.

(c) In the event that any Permitted Transferee or Leasehold Mortgagee exists of record at the time that a default occurs hereunder, the Board shall give notice thereof to each such Permitted Transferee and Leasehold Mortgagee and each such party shall have thirty (30) additional days from receipt of such notice to cure such default; provided, however, that if the default is of such a nature that the same cannot be cured in such time, then such party shall have such additional time as is reasonably necessary to cure such default provided that such party diligently commences the curing of such default within such time and proceeds completely to cure same within a timely and diligent manner.

SECTION 14. REMEDIES OF BOARD. Upon the occurrence of any event of default as set forth in Section 13 hereof which has not been cured (and is not in the process of being cured) under Section 13(b) or 13(c) hereof, but not otherwise, the Board may take whatever action at law or in equity may appear necessary or desirable to enforce its rights hereunder; provided, the Board shall not have the right to terminate this Series 2010 Ground Lease until such time as the Series 2010 Certificates have been paid or provision for payment has been made pursuant to the terms and provisions of the Trust Agreement. The Board shall have recourse solely against the leasehold estate of the Corporation or its assignee in the Premises, and any proceeds thereof, for the payment of any liabilities of the Corporation or its assignee hereunder.

SECTION 15. NO WAIVERS. No waiver by either party hereto at any time of any of the terms, conditions, covenants or agreements of this Series 2010 Ground Lease, or noncompliance therewith, shall be deemed or taken as a waiver at any time thereafter of the same, nor of any other term, condition, covenant or agreement herein contained, nor of the strict and prompt performance thereof by the other party hereto. No delay, failure or omission of the Board to re-enter the Premises, nor by either party hereto to exercise any right, power, privilege or option arising from any default shall impair any right, power, privilege or option, or be construed to be a waiver of any such default, relinquishment thereof or acquiescence therein, and no notice by either party hereto shall be required to restore or revive time as being of the essence hereof after waiver by the Board of default in one or more instances. No option, right, power, remedy or privilege of the Board shall be construed as being exhausted or discharged by the exercise thereof in one or more instances. It is agreed that each and all of the rights, powers, options or remedies given to each party by this Series 2010 Ground Lease are cumulative, and no one of them shall be exclusive of the other or exclusive of any remedies provided by law.

SECTION 16. QUIET ENJOYMENT. The Board agrees that the Corporation and any Permitted Transferee, upon the payment of the rent and all other payments and charges, if any, to be paid by the Corporation or its assignee under the terms of this Series 2010 Ground Lease, and observing and keeping the agreements and covenants of this Series 2010 Ground Lease on its part to be observed and kept, shall lawfully and quietly hold, occupy and enjoy the Premises during the term of this Series 2010 Ground Lease, without hindrance or molestation from the Board or anyone claiming by, through or under the Board.

SECTION 17. TERMS BINDING UPON SUCCESSORS. All the terms, conditions and covenants of this Series 2010 Ground Lease shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

SECTION 18. CONDEMNATION. In the event that any Person, public or private, shall by virtue of eminent domain or condemnation proceedings, or by purchase in lieu thereof, at any time during the term of this Series 2010 Ground Lease acquire title to the Premises:

(a) For as long as the Lease Agreement has not been terminated, the Net Proceeds resulting therefrom shall be applied pursuant to the Lease Agreement.

(b) If the Lease Agreement shall have been terminated, (i) if such Person acquires title to such substantial portion thereof that the Corporation determines that it cannot economically make use of the residue for the lawful purposes intended by this Series 2010 Ground Lease, such acquisition of title shall terminate this Series 2010 Ground Lease, effective as of the date on which the condemning party takes possession thereof, and the Net Proceeds resulting therefrom shall be applied first to payment of the amount secured by any Leasehold Mortgage then outstanding hereunder, second, to payment of any outstanding Series 2010 Certificates, and, third, the balance, if any shall be paid to the Board and the Corporation, as their respective interests may appear; and (ii) if such Person acquires title to a portion of the Premises only, and the Corporation determines that it can economically make beneficial use of the residue thereof for the lawful purposes intended by this Series 2010 Ground Lease, then this Series 2010 Ground Lease shall continue in full force and effect and the Net Proceeds resulting therefrom shall be paid to the Board and the Corporation, as their respective interests appear.

(c) It is understood that the foregoing provisions of this Section 18 shall not in any way restrict the right of the Board or the Corporation to appeal the award made by any court or other public agency in any condemnation proceeding.

SECTION 19. NON-MERGER OF LEASEHOLD. There shall be no merger of this Series 2010 Ground Lease or of the leasehold estate hereby created with the fee estate in the Premises or any part thereof by reason of the fact that the same Person may acquire or hold, directly or indirectly, this Series 2010 Ground Lease or leasehold estate hereby created or any interest in this Series 2010 Ground Lease or in such leasehold estate and the fee estate in the Premises or any interest in such fee estate. There shall be no merger of this Series 2010 Ground Lease with the Lease Agreement by reason of the fact that the

Board is the owner of the fee title to the Premises and the leasehold estate in all or a portion of the Series 2010 Project created under the Lease Agreement or by reason of the fact that the Corporation is the owner of the leasehold estate in the Premises created hereby and is the owner of the fee title in the Series 2010 Project as provided in the Lease Agreement. The leasehold interest granted by the Corporation to the Board under the Lease Agreement is and shall be independent of this Series 2010 Ground Lease. The Lease Agreement shall not be an assignment or surrender of the leasehold interest granted under this Series 2010 Ground Lease to the Board.

