

RESOLUTION NO. 2012-290

A RESOLUTION SUPPLEMENTING RESOLUTION NO. 86-132 ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, ON SEPTEMBER 30, 1986, AS PREVIOUSLY AMENDED AND SUPPLEMENTED, WHICH RESOLUTION NO. 86-132 AUTHORIZES, AMONG OTHER THINGS, THE ISSUANCE FROM TIME TO TIME OF REVENUE BONDS SECURED BY AND PAYABLE FROM THE PROCEEDS OF THE LOCAL GOVERNMENT HALF-CENT SALES TAX; AUTHORIZING THE ISSUANCE BY THE COUNTY OF NOT EXCEEDING \$40,000,000 AGGREGATE PRINCIPAL AMOUNT OF SALES TAX REVENUE REFUNDING BONDS, SERIES 2012A AND NOT EXCEEDING \$7,000,000 AGGREGATE PRINCIPAL AMOUNT OF SALES TAX REVENUE REFUNDING BONDS, SERIES 2012B, THE PROCEEDS OF WHICH WILL BE USED TO REFUND ALL OR A PORTION OF THE COUNTY'S OUTSTANDING SALES TAX REVENUE BONDS, SERIES 2004A AND SERIES 2004B; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF SAID SERIES 2012 BONDS; AUTHORIZING A NEGOTIATED SALE OF THE SERIES 2012 BONDS; DELEGATING CERTAIN AUTHORITY TO THE CHAIRMAN OR THE COUNTY ADMINISTRATOR FOR THE AUTHORIZATION, EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT WITH RESPECT THERETO, AND THE APPROVAL OF THE TERMS AND DETAILS OF SAID SERIES 2012 BONDS; APPOINTING THE REGISTRAR FOR SAID SERIES 2012 BONDS AND THE EXECUTION AND DELIVERY OF A REGISTRAR AND PAYING AGENT AGREEMENT; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT WITH RESPECT THERETO; ESTABLISHING A BOOK-ENTRY SYSTEM OF REGISTRATION FOR THE SERIES 2012 BONDS; APPOINTING AN ESCROW AGENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE; AUTHORIZING THE EXECUTION AND DELIVERY OF A FOURTH INTERLOCAL REIMBURSEMENT AGREEMENT BETWEEN THE COUNTY AND THE ST. JOHNS COUNTY COMMUNITY

REDEVELOPMENT AGENCY; DELEGATING AUTHORITY TO THE CHAIRMAN OR THE COUNTY ADMINISTRATOR TO DETERMINE CERTAIN MATTERS WITH RESPECT TO SAID SERIES 2012 BONDS INCLUDING WHETHER TO UTILIZE MUNICIPAL BOND INSURANCE FOR ANY OF THE SERIES 2012 BONDS AND WHETHER TO FUND THE RESERVE ACCOUNT WITH A DEBT SERVICE RESERVE ACCOUNT INSURANCE POLICY; AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Findings. (a) On September 30, 1986, the Board of County Commissioners (the "Board") of St. Johns County, Florida (the "Issuer") duly adopted Resolution No. 86-132, as previously amended and supplemented (the "Resolution"), pursuant to which there has been issued and are currently outstanding the Issuer's Sales Tax Revenue Bonds, Series 2004A (the "Series 2004A Bonds"), Sales Tax Revenue Bonds, Series 2004B (the "Series 2004B Bonds"), Sales Tax Revenue Bonds, Series 2006 (the "Series 2006 Bonds"), Sales Tax Revenue and Refunding Bond, Series 2009 (the "Series 2009 Bond") and Sales Tax Revenue Refunding Bonds, Series 2009A (the "Series 2009A Bonds").

(b) The Issuer hereby deems it to be in its best interests to refund all or a portion of the outstanding Series 2004A Bonds and Series 2004B Bonds in order to achieve debt service savings and to possibly eliminate Ambac Assurance Corporation as the bond insurer and reserve instrument provider for the Series 2004A Bonds and Series 2004B Bonds; the specific maturities (or portions thereof) of such Series 2004A Bonds and Series 2004B Bonds to be refunded will be determined by the Chairman or the County Administrator upon the advice of the Issuer's financial advisor, Public Financial Management, Inc. (the "Financial Advisor"), in accordance with the provisions hereof and shall be referred to herein, respectively, as "Refunded Series 2004A Bonds" and "Refunded Series 2004B Bonds," and, collectively, as the "Refunded Bonds."

(c) The Resolution provides for the issuance of additional debt obligations on a parity basis with the outstanding Series 2006 Bonds, Series 2009 Bond, Series 2009A Bonds and that portion of the Series 2004A Bonds and Series 2004B Bonds which are not refunded as provided herein, if any (collectively, the "Parity Bonds"), upon meeting certain requirements set forth in the Resolution.

(d) In order to refund the Refunded 2004A Bonds and the Refunded 2004B Bonds, the Issuer deems it to be in its best interest to issue its St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012A (the "Series 2012A Bonds") and St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012B (the

"Series 2012B Bonds" and, together with the Series 2012A Bonds, the "Series 2012 Bonds"), respectively, in accordance with the provisions hereof and of the Resolution.

(e) A portion of the proceeds derived from the sale of the Series 2012 Bonds, together with other legally available moneys of the Issuer, shall be deposited into a special escrow deposit trust fund to purchase Federal Securities (as defined in the Resolution) which shall be sufficient, together with the investment earnings therefrom and a cash deposit, if any, to pay the Refunded Bonds as the same become due and payable or are redeemed prior to maturity, all as provided herein and in the hereinafter described Escrow Deposit Agreement.

(f) Due to the potential volatility of the market for tax-exempt obligations such as the Series 2012 Bonds and the complexity of the transactions relating to such Series 2012 Bonds, it is in the best interest of the Issuer to sell the Series 2012 Bonds by a negotiated sale, allowing the Issuer to enter the market at the most advantageous time, rather than at a specified advertised date, thereby permitting the Issuer to obtain the best possible price and interest rate for the Series 2012 Bonds and the most debt service savings with respect to the refunding of the Refunded Bonds.

(g) The Issuer anticipates receiving a favorable offer to purchase the Series 2012 Bonds from RBC Capital Markets, LLC (the "Underwriters"), all within the parameters set forth herein and as provided in the hereinafter defined Purchase Contract.

(h) Inasmuch as the Issuer desires to sell the Series 2012 Bonds at the most advantageous time and not wait for a scheduled meeting of the Board, so long as the herein described parameters are met, the Issuer hereby determines to delegate the award and sale of the Series 2012 Bonds to the Chairman or Vice Chairman of the Board (the "Chairman") or the County Administrator of the Issuer (the "County Administrator") within such parameters in the manner hereinafter described.

(i) The form, terms and details of the Series 2012 Bonds shall be determined in accordance with this supplemental resolution and the Resolution.

(j) The Resolution contemplates that the Series 2012 Bonds shall mature on such dates and in such amounts, shall bear such rates of interest, shall be payable in such places and shall be subject to such redemption provisions as shall be determined by supplemental resolution adopted by the Issuer; and it is now appropriate that the Issuer set forth the parameters and mechanism to determine such terms and details, which terms and details shall be set forth herein and in the Purchase Contract.

(k) The principal of and interest on the Series 2012 Bonds and all required debt service fund, reserve and other payments required by the Resolution and this supplemental resolution shall be limited obligations of the Issuer, payable solely from the

Pledged Funds (as defined in the Resolution), all in the manner and to the extent provided in the Resolution and herein; the Series 2012 Bonds shall not constitute general obligations or indebtedness of the Issuer, or a pledge of the faith, credit or taxing power of the Issuer, the State of Florida, or any political subdivision thereof, within the meaning of any constitutional or statutory provisions and neither the State of Florida, nor any political subdivision thereof, nor the Issuer shall be obligated (i) to exercise its ad valorem taxing power in any form on any real or personal property of or in the Issuer to pay the principal of the Series 2012 Bonds, the interest thereon, or other costs incidental thereto or (ii) to pay the same from any other funds of the Issuer except from the Pledged Funds and any other sources of funds set forth herein and in the Resolution, in the manner provided herein and in the Resolution.

(l) The covenants, pledges and conditions in the Resolution shall be applicable to the Series 2012 Bonds herein authorized and the Series 2012 Bonds shall be on a parity in all respects as to the Resolution with the Parity Bonds and all additional debt obligations hereafter issued on parity therewith pursuant to the Resolution (collectively, the "Parity Obligations") and shall constitute "Bonds" within the meaning of the Resolution.

(m) The Issuer is in compliance with all covenants and undertakings of the Issuer (i) contained in the Resolution in connection with all of the Refunded Bonds and Parity Bonds and (ii) made with respect to any other bonds or other obligations of the Issuer payable from the Pledged Funds or any part thereof and has not been in default as to any payments required to be made under the Resolution during at least the next preceding 24 months; and no Event of Default as described in the Resolution currently exists.

(n) It is necessary and appropriate that the Issuer enter into a Fourth Interlocal Reimbursement Agreement (the "Interlocal Agreement") with the St. Johns Community Redevelopment Agency (the "Agency") pursuant to the terms of which certain tax increment revenues will be paid by the Agency to the Issuer in respect of Bond Service Requirements relating to the Series 2012B Bonds as described therein.

Section 2. Definitions. When used in this supplemental resolution, terms defined in the Resolution shall have the meanings therein stated except as such definitions shall be hereinafter amended and defined.

Section 3. Authority for this Supplemental Resolution. This supplemental resolution is adopted pursuant to the provisions of Chapter 125, Florida Statutes, Ordinance No. 86-89, enacted by the Issuer on December 9, 1986, as amended, the Constitution of the State of Florida and all other applicable provisions of law. This supplemental resolution supplements the Resolution and the Series 2012 Bonds are being issued as Additional Bonds pursuant to Section 3.06(E) of the Resolution.

Section 4. Authorization of Refunding of the Refunded Bonds. The Issuer hereby authorizes the refunding of the Refunded Bonds pursuant to the terms of the Resolution, this supplemental resolution and the hereinafter described Escrow Deposit Agreement. On or before the Escrow Deposit Agreement is executed and delivered to the hereinafter defined Escrow Agent, the Issuer will furnish to the Escrow Agent appropriate documentation demonstrating that the amounts being deposited with the Escrow Agent, together with the investment earnings thereon, shall be sufficient to produce the amounts required to make all payments described in the Escrow Deposit Agreement for the full and complete refunding and defeasance of the Refunded Bonds.

Effective upon and subject to the execution and delivery of the Escrow Deposit Agreement and the issuance of the Series 2012 Bonds, the Issuer hereby (A) elects to call all of the Refunded Bonds for redemption on the date specified in the Escrow Deposit Agreement, at the redemption prices specified in the Escrow Deposit Agreement, plus accrued interest to the redemption date, and (B) authorizes and directs the hereinafter defined Escrow Agent to cause, in accordance with the Escrow Deposit Agreement, the registrar for the Refunded Bonds to give notice of such call for redemption in the manner provided in Resolution No. 2004-198 which authorized the issuance of the Refunded Bonds.

Section 5. Description of the Series 2012 Bonds. The Issuer hereby authorizes the issuance of a series of Bonds in the aggregate principal amount not to exceed \$40,000,000 to be known as the "St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012A" (or such other designation as the Chairman or the County Administrator may determine) for the principal purpose of refunding the Refunded 2004A Bonds, and a series of Bonds in the aggregate principal amount not to exceed \$7,000,000 to be known as the "St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012B" (or such other designation as the Chairman or the County Administrator may determine) for the principal purpose of refunding the Refunded 2004B Bonds. The aggregate principal amount of Series 2012A Bonds and Series 2012B Bonds to be issued pursuant to the Resolution shall be determined by the Chairman or the County Administrator on or prior to the sale of the Series 2012 Bonds provided such aggregate principal amounts do not exceed \$40,000,000 and \$7,000,000, respectively. Each series of the Series 2012 Bonds shall be dated their respective date of delivery (or such other date as shall be determined by the Chairman or the County Administrator), shall be issued in the form of fully registered Bonds in denominations of \$5,000 or any integral multiple thereof, shall be numbered consecutively from one upward in order of maturity preceded by the letter "RA" (with respect to the Series 2012A Bonds) and "RB" (with respect to the Series 2012B Bonds), shall bear interest from their respective dated dates, payable semi-annually, on April 1 and October 1 of each year (the "Interest Dates"), commencing on April 1, 2013 (or such other date as shall be determined by the Chairman or the County Administrator).

Interest payable on the Series 2012 Bonds on any Interest Date shall be paid by check or draft of U.S. Bank National Association, Orlando, Florida, as Registrar, to the holders in whose names such Series 2012 Bonds shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Date. Notwithstanding the foregoing, interest shall be paid by wire transfer or such other payment method required by DTC (as defined below), or any successor securities depository, to the account of DTC or successor depository or its nominee when the Series 2012 Bonds are registered to Cede & Co. or any successor nominee. In the event the interest payable on any Series 2012 Bond is not punctually paid or duly provided for by the Issuer on such Interest Date, such defaulted interest will be paid to the holder in whose name such Series 2012 Bond shall be registered at the close of business on a special record date for the payment of such defaulted interest as established by notice to such holder, not less than 15 days preceding such special record date. Such notice shall be mailed to the persons in whose names the Series 2012 Bond are registered at the close of business on the fifth day preceding the date of mailing. Principal of the Series 2012 Bonds is payable upon presentation and surrender of the Series 2012 Bonds at the designated office of the Registrar. All payments of principal, premium, if applicable, and interest on the Series 2012 Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

From and after any maturity date or any date fixed for redemption as designated in any notice given pursuant to Section 7 hereof (deposit of moneys for the payment of the principal or redemption price of and/or interest on such Series 2012 Bonds having been made by the Issuer and notice of redemption having been given to the extent required hereunder), notwithstanding that any of such Series 2012 Bonds shall not have been surrendered for payment and cancellation, no further interest shall accrue upon the principal of such Series 2012 Bonds after such date, no interest shall accrue upon the interest which shall have accrued and shall then be due on such date, and such Series 2012 Bonds shall cease to be entitled to any lien, benefit or security under the Resolution, and the holders shall have no rights in respect of such Series 2012 Bonds except to receive, but solely from the Pledged Funds or other moneys set aside by the Issuer for such purpose, payment of such principal or the redemption price thereof and unpaid interest accrued to the due date or redemption date.

The Series 2012 Bonds shall bear interest at such rates (calculated on the basis of a 360-day year of twelve 30-day months) and yields, shall mature on October 1 of each of the years and in the principal amounts corresponding to such years, and shall have such redemption provisions as determined by the Chairman or the County Administrator, upon the advice of the Financial Advisor, subject to the conditions set forth in Section 6 hereof. All of the terms of the Series 2012 Bonds will be included in a Bond Purchase Agreement which shall be in substantially the form attached hereto and made a part hereof as Exhibit A (the "Purchase Contract"). The Chairman and the County Administrator are each

hereby authorized to execute the Purchase Contract in substantially the form attached hereto as Exhibit A with such modifications as the Chairman or the County Administrator deems appropriate upon satisfaction of the conditions described in Section 6 hereof. Execution by the Chairman or the County Administrator of the Purchase Contract shall be deemed to be conclusive evidence of approval of such modifications.

The Chairman and the County Administrator are each authorized and directed to determine, upon the advice of the Financial Advisor, whether any portion of the Series 2012 Bonds shall be insured by the Bond Insurance Policy described in Sections 18 and 19 hereof or whether the Series 2012 Bonds will be issued uninsured and whether to fund the Reserve Account with the Reserve Account Insurance Policy described in Section 18 hereof and whether the Reserve Account Insurance Policy shall cover the Reserve Account Requirement for only the Series 2012 Bonds or also the Reserve Account Requirement for any of the Series 2004A Bonds and Series 2004B Bonds that remain outstanding following the issuance of the Series 2012 Bonds.

Series 2012 Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the holder thereof or his attorney duly authorized in writing, may, at the option of the holder thereof, be exchanged for an equal aggregate principal amount of registered Series 2012 Bonds of the same series and maturity of any other authorized denominations. Notwithstanding the provisions of Section 2.06 of the Resolution, the Issuer and the Registrar shall not be obligated to make any exchange or transfer of Series 2012 Bonds during the 15 days next preceding an Interest Date or, in the case of any proposed redemption of Series 2012 Bonds, then, for the Series 2012 Bonds subject to redemption, during the 15 days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

Section 6. Conditions to Execution of Purchase Contract. The Purchase Contract shall not be executed by the Chairman or the County Administrator until such time as all of the following conditions have been satisfied:

(A) Receipt by the Chairman or the County Administrator of a written offer to purchase the Series 2012 Bonds by the Underwriters substantially in the form of the Purchase Contract attached hereto as Exhibit A, said offer to provide for, among other things, (i) not exceeding \$40,000,000 aggregate principal amount of Series 2012A Bonds, (ii) not exceeding \$7,000,000 aggregate principal amount of Series 2012B Bonds, (iii) an aggregate underwriting discount (including management fee and expenses) with respect to the Series 2012 Bonds not in excess of 0.60% of the aggregate par amount of the Series 2012 Bonds, (iv) an aggregate true interest cost with respect to the Series 2012 Bonds of no more than 5.00%, (v) an aggregate net present value savings with respect to the refunding of the Refunded Bonds of no less than 3.00% of the aggregate par amount of the Refunded Bonds, (vi) the maturities of the Series 2012A Bonds, with the final

maturity being not later than October 1, 2034, and (vii) the maturities of the Series 2012B Bonds, with the final maturity being not later than October 1, 2032.

(B) The Chairman or the County Administrator shall have determined, upon the advice of the Financial Advisor, the redemption terms and Amortization Installments, if any, for the Series 2012 Bonds in accordance with Section 7 hereof.

(C) Receipt by the Chairman or the County Administrator of a disclosure statement and a truth-in-bonding statement of the Underwriters dated the date of the Purchase Contract and complying with Section 218.385, Florida Statutes.

(D) Receipt by the Chairman or the County Administrator from the Underwriters of a good faith deposit in an amount at least equal to 1.00% of the preliminary aggregate par amount of the Series 2012 Bonds set forth on the cover page of the hereinafter described Preliminary Official Statement.

(E) The Chairman or the County Administrator shall have determined, upon the advice of the Financial Advisor, whether any of the Series 2012 Bonds will be insured by the Bond Insurance Policy and whether to fund the Reserve Account with the Reserve Account Insurance Policy and whether the Reserve Account Insurance Policy shall cover the Reserve Account Requirement for only the Series 2012 Bonds or also the Reserve Account Requirement for any of the Series 2004A Bonds and Series 2004B Bonds that remain outstanding following the issuance of the Series 2012 Bonds.

(F) The Chairman or the County Administrator shall have determined, upon the advice of the Financial Advisor, which specific maturities of the Series 2004A Bonds and Series 2004B Bonds (or portions thereof) shall be refunded in connection with the issuance of the Series 2012 Bonds and only the maturities (and portions, if any) thereof so determined by the Chairman or the County Administrator shall constitute "Refunded Bonds" hereunder.

(G) Receipt by the Chairman or the County Administrator of a report of the Financial Advisor stating the preceding conditions have been met and the costs of issuance for the Series 2012 Bonds are comparable or less than the current average issuance costs for bonds of similar tenor and amount.

Upon satisfaction of all the requirements set forth in this Section 6, the Chairman and the County Administrator each is authorized to execute and deliver the Purchase Contract containing terms complying with the provisions of this Section 6; provided, however, only one such officer is required to so execute and deliver the Purchase Contract. The Series 2012 Bonds shall be sold to the Underwriters pursuant to the provisions of such Purchase Contract.

Notwithstanding the foregoing, in the event the Purchase Contract is not executed and delivered by the Issuer and the Underwriters on or before September 30, 2013, the Chairman's and the County Administrator's authority to award the sale of the Series 2012 Bonds to the Underwriters and to execute the Purchase Contract for and on behalf of the Issuer pursuant to the terms hereof shall be automatically terminated on October 1, 2013.

Section 7. Redemption Provisions for Series 2012 Bonds. The Series 2012 Bonds may be redeemed prior to their respective maturities from any moneys legally available therefor, upon notice as provided below, upon the terms and provisions as determined by the Chairman or the County Administrator, upon the advice of the Financial Advisor; provided, however, with respect to optional redemption terms for the Series 2012 Bonds, if any, the first optional redemption date may be no later than October 1, 2023 and no call premium may exceed 1.00% of the par amount of that portion of the Refunded Bonds to be refunded. The Chairman or the County Administrator, upon the advice of the Financial Advisor, may determine that the Series 2012 Bonds are not subject to optional redemption prior to maturity. Term Bonds may be established with such Amortization Installments as the Chairman or the County Administrator deems appropriate and upon the advice of the Financial Advisor. The redemption provisions and Amortization Installments, if any, for the Series 2012 Bonds, if any, shall be set forth in the Purchase Contract.

Notwithstanding the provisions of Section 2.04 of the Resolution regarding redemption notices, the following provisions of this Section 7 shall apply with respect to redemption notices for the Series 2012 Bonds.

Unless waived by any holder of Series 2012 Bonds to be redeemed, notice of any redemption made pursuant to the Resolution shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by first class mail, postage prepaid at least 30 days and not more than 60 days prior to the date fixed for redemption to each holder of Series 2012 Bonds to be redeemed at the address of such holder shown on the Bond Register, or at such other address as shall be furnished in writing by such holder to the Registrar; provided, however, that no defect in any notice given pursuant to this section to any holder of Series 2012 Bonds to be redeemed nor failure to give such notice to any such holder nor failure of any such holder to receive such notice shall in any manner defeat the effectiveness of a call for redemption as to all other holders of Series 2012 Bonds to be redeemed.