SECTION 20. MEMORANDUM OF SERIES 2010 GROUND LEASE. Unless mutually agreed to the contrary, simultaneously with the execution of this Series 2010 Ground Lease, the Board and the Corporation shall each execute, acknowledge and deliver a Memorandum of Series 2010 Ground Lease with respect to this Series 2010 Ground Lease. Said Memorandum of Series 2010 Ground Lease shall not in any circumstances be deemed to change or otherwise to affect any of the obligations or provisions of this Series 2010 Ground Lease.

SECTION 21. CHANGES TO PROPERTY DESCRIPTION. The Board reserves the right to substitute other land for, or add land to all or any portion of the premises described in Exhibit A hereto, as same may be supplemented by supplements to this Series 2010 Ground Lease from time to time. The Board will do so only after notice and public hearing and subsequent adoption of a resolution in accordance with the Act. Upon such substitution the Memorandum of Series 2010 Ground Lease will be supplemented to reflect the change in legal description. Any such supplement shall be substantially in the form of Exhibit C attached hereto. Each substitution of a parcel of land subject to the provisions of this Series 2010 Ground Lease shall require the consent of the Credit Enhancer. Such consent by the Credit Enhancer shall only be required if the Credit Enhancer is not in default of its payment obligations under its Credit Facility or municipal bond insurance policy.

SECTION 22. OPTION TO RENEW. In the event that the Lease Agreement shall have been terminated, and the Corporation, or the Trustee as the assignee of the Corporation, excludes the Board from possession of the Series 2010 Project, the Board grants to the Corporation and the Trustee the right and option to renew this Series 2010 Ground Lease for a period not to exceed ten years at a fair market rental to be determined, adjusted and paid in the manner and under the conditions set forth in Section 4(b) of this Series 2010 Ground Lease.

SECTION 23. ESTOPPEL CERTIFICATES. The Board, at any time and from time to time, upon not fewer than thirty (30) days prior written notice from the Corporation or the Trustee as assignee of the Corporation, will execute, acknowledge and deliver to the Corporation, the Trustee as assignee of the Corporation or any Permitted Transferee, a certificate of the Board certifying that this Series 2010 Ground Lease is unmodified (or, if there have been any modifications, identifying the same), that this Series 2010 Ground Lease is in full force and effect, if it is; and that there is no default hereunder (or, if so, specifying the default). It is intended that any such certificate may be relied upon by the Corporation or the Trustee as assignee of the Corporation or any Permitted Transferee.

SECTION 24. NONRECOURSE OBLIGATION OF THE CORPORATION.

Notwithstanding anything to the contrary herein or in any exhibit, instrument, document or paper relating to this Series 2010 Ground Lease or any of the transactions contemplated hereby, the parties hereto hereby acknowledge and agree that upon the assignment by the Corporation of its rights hereunder to the Trustee pursuant to the Assignment of Lease Agreement and Assignment of Series 2010 Ground Lease Agreement, the Corporation shall have no further obligation, liability or responsibility hereunder and no party hereto nor their successors or assigns shall look to the Corporation for any damages, expenses, fees, charges or claims with respect to the failure of any obligations hereunder to be performed.

SECTION 25. NO RECOURSE UNDER AGREEMENT. All covenants, stipulations, promises, agreements and obligations of the parties hereto contained in this Series 2010 Ground Lease shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the parties hereto, respectively, and not of any member, officer, employee or agent of the parties hereto in an individual capacity, and no recourse shall be had for the payment of rent pursuant to Section 4 hereof or for any claim based thereon under this Series 2010 Ground Lease Agreement against any member, officer, employee or agent of the parties hereto.

SECTION 26. RADON GAS. Section 404.056, Florida Statutes, requires that the following notification be given: "RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit."

SECTION 27. MISCELLANEOUS. (a) This Series 2010 Ground Lease shall be governed by, and be construed in accordance with, the laws of the State of Florida.

(b) Any notice required or desired to be given hereunder, or any items required or desired to be delivered hereunder, may be served or delivered personally or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Board: School Board of St. Johns County, Florida
40 Orange Avenue
St. Augustine, Florida 32084
Attention: Superintendent

If to the Corporation: The St. Johns County School Board Leasing
Corporation
c/o School Board of St. Johns County, Florida
40 Orange Avenue
St. Augustine, Florida 32084
Attention: Superintendent

If to the Trustee: The Bank of New York Mellon Trust Company, N.A.
 10161 Centurion Parkway
 Jacksonville, Florida 32256
 Attention: Corporate Trust Department

or such other address or party as the party to be served may direct by written notice to the other party. If such notice is sent or delivery is made by registered or certified mail, such notice or delivery shall be deemed served, made and effective seventy-two (72) hours after posting.

(c) It is mutually acknowledged and agreed by the parties hereto that this Series 2010 Ground Lease contains the entire agreement between the Board and the Corporation with respect to the subject matter of this Series 2010 Ground Lease; that there are no verbal agreements, representations, warranties or other understandings affecting the same.

(d) Nothing herein contained shall be deemed to create a partnership or joint venture, nor shall the relationship between the parties be construed as principal and agent, or other than as landlord and tenant.

(e) The table of contents, headings and captions of this Series 2010 Ground Lease are inserted solely for convenience of reference, and under no circumstances shall they be treated or construed as part of, or as affecting, this Series 2010 Ground Lease.

(f) For purposes of computing any period of a number of days hereunder for notices or performance (but not for actual days of interest) of ten (10) days or fewer, Saturdays, Sundays and holidays shall be excluded.

(g) Any provision of this instrument in violation of the laws of the State of Florida shall be ineffective to the extent of such violation, without invalidating the remaining provisions of this instrument. In no event shall the Corporation or its assigns have any cause of actions against the officers or employees of the Board, or against any elected official of the Board based upon or materially related to any finding by any court that any or all provisions of this instrument violate Florida law.

(h) Nothing in this Series 2010 Ground Lease, expressed or implied, is to or shall be construed to confer upon or to give to any person or party other than the Corporation, and its assignee, the Trustee and the Board any rights, remedies or claims under or by reason of this Series 2010 Ground Lease or any covenants, condition or stipulation hereof; and all covenants, stipulations, promises and agreements in this Series 2010 Ground Lease contained by or on behalf of the Corporation or the Board shall be for the sole and exclusive benefit of the Corporation, and its assignee and the Board.

(i) This Series 2010 Ground Lease Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Board and the Corporation have caused this Series 2010 Ground Lease to be executed in duplicate, either of which may be considered an original, the day and year first above written.

**SCHOOL BOARD OF ST. JOHNS
COUNTY, FLORIDA**, as Lessor

By: _____
Chairman

ATTEST:

By: _____
Superintendent

**THE ST. JOHNS COUNTY SCHOOL
BOARD LEASING CORPORATION**,
as Lessee

By: _____
President

ATTEST:

By: _____
Secretary

STATE OF FLORIDA)
) SS:
COUNTY OF ST. JOHNS)

The foregoing Series 2010 Ground Lease Agreement was acknowledged before me this day of September, 2010, by Bill Mignon and Dr. Joseph Joyner, the Chairman and Superintendent, respectively, of the SCHOOL BOARD OF ST. JOHNS COUNTY, FLORIDA. Such person(s) did not take an oath and:

- ___ is/are personally known to me.
- ___ produced a current Florida driver's license as identification.
- ___ produced _____ as identification.

(SEAL)

Name:
Notary Public, State of Florida
My Commission Expires:

STATE OF FLORIDA)
) SS:
COUNTY OF ST. JOHNS)

The foregoing Series 2010 Ground Lease Agreement was acknowledged before me this day of September, 2010, by Bill Mignon and Dr. Joseph Joyner, the President and Secretary, respectively, of THE ST. JOHNS COUNTY SCHOOL BOARD LEASING CORPORATION. Such person(s) did not take an oath and:

- ___ is/are personally known to me.
- ___ produced a current Florida driver's license as identification.
- ___ produced _____ as identification.

(SEAL)

Name:
Notary Public, State of Florida
My Commission Expires:

EXHIBIT A
PREMISES DESCRIPTION

(SEE ATTACHMENT)

LEGAL DESCRIPTION:

A PORTION OF SECTION 33, TOWNSHIP 5 SOUTH, AND A PORTION OF SECTION 4, TOWNSHIP 6 SOUTH, BOTH IN RANGE 29 EAST, ST. JOHNS COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR THE POINT OF BEGINNING COMMENCE AT THE SOUTHWESTERLY CORNER OF TRACT "A", MARSHALL CREEK DRI UNTIL ONE, ACCORDING TO MAP THEREOF RECORDED IN MAP BOOK 41, PAGES 52 THROUGH 57 OF THE PUBLIC RECORDS OF SAID COUNTY; THENCE NORTH 90°00'00" EAST, ALONG THE SOUTHERLY BOUNDARY OF SAID TRACT "A", 120.57 FEET; THENCE SOUTH 66°54'26" EAST, 285.00 FEET; THENCE NORTH 78°27'51" EAST, 205.75 FEET TO THE SOUTHWESTERLY BOUNDARY OF SAID TRACT "A"; THENCE SOUTH 56°10'23" EAST, ALONG SAID SOUTHWESTERLY BOUNDARY, 285.45 FEET TO THE NORTHWESTERLY RIGHT-OF-WAY LINE OF PALENCIA VILLAGE DRIVE (A VARIABLE WIDTH RIGHT-OF-WAY AS NOW ESTABLISHED) PER SAID PLAT OF MARSHALL CREEK DRI UNTIL ONE; THENCE THE FOLLOWING (2) COURSES ALONG SAID NORTHWESTERLY RIGHT-OF-WAY LINE: COURSE (1) – SOUTH 29°21'58" WEST, 252.60 FEET TO A POINT OF CURVATURE; COURSE (2) – IN A SOUTHERLY DIRECTION, ALONG THE ARC OF A CURVE, SAID CURVE BEING CONCAVE EASTERLY AND HAVING A RADIUS OF 650.00 FEET, A CHORD BEARING AND DISTANCE OF SOUTH 22°13'12" WEST, 161.72 FEET; THENCE NORTH 90°00'00" WEST, 303.72 FEET; THENCE NORTH 50°44'45" WEST, 635.33 FEET TO THE SOUTHEASTERLY LINE OF A BOUNDARY LINE AGREEMENT RECORDED IN BOOK 878, PAGE 1190 OF THE OFFICIAL RECORDS OF SAID COUNTY; THENCE NORTH 38°53'53" EAST, ALONG SAID SOUTHEASTERLY LINE, 253.63 FEET TO THE POINT OF BEGINNING.

THE LAND THUS DESCRIBED CONTAINS 8.43 ACRES, MORE OR LESS.

EXHIBIT B

DESCRIPTION OF SERVIENT PROPERTY

[NONE]

EXHIBIT C

**[FIRST, SECOND, THIRD, ETC.]
SERIES 2010 GROUND LEASE SUPPLEMENT**

This [First, Second, Third, etc.] Series 2010 Ground Lease Supplement ("Subject Supplement") is made and entered into as of _____ by the **SCHOOL BOARD OF ST. JOHNS COUNTY, FLORIDA** (the "Board") acting as the governing body of the School District of St. Johns County, Florida (the "District") and **THE ST. JOHNS COUNTY SCHOOL BOARD LEASING CORPORATION**, a single-purpose Florida not-for-profit corporation (the "Corporation"). All capitalized terms used herein and not otherwise defined shall have the meaning set forth therefor in the "Series 2010 Ground Lease" as hereinafter set forth.