Every official notice of redemption shall be dated and shall state:

- (A) the redemption date,
- (B) the redemption price,

(C) the maturity date, series and the principal amount of each Series 2012 Bond to be redeemed,

(D) that on the redemption date the redemption price will become due and payable upon each such Series 2012 Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,

(E) that such Series 2012 Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the redemption price at the principal office of the Registrar,

(F) the date of issue of the Series 2012 Bonds as originally issued,

(G) the rate of interest borne by each Series 2012 Bond to be redeemed,

(H) the maturity date of each Series 2012 Bond to be redeemed,

(I) the CUSIP numbers of the Series 2012 Bonds to be redeemed, and

(J) any other descriptive information needed to identify accurately the Series 2012 Bonds being redeemed.

On or prior to any redemption date, the Issuer shall cause to be deposited with the Registrar an amount of money sufficient to pay the redemption price of the portion of the Series 2012 Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid and the deposit with the Registrar of the redemption price, the portion of the Series 2012 Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such portion of the Series 2012 Bonds shall cease to bear interest. Upon surrender of such Series 2012 Bonds for redemption in accordance with said notice, such Series 2012 Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Series 2012 Bond, there shall be prepared for the holder a new Series 2012 Bond or Series 2012 Bonds of the same maturity and series in the amount of the unpaid principal of such partially redeemed Series 2012 Bond. All Series 2012 Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

In addition to the foregoing notice, further notice shall be given by the Registrar. Each further notice of redemption shall be sent at least 35 days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Series 2012 Bonds and to one or more national information

services that disseminate notices of redemption of obligations such as the Series 2012 Bonds. No defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

The Issuer may provide that a redemption may be contingent upon the occurrence of certain condition(s) and that if such condition(s) do not occur the notice of redemption will be rescinded, provided notice of rescission shall be mailed in the manner described above to all affected Series 2012 Bondholders as soon as practicable.

Section 8. Book-Entry. Notwithstanding any provisions set forth in the Resolution or this supplemental resolution, the Series 2012 Bonds shall be initially issued in the form of a separate single certificated fully registered bond certificate for each of the maturities of each series of the Series 2012 Bonds. Upon initial issuance, the ownership of each such Series 2012 Bond shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). All of the outstanding Series 2012 Bonds shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC. As long as the Series 2012 Bonds shall be registered in the name of Cede & Co., all payments of principal on the Series 2012 Bonds shall be made by the Registrar by check or draft or by bank wire transfer to Cede & Co., as holder of the Series 2012 Bonds, upon presentation of the Series 2012 Bonds to be paid, to the Registrar.

With respect to the Series 2012 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the Issuer and the Registrar and the Registrar shall have no responsibility or obligation to any direct or indirect participant in the DTC book-entry program (the "Participants"). Without limiting the immediately preceding sentence, the Issuer and the Registrar shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Series 2012 Bonds, (B) the delivery to any Participant or any other person other than a Series 2012 Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2012 Bonds, including any notice of redemption, or (C) the payment to any Participant or any other person, other than a Series 2012 Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, redemption price, if applicable, or interest on the Series 2012 Bonds. The Issuer and the Registrar shall treat and consider the person in whose name each Series 2012 Bond is registered in the registration books kept by the Registrar as the holder and absolute owner of such Series 2012 Bond for the purpose of payment of principal, redemption price, if applicable, and interest with respect to such Series 2012 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2012 Bond, for the purpose of registering transfers with respect to such Series 2012 Bond, and for all other purposes whatsoever. The Registrar shall pay all principal of, redemption price, if

applicable, and interest on the Series 2012 Bonds only to or upon the order of the respective holders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal, redemption price, if applicable, and interest on the Series 2012 Bonds to the extent of the sum or sums so paid. No Person other than a holder, as shown in the registration books kept by the Registrar, shall receive a certificated Series 2012 Bond evidencing the obligation of the Issuer to make payments of principal, redemption price, if applicable, and interest pursuant to the provisions of this Resolution. Upon delivery by DTC to the Issuer of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co." shall refer to such new nominee of DTC; and upon receipt of such notice, the Issuer shall promptly deliver a copy of the same to the Registrar.

Upon (A) receipt by the Issuer of written notice from DTC (i) to the effect that a continuation of the requirement that all of the outstanding Series 2012 Bonds be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2012 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (B) determination by the Issuer that such book-entry only system is burdensome or undesirable to the Issuer and compliance by the Issuer of all applicable policies and procedures of DTC regarding discontinuance of the book entry registration system, the Series 2012 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names holders shall designate, in accordance with the provisions of the Resolution. In such event, the Issuer shall issue, and the Registrar shall authenticate, transfer and exchange the Series 2012 Bonds of like principal amount, series and maturity, in denominations of \$5,000 or any integral multiple thereof to the holders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the Blanket Letter of Representations previously executed by the Issuer and delivered to DTC shall apply to the payment of principal of, redemption price, if applicable, and interest on the Series 2012 Bonds.

Section 9. Form of Series 2012 Bonds. The text of the Series 2012 Bonds, together with the Registrar's Certificate of Authentication shall be substantially in the form attached hereto as Exhibit B, with such omissions, insertions and variations as may be necessary or desirable and authorized or permitted by the Resolution, this supplemental resolution or any subsequent resolution adopted prior to the issuance thereof, or as may be necessary to comply with applicable laws, rules and regulations of the United States, the State of Florida and the Issuer in effect upon the issuance thereof.

Section 10. Application of Series 2012 Bond Proceeds. Subject in all respects to the satisfaction of the conditions set forth in Section 6 hereof, the proceeds derived from the sale of the Series 2012 Bonds shall be applied by the Issuer simultaneously with the delivery thereof as follows:

(A) A sufficient amount of Series 2012A Bond proceeds, together with other legally available moneys of the Issuer, shall be deposited irrevocably in trust in an escrow deposit trust fund established under the terms and provisions of the hereinafter defined Escrow Deposit Agreement and, other than a cash deposit, shall be invested in Federal Securities in the manner set forth in the Escrow Deposit Agreement, which investments shall mature at such times and in such amounts as shall be sufficient, together with such cash deposit, to pay the principal of, premium, if applicable, and interest on the Refunded 2004A Bonds as the same mature or are redeemed on their respective redemption dates.

(B) A sufficient amount of Series 2012B Bond proceeds, together with other legally available moneys of the Issuer, shall be deposited irrevocably in trust in an escrow deposit trust fund established under the terms and provisions of the hereinafter defined Escrow Deposit Agreement and, other than a cash deposit, shall be invested in Federal Securities in the manner set forth in the Escrow Deposit Agreement, which investments shall mature at such times and in such amounts as shall be sufficient, together with such cash deposit, to pay the principal of, premium, if applicable, and interest on the Refunded 2004B Bonds as the same mature or are redeemed on their respective redemption dates.

(C) If the Chairman or the County Administrator determines that any of the Series 2012 Bonds will be insured by the Bond Insurance Policy, a sufficient amount of the Series 2012 Bond proceeds will be applied to the payment of the premium for the Bond Insurance Policy.

(D) If the Chairman or the County Administrator determines that the Reserve Account should be funded with the Reserve Account Insurance Policy, a sufficient amount of the Series 2012 Bond proceeds will be applied to the payment of the premium for the Reserve Account Insurance Policy. If the Chairman or the County Administrator determines that the Reserve Account should not be funded with the Reserve Account Insurance Policy, a sufficient amount of the Series 2012 Bond proceeds will be deposited to the Reserve Account in order to satisfy the applicable Reserve Account Requirement.

(E) The remaining proceeds of the Series 2012 Bonds shall be applied to pay costs of issuance of the Series 2012 Bonds.

Section 11. Transfer of Certain Moneys. The Refunded Bonds will be refunded from proceeds of the Series 2012 Bonds and other legally available moneys of the Issuer. Any excess moneys on deposit in the funds or accounts established under the Resolution not required by the terms of the Resolution to be on deposit therein and which are

allocated to the Refunded Bonds shall be transferred to the escrow deposit trust fund established pursuant to the Escrow Deposit Agreement.

Section 12. Application of Provisions of Resolution; Creation of Superior Liens. The Series 2012 Bonds shall for all purposes be considered to be Additional Bonds issued under the authority of Section 3.06(E) of the Resolution and shall be entitled to all the protection and security provided by the Resolution for the Parity Obligations and shall be in all respects entitled to the same security, rights and privileges enjoyed by the Parity Obligations. All of the covenants and pledges contained in the Resolution shall be applicable to the Series 2012 Bonds in like manner as applicable to the Parity Obligations.

The Reserve Account shall be available to pay the principal of and interest on the Parity Obligations and the Series 2012 Bonds; provided, however, that any Reserve Instrument may be for the benefit of a particular issue or issues of Bonds.

The Issuer covenants that it will not issue any other notes, bonds, certificates or obligations of any kind or nature or create or cause or permit to be created any debt, lien, pledge, assignment or encumbrance or charge payable from or enjoying a lien upon the Pledged Funds ranking prior and superior to the lien created by the Resolution for the benefit of the Series 2012 Bonds, or enjoying a lien upon the Pledged Funds equal to or on a parity with the lien in favor of the Series 2012 Bonds unless the conditions prescribed by Section 3.06(E) of the Resolution shall be fully complied with and no Event of Default shall exist.

Section 13. Compliance with Internal Revenue Code. The Issuer covenants that it shall comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied in order for the interest on the Series 2012 Bonds to be excluded from gross income for federal income tax purposes as described in the opinion of its bond counsel delivered in connection with the issuance of the Series 2012 Bonds. The Issuer covenants and agrees that it will also comply in all respects with the Certificate as to Arbitrage and Certain Other Tax Matters to be executed in connection with the issuance of the Series 2012 Bonds and any other instructions from its bond counsel, whether delivered in connection with or subsequent to the issuance and sale of the Series 2012 Bonds, in order to comply with all provisions of the Code compliance with which is required to maintain the tax-exempt status of the interest payable on the Series 2012 Bonds as described in said bond counsel opinion.

Section 14. Preliminary Official Statement. The Issuer hereby authorizes the distribution and use of the Preliminary Official Statement in substantially the form attached hereto as Exhibit C (the "Preliminary Official Statement") in connection with offering the Series 2012 Bonds for sale. If between the date hereof and the mailing of the Preliminary Official Statement it is necessary to make insertions, modifications or changes in the Preliminary Official Statement, the Chairman and the County

Administrator are each hereby authorized to approve such insertions, changes and modifications. The Chairman and the County Administrator are each hereby authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule") in the form as mailed. Execution of a certificate by the Chairman or the County Administrator deeming the Preliminary Official Statement "final" as described above shall be conclusive evidence of the approval of any insertions, changes or modifications.

Section 15. Official Statement. Subject in all respects to the satisfaction of the conditions set forth in Section 6 hereof, the Chairman is hereby authorized and directed to execute and deliver a final Official Statement, dated the date of the execution of the Purchase Contract, which shall be in substantially the form of the Preliminary Official Statement and shall contain the pricing terms of the Series 2012 Bonds, in the name and on behalf of the Issuer, and thereupon to cause such Official Statement to be delivered to the Underwriters with such changes, amendments, modifications, omissions and additions as may be approved by the Chairman. Said Official Statement, including any such changes, amendments, modifications, omissions and additions as approved by the Chairman and the information contained therein are hereby authorized to be used in connection with the sale of the Series 2012 Bonds to the public. Execution by the Chairman of the Official Statement shall be deemed to be conclusive evidence of the approval of such changes. Bond counsel is hereby directed to furnish to the Division of Bond Finance of the State Board of Administration of the State of Florida a copy of the final Official Statement, a notice of the impending sale of the Series 2012 Bonds and the other information required by Section 218.38, Florida Statutes, as amended, within the appropriate time periods specified by such section.

Section 16. Authorization to Execute Escrow Deposit Agreement; Appointment of Escrow Agent. Subject in all respects to the satisfaction of the conditions set forth in Section 6 hereof, the Issuer hereby authorizes the Chairman to execute and the Clerk of the Board or any deputy clerk (the "Clerk") to attest an Escrow Deposit Agreement (the "Escrow Deposit Agreement") and to deliver the Escrow Deposit Agreement to U.S. Bank National Association, Orlando, Florida, which is hereby appointed as escrow agent thereunder (the "Escrow Agent"). All of the provisions of the Escrow Deposit Agreement when executed and delivered by the Issuer as authorized herein and when duly authorized, executed and delivered by the Escrow Agent, shall be deemed to be a part of this supplemental resolution as fully and to the same extent as if incorporated verbatim herein, and the Escrow Deposit Agreement shall be in substantially the form attached hereto as Exhibit D, with such changes, amendments, modifications, omissions and additions, including the date of such Escrow Deposit Agreement, as may be approved by the Chairman. Execution by the Chairman of the Escrow Deposit Agreement shall be deemed to be conclusive evidence of the approval of such changes. The Escrow Agent, the Financial Advisor and the Issuer's bond counsel are authorized to take such action as is necessary to procure the Federal Securities.

Section 17. Appointment of Registrar; Authorization to Execute Registrar and Paying Agent Agreement. Subject in all respects to the satisfaction of the conditions set forth in Section 6 hereof, U.S. Bank National Association, Orlando, Florida, is hereby designated as the Registrar for the Series 2012 Bonds. The Chairman is hereby authorized to execute and deliver, and the Clerk, is hereby authorized to attest and affix the official seal of the Issuer to, a Registrar and Paying Agent Agreement with respect to the Series 2012 Bonds, in substantially the form attached hereto as Exhibit E, with such changes, amendments, modifications, omissions and additions, as may be approved by the Chairman. Execution by the Chairman of such Registrar and Paying Agent Agreement shall be deemed to be conclusive evidence of approval of such changes.

Section 18. Municipal Bond Insurance; Reserve Account Insurance Policy.
(A) Subject in all respects to the satisfaction of the conditions set forth in Section 6 hereof, if the Chairman or the County Administrator determines, upon the advice of the Financial Advisor, that any portion of the Series 2012 Bonds will be insured by a municipal bond insurance policy (the "Bond Insurance Policy"), the Issuer hereby authorizes the payment of the principal of and interest on the Series 2012 Bonds to be insured pursuant to the Bond Insurance Policy to be issued by Assured Guaranty Municipal Corp. ("Assured Guaranty"). For purposes of the Resolution and this supplemental resolution, Assured Guaranty shall constitute the "Insuror" of the Series 2012 Bonds. The Chairman and the County Administrator are each hereby authorized to execute such documents and instruments necessary to cause Assured Guaranty to insure the Series 2012 Bonds. The right to consent to amendments to the Resolution or any supplemental resolution affecting any Series 2012 Bonds shall be vested in Assured Guaranty rather than the holders of the Series 2012 Bonds, so long as Assured Guaranty shall not be in default in the due and punctual performance of its payment obligations under the Bond Insurance Policy.

(B) Subject in all respects to the satisfaction of the conditions set forth in Section 6 hereof, if the Chairman or the County Administration determines, upon the advice of the Financial Advisor, to fund the Reserve Account with a Reserve Instrument from Assured Guaranty (the "Reserve Account Insurance Policy") the Issuer shall deposit to the Reserve Account the Reserve Account Insurance Policy, the face amount of which shall be determined by the Chairman or the County Administrator upon the advice of the Financial Advisor. The Chairman or the County Administrator is authorized to enter into an agreement substantially in the form attached hereto as Exhibit H with such changes as may be approved by the Chairman or the County Administrator (the "Insurance Agreement") in order to cause Assured Guaranty to issue such Reserve Account Insurance Policy. Execution by the Chairman or the County Administrator shall be deemed conclusive evidence of the approval of such changes. The provisions of such Insurance Agreement, when executed and delivered, shall be incorporated herein by reference and to the extent there are any conflicts between the Insurance Agreement and

the Resolution or this supplemental resolution, the provisions of the Insurance Agreement shall control.

Section 19. Provisions Relating to Bond Insurance Policy. If the Chairman or the County Administrator determines that any portion of the Series 2012 Bonds will be insured by the Bond Insurance Policy, payment for the premium for such insurance is hereby authorized from proceeds of the Series 2012 Bonds and the provisions of this Section 19 and Exhibit F hereto shall apply with respect to the Series 2012 Bonds. If the Chairman or the County Administrator determines that none of the Series 2012 Bonds are to be insured and the Bond Insurance Policy is not issued in connection with the Series 2012 Bonds, the provisions of this Section 19 and Exhibit F hereto will be deemed null and void and will be of no force or effect.

Subject in all respects to the satisfaction of the conditions set forth in Section 6 hereof, so long as the Bond Insurance Policy issued by Assured Guaranty is in full force and effect and Assured Guaranty has not defaulted in its payment obligations under the Bond Insurance Policy, the Issuer agrees to comply with the provisions contained in Exhibit F hereto, notwithstanding anything in the Resolution to the contrary.

Section 20. Secondary Market Disclosure. Subject in all respects to the satisfaction of the conditions set forth in Section 6 hereof, the Issuer hereby covenants and agrees that, in order to provide for compliance by the Issuer with the secondary market disclosure requirements of the Rule, it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate to be executed by the Issuer and dated the dated date of the Series 2012 Bonds, as it may be amended from time to time in accordance with the terms thereof. The Continuing Disclosure Certificate shall be substantially in the form of Exhibit G hereto with such changes, amendments, modifications, omissions and additions as shall be approved by the Chairman who is hereby authorized to execute and deliver such Certificate. Execution by the Chairman of the Continuing Disclosure Certificate shall be deemed to be conclusive evidence of approval of such changes. Notwithstanding any other provision of the Resolution, failure of the Issuer to comply with such Continuing Disclosure Certificate shall not be considered an event of default under the Resolution or this supplemental resolution; provided, however, to the extent permitted by law, the sole and exclusive remedy of any Series 2012 Bondholder for the enforcement of the provisions of the Continuing Disclosure Certificate shall be an action for mandamus or specific performance, as applicable, by court order, to cause the Issuer to comply with its obligations under this Section 20 and such Continuing Disclosure Certificate. For purposes of this Section 20, "Series 2012 Bondholder" shall mean any person who (A) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2012 Bonds (including persons holding such Bonds through nominees, depositories or other intermediaries), or (B) is treated as the owner of any such Bond for federal income tax purposes.

Section 21. Authorization to Execute Interlocal Agreement. Subject in all respects to the satisfaction of the conditions set forth in Section 6 hereof, the Issuer hereby authorizes the Chairman to execute and the Clerk to attest the Interlocal Agreement and to deliver the Interlocal Agreement to the Agency. All of the provisions of the Interlocal Agreement when executed and delivered by the Issuer as authorized herein and when duly authorized, executed and delivered by the Agency, shall be deemed to be a part of this supplemental resolution as fully and to the same extent as if incorporated verbatim herein, and the Interlocal Agreement shall be in substantially the form attached hereto as Exhibit I, with such changes, amendments, modifications, omissions and additions, including the date of such Interlocal Agreement, as may be approved by the Chairman. Execution by the Chairman of the Interlocal Agreement shall be deemed to be conclusive evidence of the approval of such changes.

Section 22. General Authority. The Chairman, the County Administrator, the Clerk, the County Attorney, and the other officers, attorneys and other agents or employees of the Issuer are hereby authorized to do all acts and things required of them by this supplemental resolution, the Resolution, the Official Statement, the Continuing Disclosure Certificate, the Registrar and Paying Agent Agreement, the Escrow Deposit Agreement, the Insurance Agreement, if any, the Interlocal Agreement or the Purchase Contract or desirable or consistent with the requirements hereof or of the Resolution, the Official Statement, the Continuing Disclosure Certificate, the Registrar and Paying Agent Agreement, the Escrow Deposit Agreement, the Insurance Agreement, if any, the Interlocal Agreement or the Purchase Contract for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Series 2012 Bonds, the Resolution, the Official Statement, the Continuing Disclosure Certificate, the Registrar and Paying Agent Agreement, the Escrow Deposit Agreement, the Purchase Contract, the Insurance Agreement, if any, and the Interlocal Agreement, and each member, employee, attorney and officer of the Issuer 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.

Section 23. No Personal Liability. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Series 2012 Bonds or the Resolution, or in any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Series 2012 Bonds, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member of the Board, officer, attorney, employee or agent of the Issuer in his or her individual capacity, and none of the foregoing persons nor any officer of the Issuer executing the Series 2012 Bonds, or any certificate or other instrument to be executed in connection with the issuance of the Series 2012 Bonds, shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 24. 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 or of the Series 2012 Bonds.

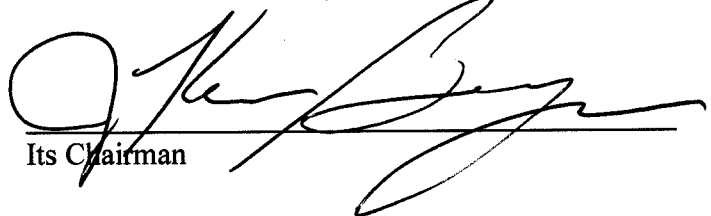
Section 25. Resolution to Continue in Force. Except as herein expressly provided, the Resolution and all the terms and provisions thereof are and shall remain in full force and effect.

Section 26. Effective Date. This supplemental resolution shall become effective immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 2nd day of October, 2012.