W I T N E S S E T H:

WHEREAS, the Board and the Corporation entered into a certain Series 2010 Ground Lease Agreement (the "Series 2010 Ground Lease") a memorandum of which was recorded in Official Records Book _____ at Page _____ of the Public Records of St. Johns County, Florida; and

WHEREAS, the Board owns that certain real property more particularly described in Exhibit A attached hereto and made a part hereof ("Subject Parcel"); and

WHEREAS, the Subject Parcel is a portion of the Series 2010 Project and, as such, is to be subject to the Series 2010 Ground Lease as contemplated thereby; and

NOW, THEREFORE, in consideration of the premises and for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged by each party hereto by the other party hereto, the parties hereto do hereby acknowledge and agree as follows:

1. The foregoing recitations are true and correct and are incorporated herein by reference.

2. The Subject Parcel is hereby declared to be a part of the Premises (as defined in the Series 2010 Ground Lease) which constitutes a portion of the Series 2010 Project and, therefore, is a part of the Premises as set forth in the Series 2010 Ground Lease with the leasehold estate, operation and effect of the Series 2010 Ground Lease applying to the Subject Parcel as fully and to the same extent as if the Subject Parcel were described in the Series 2010 Ground Lease and therein set forth to be a part of the Premises.

3. The Series 2010 Ground Lease, as modified by previous Series 2010 Ground Lease Supplements and] as modified hereby remains in full force and effect in accordance with the terms and provisions thereof.

IN WITNESS WHEREOF, each of the parties hereto have caused this Subject Supplement to be executed by their duly authorized officers or agents, all as of the day and year first above written.

**SCHOOL BOARD OF ST. JOHNS COUNTY,
FLORIDA**

By: _____
Chairman

ATTEST:

By: _____
Superintendent

**THE ST. JOHNS COUNTY SCHOOL BOARD
LEASING CORPORATION**

By: _____
President

ATTEST:

By: _____
Secretary

SIMULTANEOUS ASSIGNMENT

All of the rights, title and interest of The St. Johns County School Board Leasing Corporation hereunder are hereby assigned without recourse or warranty to The Bank of New York Mellon Trust Company, N.A., as Trustee, as successor in interest to and assignee of The St. Johns County School Board Leasing Corporation under the Assignment.

**THE ST. JOHNS COUNTY SCHOOL BOARD
LEASING CORPORATION**

By: _____
President

Dated: _____

STATE OF FLORIDA)
) SS:
COUNTY OF ST. JOHNS)

The foregoing Series 2010 Ground Lease Supplement was acknowledged before me this ____ day of _____, by _____ and _____, the Chairman and Superintendent, of the School Board of St. Johns County, Florida. Such person(s) did not take an oath and:

- ____ is/are personally known to me.
- ____ produced a current Florida driver's license as identification.
- ____ produced _____ as identification.

(SEAL)

Name:
Notary Public, State of Florida
My Commission Expires:

STATE OF FLORIDA)
) SS:
COUNTY OF ST. JOHNS)

The foregoing Series 2010 Ground Lease Supplement was acknowledged before me this ____ day of _____, by _____ and _____, the President and Secretary, of The St. Johns County School Board Leasing Corporation. Such person(s) did not take an oath and:

- ____ is/are personally known to me.
- ____ produced a current Florida driver's license as identification.
- ____ produced _____ as identification.

(SEAL)

Name:
Notary Public, State of Florida
My Commission Expires:

APPENDIX D
PURCHASE CONTRACT

PURCHASE CONTRACT

September __, 2010

School Board of St. Johns County, Florida
40 Orange Street
St. Augustine, FL 32084

St. Johns County School Board
Leasing Corporation
40 Orange Street
St. Augustine, Florida 32084

Re: Certificates of Participation, Series 2010 (Qualified School Construction Bonds -Federally Taxable - Issuer Subsidy) Evidencing an Undivided Proportionate Interest of the Registered Owners thereof in Basic Rent Payments to be made by The School Board of St. Johns County, Florida, as Lessee, pursuant to a Master Lease-Purchase Agreement with St. Johns County School Board Leasing Corporation, as Lessor

Members of The School Board of St. Johns County, Florida and St. Johns County School Board Leasing Corporation:

Fifth Third Bank (the "Purchaser") hereby offers to purchase from The School Board of St. Johns County, Florida (the "School Board") and the St. Johns County School Board Leasing Corporation (the "Corporation") all, but not less than all, of the above-referenced Certificates of Participation, Series 2010 (Qualified School Construction Bonds - Federally Taxable - Issuer Subsidy) Evidencing an Undivided Proportionate Interest of the Registered Owners thereof in Basic Rent Payments to be made by The School Board of St. Johns County, Florida, as Lessee, pursuant to a Master Lease-Purchase Agreement with St. Johns County School Board Leasing Corporation, as Lessor (the "Certificates"). This offer is made subject to the School Board's and Corporation's acceptance hereof on or before 11:59 p.m., Eastern time, on the date hereof, at which time this offer expires if not accepted. Upon the acceptance of this offer, a contract will be formed and be binding upon the School Board, the Corporation and the Purchaser. On the terms and conditions set forth below, the Purchaser hereby agrees to purchase from the School Board, and the School Board and the Corporation hereby agree to sell and require the Trustee deliver to the Purchaser, all, but not less than all, of the Certificates:

Issue and Amount:

\$16,000,000 of the Certificates, which evidence an undivided proportionate interest of the owners thereof in the Basic Rent Payments to be made by the School Board pursuant to the Master Lease-Purchase Agreement, dated as of November 15, 2003 (the "Master Lease"), as amended and supplemented by Lease Schedule No. 2010, dated as of September 1, 2010 (together with the Master Lease, the "Series 2010 Lease"), each between the School Board and the Corporation.

Other Parties: Facilities Lessor/Ground Lease Sublessee; the Corporation.

Trustee: The Bank of New York Mellon Trust Company, N.A. (the "Trustee").

Purchaser: Fifth Third Bank, acting as Purchaser and not in the capacity of a broker, dealer or municipal securities underwriter.

Certificates Purchase Price: 100% of Certificates aggregate principal component \$16,000,000. A single fully-registered Certificate shall be issued in the name of Fifth Third Bank in the principal amount of \$16,000,000.

Interest Rate: ____% per annum (computed on an 30/360 basis) (the "Interest Rate") paid in the manner set forth herein.

Applicable Tax Credit Rate: ____%. See Schedule 1 hereto.

Purpose of Certificates: Acquisition, construction, and equipping of new elementary school "L" in St. Johns County with the proceeds of the Certificates, and paying the cost of issuance thereof

Authority of Issue: Chapters 1000-1013, Florida Statutes, as amended, and Resolutions adopted by the School Board and the Corporation on September 14, 2010 (collectively, the "Resolution"), and Sections 54A, 54F and 6431 of the Internal Revenue Code of 1986, as amended (the "Code").

Form of Certificates: Certificates of Participation evidencing undivided proportionate interests in the Series 2010 Lease will be issued as a single typewritten certificate in fully registered form. The Purchaser will take physical delivery of the definitive certificates, and no DTC closing or CUSIP number will be required.

Ground Lease: At closing, the School Board, as Lessor, and the Corporation, as Lessee, shall enter into a ground lease

in customary form and otherwise in form and substance acceptable to the Purchaser (the "Ground Lease") creating a leasehold estate in the Series 2010 Facility Site (as defined in the Ground Lease) with a term up to five years after the scheduled term under the Series 2010 Lease.

Trust Agreement:

At closing, the School Board, the Corporation and the Trustee shall enter into a trust agreement in customary form and otherwise in form and substance acceptable to the Purchaser (the "Trust Agreement") providing for the execution and delivery of the Certificates, at the direction and with the consent of the Corporation and the School Board, evidencing an undivided proportionate interest in the Series 2010 Lease.

Source of Payment and Security:

The payments represented by the Certificates are payable from legally available funds appropriated annually by the governing body of the Lessee during the term of the Series 2010 Lease, subject to annual renewal upon appropriation for amounts due under the Series 2010 Lease for succeeding fiscal years as provided in the Series 2010 Lease.

In the event of a non-appropriation or a failure to pay Basic Rent Payments represented by the Certificates and upon expiration of the Expenditure Period (as defined in the Trust Agreement), all unspent Certificates proceeds shall be transferred to the Trustee and applied to payment of the Certificates.

The School Board hereby represents and warrants that it has not failed to appropriate funds to pay its lease, Lease-Purchase, installment sale, installment payment or similar obligations subject to appropriation since the inception of its master Lease-Purchase program.

Upon an event of default, the Trustee, on behalf of the Purchaser, may exercise all of its rights (at the direction of the Certificateholders) under and with respect to the Ground Lease, the Trust Agreement and the Series 2010 Lease.

Certificates Principal Payment:

The principal portion of the Basic Rent Payments represented by the Certificates will be payable on July

1, 2027.

Interest Payment Dates: Commencing January 1, 2011 and each July 1 and January 1 thereafter semiannually until the Certificates are paid in full.

Series 2010 Lease Term: The initial term of the Series 2010 Lease shall commence as of the closing date (identified below), and shall expire on June 30, 2011 (the "Initial Term"), subject to the School Board's option (the "Renewal Option") to extend the term of the Certificates for sixteen (16) additional and consecutive one-year renewal terms commencing July 1, 2011, and ending June 30, 2027 (herein each referred to individually as a "Lease Term"). The Certificates shall mature on July 1, 2027.

**Optional and Extraordinary
Mandatory Prepayment
Provisions:**

The Certificates will be subject to optional and extraordinary mandatory prepayment by the School Board prior to their maturity date as provided in the 2010 Supplemental Trust Agreement.

**Davis-Bacon Act
Compliance:**

The School Board shall comply with the provisions of the Davis-Bacon Act, to the extent necessary to achieve and maintain the status of the Series 2010 Lease as a "qualified school construction bond" pursuant to Section 54F of the Code.

**Annual Financial
Statements & Reporting:**

Until all amounts owed to the Purchaser with respect to the Certificates are paid in full, the School Board shall deliver to the Purchaser (a) the School Board's annual audited financial statements not later than 210 days after the applicable fiscal year-end of the School Board, and (b) upon request, the School Board's adopted annual budget within 15 days of such request.

**Certificates
Documentation:**

The Certificates documentation, including the Series 2010 Lease, the Ground Lease, the security documents described under "Real Estate Related Documentation" below and the Trust Agreement shall be prepared by Special Counsel and shall be in form and content

acceptable to the Purchaser.

The School Board hereby covenants that the School Board (a) shall not use proceeds of the Certificates for any reserves and (b) shall not use more than 2% of Certificates proceeds for costs of issuance.