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


Its Chairman


Its Clerk Deputy Clerk

RENDITION DATE 10/4/12

EXHIBIT A
FORM OF PURCHASE CONTRACT

BOND PURCHASE AGREEMENT

\$ _____
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue Refunding Bonds,
Series 2012A

\$ _____*
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue Refunding Bonds,
Series 2012B

_____, 2012

Board of County Commissioners of
St. Johns County, Florida
County Administration Building
500 San Sebastian View
St. Augustine, Florida 32084

Ladies and Gentlemen:

RBC Capital Markets, LLC, (the "Managing Underwriter"), on behalf of itself and Merrill Lynch, Pierce, Fenner & Smith Incorporated (collectively, the "Underwriters") offer to enter into this agreement (the "Purchase Contract") with St. Johns County, Florida (the "County"), which, upon your acceptance of this offer, will be binding upon the County and the Underwriter. This offer is made subject to your acceptance on or before 11:59 p.m., Eastern Standard time, on the date hereof and if not so accepted, will be subject to withdrawal by the Underwriters upon notice to the County at any time prior to your acceptance hereof. Capitalized terms not defined herein shall have the meanings ascribed to them in the Resolution (as defined herein).

Inasmuch as this purchase and sale represents a negotiated transaction, the County acknowledges and agrees that: (i) the transaction contemplated by this Purchase Contract is an arm's length, commercial transaction between the County and the Underwriters in which the Underwriters are acting solely as a principal and are not acting as a municipal advisor, financial advisor or fiduciary to the County; (ii) the Underwriters have not assumed any advisory or fiduciary responsibility to the County with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or is currently providing other services to the County on other matters); (iii) the Underwriters are acting solely in their capacity as underwriters for their own accounts, (iv) the only obligations the Underwriters have to the County with

respect to the transaction contemplated hereby expressly are set forth in this Purchase Contract; and (v) the County has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate. The Managing Underwriter has been duly authorized to execute this Purchase Contract and to act hereunder.

SECTION 1. PURCHASE AND SALE. Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase from the County for offering to the public, and the County hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of \$_____ aggregate principal amount of St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012A (the "Series 2012A Bonds") and \$_____ aggregate principal amount of St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012B (the "Series 2012B Bonds" and, together with the Series 2012A Bonds, the "Series 2012 Bonds"). The Series 2012 Bonds shall be dated the date of their delivery, and shall be issued in such principal amounts, bear such rates of interest, and be redeemable upon such terms as set forth in Exhibit A attached hereto. Interest on the Series 2012 Bonds shall be payable April 1 and October 1 of each year, commencing April 1, 2013. The aggregate purchase price of the Series 2012A Bonds is \$_____ (representing the principal amount of \$_____ less an underwriters' discount of \$_____, [plus/less] net original issue [premium][discount] of \$ _____. The aggregate purchase price of the Series 2012B Bonds is \$_____ (representing the principal amount of \$_____ less an underwriters' discount of \$_____, [plus/less] net original issue [premium][discount] of \$ _____. The Series 2012 Bonds shall initially be offered to the public as set forth in Section 3 hereof at such prices or yields as indicated on Exhibit A attached hereto. The Series 2012 Bonds shall be issued pursuant to and under the authority of the Constitution and laws of the State of Florida, particularly Chapter 125, Part I, Florida Statutes, as amended; Ordinance No. 86-89 enacted by the County on December 9, 1986, as amended; and Resolution No. 86-132, duly adopted by the County on September 30, 1986, as previously amended and supplemented (the "Resolution"), particularly as supplemented by Resolution No. 89-143, duly adopted by the County on June 27, 1989, as amended, and Resolution No. 2012-____, duly adopted by the County on _____, 2012 (the "2012 Resolution"). The Series 2012 Bonds are special and limited obligations of the County, payable solely from and secured by the Pledged Funds to the extent and in accordance with the Resolution.

The County is proposing to issue the Series 2012 Bonds to: (i) refund [all] of the County's outstanding Sales Tax Revenue Refunding Bonds, Series 2004A (the "2004A Refunded Bonds") and the County's outstanding Sales Tax Revenue Refunding Bonds,

Series 2004B (the "2004B Refunded Bonds" and, together with the 2004A Refunded Bonds, the "Refunded Bonds"), [(ii) pay the premium for a reserve account insurance policy in order to fund the Reserve Account Requirement (as described herein) for the Series 2012 Bonds], and (iii) pay certain costs of issuance of the Series 2012 Bonds[, including the premium for a bond insurance policy (the "Bond Insurance Policy") to be issued by Assured Guaranty Municipal Corp. (the "Insurer")]. The Series 2012 Bonds and the interest thereon will be payable solely from and secured by a pledge of and prior lien upon the Pledged Funds in the manner and to the extent set forth in the Resolution. The Series 2012 Bonds are being issued pursuant to the Resolution on a parity with the County's outstanding Sales Tax Revenue Bonds Series 2006 (the "Series 2006 Bonds"), Sales Tax Revenue and Refunding Bond, Series 2009 (the "Series 2009 Bond") and Sales Tax Revenue Refunding Bonds, Series 2009A (the "Series 2009A Bonds" and, together with the Series 2006 Bonds and the Series 2009 Bond, the "Parity Obligations").

Concurrently with the execution and delivery of the Series 2012 Bonds, there are to be executed and delivered, among other things, (a) the Continuing Disclosure Certificate of the County dated the Closing Date (as hereinafter defined) (the "Continuing Disclosure Certificate"), (b) the Registrar and Paying Agent Agreement dated the Closing Date (the "Registrar and Paying Agent Agreement"), between the County and U.S. Bank National Association, Orlando, Florida, its successors and assigns, as registrar and paying agent for the Series 2012 Bonds (the "Registrar and Paying Agent"), (c) the Escrow Deposit Agreement dated as of the Closing Date (the "Escrow Deposit Agreement"), between the County and U.S. Bank National Association, Orlando, Florida, its successors and assigns, as escrow agent for the Refunded Bonds (the "Escrow Agent"), (d) [[the Insurance Agreement] dated as of the Closing Date (the "Insurance Agreement"), between the County and the Insurer] and (e) any other documents related to the transactions contemplated in the Official Statement in connection with the public offering, sale and distribution of the Series 2012 Bonds. [Also currently with the issuance of the Series 2012 Bonds, the Insurer will issue its reserve insurance policy (the "Surety Bond") for deposit into the reserve account established under the Resolution].

SECTION 2. UNDERWRITERS' LIABILITY. Delivered to you herewith, as a good faith deposit, is a federal funds wire transfer from the Managing Underwriter deposited to the account of the County previously designated by the County, in the amount of \$_____ as security for the performance by the Underwriters of their obligation to accept and pay for the Series 2012 Bonds at Closing (as hereinafter defined) in accordance with the provisions of this Purchase Contract. In the event that you accept this offer, such wired funds shall be held by the County and applied to the

purchase price of the Series 2012 Bonds at the Closing. In the event you do not accept this offer, such wired funds shall be immediately returned to the Managing Underwriter. If the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Series 2012 Bonds at the Closing as provided herein, the wired funds may be retained by the County as full liquidated damages for the failure of the Underwriters to accept and pay for the Series 2012 Bonds at Closing and for any and all defaults hereunder on the part of the Underwriters, and the retention of such amounts shall constitute a full release and discharge of all claims and damages for such failure and for any and all such defaults hereunder on the part of the Underwriters, it being understood by both the County and the Underwriters that actual damages in such circumstances may be difficult or impossible to compute.

In the event that the County fails to deliver the Series 2012 Bonds at the Closing, or if the County is unable at or prior to the Closing Date to satisfy or cause to be satisfied the conditions to the obligations of the Underwriters contained in this Purchase Contract, or if the obligations of the Underwriters contained herein shall be cancelled or terminated for any reason permitted by this Purchase Contract, the County shall be obligated to immediately return the wired funds to the Managing Underwriter and such return shall constitute a full release and discharge of all claims by the County and the Underwriters arising out of the transaction contemplated herein except for the respective obligations of the County and the Underwriters set forth in Section 8 below.

SECTION 3. OFFERING. The Underwriters agree to make a public offering of the Bonds at the initial offering prices or yields set forth in Exhibit A attached hereto; provided, however, the Underwriters reserve the right to make concessions to dealers and to change such initial offering prices as the Underwriters shall deem necessary in connection with the marketing of the Series 2012 Bonds.

It shall be a condition of your obligation to sell the Series 2012 Bonds to the Underwriters and to deliver the Series 2012 Bonds to the Underwriters as provided in Section 6 hereof, and the obligation of the Underwriters to purchase and accept delivery of the Series 2012 Bonds, that the entire initial aggregate principal amount of the Series 2012 Bonds shall be sold and delivered by you and accepted and paid for by the Underwriters at the Closing.

Neither the Underwriters nor any "persons" of any "affiliate" thereof have been on the "convicted vendor list" during the past 36 months, as all such terms are defined in Section 287.133, Florida Statutes.

SECTION 4. PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL STATEMENT. The County hereby confirms that it has made available to the

Underwriters a Preliminary Official Statement of the County relating to the Series 2012 Bonds dated _____, 2012 (which, together with the cover page and appendices contained therein, is herein called the "Preliminary Official Statement"). Within seven business days of the acceptance hereof by the County, the County shall deliver to the Underwriters, at the County's expense such reasonable number of conformed copies of the Official Statement (which, together with the cover page, inside cover and appendices contained therein, and any subsequent amendments thereto, is herein called the "Official Statement"), as the Underwriters shall reasonably request which shall be sufficient in number to permit the Underwriters to comply with paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934 (the "Exchange Act of 1934") and with Rule G-32 and all other applicable rules of Municipal Securities Rulemaking Board. The County, by its acceptance hereof ratifies and approves the Preliminary Official Statement as of its date and approves and authorizes the Underwriters to use the Official Statement and all documents described therein in connection with the public offering and the sale of the Series 2012 Bonds. The County agrees to make no amendments to the Official Statement without providing prior written notification to the Underwriters. In addition, the County will undertake, pursuant to the Resolution and the Continuing Disclosure Certificate to provide certain annual financial and operating information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Offering Statement and will also be set forth in the Official Statement.

In accordance with Section 218.385(6), Florida Statutes, the Underwriters hereby disclose the required information as provided in Exhibit B attached hereto. In accordance with 218.385(2) and (3), Florida Statutes, the Underwriters have delivered to the County the Truth-in-Bonding statement, which statement is attached hereto as Exhibit C.

SECTION 5. REPRESENTATIONS, WARRANTIES AND AGREEMENTS. The County hereby represents, warrants and agrees as follows:

(a) As of the date of the Preliminary Official Statement and the date of this Purchase Contract, and as of the date of Official Statement and at the time of Closing, the statements and information contained in the Preliminary Official Statement and Official Statement will be true, correct and complete in all material respects and the Preliminary Official Statement and Official Statement will not omit any statement or information which should be included therein for the purposes for which the Preliminary Official Statement and Official Statement are to be used or which is necessary to make the statements or information contained therein, in light of the

circumstances under which they were made, not misleading (provided, however, that no representation or warranty is being provided with respect to the Insurer, the Bond Insurance Policy or the Surety Bond, or DTC and its book-entry system of registration).

(b) Between the date of this Purchase Contract and the time of Closing, the County will not execute any bonds, notes or obligations for borrowed money, other than the Series 2012 Bonds, which pledge either the full faith and credit of the County or the Pledged Funds, without giving prior written notice thereof to the Managing Underwriter.

(c) The County is, and will be at the Closing Date, duly organized and validly existing as a political subdivision of the State of Florida, with the powers and authority set forth in the Act.

(d) The County has full legal right, power and authority to: (i) enter into this Purchase Contract, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, [the Insurance Agreement] and the Escrow Deposit Agreement, (ii) adopt the Resolution, (iii) sell, issue and deliver the Series 2012 Bonds to the Underwriters under the Act as provided herein, (iv) refund the Refunded Bonds, (v) execute the Official Statement and (vi) carry out and consummate the transactions contemplated by this Purchase Contract, the Resolution, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, the Escrow Deposit Agreement, [the Insurance Agreement] and the Official Statement, and the County has complied, and at the Closing will be in compliance, in all respects, with the terms of the Act and with the obligations on its part in connection with the issuance of the Series 2012 Bonds contained in the Resolution, the Series 2012 Bonds, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, the Escrow Deposit Agreement, [the Insurance Agreement] and this Purchase Contract.

(e) By all necessary official action, the County has (i) duly adopted the Resolution, (ii) duly authorized and approved the Preliminary Official Statement and the Official Statement, and (iii) duly authorized and approved the execution and delivery of, and the performance by the County of, the Series 2012 Bonds, this Purchase Contract, the Resolution, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, the Escrow Deposit Agreement, [the Insurance Agreement], and all other obligations on its part in connection with the issuance of the Series 2012 Bonds and the consummation by it of all other transactions contemplated by this Purchase Contract, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, the Official Statement, [the Insurance Agreement] and the Escrow Deposit Agreement in connection with the issuance of the Series 2012 Bonds; and upon delivery of the Series 2012 Bonds at the Closing, the Resolution, this Purchase Contract, the

Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, [the Insurance Agreement] and the Escrow Deposit Agreement will constitute legal, valid and binding obligations of the County, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity.

(f) When delivered to the Underwriters and paid for by the Underwriters at the Closing in accordance with the provisions of this Purchase Contract, the Series 2012 Bonds shall be entitled to the benefits of the Resolution, including a pledge of and lien upon the Pledged Funds in accordance with the provisions of the Resolution, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity.

(g) The refunding of the Refunded Bonds, the adoption of the Resolution and the authorization, execution and delivery of this Purchase Contract, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, the Escrow Deposit Agreement, [the Insurance Agreement] and the Series 2012 Bonds, and compliance with the provisions hereof and thereof, will not conflict with, or constitute a material breach of or default under any law, administrative regulation, consent decree, ordinance, resolution or any agreement or other instrument to which the County was or is subject, as the case may be, nor will such adoption, execution, delivery, authorization or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the County, or under the terms of any law, administrative regulation, ordinance, resolution or instrument, except as expressly provided by the Resolution.

(h) At the time of Closing, the County will be in compliance in all respects with the covenants and agreements contained in the Resolution and no event of default and no event which, with the lapse of time or giving of notice, or both, would constitute an event of default under the Resolution will have occurred or be continuing.

(i) Except as provided in the Official Statement, all approvals, consents, authorizations and orders of any governmental authority or agency having jurisdiction in any matter which would constitute a condition precedent to the performance by the County of its obligations hereunder and its obligations under the Resolution have been obtained and are in full force and effect.

(j) The County is lawfully empowered to pledge and grant a lien on the Pledged Funds for payment of the principal of, redemption premium, if any, and interest on the Series 2012 Bonds.

(k) Except as expressly disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency or public board or body pending or, to the best knowledge of the County, threatened against the County, affecting or seeking to prohibit, restrain or enjoin the refunding of the Refunded Bonds or the sale, issuance or delivery of the Series 2012 Bonds or the receipt of the Local Government Half-Cent Sales Tax or the pledge of and lien on the Pledged Funds or contesting or affecting as to the County the validity or enforceability in any respect of the Series 2012 Bonds, the Resolution, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, the Escrow Deposit Agreement, [the Insurance Agreement] or this Purchase Contract, or contesting the tax-exempt status of interest on the Series 2012 Bonds, or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto, or contesting the powers of the County or the Board or any authority for the issuance of the Series 2012 Bonds, the adoption of the Resolution or the execution and delivery by the County of the Series 2012 Bonds, this Purchase Contract, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, [the Insurance Agreement] or the Escrow Deposit Agreement.

(l) The County will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters as the Managing Underwriter may reasonably request in order to (i) qualify the Series 2012 Bonds for offer and sale under the "blue sky" or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate, and (ii) determine the eligibility of the Series 2012 Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Series 2012 Bonds; provided, however, that the County shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(m) The County will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Series 2012 Bonds to be applied in a manner contrary to that provided for in the Resolution, and as described in the Official Statement.

(n) The County neither is nor has been in default at any time after December 31, 1975, as to principal or interest with respect to an obligation issued or guaranteed by the County as to which County revenues are pledged or payable with respect thereto.

(o) As of its date, the Preliminary Official Statement was deemed "final" by the County for the purposes of SEC Rule 15c2-12(b)(1) except for the omission of certain matters permitted thereby.

(p) If, after the date of this Purchase Contract and until the earlier of (i) 90 days from the end of the "underwriting period" (as defined in SEC Rule 15c2-12) or (ii) the time when the Official Statement is available to any person from a nationally recognized repository, but in no case less than 25 days following the end of the underwriting period, any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the County shall notify the Managing Underwriter thereof and, if in the opinion of the County, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the County will at its own expense forthwith prepare and furnish to the Managing Underwriter a sufficient number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Managing Underwriter) which will supplement or amend the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances existing at such time, not misleading.

(q) Any certificate signed by any official of the County and delivered to the Managing Underwriter shall be deemed a representation and warranty by the County to the Underwriters as to the truth of the statements therein contained.

(r) Except as expressly disclosed in the Official Statement, in the past five years the County has never failed to comply with any prior continuing disclosure obligation arising out of SEC Rule 15c2-12.

(s) Except as expressly disclosed in the Official Statement, the County has never failed to, and the County hereby covenants and agrees to, take any and all action required to be taken by it pursuant to Part VI, Chapter 218, Florida Statutes, as amended and the Act in order to remain eligible to receive proceeds of the Local Government Half-Cent Sales Tax.

(t) The financial statements of, and other financial information regarding the County, in the Official Statement fairly present the financial position and results of the County as of the dates and for the periods therein set forth. Prior to the Closing, there is not expected to be any adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the County. The County is

not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the County, would have a materially adverse effect on the financial condition of the County.

SECTION 6. CLOSING. At noon, local time, on _____, 2012 (the "Closing Date"), or at such time on such earlier or later date as shall be agreed upon, the County will, subject to the terms and conditions hereof deliver to the Managing Underwriter in care of DTC or its agent, the Series 2012 Bonds in permanent form, duly executed, and will deliver the other documents herein mentioned at a location mutually agreed upon by the County and the Managing Underwriter; and the Underwriters will pay the purchase price of the Series 2012 Bonds as set forth in Section 1 hereof by immediately available funds, payable to the order of the County. This delivery and payment is herein called the "Closing."

SECTION 7. CLOSING CONDITIONS. The Underwriters have entered into this Purchase Contract in reliance upon the representations and warranties of the County herein contained and the performance by the County of its obligations hereunder, both as of the date hereof and as of the time of Closing. The obligations of the Underwriters under this Purchase Contract are and shall be subject to each of the following conditions and the obligations of the County shall be subject to the County being paid the aggregate purchase price of the Series 2012 Bonds and the County receiving the items described in conditions (f)(ii), (f)(iv), (f)(vi) through (f)(xiii), (f)(xv) through (f)(xviii) of this Section 7:

(a) The representations and warranties of the County contained herein shall be true and correct as of the date hereof and as of the Closing Date, as if made on the Closing Date.

(b) The County shall have performed all agreements of the County required to be performed under the Resolution and this Purchase Contract prior to or on the Closing Date.

(c) At the time of the Closing, the Resolution shall be in full force and effect in accordance with its terms and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Managing Underwriter.

(d) At the time of the Closing, all official action of the County relating to this Purchase Contract, the Resolution, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, [the Insurance Agreement], the Escrow Deposit Agreement, the Official Statement and the Series 2012 Bonds shall be in full force and

effect in accordance with their respective terms and shall not have been amended, modified or supplemented in any material respect, except in each case as may have been agreed to by the Managing Underwriter.

(e) The Underwriters shall have the right to cancel their obligation to purchase the Series 2012 Bonds if, between the date of this Purchase Contract and the Closing, the market price or marketability of the Series 2012 Bonds shall be materially adversely affected, in the sole judgment of the Managing Underwriter, by the occurrence of any of the following:

(i) legislation shall have been introduced in or enacted by the Congress of the United States or enacted by the State of Florida, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives or legislation shall have been proposed for consideration by either such Committee, by the Staff of such Committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or the State of Florida, including the Tax Court of the United States, or a ruling shall have been made or a regulation shall have been proposed or a form of notice shall have been issued by the Treasury Department of the United States, or the Internal Revenue Service or other federal or State of Florida authority, with respect to Federal or State of Florida taxation upon interest on obligations of the general character of the Series 2012 Bonds, which (A) may have the purpose or effect, directly or indirectly, of affecting the tax status of the County, its property or income, its securities (including the Series 2012 Bonds) or the interest thereon, or any applicable tax exemption granted or authorized by the State of Florida and, (B) which in the reasonable opinion of the Managing Underwriter, affects adversely the market for the Series 2012 Bonds, or the market price generally of obligations of the general character of the Series 2012 Bonds; or

(ii) (A) in the Managing Underwriter's reasonable judgment, the market price of the Series 2012 Bonds is materially adversely affected because:

(I) additional material restrictions not in force as of the effective date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; (II) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Series 2012 Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force; or (III) a general banking moratorium shall have been established by federal, New York or Florida authorities; or (B) there shall have occurred any material change in the affairs or financial condition of the County, except for any changes which the Official Statement discloses are expected to occur, or any other event which in the Managing Underwriter's reasonable opinion and concurrence by appropriate representatives of the County, materially adversely affects the marketability of the Series 2012 Bonds at the purchase price set forth in Section 1, herein; or (C) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance, sale or delivery of the Series 2012 Bonds or in any way contesting or affecting any authority for or the validity of the Series 2012 Bonds, any of the proceedings of the County taken with respect to the issuance or sale thereof, the pledge or application of any moneys or securities provided for the payment of the Series 2012 Bonds or the existence or powers of the County; or

(iii) in the Managing Underwriter's reasonable judgment, and concurrence by the appropriate representatives of the County, the purchase price of the Series 2012 Bonds set forth in Section 1 herein is adversely affected because (A) a war involving the United States of America shall have been declared, or (B) any other national or international calamity shall have occurred (economic or otherwise), or any conflict involving the armed forces of the United States of America shall have escalated to such magnitude as to materially affect the Underwriters' physical or technical ability to market the Series 2012 Bonds; or

(iv) a stop order, release, regulation, or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made to the effect that the issuance, offering, or sale of the Series 2012 Bonds, including all the underlying obligations as contemplated hereby or by the Official Statement, or any document relating to the issuance, offering or sale of the Series 2012 Bonds is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act of 1933, as amended (the "Securities Act"), the Securities Exchange Act of 1934, as amended and the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"); or

(v) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates); or

(vi) legislation shall be enacted or be proposed or actively considered for enactment, or a decision by a court of the United States shall be rendered, or a ruling, or regulation, by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that the Series 2012 Bonds or any securities of the County, any obligations of the general character of the Series 2012 Bonds, and the Resolution, are not exempt from the registration, qualification or other requirements of the Securities Act, and as then in effect or of the Trust Indenture Act, as then in effect, or otherwise, or would be in violation of any provision of the federal securities laws; or

(vii) any event occurring, or information becoming known which, in the judgment of the Managing Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(viii) any fact or event shall exist or have existed that, in the Managing Underwriter's judgment, requires or has required an amendment of or supplement to the Official Statement not made by the County to the satisfaction of the Managing Underwriter; or

(ix) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to the Series 2012 Bonds or any of the County's obligations on a parity with the Series 2012 Bonds or any rating of the Insurer.