**Real Estate Related
Documentation:**

With respect to the property on which the Series 2010 Facilities (defined below) will be located (the "Project Site") that will be subject to the Ground Lease:

1. The School Board shall provide the Trustee with a copy of a title insurance policy (or commitment therefor) for the Series 2010 Facility Site. Such title insurance shall be in an amount equal to \$1,000,000 for the Series 2010 Facility Site.
2. The School Board hereby represents and warrants that the facilities to be financed by Certificates proceeds (the "Series 2010 Facilities") will comprise educational facilities to be located on the Series 2010 Facility Site. The School Board shall purchase and maintain such property, casualty and liability insurance for such risks, in such amounts and with such insurers as required pursuant to the Series 2010 Lease.
3. The School Board hereby represents and warrants that no adverse environmental conditions exist on the Series 2010 Facility Site.

Investment Letter:

The Purchaser will sign an investment letter to the effect that it is (a) a state banking corporation established under the laws of the State of Ohio; (b) has conducted its own investigation of the financial condition of the School Board, the purposes for which the Certificates are being issued and of the security for the payment of the principal and interest components of Basic Rent Payments represented by the Certificates and has obtained such information regarding the Certificates and the School Board and its operations, financial condition and financial prospects as such Purchaser deems necessary to make an independent, informed investment decision with respect to its purchase of the

Certificates; (c) is purchasing the Certificates without a present intention to sell any portion thereof to any other person, provided that the Purchaser retains the right at any time to dispose of the Certificates or any interest therein as it may determine to be in its best interests, and that any subsequent resale shall be made only in accordance with applicable securities laws and Treasury Regulations; and (d) acknowledges and agrees that the Certificates shall be secured solely as provided in the Trust Agreement, the Series 2010 Lease and the Ground Lease, it being understood that neither the Certificates nor the interest represented thereby shall be or constitute a general obligation of the District, the School Board, St. Johns County, Florida or the State of Florida, or any political subdivision or agency thereof, or a pledge of the faith and credit of the District, the School Board, St. Johns County, Florida or the State of Florida, or any political subdivision or agency thereof, or a lien upon any property of or located within the boundaries of the District. Such letter shall also contain the information required by Section 218.385, Florida Statutes.

Closing Date:

On September 20, 2010, unless the School Board, the Corporation and the Purchaser agree to an earlier date.

Conditions Precedent to Closing:

Legal opinion of Livermore, Freeman & McWilliams, P.A., Special Counsel, to the effect that the Certificates, the Series 2010 Lease and the Ground Lease are each a legal, valid and binding obligations of the School Board, enforceable in accordance with their respective terms (subject to customary exceptions) under applicable law.

The opinion of Special Counsel to the School Board shall contain language to the effect that the Series 2010 Lease is a "qualified school construction bond" as defined in Section 54F of the Code.

Completion of documentation satisfactory to the Purchaser, the Corporation and the School Board. The School Board and the Corporation shall also cause to be delivered to the Purchaser at closing such legal opinions from counsel to the Corporation, counsel to the School Board and counsel to the Trustee as the Purchaser may reasonably require.

Further, pursuant to the provisions and requirements of the Code, the School Board shall designate the Series 2010 Lease as a "qualified school construction bond" pursuant to Section 54 of the Code and shall make an election to receive a federal subsidy pursuant to Section 6431(0 of the Code as confirmed by the Purchaser's legal counsel.

As conditions to the Purchaser's obligations under this offer, once accepted, from the date hereof to the closing date, there shall not have occurred any (i) material adverse change in the financial condition or general affairs of the School Board, (ii) event, court decision, proposed law or rule that may have the effect of changing the federal income tax incidents of the Certificates or the contemplated transaction, (iii) international or national crisis or banking moratorium materially affecting, in the reasonable opinion of the Purchaser, the market value of the Certificates or (iv) new restrictions on the extension of credit by banks or other lending institutions by any federal or state agency.

Fees and Expenses:

No commitment fee or credit review fee in connection with the funding of the Certificates shall be paid to the Purchaser by the School Board. The School Board shall be responsible to pay its fees and expenses related to this transaction, including financial advisor, Trustee, Special Counsel and Trustee's counsel fees. The School Board shall also pay the fees and expenses of Counsel to the Purchaser, such fees and expenses not to exceed \$25,000. All conditions to this offer being satisfied, on the Closing Date, the Purchaser shall transfer the Purchase Price for its respective portion of the Certificates to the Trustee to be applied in accordance with the Trust Agreement.

Continuing Disclosure:

It is understood that, with respect to the Certificates, the School Board will not be required to comply with the continuing disclosure requirements of SEC Rule 15c2-12(b).

Special Counsel:

John L. McWilliams, Esq.
Livermore, Freeman & McWilliams, P.A.
320 North First Street, Suite 603
Jacksonville Beach, Florida 32250
(904) 399-0500
jmcwilliams@lfmlaw.net

Purchaser Contact: Mark E. Carden
Vice President – Public Funds Director
Fifth Third Bank
9716 San Jose Blvd.
Jacksonville, Florida 32257
(904) 486-1933
mark.carden@53.com

Governing Law: This offer and the transaction completed hereunder will be governed by Florida law.

The School Board shall represent and agree at closing that all financial statements and other information delivered to the Purchaser are correct and complete and that no material adverse changes have occurred.

If the School Board and the Corporation are in agreement with the terms and conditions contained herein, please sign in the space provided below indicating the School Board's and Corporation's acceptance of this offer and return an executed copy of this offer via fax or e-mail to the Purchaser. If you should have any questions, please contact the undersigned.