(f) At or prior to the Closing Date, the Managing Underwriter shall receive the following documents:

(i) The Resolution certified by the Clerk under seal as having been duly adopted by the County and as being in effect, with such supplements, modifications or amendments as may have been agreed to by the Managing Underwriter.

(ii) A final approving opinion of Nabors Giblin & Nickerson P.A., Bond Counsel, addressed to the County, dated the date of the Closing, in substantially the form included in the Official Statement as Appendix E.

(iii) A letter of Bond Counsel addressed to the Underwriters and the Insurer, and dated the Closing Date, to the effect that their final approving opinion referred to in Section 7(f)(ii) hereof may be relied upon by the Underwriters and the Insurer to the same extent as if such opinion were addressed to the Underwriter and the Insurer.

(iv) An opinion of Edwards Cohen, Counsel for the County, addressed to the County, the Underwriters and the Insurer, and dated the date of the Closing, substantially to the effect that:

(A) The 2012 Resolution has been duly adopted by the County and the Series 2012 Bonds, this Purchase Contract, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, [the Insurance Agreement] and the Escrow Deposit Agreement have been duly authorized, executed and delivered by the County, and the Resolution, the Continuing Disclosure Certificate, the Series 2012 Bonds when duly authenticated, and the Purchase Contract, the Registrar and Paying Agent Agreement, [the Insurance Agreement] and the Escrow Deposit Agreement, when duly executed by the other parties thereto, constitute valid, legal and binding agreements of the County enforceable in accordance with their respective terms; provided, however, the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally;

(B) the County is a political subdivision duly existing under the Constitution and laws of the State of Florida and has good right and lawful authority to issue the Series 2012 Bonds, to secure the Series 2012 Bonds in the manner and to the extent provided in the Resolution, to carry out its powers under the Act and to perform all of its obligations under the Resolution, the Series 2012 Bonds, the Purchase Contract, the Continuing Disclosure Certificate, the Escrow Deposit Agreement, [the Insurance Agreement] and the Registrar and Paying Agent Agreement;

(C) no consent, waiver or any other action by any person, board or body, public or private, other than the approval of the County which has been duly and validly obtained, is required as of the date thereof for

the County to issue the Series 2012 Bonds or adopt the Resolution, or to execute and deliver the Purchase Contract, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, [the Insurance Agreement] or the Escrow Deposit Agreement, or to perform its obligations under any of the foregoing;

(D) to the best of their knowledge, the adoption of the Resolution and the execution and delivery of this Purchase Contract, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, the Escrow Deposit Agreement, [the Insurance Agreement] and the Series 2012 Bonds and compliance with the provisions of each do not and will not conflict with or constitute a breach of or default under any applicable law or administrative regulation of the State of Florida, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the County is a party or is otherwise subject;

(E) except as otherwise disclosed in the Official Statement, to the best of their knowledge there is no litigation or proceeding, pending or threatened, or challenging the creation, organization or existence of the County, the receipt of the Local Government Half-Cent Sales Tax by the County or the validity of the Series 2012 Bonds, the Purchase Contract, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, [the Insurance Agreement] or the Escrow Deposit Agreement or seeking to restrain or enjoin any of the transactions referred to therein or contemplated thereby, or which, in any manner, questions the right of the County to issue the Series 2012 Bonds or to pledge the Pledged Funds for repayment of the Series 2012 Bonds;

(F) nothing has come to their attention that would lead them to believe that the Official Statement as of its date or as of the date thereof contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except for financial and statistical information contained in the Official Statement, the information contained therein relating to [the Insurer, its Bond Insurance Policy or its Surety Bond] or DTC or its book-entry-only system and the information provided in Appendices A, B, E and F thereof, as to which no views need be expressed);

(G) the use of the Preliminary Official Statement by the Underwriters for the purpose of offering the Series 2012 Bonds for sale has been duly authorized by the County; and

(H) the Official Statement has been duly authorized, executed and delivered by the County, and the County has consented to the use thereof by the Underwriters; and

(I) the County is lawfully empowered to pledge and grant a lien on the Pledged Funds, for the payment of the principal of, redemption premium, if any, and interest on the Series 2012 Bonds.

(J) for purposes of the opinion, they have assumed that the interest on the Series 2012 Bonds is excluded from gross income for federal income tax purposes and that neither the Series 2012 Bonds, the Resolution nor any other matter or documents need to be registered or qualified under the Securities Act, the Florida Securities Act, Chapter 517 Florida Statutes, as amended, the Trust Indenture Act, or the securities or blue sky laws of any jurisdiction.

(v) A certificate, which shall be true and correct at the time of Closing, signed by the Chair and the Clerk or such other officials satisfactory to the Managing Underwriter, and in form and substance satisfactory to the Managing Underwriter, to the effect that, to the best of their knowledge and belief:

(A) the representations, warranties and covenants of the County contained herein are true and correct in all material respects as of the Closing Date and that the County has satisfied all conditions to be performed or satisfied hereunder at or prior to Closing;

(B) the Official Statement did not as of its date, and does not as of the Closing Date, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purposes for which the Official Statement is to be used, or which is necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading (provided, that no opinion need be expressed regarding the information contained therein relating to [the Insurer, its Bond Insurance Policy or its Surety Bond,] DTC and its book-entry only system and the information contained therein under the caption "TAX EXEMPTION");

(C) that, except as disclosed in the Official Statement, no litigation or other proceedings are pending or, to his or her knowledge, threatened against the County in any court or other tribunal of competent jurisdiction, State or Federal, in any way (I) restraining or enjoining the issuance, sale or delivery of any of the Series 2012 Bonds, or (II) questioning or affecting the validity of this Purchase Contract, the Series 2012 Bonds, the Resolution, the Registrar and Paying Agent Agreement, the Continuing Disclosure Certificate, the Escrow Deposit Agreement, [the Insurance Agreement] or the pledge by the County to the Bondholders of the Pledged Funds, or (III) questioning or affecting the validity of any of the proceedings for the authorization, sale, execution, issuance or delivery of the Series 2012 Bonds or (IV) questioning or affecting (1) the organization or existence of the County or the title to office of the officers thereof, (2) the refunding of the Refunded Bonds, or (3) the power or authority of the County to receive the Local Government Half-Cent Sales Tax or (V) asserting that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(D) that except as disclosed in the Official Statement, the County is not in default nor has been in default at anytime after December 31, 1975 as to the payment of principal or interest with respect to any obligation issued or guaranteed by the County as to which County revenues are pledged or payable with respect thereto;

(E) that no event affecting the County has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purposes for which it is to be used or that is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect; and

(F) that since the date of the financial statements included in the Official Statement, (I) no material adverse change has occurred in the financial condition of the County and (II) the County has not incurred any material liabilities other than in the ordinary course of business, except as set forth in or contemplated by the Official Statement; and

(G) except as disclosed in the Official Statement, the County has continuously maintained eligibility under applicable law to receive the Local Government Half-Cent Sales Tax.

(vi) An opinion of Nabors Giblin & Nickerson P.A., as Bond Counsel, addressed to the County and the Underwriters, and dated the Closing Date, to the effect that:

(A) with respect to the information in the Official Statement and based upon said firm's review of the Official Statement, as Bond Counsel, and without having undertaken to determine independently the accuracy or completeness of the contents of the Official Statement, it is of the opinion that the information in the Official Statement under the headings "INTRODUCTION" (other than the information under the subheadings "The County," "Bond Insurance Policy and Reserve Account Surety Bond," and "Additional Information"), "PLAN OF REFUNDING," "DESCRIPTION OF THE SERIES 2012 BONDS," (other than the information under the subheading "Book-Entry Only System"), "SECURITY FOR THE BONDS," and "TAX EXEMPTION" and "APPENDIX C – Summary of Certain Provisions of the Resolution" (except for the financial and statistical data contained in any such headings, as to which no view need be expressed) insofar as such information purports to be descriptions or summaries, as applicable of the Resolution, the Series 2012 Bonds or state and federal laws to the extent indicated therein, are accurate and fair statements or summaries of the matters set forth or the documents referred to therein; and

(B) the Series 2012 Bonds are exempt from registration under the Securities Act and the Resolution is exempt from qualification as an indenture under the Trust Indenture Act.

(vii) An opinion of Foley & Lardner LLP, as Disclosure Counsel, addressed to the County and the Underwriters, and dated the Closing Date, substantially to the effect that (1) the Series 2012 Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, (2) based upon their participation and their review of the Official Statement as Disclosure Counsel for the County and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement, nothing has come to their attention causing them to believe that the Official Statement contains any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except for the financial and statistical information contained in the Official Statement and the information related to

the Insurer, the Bond Insurance Policy, the Surety Bond, DTC or its book-entry only system as to which no view need be expressed), and (3) the Continuing Disclosure Certificate, together with the Official Statement and this Purchase Contract, satisfy the requirements contained in Rule 15c2-12(b)(5) promulgated by the United States Securities and Exchange Commission for an undertaking for the benefit of the owners of the Series 2012 Bonds to provide the information at the times and in the manner required by said Rule.

(viii) A certificate of an authorized representative of _____ (the "Bank"), as the Registrar, Paying Agent, and Escrow Agent, to the effect that:

(A) the Bank is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America and is duly authorized to exercise trust powers within Florida,

(B) the Bank has all the requisite authority, power, licenses, permits and franchises, and has full corporate power and legal authority to execute and perform its functions under the Resolution, the Registrar and Paying Agent Agreement and the Escrow Deposit Agreement;

(C) the performance by the Bank of its functions under the Resolution and the Registrar and Paying Agent Agreement and the Escrow Deposit Agreement will not result in any violation of the Articles of Association or Bylaws of the Bank, any court order to which the Bank is subject or any agreement, indenture or other obligation or instrument to which the Bank is a party or by which the Bank is bound, and no approval or other action by any governmental authority or agency having supervisory authority over the Bank is required in order for the Bank to perform its functions under the Resolution, the Registrar and Paying Agent Agreement and the Escrow Deposit Agreement;

(D) each of the Registrar and Paying Agent Agreement and the Escrow Deposit Agreement constitutes a valid and binding obligation of the Bank in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity; and

(E) to the best of such authorized representative's knowledge, there is no action, suit, proceeding, or investigation at law or in equity before any court, public board or body pending or, to his or her

knowledge, threatened against or affecting the Bank wherein an unfavorable decision, ruling or finding on an issue raised by any party thereto is likely to materially and adversely affect the ability of the Bank to perform its obligations under the Resolution, the Registrar and Paying Agent Agreement and the Escrow Deposit Agreement.

(ix) Letters of Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P," and together with Moody's, the "Rating Agencies") to the effect that the Series 2012 Bonds have been assigned a rating no less favorable than "___" and "___," respectively, [and underlying ratings of "___" and "___" respectively], which ratings shall be in effect as of the Closing Date.

(x) Duly executed copies of the Bond Insurance Policy, the Surety Bond, the Escrow Deposit Agreement, the Registrar and Paying Agent Agreement, [the Insurance Agreement] and the Continuing Disclosure Certificate in form acceptable to the Underwriters and Bond Counsel.

(xi) An opinion of general counsel to the Insurer and a certificate of an officer of the Insurer dated the date of the Closing and addressed to the Underwriters and the County, concerning the Insurer, the Bond Insurance Policy and Surety Bond and the information relating to the Insurer, the Bond Insurance Policy and the Surety Bond, contained in the Official Statement, in form and substance satisfactory to the Underwriters.

(xii) A letter of representations of the County to DTC.

(xiii) Internal Revenue Service Form 8038-G.

(xiv) State of Florida Division of Bond Finance Form BF2003/2004-B.

(xv) A certificate from the County's financial advisor that parameters of the Bonds set forth in the 2012 Resolution have been satisfied.

(xvi) A copy of the verification report issued by _____ as verification agent (the "Verification Agent").

(xvii) An opinion of Bond Counsel addressed to the County, and dated the Closing Date, to the effect that the Refunded Bonds have been legally defeased and are no longer outstanding for purposes of the Resolution.

(xviii) A certificate from an independent certified public accountant as required by Section 3.06(E) of the Resolution for the issuance of Additional Bonds.

(xix) such additional legal opinions, certificates, instruments and other documents as the Managing Underwriter may reasonably request, to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the County's representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the County on or prior to the Closing Date of all the agreements then to be performed and conditions then to be satisfied by it.

If the County shall be unable to satisfy the conditions to the obligations of the Managing Underwriter to accept delivery of the Series 2012 Bonds and the Underwriters to purchase and to pay for the Series 2012 Bonds contained in this Purchase Contract and the Managing Underwriter does not waive such inability in writing (except that the delivery of the Continuing Disclosure Certificate cannot be waived), or if the obligations of the Managing Underwriter to accept delivery of the Series 2012 Bonds and the Underwriters to purchase and to pay for the Series 2012 Bonds shall be terminated for any reason permitted by this Purchase Contract, or if the Series 2012 Bonds are not issued and delivered by the County in the year 2012, this Purchase Contract shall terminate, the good faith deposit described in Section 2 hereof shall be returned to the Managing Underwriter and neither the Underwriters nor the County shall be under any further obligation hereunder, except that the respective obligations of the County and the Underwriters set forth in Section 8 hereof shall continue in full force and effect.

SECTION 8. EXPENSES. The Underwriters shall be under no obligation to pay, and the County shall pay, any expense incident to the performance of the County's obligations hereunder including, but not limited to: (a) the cost of preparation, printing and delivery of the Resolution; (b) the cost of preparation and printing of the Series 2012 Bonds, (c) the fees and expenses of Bond Counsel, Disclosure Counsel and Edwards Cohen, Counsel for the County, (d) the fees and disbursements of the County's certified public accountants; (e) the fees and expenses of Public Financial Management, Inc., the County's financial advisor for the Series 2012 Bonds; (f) any other experts, consultants or advisors retained by the County; (g) fees for bond ratings; (h) the fees and expenses of the Registrar and Paying Agent and Escrow Agent; and (i) the costs of preparing, printing and delivering the Preliminary Official Statement and the Official Statement and any supplements or amendments thereto. The Underwriter shall pay: (a) the cost of printing and delivery of this Purchase Contract; (b) the cost of all

"Blue Sky" and legal investment memoranda and related filing fees; (c) all advertising expenses, (d) fees and expenses of its counsel and (e) all other expenses incurred by it in connection with the public offering of the Series 2012 Bonds, including, but not limited to, meals, transportation and lodging, if any, and any other miscellaneous closing costs. In the event that either party shall have paid obligations of the other as set forth in this Section 8, adjustment shall be made at the time of the Closing.

The County acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Series 2012 Bonds.

SECTION 9. NOTICES. Any notice or other communication to be given to you under this Purchase Contract may be given by mailing the same to the attention of the County Administrator, at the address set forth on the first page hereof, and any such notice or other communication to be given to the Underwriters may be mailed to RBC Capital Markets, LLC, 1650 Prudential Drive, Suite 101, Jacksonville, Florida 32207, Attention: Mitchell N. Owens.

SECTION 10. PARTIES IN INTEREST. This Purchase Contract is made solely for the benefit of the County and the Underwriters and no other party or person shall acquire or have any right hereunder or by virtue hereof. All of the County's representations, warranties and agreements in this Purchase Contract shall remain operative and in full force and effect and shall survive the delivery of the Series 2012 Bonds.

SECTION 11. WAIVER. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the County hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriters may be waived by the Managing Underwriter, and the approval of the Underwriters when required hereunder or the determination of their satisfaction as to any document referred to herein shall be evidenced by the purchase of the Series 2012 Bonds; provided, however, the Managing Underwriter may not waive the delivery of the Continuing Disclosure Certificate.

SECTION 12. NO LIABILITY. Neither the Board of County Commissioners of the County, nor any of the members thereof, nor any officer, agent or employee thereof shall be charged personally by the Underwriters with any liability, or held liable to the Underwriters under any term or provision of this Purchase Contract because of its execution or attempted execution, or because of any breach or attempted or alleged breach thereof.

SECTION 13. GOVERNING LAW. This Purchase Contract, and the terms and conditions herein, shall constitute the full and complete agreement between the County and the Underwriters with respect to the purchase and sale of the Series 2012 Bonds. This Purchase Contract shall be governed by and construed in accordance with the laws of the State of Florida.

SECTION 14. OPERATION OF WARRANTIES, ETC. All the representations, warranties, covenants and agreements of the County in this Purchase Contract shall remain operative and in full force and effect as if made on the date hereof and the Closing Date, regardless of (i) any investigation made by or on behalf of the Underwriters or by Disclosure Counsel, or (ii) delivery of and any payment for the Series 2012 Bonds hereunder.

SECTION 15. SECTION HEADINGS. Section headings have been inserted in this Purchase Contract as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Purchase Contract and will not be used in the interpretation of any provisions of this Purchase Contract.

SECTION 16. SEVERABILITY. If any provision of this Purchase Contract shall be held or deemed to be, or shall in fact be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, or rule of public policy, or for any other reasons, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions of this Purchase Contract invalid, inoperative or unenforceable to any extent whatever.

SECTION 17. EXECUTION OF COUNTERPARTS. This Purchase Contract may be executed in any number of counterparts, all of which taken together shall be one and the same instrument, and any parties hereto may execute this Purchase Contract by signing any such counterpart. The execution of this Purchase Contract has been duly authorized by the Board of County Commissioners of the County.

[Remainder of page intentionally left blank.]

SECTION 18. EFFECTIVENESS. This Purchase Contract shall become effective upon the execution by the appropriate County officials of the acceptance hereof by the County and shall be valid and enforceable at the time of such acceptance.

Very truly yours,

RBC CAPITAL MARKETS, LLC, as
Managing Underwriter

By: _____
Mitchell N. Owens, Managing Director

Accepted at ____ a.m. EDT
this ____ day of _____, 2012
by the Board of County Commissioners of
St. Johns County, Florida

By: _____
Michael D. Wanchick, County Administrator

EXHIBIT A

MATURITY SCHEDULE

\$ _____
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue Refunding Bonds,
Series 2012A

\$ _____ Serial Bonds

<u>Amount</u>	<u>Maturity</u> <u>(October 1)</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>
---------------	---------------------------------------	--------------------------------	--------------

\$ _____ % Term Series 2012A Bonds Due October 1, 20__ % Yield

\$ _____
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue Refunding Bonds,
Series 2012B

\$ _____ Serial Bonds

<u>Amount</u>	<u>Maturity</u> <u>(October 1)</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>
---------------	---------------------------------------	--------------------------------	--------------

\$ _____ % Term Series 2012B Bonds Due October 1, 20__ % Yield

Optional Redemption of the Series 2012 Bonds

The Series 2012[A/B] Bonds maturing prior to October 1, 20__ are not subject to redemption prior to maturity. The Series 2012 [A/B] Bonds maturing on October 1, 20__, or thereafter may be redeemed prior to maturity at the option of the County as a whole or in part, from such maturity or maturities as the County shall designate and by lot within a maturity, on October 1, 20__, or on any date thereafter, at a redemption price of 100% of the principal amount to be redeemed, together with accrued interest to the date set for redemption.

Mandatory Redemption of the Series 2012 Bonds

The Series 2012[A/B] Bonds maturing on October 1, 20__ are subject to mandatory redemption in part prior to maturity by lot at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, beginning on October 1, 20__ and on each October 1 thereafter in the years and in the principal amounts corresponding to the Amortization Installments as follows:

Year	Amortization Installment
------	--------------------------

* Final maturity

The Series 2012[A/B] Bonds maturing on October 1, 20__ are subject to mandatory redemption in part prior to maturity by lot at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, beginning on October 1, 20__ and on each October 1 thereafter in the years and in the principal amounts corresponding to the Amortization Installments as follows:

Year	Amortization Installment
------	--------------------------

* Final maturity

EXHIBIT B

DISCLOSURE STATEMENT

Board of County Commissioners of
St. Johns County, Florida
County Administration Building
500 San Sebastian View
St. Augustine, Florida 32084

Re: \$_____ St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012A and \$_____ St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012B

Ladies and Gentlemen:

In connection with the proposed issuance by St. Johns County, Florida of the above-referenced Bonds (collectively, the "Series 2012 Bonds"), RBC Capital Markets, LLC (the "Managing Underwriter") and _____ (collectively, the "Underwriters") are underwriting a public offering of the Series 2012 Bonds. The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385(6), Florida Statutes, certain information in respect of the arrangements contemplated for the underwriting of the Series 2012 Bonds as follows:

(a) The nature and estimated amount of expenses to be incurred by the Underwriters in connection with the purchase and reoffering of the Series 2012 Bonds are set forth in Schedule I attached hereto.

(b) No person has entered into an understanding with the Underwriters, or to the knowledge of the Underwriters, with the County, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the County and the Underwriters or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Series 2012 Bonds.

(c) The underwriting spread, the difference between the price at which the Series 2012 Bonds will be initially offered to the public by the Underwriters and the

price to be paid to the County for the Series 2012 Bonds will be \$_____ per \$1,000 (\$_____) of Series 2012 Bonds issued.

(d) As part of the estimated underwriting spread set forth in Paragraph (c) above, the Underwriters will charge a management fee of \$0.00 per \$1,000 of Series 2012 Bonds issued.

No other fee, bonus or other compensation is estimated to be paid by the Underwriters in connection with the issuance of the Series 2012 Bonds to any person not regularly employed or retained by the Underwriters (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes), except as specifically enumerated as expenses to be incurred by the Underwriters, as set forth in Paragraph (a) above.

(e) The names and addresses of the Underwriters are set forth below:

RBC Capital Markets, LLC
1650 Prudential Drive, Suite 101
Jacksonville, Florida 32207

Merrill Lynch, Pierce, Fenner &
Smith Incorporated
250 S. Park Avenue, Suite 400
Winter Park, Florida 32789

We understand that you do not require any further disclosure from the Underwriters, pursuant to Section 218.385(6), Florida Statutes.

RBC CAPITAL MARKETS, LLC, as
Representative of the Underwriters

By: _____
Mitchell N. Owens, Managing Director

SCHEDULE I

UNDERWRITERS' ESTIMATED EXPENSES

	<u>(per \$1,000)</u>	<u>Amount</u>
Dalcomp		
Day Loan		
CUSIP		
DTC		
Miscellaneous		
	_____	_____

EXHIBIT C

TRUTH-IN BONDING STATEMENT

The following truth-in-bonding statement is prepared pursuant to Section 218.385(2) and (3), Florida Statutes, and is for informational purposes only. It shall not affect or control the actual terms and conditions of the debt or obligations.

The County proposes to issue the Series 2012 Bonds (as defined in the foregoing Bond Purchase Agreement) for the principal purposes of providing funds, together with other legally available moneys of the County, to (i) refund [all] of the County's outstanding Sales Tax Revenue Refunding Bonds, Series 2004A (the "2004A Refunded Bonds") and the County's outstanding Sales Tax Revenue Refunding Bonds, Series 2004B (the "2004B Refunded Bonds" and, together with the 2004A Refunded Bonds, the "Refunded Bonds"), [(ii) pay the premium for a reserve account insurance policy in order to fund the Reserve Account Requirement (as described in said Bond Purchase Agreement) for the Series 2012 Bonds], and (iii) pay certain costs of issuance of the Series 2012 Bonds[, including the premium for a bond insurance policy to be issued by Assured Guaranty Municipal Corporation]. The Series 2012 Bonds are expected to be repaid over a period of approximately ____ years. At the interest rates set forth in Exhibit A of said Bond Purchase Agreement, total interest paid over the life of the Series 2012 Bonds will be approximately \$_____.

The Series 2012 Bonds will be payable from and secured by a pledge of and lien upon all moneys allocated to the County from the Local Government Half-Cent Sales Tax Clearing Trust Fund pursuant to Chapter 218, Part VI, Florida Statutes, as amended, and all moneys on deposit to the credit of the funds and accounts created under the Resolution (as defined in said Bond Purchase Agreement) and the earnings on the investment thereof, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds"). The Series 2012 Bonds are being issued pursuant to the Resolution on a parity with the County's outstanding Sales Tax Revenue Bonds Series 2006, Sales Tax Revenue and Refunding Bond, Series 2009 and Sales Tax Revenue Refunding Bonds, Series 2009A. Authorizing the Series 2012 Bonds will result in an average of approximately \$_____ of the Pledged Funds not being available to finance other projects of the County each year for approximately ____ years.

EXHIBIT B
FORM OF SERIES 2012 BOND

No. R[A/B]-_____

\$_____

UNITED STATES OF AMERICA
STATE OF FLORIDA
ST. JOHNS COUNTY
SALES TAX REVENUE REFUNDING BOND, SERIES 2012[A/B]

INTEREST
RATE:

_____%

MATURITY
DATE:

_____, ____

BOND DATE:

_____, 20__

CUSIP:

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT:

FOR VALUE RECEIVED, St. Johns County, a political subdivision of the State of Florida (the "Issuer"), hereby promises to pay, solely from the Pledged Funds hereinafter described, to the Registered Owner identified above, or registered assigns as hereinafter provided, the Principal Amount identified above on the Maturity Date identified above, and interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the Bond Date identified above or from the most recent interest payment date to which interest has been paid, at the Interest Rate per annum identified above on April 1 and October 1 of each year commencing _____ 1, 20__, until such Principal Amount shall have been paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto, and except as is provided in the Resolution, as hereinafter defined, with respect to failure to surrender this bond for payment at maturity.

Such Principal Amount and interest on this bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts, at the office of the Registrar hereinafter identified. Payment of each installment of interest shall be made to the person in whose name this bond shall be registered on the registration books of the Issuer maintained by the Registrar at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date and shall be paid by a check or draft of the Registrar mailed to such registered owner at the address appearing on such registration books or at such other address as may be furnished in writing by such registered owner to the Registrar. Notwithstanding the foregoing, interest shall be paid by wire transfer to the account of DTC (as defined below) or its nominee if this bond shall be registered to Cede & Co. In the event interest payable on this bond is not punctually paid or duly provided for by the Issuer on such interest payment date, payment of each installment of such defaulted

interest shall be made to the person in whose name this bond shall be registered at the close of business on a special record date for the payment of such defaulted interest as established by notice to the registered owner hereof, not less than 15 days preceding such special record date. Such notice shall be mailed to the person in whose name this bond is registered at the close of business on the fifth day preceding the date of mailing.

This bond is one of an authorized issue of St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012[A/B], of the Issuer, in the aggregate principal amount of \$___,000,000 (the "Series 2012[A/B] Bonds") of like date, tenor and effect, except as to number, denomination, interest rate and date of maturity. The Series 2012[A/B] Bonds are issued to finance the cost of refunding the Issuer's outstanding Sales Tax Revenue Bonds, Series 2004[A/B], paying the premium for a bond insurance policy and a reserve instrument for the Series 2012[A/B] Bonds and paying certain costs of issuance with respect to the Series 2012[A/B] Bonds, under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance No. 86-89, as amended, and Resolution No. 86-132 duly adopted by the Issuer on September 30, 1986, as previously amended and supplemented, particularly by Resolution No. 89-143 duly adopted by the Issuer on June 27, 1989, as amended, and Resolution No. 2012-___ duly adopted by the Issuer on October ___, 2012 (collectively, the "Resolution"), and is subject to all the terms and conditions of the Resolution.

This bond and the interest hereon are payable solely from and secured by a lien upon and a pledge of the Local Governmental Half-cent Sales Tax (as such term is defined in the Resolution) and all moneys on deposit to the credit of certain funds and accounts created under the Resolution and the earnings on the investment thereof, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds"). It is expressly agreed by the owner of this bond that the full faith and credit of the Issuer is not pledged to the payment of the principal of and interest on this bond and that such owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer for the payment of such principal and interest. This bond and the obligation evidenced hereby shall not constitute a lien upon any property of the Issuer or situated within St. Johns County, Florida, but shall constitute a lien only on the Pledged Funds.

The lien in favor of the owners of the Series 2012[A/B] Bonds on the Pledged Funds is on a parity, equally and ratably, with the lien thereon in favor of the owners of the Issuer's outstanding [Sales Tax Revenue Bonds, Series 2004A, Sales Tax Revenue Bonds, Series 2004B,] Sales Tax Revenue Bonds, Series 2006, Sales Tax Revenue and Refunding Bond, Series 2009 and Sales Tax Revenue Refunding Bonds, Series 2009A and the St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012 [A/B] which are being issued concurrently with the Series 2012 [A/B] Bonds in the aggregate principal amount of \$_____.

The Series 2012[A/B] Bonds maturing prior to October 1, _____ are not subject to redemption prior to maturity. The Series 2012[A/B] Bonds maturing on October 1, _____, or thereafter may be redeemed prior to maturity at the option of the Issuer as a whole or in part, from such maturity or maturities as the Issuer shall designate and by lot within a maturity, on October 1, _____, or on any date thereafter, at a redemption price of 100% of the principal amount to be redeemed, together with accrued interest to the date set for redemption.

The Series 2012[A/B] Bonds maturing October 1, 20____ are subject to mandatory redemption in part prior to maturity by lot at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, beginning on October 1, ____ and on each October 1, ____ thereafter in the years and in the principal amounts corresponding to the Amortization Installments (as defined in the Resolution) as follows:

<u>Year</u>	<u>Amortization Installments</u>
	\$

Notice of such redemption shall be given in the manner required by the Resolution.

This bond is transferable upon the registration books of _____, as registrar, or such other registrar as the Issuer shall hereafter duly appoint (the "Registrar"), but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender of this bond to the Registrar, with the form of Assignment hereon or other written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Registrar duly executed by the registered owner hereof, or by such owner's attorney duly authorized in writing, and containing the information identifying the transferee requested hereon. In all cases of the transfer of this bond, the Registrar shall enter the transfer of ownership in such registration books and shall deliver in the name of the transferee or transferees a new bond or bonds of authorized denomination or denominations and of the same maturity, interest rate and aggregate principal amount, at the earliest practicable time. Prior to every such transfer the Registrar shall be entitled to receive from the owner of this bond a sum sufficient only to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer.

The Series 2012[A/B] Bonds when issued will be registered initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as the initial securities depository for the Series 2012[A/B] Bonds. Individual purchase of the Series 2012[A/B] Bonds may be made in book entry form only,

and such purchasers will not receive certificates representing their interests in the Series 2012[A/B] Bonds. While the Series 2012[A/B] Bonds are registered in the name of a securities depository (a "Depository") or its nominee, the Issuer will recognize the Depository or its nominee as the holder of the Series 2012[A/B] Bonds for all purposes, including notices. Conveyance of notices and other communications by the Depository to participants, by participants to indirect participants, and by participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory and regulatory requirements as may be in effect from time to time.

The Series 2012[A/B] Bonds are issuable only as fully-registered bonds and, except as hereinafter provided, in printed or typewritten form, registered in the name of Cede & Co., as nominee of DTC, which shall be considered to be the Registered Owner for all purposes of the Resolution, including without limitation, payment by the Issuer of principal of and interest on the Series 2012[A/B] Bonds, and receipt of notices and exercise of rights of holders of the Series 2012[A/B] Bonds. There shall be a single Series 2012[A/B] Bond for each maturity that shall be immobilized in the custody of DTC with the beneficial owners having no right to receive the Series 2012[A/B] Bonds in the form of physical securities or certificates. Ownership of beneficial interest in the Series 2012[A/B] Bonds shall be shown by book entry on the system maintained and operated by DTC and its participants and transfers of ownership or beneficial interests shall be made only by DTC and its participants, by book entry, the Issuer having no responsibility therefor. DTC is expected to maintain records of the positions of participants in the Series 2012[A/B] Bonds, and the participants and persons acting through participants are expected to maintain records of the purchasers of beneficial interests in the Series 2012[A/B] Bonds. The Series 2012[A/B] Bonds as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the Issuer.

If any Depository determines not to continue to act as a Depository for the Series 2012[A/B] Bonds for use in a book entry system, the Issuer may attempt to have established a securities depository/book entry system relationship with another qualified Depository under the Resolution. If the Issuer does not or is unable to do so, the Issuer and the Registrar, after the Registrar has made provision for notification of the beneficial owners by the then Depository, shall permit withdrawal of the Series 2009A Bonds from the Depository, and authenticate and deliver Series 2012[A/B] Bond certificates in fully registered form (in denominations of \$5,000 or multiples thereof) to the assigns of the Depository or its nominee.

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

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in connection with the issuance of

this bond, exist, have happened and have been performed in regular and due form and time as required by the Constitution and laws of the State of Florida applicable hereto, and that the issuance of the Series 2012[A/B] Bonds does not violate any constitutional or statutory limitations or provisions.

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

This bond shall not be valid unless the certificate of authentication hereon shall have been manually signed by the Registrar.

IN WITNESS WHEREOF, St. Johns County, Florida, has issued this bond and has caused the same to be signed by the Chair of its Board of County Commissioners and attested and countersigned by the Clerk of said Board, either manually or with their facsimile signatures and its official seal or a facsimile thereof to be affixed, impressed, imprinted or engraved hereon, all as of the ____ day of _____, 2012.

ST. JOHNS COUNTY, FLORIDA

(SEAL)

By: _____
Chair of the Board of County
Commissioners

ATTESTED AND
COUNTERSIGNED:

Clerk of the Board of County
Commissioners

CERTIFICATE OF AUTHENTICATION

This bond is one of the Series 2012 Bonds of the issue described in the within-mentioned Resolution.

DATE OF AUTHENTICATION:

U.S. BANK NATIONAL ASSOCIATION
Registrar

By: _____
Authorized Signatory

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

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

IT TEN - as joint tenants with right
of survivorship and not as
tenants in common

UNIF TRANS MIN ACT -- _____
(Cust.)

Custodian for _____

under Uniform Transfer to Minors Act of _____
(State)

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

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the County or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by the authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

ASSIGNMENT

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

(Insert Social Security or Other Identifying Number of Assignee)

(Name and Address of Assignee)

the within bond and does hereby irrevocably constitute and appoint _____, as attorneys to register the transfer of the said bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

NOTICE: The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. ("AGM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Series 2012 [A/B] Bond to U.S. Bank National Association, Orlando, Florida, or its successor, as paying agent for the Series 2012 [A/B] Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from AGM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Series 2012 [A/B] Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

EXHIBIT C
FORM OF PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2012

NEW ISSUE –BOOK ENTRY ONLY

RATINGS: (See “RATINGS” herein)

In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, interest on the Series 2012 Bonds is, under existing statutes, regulations, rulings and court decisions, (a) excludable from gross income of the owners thereof for federal income tax purposes except as otherwise described herein under the caption "TAX EXEMPTION" and (b) not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Such interest, however, will be includable in the calculation of a corporation's alternative minimum taxable income and may be subject to other federal income tax consequences referred to herein under "TAX EXEMPTION." See "TAX EXEMPTION" herein for a discussion of Bond Counsel's opinion.

\$ _____ *
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue Refunding Bonds,
Series 2012A

\$ _____ *
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue Refunding Bonds,
Series 2012B

Dated: Date of Delivery

Due: October 1, as shown on the inside front cover

**SEE INSIDE FRONT COVER FOR AMOUNTS, MATURITIES, INTEREST RATES,
 YIELDS OR PRICES, AND INITIAL CUSIP NUMBERS**

The St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012A, and the St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012B (collectively, the “Series 2012 Bonds”), are being issued by St. Johns County, Florida (the “County”), as fully registered bonds, which initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). Individual purchases will be made in book-entry form only through DTC Participants (defined herein) in denominations of \$5,000 and integral multiples thereof. Purchasers of the Series 2012 Bonds (the “Beneficial Owners”) will not receive physical delivery of certificates. Transfers of ownership interests in the Series 2012 Bonds will be effected through the DTC book-entry system as described herein. As long as Cede & Co. is the registered owner as nominee of DTC, principal and interest payments will be made directly to such registered owner which will, in turn, remit such payments to the DTC Participants for subsequent disbursement to the Beneficial Owners. Interest on the Series 2012 Bonds is payable on April 1, 2013 and semiannually on each October 1 and April 1 thereafter. Principal of, premium, if any, and interest on the Series 2012 Bonds will be payable by U.S. Bank National Association, Orlando, Florida, as Paying Agent and Registrar.

The Series 2012 Bonds are subject to optional and mandatory redemption prior to their stated maturities as described herein.

This cover page contains certain information for quick reference only. It is not, and is not intended to be, a summary of the issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2012 Bonds are being issued for the purpose of providing funds, together with other legally available moneys of the County, to (i) refund [all] of the County’s outstanding Sales Tax Revenue Bonds, Series 2004A and the County’s outstanding Sales Tax Revenue Bonds, Series 2004B, [(ii) pay the premium for a reserve account insurance policy in order to fund the Reserve Account Requirement (as described herein) for the Series 2012 Bonds], and (iii) pay certain costs of issuance of the Series 2012 Bonds[, including a bond insurance policy premium].

The Series 2012 Bonds are payable from and secured by a pledge of and lien upon all moneys allocated to the County from the Local Government Half-Cent Sales Tax Clearing Trust Fund pursuant to the provisions of Part VI, Chapter 218, Florida Statutes, as amended, and all moneys on deposit to the credit of the funds and accounts created under the Resolution (as defined herein) and the earnings on the investment thereof (collectively, the “Pledged Funds”). The Series 2012 Bonds are being issued pursuant to the Resolution on parity with the County’s outstanding [Sales Tax Revenue Bonds, Series 2004A which are not refunded by the Series 2012 Bonds, Sales Tax Revenue Bonds, Series 2004B, which are not refunded by the Series 2012 Bonds,] Sales Tax Revenue Bonds, Series

2006, Sales Tax Revenue and Refunding Bond, Series 2009, and Sales Tax Revenue Refunding Bonds, Series 2009A (collectively, the "Parity Obligations").

THE SERIES 2012 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE COUNTY AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE COUNTY, PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS, IN ACCORDANCE WITH AND TO THE EXTENT SET FORTH IN THE RESOLUTION AND ON PARITY IN ALL RESPECTS WITH THE PARITY OBLIGATIONS. NO HOLDER OF ANY SERIES 2012 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE COUNTY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF TO PAY SUCH SERIES 2012 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2012 BOND FROM ANY MONEYS OF THE COUNTY EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER PROVIDED IN THE RESOLUTION.

[The scheduled payment of principal of and interest on the Series 2012 Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2012 Bonds by]

[ASSURED GUARANTY MUNICIPAL CORP. LOGO]

The Series 2012 Bonds are offered when, as and if issued and received by the Underwriters, subject to the approval as to legality by Nabors, Giblin & Nickerson P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed on for the County by Edwards Cohen, Jacksonville, Florida, Counsel for the County, and by Foley & Lardner LLP, Jacksonville, Florida, Disclosure Counsel to the County. Public Financial Management, Inc., Orlando, Florida is acting as Financial Advisor to the County. It is expected that the Series 2012 Bonds will be delivered to the Underwriters through the facilities of DTC in New York, New York on or about _____, 2012.

[RBC Capital Markets LOGO]

BofA Merrill Lynch

Dated: _____, 2012

*Preliminary; subject to change.

**AMOUNTS, MATURITIES, INTEREST RATES,
YIELDS AND INITIAL CUSIP NUMBERS**

\$ _____ *
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue Refunding Bonds,
Series 2012A

\$ _____ * Serial Bonds

<u>Amount</u>	<u>Maturity</u> <u>(October 1)</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Initial CUSIP</u> <u>Number**</u>
---------------	---------------------------------------	--------------------------------	--------------	---

\$ _____ % Term Bonds Due October 1, 20__ % Yield Initial CUSIP Number** _____

\$ _____ *
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue Refunding Bonds,
Series 2012B

\$ _____ Serial Bonds

<u>Amount</u>	<u>Maturity</u> <u>(October 1)</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Initial CUSIP</u> <u>Number**</u>
---------------	---------------------------------------	--------------------------------	--------------	---

\$ _____ % Term Bonds Due October 1, 20__ % Yield Initial CUSIP Number** _____

* Preliminary; subject to change.

** The County is not responsible for the CUSIP Numbers and no representation is made as to their accuracy. The initial CUSIP Numbers are provided solely for the convenience of those reviewing this Official Statement.

MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS

Mark P. Miner, Chair
Jay Morris, Vice-Chair
Joseph "Ken" Bryan
Ronald F. Sanchez
Cyndi Stevenson

CONSTITUTIONAL OFFICERS

David B. Shoar, Sheriff
Cheryl Strickland, Clerk of Circuit Court
Dennis W. Hollingsworth, C.F.C., Tax Collector
Sharon P. Outland, C.F.A., Property Appraiser
Vicky Oates, Supervisor of Elections

COUNTY ADMINISTRATOR

Michael D. Wanchick

FINANCE DIRECTOR

Richard A. MacDonald, Jr.

COUNTY ATTORNEY

Patrick F. McCormack

COUNSEL FOR THE COUNTY

Edwards Cohen
Jacksonville, Florida

BOND COUNSEL

Nabors, Giblin & Nickerson P.A.
Tampa, Florida

DISCLOSURE COUNSEL

Foley & Lardner LLP
Jacksonville, Florida

FINANCIAL ADVISOR

Public Financial Management, Inc.
Orlando, Florida

No dealer, broker, salesman or other person has been authorized by the County to give any information or to make any representations in connection with the Series 2012 Bonds other than as contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the County. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2012 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the County, The Depository Trust Company, [Assured Guaranty Municipal Corp.,] ("AGM" or the "Bond Insurer") and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the County with respect to any information provided by others. The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters listed on the cover page hereof have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. The information and expressions of opinion stated herein are subject to change, and neither the delivery of this Official Statement nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the matters described herein since the date hereof.