[Signatures follow on succeeding pages]

[Purchaser's Signature Page]

Sincerely,

FIFTH THIRD BANK

By: _____

Name: Mark E. Carden

Title: Vice President –

Public Funds Group

Date: September 14, 2010

[School District and Corporation Signature Page]

Agreed and accepted on the date first
above written:

**THE SCHOOL BOARD OF ST. JOHNS
COUNTY, FLORIDA**

By: _____

Bill Mignon, Chariman

ATTESTED:

By: _____

Dr. Joseph Joyner

Date: September __, 2010

**ST. JOHNS COUNTY SCHOOL BOARD
LEASING CORPORATION**

By: _____

Bill Mignon, Chairman

ATTESTED:

By: _____

Dr. Joseph Joyner, Secretary

Date: September __, 2010

SCHEDULE I

APPLICABLE TAX CREDIT RATE

APPENDIX E

**SERIES 2010 AMENDMENT TO ASSIGNMENT OF
LEASE AGREEMENT**

This document prepared by:

John L. McWilliams, III
Livermore, Freeman & McWilliams, P.A.
320 North First Street, Suite 603
Jacksonville Beach, Florida 32250

ASSIGNMENT OF SERIES 2010 GROUND LEASE

by the

ST. JOHNS COUNTY SCHOOL BOARD LEASING CORPORATION

ASSIGNMENT OF SERIES 2010 GROUND LEASE

KNOW ALL MEN BY THESE PRESENTS, that the **ST. JOHNS COUNTY SCHOOL BOARD LEASING CORPORATION**, a Florida single-purpose, not-for-profit corporation (the "Corporation"), for and in consideration of good and valuable considerations to it in hand paid by **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, not in its individual capacity, but solely as trustee (the "Trustee"), the receipt of which is hereby acknowledged, has sold, assigned, transferred and set over, and by these presents does sell, assign, transfer and set over unto the Trustee the instrument of Series 2010 Ground Lease and the leasehold estate created by said instrument of Series 2010 Ground Lease, being that certain Series 2010 Ground Lease Agreement, dated as of August 1, 2010, as the same may be supplemented, modified or amended from time to time (the "Series 2010 Ground Lease"), a Memorandum of Series 2010 Ground Lease Agreement describing which has been duly recorded in the public records of St. Johns County, Florida, granted by the School Board of St. Johns County, Florida, (the "Board"), acting as the governing body of the School District of St. Johns County, Florida to the Corporation in and to the Premises described therein; and

TO HAVE AND TO HOLD THE said instrument of Series 2010 Ground Lease, the leasehold estate created thereby, and any buildings and improvements thereon, unto Trustee, its successors and assigns forever; and

SECTION 1. ACCEPTANCE. The Trustee hereby accepts such assignment in trust for the purpose of securing payment of the Series 2010 Certificates and securing the rights of the Owners of the Series 2010 Certificates issued pursuant to the Trust Agreement.

SECTION 2. CONDITIONS. This Assignment of Series 2010 Ground Lease shall confer no rights and impose no duties upon the Trustee beyond those expressly provided in the Trust Agreement.

SECTION 3. REPRESENTATIONS AND AGREEMENTS. (a) With respect to the sale, assignment and conveyance of the rights, title and interest of the Corporation under the Series 2010 Ground Lease, the Corporation represents, warrants and covenants to and with the Trustee, for the benefit of the Owners of the Series 2010 Certificates, that:

(i) The Corporation is a not-for-profit educational corporation duly organized, validly existing and in good standing under the laws of the State of Florida, with corporate powers and authority to own its property and carry on its business as now being conducted.

(ii) The Corporation is duly qualified to transact business and hold property and is in good standing in the State of Florida and wherever necessary to perform its obligations under the Series 2010 Ground Lease, the Trust Agreement and this Assignment of Series 2010 Ground Lease.

(iii) The Corporation has full power, authority and legal right to enter into and perform its obligations under the Series 2010 Ground Lease, the Trust Agreement and this Assignment of Series 2010 Ground Lease; and the execution, delivery and performance of the Series 2010 Ground Lease, the Trust Agreement and this Assignment of Series 2010 Ground Lease by the Corporation have been duly authorized by all necessary corporate actions on the part of the Corporation, do not require any stockholder approval or the approval or consent of any trustee or holder of any indebtedness or obligations of the Corporation or any other Person or such required approvals and consents have heretofore been duly obtained.

(iv) The execution, delivery and performance of the Series 2010 Ground Lease, the Trust Agreement and this Assignment of Series 2010 Ground Lease do not contravene any provision of any Articles of Incorporation or Bylaws of the Corporation, and do not and will not conflict with, violate or result in any breach of or constitute a default under any indenture, mortgage, contract, agreement or instrument to which the Corporation is a party or by which it or any of its property is bound or any constitutional or statutory provision, or order, rule, regulation, decree or ordinance of any federal or state court, government or governmental body having jurisdiction over the Corporation or any of its properties and by which the Corporation or any of its property is bound.

(v) To the Corporation's knowledge, the Series 2010 Ground Lease and the Trust Agreement are in full force and effect and the Corporation is not in default thereunder; and, the Series 2010 Ground Lease, the Trust Agreement and this Assignment of Series 2010 Ground Lease are legal, valid and binding obligations of the Corporation, enforceable against the Corporation in accordance with their respective terms, all such enforcement being subject to certain laws relating to bankruptcy, reorganizations, moratoriums and creditors' rights generally and to the exercise of judicial discretion in accordance with general principles of equity.

(vi) The Corporation has complied, and will at all times hereafter comply, with and duly perform its obligations under the Series 2010 Ground Lease, the Trust Agreement and this Assignment of Series 2010 Ground Lease.