[AGM makes no representation regarding the Series 2012 Bonds or the advisability of investing in the Series 2012 Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the headings "BOND INSURANCE POLICY" and "APPENDIX F - SPECIMEN MUNICIPAL BOND INSURANCE POLICY".]

All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Series 2012 Bonds are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2012 BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION") OR WITH ANY STATE SECURITIES COMMISSION. IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE COUNTY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2012 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE COMMISSION OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

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OFFICIAL STATEMENT

relating to

\$ _____*
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue Refunding Bonds,
Series 2012A

\$ _____*
ST. JOHNS COUNTY, FLORIDA
Sales Tax Revenue Refunding Bonds,
Series 2012B

INTRODUCTION

General

This introduction is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement and should not be considered to be a complete statement of the facts material to making an informed investment decision. The offering by St. Johns County, Florida (the "County"), of its \$ _____* St. Johns County, Florida Sales Tax Revenue Refunding Bonds, Series 2012A (the "Series 2012A Bonds") and its \$ _____* St. Johns County, Florida Sales Tax Revenue Refunding Bonds, Series 2012B (the "Series 2012B Bonds" and, together with the Series 2012A Bonds, the "Series 2012 Bonds") to potential investors is made only by means of the entire Official Statement, including all appendices attached hereto.

The County

The County was established in 1821. The City of St. Augustine, the County seat, was founded over 400 years ago by Spanish explorers and is the nation's oldest continuously occupied city. The County encompasses approximately 608 square miles and is located in the northeastern region of the State of Florida directly south of the City of Jacksonville and is bordered on the west by the St. Johns River, on the south by Flagler County, and on the east by the Atlantic Ocean. The 2010 population of the County was 190,038.

Appendix A attached hereto contains various statistical and demographic information about the County. Such appendix also contains information regarding retirement plans for County employees and the County's funding obligations related thereto and other post employment benefits provided by the County. Potential investors should review Appendix A in its entirety to obtain information essential to making an informed investment decision. See "GENERAL INFORMATION CONCERNING THE COUNTY" attached hereto as APPENDIX A.

Authority for Issuance

The Series 2012 Bonds are being issued under the authority of and in full compliance with the Constitution and laws of the State of Florida, including, particularly, Chapter 125, Part I, Florida Statutes, as amended, and Ordinance No. 86-89 enacted by the County on December 9, 1986, as amended, and other applicable provisions of law, and pursuant to Resolution No. 86-132, duly adopted by the County on September 30, 1986, as previously amended and supplemented, particularly as supplemented by Resolution No. 89-143, duly adopted by the

County on June 27, 1989, as amended and Resolution No. 2012 ____ (the "2012 Resolution"), duly adopted by the County on _____, 2012 (collectively, the "Resolution").

Purpose of the Series 2012 Bonds

The County proposes to issue the Series 2012 Bonds for the principal purposes of providing funds, together with other legally available moneys of the County, to (i) refund [all] of the County's outstanding Sales Tax Revenue Bonds, Series 2004A (the "2004A Refunded Bonds") and the County's outstanding Sales Tax Revenue Bonds, Series 2004B (the "2004B Refunded Bonds" and, together with the 2004A Refunded Bonds, the "Refunded Bonds"), [(ii) pay the premium for a reserve account insurance policy in order to fund the Reserve Account Requirement (as described herein) for the Series 2012 Bonds], and (iii) pay certain costs of issuance of the Series 2012 Bonds[, including a bond insurance policy premium]. See "PLAN OF REFUNDING" herein.

Security for the Bonds

The Series 2012 Bonds will be payable from and secured by a pledge of and lien upon all moneys allocated to the County from the Local Government Half-Cent Sales Tax Clearing Trust Fund pursuant to Chapter 218, Part VI, Florida Statutes, as amended, and all moneys on deposit to the credit of the funds and accounts created under the Resolution and the earnings on the investment thereof, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds"). The Series 2012 Bonds are being issued pursuant to the Resolution on a parity with the County's outstanding [Sales Tax Revenue Bonds, Series 2004A which are not refunded by the Series 2012 Bonds (the "Series 2004A Bonds"), Sales Tax Revenue Bonds, Series 2004B, which are not refunded by the Series 2012 Bonds (the "Series 2004B Bonds"),] Sales Tax Revenue Bonds, Series 2006 (the "Series 2006 Bonds"), Sales Tax Revenue and Refunding Bond, Series 2009 (the "Series 2009 Bond") and Sales Tax Revenue Refunding Bonds, Series 2009A (the "Series 2009A Bonds" and, together with [the Series 2004A Bonds, the Series 2004B Bonds], the Series 2006 Bonds and the Series 2009 Bond, the "Parity Obligations"). The Parity Obligations are currently outstanding in the aggregate principal amount of \$_____. See "SECURITY FOR THE BONDS" and "SALES TAX REVENUES" herein.

Redemption

The Series 2012 Bonds are subject to optional and mandatory redemption prior to their stated maturities as set forth herein. See "DESCRIPTION OF THE SERIES 2012 BONDS" herein.

[Bond Insurance Policy and Reserve Account Insurance Policy]

Payment of the principal of and interest on the Series 2012 Bonds when due will be insured by a bond insurance policy (the "Bond Insurance Policy") to be issued Assured Guaranty Municipal Corp. (the "Bond Insurer") simultaneously with the delivery of the Series 2012 Bonds. See "BOND INSURANCE POLICY" herein. In addition, Assured Guaranty Municipal Corp. will also issue its debt service reserve insurance policy (the "Reserve Policy") for deposit in the Reserve Account to fund the Reserve Account Requirement with respect to the Series

2012 Bonds. See "RESERVE ACCOUNT INSURANCE POLICY" herein. See also "BONDHOLDER RISKS."]

Additional Bonds

The County may issue Additional Bonds (as described herein) on a parity with the Series 2012 Bonds and the Parity Obligations subject to compliance with certain conditions set forth in the Resolution. The Series 2012 Bonds, the Parity Obligations and any Additional Bonds issued pursuant to the Resolution are collectively referred to herein as the "Bonds." See "SECURITY FOR THE SERIES 2012 BONDS – Additional Bonds" herein.

Tax Exemption

In the opinion of Nabors, Giblin & Nickerson P.A., Bond Counsel, interest on the Series 2012 Bonds is, under existing statutes, regulations, rulings and court decisions, (a) excludable from gross income of the owners thereof for federal income tax purposes except as otherwise described herein under the caption "TAX EXEMPTION" and (b) not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Such interest, however, will be includable in the calculation of a corporation's alternative minimum taxable income and may be subject to other federal income tax consequences referred to herein under "TAX EXEMPTION." See "TAX EXEMPTION" herein for a discussion of Bond Counsel's opinion.

Continuing Disclosure

The County has agreed, for the benefit of Series 2012 Bondholders, to provide certain financial information and operating data relating to the County, the Pledged Funds and the Series 2012 Bonds pursuant to Rule 15c2-12 of the Securities and Exchange Commission. See "CONTINUING DISCLOSURE" herein.

Additional Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change. This Official Statement contains certain information concerning the Bond Insurer, the Bond Insurance Policy and the Reserve Policy, and contains certain information concerning The Depository Trust Company, New York, New York ("DTC"), and its book-entry only system of registration. Such information has not been provided by the County and the County does not certify as to the accuracy or sufficiency of the disclosure practices or content of information provided by such parties and is not responsible for the information provided by such parties.

A copy of the Resolution and all documents of the County referred to herein may be obtained from either the office of the Clerk of the Circuit Court, 4010 Lewis Speedway, St. Augustine, Florida 32084, attention: Finance Department, telephone (904) 819-3600 or the County's Financial Advisor, Public Financial Management, Inc., 300 South Orange Avenue, Suite 1170, Orlando, Florida 32801, telephone (407) 648-2208.

Capitalized terms used but not defined herein have the same meaning as when used in the Resolution unless the content clearly indicates otherwise. See "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION" attached hereto. All information included herein has been provided by the County, except where attributed to other sources. Copies of such documents, reports and statements referred to herein that are not included in their entirety in this Official Statement may be obtained from the County.

PLAN OF REFUNDING

Concurrently with the delivery of the Series 2012 Bonds, a portion of the proceeds of the Series 2012 Bonds, together with other legally available moneys of the County, shall be deposited into an escrow fund (the "Escrow Fund") pursuant to the terms and provisions of the Escrow Deposit Agreement between the County and U.S. Bank National Association, Orlando, Florida, as Escrow Agent thereunder (the "Escrow Deposit Agreement"). The moneys deposited pursuant to the Escrow Deposit Agreement shall be applied to the purchase of certain United States Treasury obligations (the "Federal Securities") so as to produce sufficient funds to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds. The Refunded Bonds maturing on October 1, 2015, or thereafter will be called for redemption on October 1, 2014. Upon the deposit of such moneys in the Escrow Fund, in the opinion of Bond Counsel, rendered in reliance upon certain mathematical computations performed by Public Financial Management, Inc., as verified by _____ (the "Verification Agent") as described below, the Refunded Bonds shall be deemed to be paid and legally defeased and shall no longer be deemed to be outstanding for purposes of the Resolution. The holders of the Refunded Bonds shall be entitled to payment solely out of the moneys and Federal Securities deposited pursuant to the Escrow Deposit Agreement. The moneys and Federal Securities on deposit in the Escrow Fund will not be available for payment of the Series 2012 Bonds.

Upon delivery of the Series 2012 Bonds, the Verification Agent will verify the accuracy of the arithmetical computations of the adequacy of the maturing principal amount of, and interest on the Federal Securities, together with any uninvested amounts, to be held in the Escrow Fund to pay the principal and interest on the Refunded Bonds through the redemption date therefor and the yields on the Series 2012 Bonds and the Federal Securities. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein.

DESCRIPTION OF THE SERIES 2012 BONDS

General

The Series 2012 Bonds will be dated and will mature in the years, and in the amounts and will bear interest at the rates set forth on the inside cover page of this Official Statement, and will be issued in the denominations of \$5,000 or integral multiples thereof.

Interest on the Series 2012 Bonds will be payable semiannually on October 1 and April 1 of each year commencing April 1, 2013 (each an "Interest Date") and is payable by U.S. Bank National Association, Orlando, Florida, as registrar and paying agent (the "Registrar" and the "Paying Agent"), to the owners in whose name the Series 2012 Bonds shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) of

the calendar month next preceding each Interest Date. Principal of the Series 2012 Bonds is payable, when due, to the registered owners upon presentation and surrender at the designated office of the Registrar.

While in book-entry only form, the foregoing payments will be made only to Cede & Co. as described below.

Book-Entry Only System

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE COUNTY BELIEVES TO BE RELIABLE, BUT THE COUNTY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2012 BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE SERIES 2012 BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2012 BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2012 BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2012 BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2012 BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2012 BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2012 BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2012 BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE COUNTY NEITHER MAKES NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC will act as securities depository for the Series 2012 Bonds. The Series 2012 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2012 Bond certificate will be issued for each maturity of each series of the Series 2012 Bonds as set forth in the inside cover of this Official Statement, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct

Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct Participants and the Indirect Participants are collectively referred to herein as the "DTC Participants." DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its DTC Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2012 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2012 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2012 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2012 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2012 Bonds, except in the event that use of the book-entry system for the Series 2012 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2012 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2012 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2012 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2012 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2012 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2012 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2012 Bonds may wish to ascertain that the nominee holding the Series 2012 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative,

Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2012 Bonds within a series or maturity of a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series or maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2012 Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2012 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2012 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the paying agent on the payment date in accordance with their respective holdings shown on DTC's records. Payments by DTC Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the County, or the paying agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Series 2012 Bonds, as applicable, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County and/or the paying agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2012 Bonds at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor depository is not obtained, the Series 2012 Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, the Series 2012 Bond certificates will be printed and delivered to DTC.

Optional Redemption of the Series 2012 Bonds

The Series 2012[A/B] Bonds maturing prior to October 1, 20__ are not subject to redemption prior to maturity. The Series 2012[A/B] Bonds maturing on October 1, 20__, or thereafter may be redeemed prior to maturity at the option of the County as a whole or in part, from such maturity or maturities as the County shall designate and by lot within a maturity, on October 1, 20__, or on any date thereafter, at a redemption price of 100% of the principal amount to be redeemed, together with accrued interest to the date set for redemption.

Mandatory Redemption of the Series 2012 Bonds

The Series 2012[A/B] Bonds maturing on October 1, 20__ are subject to mandatory redemption in part prior to maturity by lot at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, beginning on October 1, 20__ and on each October 1 thereafter in the years and in the principal amounts corresponding to the Amortization Installments as follows:

<u>Year</u>	<u>Amortization Installments</u>
-------------	----------------------------------

* Final maturity

The Series 2012[A/B] Bonds maturing on October 1, 20__ are subject to mandatory redemption in part prior to maturity by lot at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, beginning on October 1, 20__ and on each October 1 thereafter in the years and in the principal amounts corresponding to the Amortization Installments as follows:

<u>Year</u>	<u>Amortization Installments</u>
-------------	----------------------------------

* Final maturity

The Series 2012[A/B] Bonds maturing on October 1, 20__ are subject to mandatory redemption in part prior to maturity by lot at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, beginning on October 1, 20__ and on each October 1 thereafter in the years and in the principal amounts corresponding to the Amortization Installments as follows:

<u>Year</u>	<u>Amortization Installments</u>
-------------	----------------------------------

* Final maturity

Notice of Redemption

Unless DTC's book-entry only system of registration is discontinued, notice of redemption shall only be provided to DTC's nominee, Cede & Co.

Unless waived by any holder of Series 2012 Bonds to be redeemed, notice of any redemption made pursuant to the 2012 Resolution shall be given by the Registrar on behalf of the

County by mailing a copy of an official redemption notice by first class mail, postage prepaid at least 30 days and not more than 60 days prior to the date fixed for redemption to each holder of Series 2012 Bonds to be redeemed at the address of such holder shown on the Bond Register, or at such other address as shall be furnished in writing by such holder to the Registrar; provided, however, that no defect in any notice given pursuant to the 2012 Resolution to any holder of Series 2012 Bonds to be redeemed nor failure to give such notice to any such holder nor failure of any such holder to receive such notice shall in any manner defeat the effectiveness of a call for redemption as to all other holders of Series 2012 Bonds to be redeemed.

On or prior to any redemption date, the County shall cause to be deposited with the Registrar an amount of money sufficient to pay the redemption price of the portion of the Series 2012 Bonds which are to be redeemed on that date.

Official notice of redemption having been given in accordance with the provisions of the 2012 Resolution and the deposit with the Registrar of the redemption price, the portion of the Series 2012 Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County shall default in the payment of the redemption price) such portion of the Series 2012 Bonds shall cease to bear interest. Upon surrender of such Series 2012 Bonds for redemption in accordance with said notice, such Series 2012 Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Series 2012 Bond, there shall be prepared for the holder a new Series 2012 Bond or Series 2012 Bonds of the same maturity and series in the amount of the unpaid principal of such partially redeemed Series 2012 Bond. All Series 2012 Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

The County may provide that a redemption may be contingent upon the occurrence of certain condition(s) and that if such condition(s) do not occur the notice of redemption will be rescinded, provided notice of rescission shall be mailed in the manner described in the 2012 Resolution to all affected Series 2012 Bondholders as soon as practicable.

Interchangeability, Negotiability and Transfer

So long as DTC's book-entry only system of registration is in effect the registration and transfer of the Series 2012 Bonds shall be governed by DTC's policies and procedures as generally described under "DESCRIPTION OF THE SERIES 2012 BONDS - Book-Entry only System" herein.

The Series 2012 Bonds shall be and shall have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, and each Owner, in accepting any Series 2012 Bonds, shall be conclusively deemed to have agreed that the same shall be and have all of said qualities and incidents of negotiable instruments. "Owner" is defined in the Resolution as the person in whose name any outstanding Bond is registered according to the registration books (the "Bond Register") maintained by the Registrar.

The transfer of Series 2012 Bonds shall be registered on the Bond Register, upon delivery to the Registrar of the Series 2012 Bonds to be transferred, accompanied by a written instrument or instruments of transfer in form and with guaranty of signatures satisfactory to the Registrar, duly executed by the Owner of the Series 2012 Bonds to be transferred, or by such Owner's attorney duly authorized in writing, containing such identification information for the transferee as the Registrar shall reasonably require.

In all cases of the transfer of any Series 2012 Bond, the Registrar shall enter the transfer of ownership in the Bond Register and shall deliver in the name of the transferee or transferees a new registered Series 2012 Bond or Series 2012 Bonds of authorized denominations of the same maturity and interest rate for the aggregate principal amount which the Owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The County or the Registrar may charge the Owner of such Series 2012 Bond for every such transfer an amount sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer and may require that such charge be paid before any such new Series 2012 Bond shall be delivered.

The County and the Registrar shall not be required to make any exchange or transfer of Series 2012 Bonds during the fifteen (15) days next preceding any interest payment date or, in the case of any proposed redemption of Series 2012 Bonds, then, for the Series 2012 Bonds subject to redemption, during the 15 days next preceding the date of the first mailing of such notice of redemption and continuing until such redemption date.

New Series 2012 Bonds delivered upon any transfer shall be valid, limited obligations of the County, evidencing the same debt as the Series 2012 Bonds surrendered, shall be payable solely from the Pledged Funds and shall be entitled to all of the security and benefits hereof to the same extent as the Series 2012 Bonds surrendered.

The County and the Registrar may treat the registered owner of any Series 2012 Bond as the absolute owner thereof for all purposes, whether or not such Series 2012 Bond shall be overdue, and any notice to the contrary shall not be binding upon the County or the Registrar.

SECURITY FOR THE BONDS

General

The payment of the principal of and interest on the Series 2012 Bonds shall be secured forthwith equally and ratably by a pledge of and prior lien upon the Pledged Funds. As described previously, the Pledged Funds include the Local Government Half-Cent Sales Tax, and all moneys on deposit to the credit of the funds and accounts established under the Resolution and the earnings on the investment thereof, all in the manner and to the extent described in the Resolution. "Local Government Half-Cent Sales Tax" is defined in the Resolution to mean all moneys allocated to the County from the Local Government Half-Cent Sales Tax Clearing Trust Fund pursuant to the provisions of Part VI, Chapter 218, Florida Statutes. The Series 2012 Bonds are payable from the Pledged Funds on a parity, equally and ratably, with the Parity Obligations. In addition, the Series 2012 Bonds and certain series of the Parity Obligations are separately secured by different Reserve Instruments (as defined herein) on deposit in the Reserve

Account. See "SECURITY FOR THE BONDS - Reserve Account" herein. For more information regarding the Local Government Half-Cent Sales Tax, see "SALES TAX REVENUES" herein.

THE SERIES 2012 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE COUNTY AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE COUNTY, PAYABLE SOLELY FROM AND SECURED BY A PRIOR LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS, IN ACCORDANCE WITH AND TO THE EXTENT SET FORTH IN THE RESOLUTION AND ON PARITY WITH THE PARITY OBLIGATIONS. NO OWNER OF ANY SERIES 2012 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE COUNTY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF TO PAY SUCH SERIES 2012 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2012 BOND FROM ANY MONEYS OF THE COUNTY EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER PROVIDED IN THE RESOLUTION.

Funds and Accounts

Pursuant to the Resolution, the County has established the "Revenue Fund" and the "Sinking Fund." The County maintains in the Sinking Fund four accounts: the "Interest Account," the "Principal Account," the "Term Bonds Retirement Account," and the "Reserve Account."

Flow of Funds

All Pledged Funds shall be deposited into the Revenue Fund promptly upon receipt. All moneys on deposit at any time in the Revenue Fund will be applied by the County only for the purposes and in the manner and order specified in the Resolution and generally described herein.

Moneys on deposit in the Revenue Fund shall be applied by the County on or before the twenty-fifth (25th) day of each month only in the following manner and in the following order of priority:

(1) After appropriate adjustments for the amount of accrued interest deposited therein from the Bonds proceeds, the County shall deposit in the Interest Account the sum which, together with any investment earnings in the Interest Account not theretofore allocated to supplement any previous monthly deposit to the credit of the Interest Account, will be sufficient to pay one-sixth (1/6) of all interest becoming due on the Bonds on the next semi-annual interest payment date, plus the full balance of any continuing deficiencies in prior deposits to the Interest Account; and

(2) The County shall next deposit in the Principal Account, the sum which, together with any investment earnings in the Principal Account not theretofore allocated to supplement any previous monthly deposit to the credit of the Principal Account, will be sufficient to pay one-twelfth (1/12) of the principal amount of all Serial Bonds maturing in the current Bond Year, if

any, plus the full balance of any continuing deficiencies in prior deposits to the Principal Account; and

(3) The County shall next deposit in the Term Bonds Retirement Account, a sum which will be sufficient to pay one-twelfth (1/12) of the Amortization Installment, if any, of the then current Bond Year, plus the full balance of any continuing deficiencies in prior deposits to the Term Bonds Retirement Account; and

(4) The County shall next deposit to the credit of the Reserve Account such sum, if any, as will be necessary to immediately restore the funds on deposit therein to an amount equal to the Reserve Account Requirement including the reinstatement of any Reserve Instrument, such as the Prior Reserve Policies (as defined herein) and the Reserve Policy, on deposit therein or the cash replacement thereof. Moneys in the Reserve Account shall be applied to the payment of the maturing principal of or interest or Amortization Installments on the Bonds to the extent the moneys in the Sinking Fund are insufficient for such purpose.

Moneys in the Interest Account shall be used to pay interest on the Bonds as and when the same shall become due, and for no other purpose. Moneys in the Principal Account shall be used to pay the principal of the Bonds as and when the same shall mature, or upon the redemption of all of the Bonds, and for no other purpose. Moneys in the Reserve Account shall be used to pay maturing principal of or interest or Amortization Installments on the Bonds when the moneys in the Interest Account, the Principal Account or the Term Bonds Retirement Account, are insufficient therefor, and for no other purpose. The County shall not be required to make any deposit to the Reserve Account when the aggregate amounts on deposit therein, whether in the form of cash, or any Reserve Instrument, equals or exceeds the Reserve Account Requirement. The County shall not be required to make any further deposits to any account in the Sinking Fund when the aggregate of the sums deposited to the several accounts in the Sinking Fund equals or exceeds the aggregate principal amount of all Bonds issued pursuant to the Resolution then outstanding, plus the amount of interest then due or thereafter to become due on Bonds then outstanding.

Moneys in the Term Bonds Retirement Account shall be used only for the purpose of (i) paying Term Bonds at maturity or retiring the same prior to maturity by optional redemption or by purchase in the open market at purchase prices not exceeding the respective optional redemption prices applicable at the dates of purchase, or (ii) purchasing or redeeming Term Bonds for which mandatory redemption shall be required.

The balance of any moneys remaining in the Revenue Fund on the twenty-fifth (25th) day of each month, after all of the above required transfers and deposits have been made, shall be withdrawn from the Revenue Fund and deposited in the General Fund of the County and may be used by the County for any lawful County purpose.

The Resolution creates a lien upon the foregoing funds and accounts in favor of the Owners of the Bonds until the moneys deposited therein have been applied in accordance with the Resolution. All such moneys shall be continuously secured in the same manner as County deposits are authorized to be secured by the laws of the State of Florida. Moneys in the Reserve Account may be invested and reinvested in Authorized Investments (as defined in the

Resolution) maturing not later than the final maturity date of the Bonds. Moneys in the other funds and accounts created by the Resolution may be invested in Authorized Investments maturing not later than the date on which the moneys therein will be needed. Any and all income received by the County from the investment of moneys in the Revenue Fund, the Reserve Account and the Term Bonds Retirement Account shall be deposited into the Revenue Fund. Any and all moneys received by the County from the investment of moneys in the Principal Account or Interest Account shall be retained in or deposited into such respective account.

Reserve Account

The Resolution requires the establishment and maintenance of a Reserve Account in an amount equal to the Reserve Account Requirement for the benefit of the owners of the Bonds. The Reserve Account Requirement is defined in the Resolution as the lesser of (i) Maximum Bond Service Requirement for all outstanding Bonds and Additional Bonds, (ii) 125% of average annual debt service for all outstanding Bonds and Additional Bonds, or (iii) 10% of the proceeds of all outstanding Bonds and Additional Bonds. The Resolution permits the Reserve Account Requirement to be funded by cash or by an insurance policy, surety bond, irrevocable letter of credit or guaranty policy issued in compliance with the Resolution (a "Reserve Instrument").

"Maximum Bond Service Requirement," as of any particular date of calculation, is defined in the Resolution as an amount equal to the largest Bond Service Requirement for the then current or any future Bond Year.

"Bond Year" is defined in the Resolution as the period commencing on the first day after the dated date of the Bonds and on the first day after the anniversary each year of the dated date of the Bonds and ending on the succeeding anniversary of the dated date of the Bonds, and each Bond Year shall be designated with the number of the calendar year in which such Bond Year ends.

"Bond Service Requirement" with respect to the Bonds, for any Bond Year, is defined in the Resolution as the sum of: (i) the aggregate amount of interest becoming due on the Bonds during such Bond Year; (ii) the aggregate amount of principal of any serial Bonds maturing in such Bond Year; and (iii) any Amortization Installment applicable to such Bond Year.

"Amortization Installment" is defined in the Resolution as an amount designated as such and established for the payment in any Bond Year of the principal of any Term Bonds, by resolution of the County adopted on or prior to the Issuance Date of such Bonds; provided, that (i) each such Amortization Installment shall be deemed to be due on the final day of each applicable Bond Year and shall be an integral multiple of \$5,000 and (ii) the aggregate of the Amortization Installments shall equal the aggregate amount of Term Bonds authenticated and delivered on original issuance.

Pursuant to the Resolution, upon delivery of the Series 2012 Bonds, the County shall deposit in to the Reserve Account the Reserve Policy issued by the Bond Insurer to secure the payment of the Series 2012 Bonds. See "RESERVE ACCOUNT INSURANCE POLICY" herein. The face amount of such Reserve Policy is equal to \$_____, which is equal to the

Reserve Account Requirement with respect to the Series 2012 Bonds. The Reserve Policy shall only secure the Series 2012 Bonds and will not secure the Parity Obligations.

In addition to the Reserve Policy, there is also on deposit in the Reserve Account cash and investments in the amount of \$[1,914,529] (the "Cash Deposit") and reserve account insurance policies issued by [Ambac Assurance Corporation, Financial Security Assurance Inc.,] AGM and National Public Finance Guarantee Corporation (formerly MBIA Insurance Corporation) (collectively, the "Prior Reserve Policies"), which secure related series of Parity Obligations. The Prior Reserve Policies do not secure the Series 2012 Bonds.

See "APPENDIX C - SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION" for more information concerning the Reserve Account and use of Reserve Instruments such as the Reserve Policy.

Additional Bonds

No additional series of bonds, payable on a parity with the Bonds then outstanding pursuant to the Resolution ("Additional Bonds"), shall be issued except upon the conditions and in the manner provided in the Resolution. The County may issue Additional Bonds payable from the Pledged Funds on a parity with the Series 2012 Bonds and the Parity Obligations then outstanding pursuant to the Resolution, provided that the County is in compliance with all covenants and undertakings of the County (1) contained in the Resolution, in connection with all Bonds then outstanding, and (2) made with respect to any other bonds or other obligations of the County payable from the Pledged Funds or any part thereof and has not been in default as to any payments required to be made under the Resolution during at least the next preceding 24 months, or if at any such time the Bonds shall not have been outstanding for 24 months, then for the period that the Bonds shall have been outstanding.

In addition, there shall have been obtained and filed with the County a statement of an independent certified public accountant of suitable experience and responsibility: (i) stating that he has examined the books and records of the County relating to the collection and receipt of the Pledged Funds; (ii) setting forth the amount of the Pledged Funds received by the County for any twelve (12) consecutive month period within the eighteen (18) consecutive months immediately preceding the date of the issuance of the Additional Bonds with respect to which such statement is made and; (iii) stating that the aggregate amount of the Pledged Funds for such twelve (12) consecutive month period equals or exceeds 125% of the maximum amount required in any subsequent Fiscal Year for the payment of the principal of and interest on the Bonds then outstanding and the Additional Bonds with respect to which such statement is made. If, during such twelve (12) consecutive month period, the moneys allocated to the County from the Local Government Half-Cent Sales Tax Clearing Trust Fund shall have increased pursuant to applicable legislation permitting the pledging of such increase in the manner provided in the Resolution, the amount of the Pledged Funds stated for such twelve (12) consecutive month period may be adjusted to reflect an amount which would have been allocated to the County had such increased rate been in effect throughout the entire term of such twelve (12) consecutive month period.

The County has the right to issue one or more additional series of bonds which shall be junior and subordinate in all respects to the lien of the Bonds on the Pledged Funds.

Receipt of Sales Tax Revenues

The County has covenanted in the Resolution to comply with all of the provisions of Part VI of Chapter 218, Florida Statutes, as amended, and all applicable regulations thereunder, in order that the County shall at all times receive the maximum allocation which it may be entitled to receive from the Local Government Half-Cent Sales Tax Clearing Trust Fund. The County agrees not to knowingly acquiesce in any attempt to eliminate or reduce the rate of the sales tax or the base upon which it is imposed, if such reduction will result in diminishing the sales tax proceeds it receives in each future fiscal year below an amount equal to 1.25 times the principal of and interest on the Bonds due in such year, and will vigorously resist all such attempts by others to eliminate or reduce the same. The County has agreed in the Resolution to comply at all times with the eligibility requirement for participation in distributions received from the Trust Fund. If for any reason the sales tax proceeds are not legally sufficient to produce the full amount of sales tax proceeds which such sales tax might produce in order to meet all of the requirements of the Resolution, the County has covenanted in the Resolution, to the extent permitted by law, to take all action reasonably practicable and feasible to cause the same to be replaced by another equivalent source of available non-ad valorem revenues and will dedicate such revenues to the replacement of the Pledged Funds, to the extent necessary.

SALES TAX REVENUES

General

The Local Government Half-Cent Sales Tax consists of all moneys now or hereafter allocated to the County from the Local Government Half-Cent Sales Tax Clearing Trust Fund (the "Trust Fund") pursuant to the provisions of Chapter 218, Part VI, Florida Statutes, as amended.

The State of Florida (the "State") levies and collects a sales tax on, among other things, the sales price of each item or article of tangible personal property sold at retail in the State, subject to certain exceptions and dealer allowances. In 1982, the Florida legislature created the Local Government Half-Cent Sales Tax Program (the "Local Government Half-Cent Sales Tax Program") which distributes a portion of the sales tax revenue and money from the State's General Revenue Fund to counties and municipalities that meet certain eligibility requirements. In 1982, when the Local Government Half-Cent Sales Tax Program was created, the general rate of sales tax in the State was increased from 4% to 5%, and one-half of the fifth cent was devoted to the Local Government Half-Cent Sales Tax Program, thus giving rise to the name "Half-Cent Sales Tax." Although the amount of sales tax revenue deposited into the Local Government Half-Cent Sales Tax Program is no longer one-half of the fifth cent of every dollar of the sales price of an item subject to sales tax, the name "Half-Cent Sales Tax" has continued to be utilized.

Section 212.20, Florida Statutes, provides for the distribution of sales tax revenues collected by the State and further provides for the distribution of a portion of sales tax revenues

to the Trust Fund, after providing for transfers to the General Revenue Fund. From 1993 until July 1, 2003, the proportion of sales tax revenues deposited in the Trust Fund had been constant at 9.653% of all state sales tax remitted to the State by a sales tax dealer located within a participating county. In 2003, the Florida Legislature, pursuant to Chapter 2003-404, Laws of Florida, amended Section 212.20(6)(d)3., Florida Statutes, to reduce the amount of sales tax revenue transferred to the Trust Fund to 9.643%, effective July 1, 2003. Therefore, effective July 1, 2003, 9.643% of the entire sales tax remitted to the State by each sales tax dealer located within a particular county (the "Local Government Half-Cent Sales Tax Revenues") was deposited in the Trust Fund and earmarked for distribution to the governing body of such county and each participating municipality within that county pursuant to a distribution formula. During the special legislative session ended May 27, 2003, pursuant to Chapter 2003-402, Laws of Florida, the Florida Legislature further amended Section 212.20(6)(d)3, Florida Statutes, to provide that effective July 1, 2004, the base percentage of sales tax proceeds to be deposited in the Trust Fund after certain required deposits to other State funds, would be reduced to 8.814%. The legislative intent of Chapter 2003-402, Laws of Florida, was to freeze for one fiscal year the total amount of Local Government Half-Cent Sales Tax Revenues distributed to the counties and municipalities throughout the State at the level of such distributions for the State fiscal year ended June 30, 2004. The combined effect of Chapter 2003-404, Laws of Florida, and Chapter 2003-402, Laws of Florida, was that, as of July 1, 2004, the percentage of Local Government Half-Cent Sales Tax Revenues deposited in the Trust Fund was effectively reduced to 8.805%. The general rate of sales tax in the State is currently 6.00%. After taking into account the distributions to the General Revenue Fund (5.2% of taxes collected) and after taking into account the cumulative effect of the amendments enacted by Chapters 2003-402 and 2003-404, Laws of Florida, effective July 1, 2004, for every dollar of taxable sales price of an item, approximately 0.501 cents is deposited into the Trust Fund.

The Local Government Half-Cent Sales Tax Revenues are distributed from the Trust Fund on a monthly basis to participating units of local government in accordance with Part VI, Chapter 218, Florida Statutes (the "Sales Tax Act"). Florida law also allows counties to impose a sales surtax of up to 1% to fund infrastructure improvements upon approval by a vote of the electors. The County has not imposed such surtax.

As of October 1, 2001, the Trust Fund began receiving a portion of certain taxes imposed by the State on the sales of communication services (the "CST Revenues") pursuant to Chapter 202, Florida Statutes (the "CST Law"). Accordingly, moneys distributed from the Trust Fund now consist of funds derived from both general sales tax proceeds and CST Revenues required to be deposited into the Trust Fund. All moneys distributed to the County from the Trust Fund (whether derived for the general sales tax or from CST Revenues) constitute Local Government Half-Cent Sales Tax Revenues for purposes of the Resolution and are a part of the Pledged Funds pledged to the payment of the Bonds. Moneys received by the County pursuant to the CST Law that are not deposited in the Trust Fund do not constitute Local Government Half Cent Sales Tax and are not pledged to the payment of the Bonds pursuant to the Resolution.

See "- Historical Receipts of Local Government Half-Cent Sales Tax by the County" herein for the amount of the Local Government Half-Cent Sales Tax received by the County in fiscal years 2007-2011 and for the ten-month periods ended July 31, 2011 and July 31, 2012.

Eligibility

To be eligible to participate in the Local Government Half-Cent Sales Tax Program, each municipality and county is required to have:

- (i) reported its finances for its most recently completed fiscal year to the State Department of Financial Services as required by Florida law;
- (ii) made provisions for annual post audits of financial accounts in accordance with provisions of law;
- (iii) levied, as shown on its most recent financial report, ad valorem taxes, exclusive of taxes levied for debt service or other special millages authorized by the voters, to produce the revenue equivalent to a millage rate of three (3) mills on the dollar based upon 1973 taxable values or, in order to produce revenue equivalent to that which would otherwise be produced by such three (3) mill ad valorem tax, to have collected an occupational license tax, utility tax, ad valorem tax, or (in the case of a municipality) certain remittances from the county in which the municipality is located, or any combination of those four sources;
- (iv) certified that persons in its employ as law enforcement officers meet certain qualifications for employment, and receive certain compensation;
- (v) certified that persons in its employ as firefighters meet certain employment qualifications and are eligible for certain compensation;
- (vi) certified that each dependent special district that is budgeted separately from the general budget of such county or municipality has met the provisions for annual post audit of its financial accounts in accordance with law; and
- (vii) certified to the Florida Department of Revenue that it has complied with certain procedures regarding the establishment of the ad valorem tax millage of the county or municipality as required by law.

Although the Sales Tax Act does not impose any limitation on the number of years during which a county or municipality may receive distributions of the Local Government Half-Cent Sales Tax Revenues from the Trust Fund, there may be amendments to the Sales Tax Act in subsequent years imposing additional requirements of eligibility for counties and municipalities participating in the Local Government Half-Cent Sales Tax Revenues, or the distribution formulas in Sections 212.20(6)(d) or 218.62, Florida Statutes, may be revised. To be eligible to participate in the Trust Fund in future years, the County must comply with the financial reporting and other requirements of the Sales Tax Act. Otherwise, the County would lose its Trust Fund distributions for twelve (12) months following a "determination of noncompliance" by the State Department of Revenue. Pursuant to the Resolution, the County has covenanted to take all action necessary or required to continue to entitle the County to receive its portion of the Local Government Half-Cent Sales Tax Revenues. The County has always maintained eligibility to receive the Local Government Half-Cent Sales Tax Revenues. See also "Medicaid Legislation" herein.

Distribution

The Local Government Half-Cent Sales Tax collected within a county and distributed to participating local government units is distributed among such county and municipalities therein in accordance with the formula detailed in Section 218.62, Florida Statutes and shown below (the "Distribution Factor"):

$$\begin{array}{l} \text{County's Share (percentage of total} \\ \text{Local Government Half-Cent Sales} \\ \text{Tax receipts)} \end{array} = \frac{\text{unincorporated area} + \frac{2}{3} \text{ incorporated area}}{\frac{\text{population}}{\text{total county}} + \frac{\text{population}}{\text{population}}}$$

$$\begin{array}{l} \text{Each Municipality's Share (percentage of total} \\ \text{Local Government Half-Cent Sales Tax} \\ \text{receipts)} \end{array} = \frac{\text{municipality population}}{\frac{\text{total county}}{\text{population}} + \frac{2}{3} \text{ incorporated area population}}$$

"Population" is based upon the latest official State of Florida estimate of population certified prior to the beginning of the local government fiscal year and is computed as the number of residents, employing the same general guidelines used by the United States Bureau of the Census. For purposes of the distribution factor, inmates, and patients residing in institutions operated by the federal government, the Department of Corrections, the Department of Health, or the Department of Children and Family Services shall not be considered to be residents of the governmental unit in which the institutions are located. Should any unincorporated area of a county become incorporated as a municipality, the share of the Local Government Half-Cent Sales Tax received by such county may be reduced. Similarly, if a municipality annexed unincorporated areas of a county, the county's share of the Local Government Half-Cent Sales Tax may be reduced.

Distribution Percentages

Below are the approximate distribution percentages with respect to the Local Government Half-Cent Sales Tax receipts for St. Johns County and for the municipalities within St. Johns County (St. Augustine, Hastings and St. Augustine Beach) for the past five years:

St. Johns County and Municipalities
Percent of Total Local Government Half-Cent Sales Tax Revenues
Last Five Years

<u>State Fiscal Year</u> <u>Ended June 30</u>	<u>St. Johns County</u>	<u>Municipalities</u>
2007	88.2%	11.8%
2008	88.6	11.4
2009	88.9	11.1
2010	89.2	10.8
2011	89.5	10.5

Source: Department of Revenue, State of Florida.

Historical Receipts of Local Government Half-Cent Sales Tax by the County

The following table shows the County's Local Government Half-Cent Sales Tax for the last five fiscal years:

<u>County Fiscal Year</u> <u>Ended September 30</u>	<u>Local Government</u> <u>Half-Cent Sales Tax</u>	<u>Percentage</u> <u>Change</u>
2007	\$12,442,597	--
2008	12,077,387	(2.94)
2009	11,168,656	(7.52)
2010	11,040,726	(1.15)
2011	11,679,612	5.79

Source: St. Johns County Finance Department.

The following table shows a comparison of County's Local Government Half-Cent Sales Tax for the ten-months ended July 31, 2011 and July 31, 2012:

<u>Eleven-Months</u> <u>Ended July 31</u>	<u>Local Government</u> <u>Half-Cent Sales Tax</u>	<u>Percentage</u> <u>Change</u>
2011	\$ 9,717,540	--
2012	10,338,964	6.39%

Source: St. Johns County Finance Department.

Pro-Forma Debt Service Coverage

<u>Maximum Annual</u> <u>Debt Service</u>	<u>Local Government Half-Cent</u> <u>Sales Tax for the Fiscal</u> <u>Year Ended September 30, 2011</u>	<u>Pro-Forma Debt</u> <u>Service Coverage</u>
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Source: St. Johns County Finance Department.

Changes in Distribution and Collections

The amount of Local Government Half-Cent Sales Tax revenues distributed to the County is subject to increase or decrease due to (i) increases or decreases in the dollar volume of taxable sales within the County, (ii) legislative changes relating to the sales tax, which may include changes in the scope of taxable sales, changes in the tax rate and changes in the amount of sales tax revenue deposited into the Trust Fund, (iii) changes in the relative population of the County to the relative population of unincorporated St. Johns County and the municipalities in St. Johns County, which affect the percentage of Local Government Half-Cent Sales Tax distributed to the County, and (iv) other factors which may be beyond the control of the County or the Series 2012 Bondholders, including but not limited to the potential for increased use of electronic commerce and other internet-related sales activity that could have a material adverse impact upon the amount of sales tax collected by the State and then distributed to the County. See also "Medicaid Legislation" and "BONDHOLDER RISKS" herein.

Medicaid Legislation

[The following is to be finalized based upon final review and comment by County and all working group members] Section 409.915, Florida Statutes, requires counties to pay a portion of the costs incurred by the State of Florida with respect to its Medicaid program. Historically, the State, through the Agency for Health Care Administration (the "Agency"), billed counties for their pro rata portions of Medicaid costs and the counties reimbursed the State from any legally available funds. To the extent a county disputed the amount billed by the Agency, such county typically withheld the disputed amount from its reimbursement payments.

On March 9, 2012, the Florida Legislature passed House Bill 5301 (the "Medicaid Legislation") which made substantial changes to Section 409.915, Florida Statutes. The Governor of the State signed the Medicaid Legislation into law on March 29, 2012. Pursuant to the Medicaid Legislation, commencing May 1, 2012, the State reduces each county's monthly distribution of the Local Government Half-Cent Sales Tax by the amount the Agency certifies is due from such county for its monthly share of Medicaid costs. A county that disputes the amounts withheld will have to file for a refund pursuant to a procedure that will be developed by the Agency.