(vii) There is no pending, or to the knowledge of the Corporation, threatened, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or governmental agency in any way affecting the ability of the Corporation to perform its obligations under the Series 2010 Ground Lease, the Trust Agreement or this Assignment of Series 2010 Ground Lease.

(viii) The Series 2010 Ground Lease and the lease rights thereunder being herein assigned are free and clear of all claims, liens, mortgages, security interests and encumbrances arising through any act or omissions of the Corporation or any Person claiming by, through or under it, except the rights of the Board under the

Series 2010 Ground Lease and encumbrances permitted thereunder, including the Permitted Encumbrances.

(b) The Corporation does hereby covenant with the Trustee as grantee and assignee, its successors and assigns, that the Corporation (i) is the true and lawful owner of the leasehold estate created thereby, (ii) has good right to bargain, sell and transfer the same hereby, (iii) such leasehold estate of the Corporation is free and clear of any lien or encumbrance created by the Corporation, except for the "Lease Agreement" (as defined in the Series 2010 Ground Lease), (iv) that as of the date hereof there is no default under the terms of said Series 2010 Ground Lease, and (v) from and after this Assignment, the Corporation will have no further interest in such Series 2010 Ground Lease or the leasehold estate thereby created except to enter into supplements thereto pursuant to Section 21 of the Series 2010 Ground Lease.

(c) The Corporation agrees to execute and deliver to the Trustee, upon request by the Trustee or the Owners of a majority in principal amount of the Series 2010 Certificates or any Credit Enhancer, any documents deemed necessary by the Trustee or such Owners or any Credit Enhancer to evidence further the assignment and conveyance herein made with respect to the Series 2010 Ground Lease including, without limitation, any amendments hereto necessary or desirable to assign to the Trustee any Supplements to the Series 2010 Ground Lease executed and delivered after the date hereof.

(d) In order to secure payment of the Series 2010 Certificates, the Corporation hereby authorizes the Trustee to take possession of the Series 2010 Project, and title thereto in accordance with the provisions of the Trust Agreement and Lease Agreement, and sell or relet such Series 2010 Project, or any portion thereof, in the circumstances described in the Trust Agreement.

SECTION 4. NON-RECOURSE. The parties hereto agree that the assignment contained in this Assignment of Series 2010 Ground Lease shall be non-recourse with respect to the Corporation, and the Corporation shall have no liability hereunder to the Trustee or the Owners of any Series 2010 Certificates, with respect to the occurrence of an Event of Default or Event of Non-Appropriation by the Board under the Series 2010 Ground Lease.

SECTION 5. NO INDIVIDUAL LIABILITY. All covenants, stipulations, promises, agreements and obligations of the parties hereto contained in this Assignment of Series 2010 Ground Lease shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the parties hereto, respectively, and not of any member, officer, employee or agent of the parties hereto in an individual capacity, and no recourse shall be had for the assignment effected by Section 2 hereof or for any claim based thereon under this Assignment of Series 2010 Ground Lease against any member, officer, employee or agent of the parties hereto.

SECTION 6. AMENDMENTS UPON DELIVERY OF ADDITIONAL LEASE SCHEDULES. The Corporation hereby agrees to deliver to the Trustee upon the execution and delivery of any Lease Schedules after the date hereof an amendment to this

Assignment of Series 2010 Ground Lease which provides for the assignment of the rights of the Corporation in and to said Lease Schedule in accordance with the terms hereof and confirms the representations and agreements of the Corporation set forth in Section 3 hereto as of the date thereof.

SECTION 7. COUNTERPARTS. This Assignment of Series 2010 Ground Lease may be executed in counterparts, and each of said counterparts shall be deemed an original for all purposes of this Assignment of Series 2010 Ground Lease. All of such counterparts taken together shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, St. Johns County School Board Leasing Corporation, by its officer thereunto duly authorized, has affixed its corporate name as of the 1st day of August, 2010.

**ST. JOHNS COUNTY SCHOOL BOARD
LEASING CORPORATION**

(SEAL)

Witness: _____
Name: _____

By: _____
Name: Bill Mignon
Title: President, on behalf of the
Corporation
Address: 40 Orange Street
St. Augustine, Florida 32084

Witness: _____
Name: _____

ATTEST:

Witness: _____
Name: _____

By: _____
Name: Dr. Joseph Joyner
Title: Secretary, on behalf of the
Corporation
Address: 40 Orange Street
St. Augustine, Florida 32084

Witness: _____
Name: _____

STATE OF FLORIDA)
) SS:
COUNTY OF ST. JOHNS)

The foregoing Assignment of Series 2010 Ground Lease was acknowledged before me this day of August, 2010, by Bill Mignon and Dr. Joseph Joyner, the President and Secretary, respectively, of the St. Johns County School Board Leasing Corporation. Such person(s) did not take an oath and:

- ___ is/are personally known to me.
- ___ produced a current Florida driver's license as identification.
- ___ produced _____ as identification.

(SEAL)

Name:
Notary Public, State of Florida
My Commission Expires:

EXHIBIT A

The Premises subject to the Series 2010 Ground Lease Agreement are the real property (together with all buildings, structures and improvements now or hereafter erected or situated thereon, including, without limitation, the "Series 2010 Project" (as defined in the Series 2010 Ground Lease Agreement), all fixtures, additions, alterations or replacements thereto, now or hereafter located in, or used in connection with or attached or made to such land, to the extent title thereto may rest in the Board, any easements or other rights or privileges in adjoining property inuring to the fee simple owner of such land by reason of ownership of such land) described as follows:

[SEE ATTACHMENT]