The Medicaid Legislation will reduce the amount of Local Government Half-Cent Sales Tax that will be distributed to the County each month; provided, however, the Medicaid Legislation specifically provides that as an assurance to holders of any bonds issued before May 1, 2012, that are secured by the Local Government Half-Cent Sales Tax, or bonds issued to refund such bonds which mature no later than the refunded bonds and which result in a reduction of debt service payable in each fiscal year, the amounts available to be distributed to a county will not be reduced below that which is necessary to make timely payments of debt service on such bonds and to otherwise comply with related bond covenants. Based on information provided by each affected county, the Department of Revenue of the State will notify the Agency for Health Care Administration of the State (the "AHCA") of the amount by which the reduction in Local Government Half-Cent Sale Tax distributed to the County must be decreased in order to enable such county to pay its debt service due on such bonds and meet related bond covenants. The AHCA will invoice such county for the remaining Medicaid payments due to the State as a result of such decrease. Based on these provisions, the amounts available to be distributed to the County will not be reduced below an amount necessary to make timely payments of debt service on and meet related bond covenants with respect to the Parity Obligations and, assuming the Series 2012 Bonds meet the criteria above upon pricing, the Series 2012 Bonds.

The following table shows the annual amounts actually paid by the County to the State with respect to Medicaid over the last five Fiscal Years and during the current Fiscal Year:

<u>Fiscal Year Ended</u> <u>September 30</u>	<u>Medicaid Reimbursement</u> <u>Payments to the State</u>
2007	\$942,182
2008	997,225
2009	830,672
2010	610,081
2011	684,413

2012 ⁽¹⁾

684,674

(1) Ten (10) months of payments through July 2012.
Source: St. Johns County Clerk of the Court

The following table shows the County's estimates of its future Medicaid related annual payments that will reduce the amount of the Local Government Half-Cent Sales Tax it receives.

<u>Fiscal Year Ending</u> <u>September 30</u>	<u>Annual Payments for</u> <u>Ongoing Medicaid Costs⁽¹⁾</u>
2012	\$ 495,616
2013	1,331,240
2014	1,411,114
2015	1,495,781
2016	1,585,528

(1) Estimated amount by which the distribution of Local Government Half-Cent Sales Tax to the County will be reduced, assuming such payments are not decreased in order to enable the County to timely pay its debt service on the Series 2012 Bonds and the Parity Obligations and to otherwise meet its bond covenants under the Resolution.

On April 26, 2012, the Florida Association of Counties, the County and many other Florida counties filed a lawsuit against the State of Florida challenging the legality of the Medicaid Legislation. On July 31, 2012, the State of Florida filed a motion to dismiss the lawsuit, but no decision has been made on the motion as of the date hereof.

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ESTIMATED SOURCES AND USES OF FUNDS

The table that follows summarizes the estimated sources and uses of funds relating to the sale of the Series 2012 Bonds:

SOURCES	Series 2012A Bonds	Series 2012B Bonds	Total
Principal Amount of Series 2012 Bonds			
Net Original Issue Discount			
Other Legally Available Moneys ⁽¹⁾			
TOTAL SOURCES			
USES:			
Deposit to Escrow Account			
Costs of Issuance ⁽²⁾			
TOTAL USES			

(1) Represents funds on deposit in the Sinking Fund allocable to the Refunded Bonds.

(2) Includes [Bond Insurance Policy premium, Reserve Policy premium,] Underwriters' discount, financial advisory and legal fees and expenses, and other costs of issuance related to the Series 2012 Bonds.

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DEBT SERVICE SCHEDULE

Debt service requirements for the Series 2012 Bonds and the Parity Obligations¹ are as follows:

Bond Year Ending October 1	Series 2012A Bonds			Series 2012B Bonds		
	Series 2006 Bonds	Series 2009 Bond	Series 2009A Bonds	Principal	Interest	Annual Debt Service
2013	\$2,989,550.00	\$1,914,177.50	\$1,571,468.76			
2014	2,999,750.00	1,905,265.50	1,569,718.76			
2015	2,997,000.00	1,909,607.00	1,568,768.76			
2016	2,989,250.00	1,911,453.50	1,571,518.76			
2017	2,994,500.00	1,910,805.00	1,572,762.50			
2018	2,992,000.00	1,907,661.50	1,571,962.50			
2019	2,992,000.00	1,907,023.00	1,568,962.50			
2020	2,989,250.00	1,913,640.00				
2021	2,988,750.00	1,912,013.50				
2022	2,995,250.00	1,912,393.00				
2023	2,988,250.00	1,914,529.00				
2024	2,988,250.00	1,913,172.00				
2025	2,989,750.00	1,913,322.00				
2026	2,992,500.00	1,909,729.50				
2027	2,991,250.00	1,912,394.50				
2028	2,991,000.00	1,910,818.00				
2029	2,991,500.00					
2030	2,992,500.00					
2031	2,988,750.00					
2032	2,995,250.00					
2033	2,381,250.00					
2034	2,382,500.00					
2035	5,749,500.00					
2036	5,748,750.00					
TOTALS	\$76,098,300.00	\$30,578,004.50	\$10,995,162.54			

(1) Assumes all Series 2004A Bonds and all Series 2004B Bonds are refunded.

[BOND INSURANCE POLICY]

[RESERVE ACCOUNT INSURANCE POLICY]

The Bond Insurer has made a commitment to issue the Reserve Policy for the purpose of funding the Reserve Account Requirement with respect to the [Series 2012 Bonds] effective as of the date of the issuance of the Series 2012 Bonds. The Series 2012 Bonds will only be delivered upon the issuance of the Reserve Policy. The premium on the Reserve Policy is to be fully paid at or prior to the issuance and delivery of the Series 2012 Bonds. The Reserve Policy provides that upon the later of (i) one (1) day after receipt by the Bond Insurer of a demand for payment executed by the Paying Agent certifying that provision for the payment of principal of or interest on the Series 2012 Bonds when due has not been made or (ii) the interest payment date specified in the demand for payment submitted to the Bond Insurer, the Bond Insurer will promptly deposit funds with the Paying Agent sufficient to enable the Paying Agent to make such payments due on the Series 2012 Bonds, but in no event exceeding the Reserve Policy Coverage, as defined in the Reserve Policy.

Pursuant to the terms of the Reserve Policy, the Policy Limit is automatically reduced to the extent of each payment made by the Bond Insurer under the terms of the Reserve Policy and the County is required to reimburse the Bond Insurer for any draws under the Reserve Policy with interest at a market rate. Upon such reimbursement, the Reserve Policy is reinstated to the extent of each payment reimbursement up to but not exceeding the Policy Limit. The reimbursement obligation of the County is subordinate to the County's obligations with respect to the Bonds.

The Reserve Policy does not insure against nonpayment caused by the insolvency or negligence of the Registrar or the Paying Agent. Neither the County nor the Underwriters made any investigation into the financial condition of the Bond Insurer and no representation is made as to the ability of the Bond Insurer to meet its obligation under the Reserve Policy.

BONDHOLDER RISKS

Any purchaser of the Series 2012 Bonds must make an independent evaluation of the risks of purchasing Series 2012 Bonds and an independent decision as to the creditworthiness of the County. In an effort to assist potential purchasers in their evaluation of the Series 2012 Bonds, the following represents a summary of certain of the risks associated with the Series 2012 Bonds. This section should not be considered all-inclusive and any risk not listed should not be presumed to be immaterial.

Economic Impacts on Local Government Half-Cent Sales Tax

Sales tax revenues are subject to fluctuation and may be greatly affected by economic conditions at the international, national, state and local levels. The short and long term effects of adverse economic conditions and other matters (such as war and terrorist activity) can have an

adverse effect on the level of sales tax receipts. Future sales tax receipts could differ significantly from historical receipts performance as reflected in this Official Statement. Furthermore, because the County is heavily dependent upon tourism revenues, Local Government Half-Cent Sales Tax distributions to the County could decrease at a disproportionate rate when compared to State sales tax revenues and Local Government Half-Cent Sales Tax distributions to other counties if tourism to the County is reduced.

Limitation on State Revenues

At the November 8, 1994, general election, Florida voters approved an amendment to Article VII, Section 1(e) of the Florida Constitution which is commonly referred to as the "Limitation on State Revenues Amendment" (the "Amendment"). The Amendment provides that State revenues collected for any fiscal year of the State shall be limited to State revenues allowed under the Amendment for the prior fiscal year, plus an adjustment for growth. As used in the Amendment, "growth" means an amount equal to the average annual rate of growth in Florida personal income over the most recent twenty quarters times the State revenues allowed under the Amendment for the prior fiscal year. State revenues collected for any fiscal year in excess of this limitation are required to be transferred to the budget stabilization fund until the fund reaches the maximum balance specified in Section 19(g) of Article III of the Florida Constitution, and thereafter is required to be refunded to taxpayers, as provided by general law. The limitation on State revenues imposed by the Amendment may be increased by a two-thirds vote of each house of the State Legislature.

The term "State Revenues," as used in the Amendment, means taxes, fees, licenses and charges for services imposed by the State Legislature on individuals, businesses, or agencies outside State government. However, the term "State Revenues" does not include: (i) revenues that are necessary to meet the requirements set forth in documents authorizing the issuance of bonds by the State; (ii) revenues that are used to provide matching funds for the federal Medicaid program, with the exception of the revenues used to support the Public Medical Assistance Trust Fund or its successor program and with the exception of State matching funds used to fund elective expansions made after July 1, 1994; (iii) proceeds from the State lottery returned as prizes; (iv) receipts of the Florida Hurricane Catastrophe Fund; (v) balances carried forward from prior fiscal years; (vi) taxes, licenses, fees and charges for services imposed by local, regional or school district governing bodies; or (vii) revenue from taxes, licenses, fees and charges for services required to be imposed by any amendment or revision to the Florida Constitution after July 1, 1994. The Amendment took effect on January 1, 1995, and was first applied to State fiscal year 1995-96, which ended June 30, 1996.

In its 2011 regular session, the Florida Legislature passed a resolution which (i) replaces the Amendment based on State personal income growth with a new state revenue limitation based on changes in population and inflation (the "Proposed Limitation"); (ii) requires excess revenues to be deposited into the Budget Stabilization Fund to support public education or to return to taxpayers; (iii) adds certain items to the state revenues subject to the limitation; (iv) authorizes the Florida Legislature to increase the revenue limitation by a supermajority vote; and (v) authorizes the Florida Legislature to place the new state revenue limitation proposal before the voters, which would require approval of 60% of the voters. The proposal is expected to be on the ballot in the 2012 general election. If approved by 60% of the voters, the Proposed Limitation

is more likely to constrain state revenues than the current state revenue limitation; however, the potential impact on the County or its finances cannot be ascertained at this time.

It is unclear whether revenues from taxes imposed by the State, but earmarked by State law for distribution to local governments, such as sales taxes, will be deemed to constitute "State Revenues" under the Amendment or the Proposed Limitation, if approved by the voters.

To the extent the Sales Tax Proceeds constitute "State Revenues" which are subject to and limited by the Amendment or the Proposed Limitation, if approved by the voters, the future distribution of increases in such sales tax receipts to the County may be adversely affected by the Amendment or the Proposed Limitation, if approved by the voters.

There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the County or its finances.

[Bond Insurer, Bond Insurance Policy and Reserve Policy]

In the event of default of the payment of principal or interest with respect to the Series 2012 Bonds when all or some becomes due, any owner of the Series 2012 Bonds shall have a claim under the Bond Insurance Policy for such payments. However, in the event any unscheduled payments of principal become due by reason of mandatory or optional redemption, other than any payments of principal which become due by reason of mandatory sinking fund redemption, such payments are to be made in such amounts and at such times as such payments would have otherwise been due had there not been any such unscheduled mandatory or optional redemption. The Bond Insurance Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional redemption of the Series 2012 Bonds by the County which is recovered by the County from the bond owner as a voidable preference under applicable bankruptcy law is covered by the Bond Insurance Policy, however, such payments will be made by the Bond Insurer at such time and in such amounts as would have been due absence such redemption by the County unless the Bond Insurer chooses to pay such amounts at an earlier date.

The Bond Insurer may direct and must consent to any remedies and the Bond Insurer's consent may be required in connection with amendments to any applicable bond documents.

In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Bond Insurance Policy or under the Reserve Policy, the Series 2012 Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Bond Insurer becomes obligated to make payments with respect to the Series 2012 Bonds under the Bond Insurance Policy or under the Reserve Policy, no assurance is given that such event will not adversely affect the market price of the Series 2012 Bonds or the marketability (liquidity) for the Series 2012 Bonds.

The long-term ratings on the Series 2012 Bonds are dependent in part on the financial strength of the Bond Insurer and its claim paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the

Series 2012 Bonds insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Series 2012 Bonds or the marketability (liquidity) for the Series 2012 Bonds. See description of "RATINGS" herein.

The obligations of the Bond Insurer pursuant to the Bond Insurance Policy and the Reserve Policy are contractual obligations and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the County nor Underwriters have made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the County to pay principal and interest on the Series 2012 Bonds and the claims paying ability of the Bond Insurer, particularly over the life of the investment. See "BOND INSURANCE POLICY" and "RESERVE ACCOUNT INSURANCE POLICY" herein for further information provided by the Bond Insurer, the Bond Insurance Policy and the Reserve Policy, which includes further instructions for obtaining current financial information concerning the Bond Insurer.

INVESTMENT POLICY

The moneys held in the funds and accounts under the Resolution may only be invested in Authorized Investments (as defined in the Resolution).

Pursuant to the requirements of Section 218.415, Florida Statutes, the County adopted Resolution No. 2001-58 on March 27, 2001, establishing the County's current written investment policy which applies to all financial assets of the County, excluding pension funds, funds related to debt that are governed by other policies or indentures, funds held by state agencies and financial assets under the direct control of constitutional officers.

The objectives of the investment policy, listed in order in order of importance, are:

1. Safety of principal;
2. Maintenance of liquidity; and
3. Return on investment.

The investment policy limits the types of investments eligible for inclusion in the County's portfolio. The investment policy also establishes criteria for suitable financial institutions with which the County will conduct business. Internal controls and investment procedures are provided for in the policy as are competitive bidding requirements.

To enhance safety, the investment policy requires the diversification of the portfolio to reduce the risk of loss resulting from over-concentration of assets in a specific class of security. The investment policy provides guidelines for diversification, setting forth maximum percentages for the various allowable investments. The policy also provides maturity and

liquidity requirements for investments. The responsibility for the administration of the investment program is granted to the County's Finance Director.

The investment policy may be modified by the Board of County Commissioners from time to time.

A copy of the investment policy of the County can be obtained directly from the County. See "INTRODUCTION – Additional Information" herein.

LEGAL MATTERS

Certain legal matters in connection with the issuance of the Series 2012 Bonds are subject to an approving legal opinion of Nabors, Giblin & Nickerson P.A., Tampa, Florida, Bond Counsel, whose approving opinion (a form of which is attached hereto as "APPENDIX E – FORM OF BOND COUNSEL OPINION") will be available at the time of delivery of the Series 2012 Bonds. Certain legal matters will be passed on for the County by Edwards Cohen, Jacksonville, Florida, Counsel for the County, and Foley & Lardner LLP, Jacksonville, Florida, Disclosure Counsel.

Bond Counsel has not been engaged to, nor has it undertaken to, review (1) the accuracy, completeness or sufficiency of this Official Statement or any other offering material relating to the Series 2012 Bonds; provided, however, that Bond Counsel will render an opinion to the Underwriters of the Series 2012 Bonds and the County (upon which opinion only the Underwriters and the County may rely) relating to the fairness of the presentation of certain statements contained herein under the heading "TAX EXEMPTION" and certain statements which summarize provisions of the Resolution and the Series 2012 Bonds and State of Florida and federal tax law and (2) the compliance with any federal or state law with regard to the sale or distribution of the Series 2012 Bonds.

LITIGATION

There is no pending or, to the knowledge of the County, any threatened litigation against the County of any nature whatsoever which in any way questions or affects the validity of the Series 2012 Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the adoption of the Resolution, or the pledge of the Pledged Funds. Neither the creation, organization or existence, nor the title of the present members of the Board, or other officers of the County is being contested.

The County experiences routine litigation and claims incidental to the conduct of its affairs. In the opinion of Edwards Cohen, Counsel for the County, there are no actions presently pending or threatened which would materially adversely impact the County's ability to receive the Pledged Funds.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Pursuant to Section 517.051, Florida Statutes, as amended, no person may directly or indirectly offer or sell securities of the County except by an offering circular containing full and fair disclosure of all defaults as to principal or interest on its obligations since December 31,

1975, as provided by rule of the Office of Financial Regulation within the Florida Financial Services Commission (the "FFSC"). Pursuant to administrative rulemaking, the FFSC has required the disclosure of the amounts and types of defaults, any legal proceedings resulting from such defaults, whether a trustee or receiver has been appointed over the assets of the County, and certain additional financial information, unless the County believes in good faith that such information would not be considered material by a reasonable investor. The County is not and has not been in default on any bond issued since December 31, 1975 which would be considered material by a reasonable investor.

TAX EXEMPTION

Opinion of Bond Counsel

In the opinion of Bond Counsel, the form of which is included as "APPENDIX E -- FORM OF BOND COUNSEL OPINION" attached hereto, the interest on the Series 2012 Bonds is excludable from gross income and is not a specific item of tax preference for federal income tax purposes under existing statutes, regulations, rulings and court decisions. However, interest on the Series 2012 Bonds is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on corporations pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). Failure by the County to comply subsequently to the issuance of the Series 2012 Bonds with certain requirements of the Code, regarding the use, expenditure and investment of Series 2012 Bonds proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2012 Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issuance. The County has covenanted in the Resolution to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2012 Bonds for purposes of federal income taxation. In rendering its opinion, Bond Counsel has assumed continuing compliance with such covenants.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2012 Bonds, including, among other things, restrictions relating to the use or investment of the proceeds of the Series 2012 Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2012 Bonds to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Series 2012 Bonds being included in gross income for federal income tax purposes retroactive to their date of issuance.

Collateral Tax Consequences

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2012 Bonds. Prospective purchasers of Series 2012 Bonds should be aware that the ownership of Series 2012 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2012 Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2012 Bonds, (2) the branch profits tax, and (3) the inclusion of

interest on the Series 2012 Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2012 Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2012 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE SERIES 2012 BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

Interest on the Series 2012 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2012 Bonds should consult their own tax advisors as to the income tax status of interest on the Series 2012 Bonds in their particular state or local jurisdictions.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2012 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alterations of federal tax consequences may have affected the market value of obligations similar to the Series 2012 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2012 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2012 Bonds.

Tax Treatment of Original Issue Discount

Bond Counsel is further of the opinion that the difference between the principal amount of the Series 2012[A/B] Bonds maturing on October 1 in the years ____ through and including 20__ (the "Discount Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of Underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity was sold constitutes original issue discount which is excludable from gross income for federal income tax purposes to the same extent as interest on the Series 2012 Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

Tax Treatment of Bond Premium

The difference between the principal amount of the Series 2012[A/B] Bonds maturing on October 1 in the years 20__ through and including 20__ (collectively, the "Premium Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Premium Bonds of the same maturity was sold constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond or, in the case of a Premium Bond that is callable prior to maturity, the amortization period and yield must be determined on the basis of the earliest call date that results in the lowest yield on such Bond. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

RATINGS

Standard & Poor's Ratings Services ("S&P") and Moody's Investors Service, Inc. ("Moody's") are expected to assign their municipal bond ratings of ["__" and "__," respectively, to the Series 2012 Bonds [with the understanding that upon delivery of the Series 2012 Bonds, the Bond Insurance Policy will be issued by the Bond Insurer. In addition, S&P and Moody's] have assigned underlying ratings of "__" and "__," respectively, without giving any regard to such Bond Insurance Policy]. The ratings reflect only the views of said rating agencies and an explanation of the ratings may be obtained only from said rating agencies. There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn entirely by the rating agencies, or any of them, if in their judgment, circumstances so warrant. A downward change in or withdrawal of any of such ratings, may have an adverse effect on the market price of the Series 2012 Bonds. An explanation of the significance of the ratings is available from the rating agencies, at the following addresses: Standard & Poor's Ratings Services, 55 Water Street, 38th Floor, New York, New York 10041 and Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, 23rd Floor, New York, New York 10007.

FINANCIAL ADVISOR

The County has retained Public Financial Management, Inc., Orlando, Florida, as financial advisor in connection with the County's financing plans and with respect to the authorization and issuance of the Series 2012 Bonds (the "Financial Advisor"). The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information

contained in the Official Statement. The Financial Advisor did not participate in the underwriting of the Series 2012 Bonds.

AUDITED FINANCIAL STATEMENTS

Excerpted pages from the General Purpose Financial Statements of the County for the Fiscal Year Ended September 30, 2011 and report thereon of Carr Riggs & Ingram, LLC (the "Independent Certified Public Accountant") are attached hereto as "APPENDIX B – EXCERPTED PAGES FROM THE GENERAL PURPOSE FINANCIAL STATEMENTS OF THE COUNTY FOR FISCAL YEAR ENDED SEPTEMBER 30, 2011." Such statements speak only as of September 30, 2011. Such portion of the General Purpose Financial Statements from the Comprehensive Annual Financial Report of the County has been included in this Official Statement as a public document and consent of the Independent Certified Public Accountant was not requested.

The Series 2012 Bonds are payable solely from the Pledged Funds as described in the Resolution and herein and the Series 2012 Bonds are not otherwise secured by, or payable from, the general revenues of the County. See "SECURITY FOR THE BONDS" herein. The excerpted pages from the General Purpose Financial Statements are presented for general information purposes only.

UNDERWRITING OF SERIES 2012 BONDS

The Series 2012 Bonds are being purchased by RBC Capital Markets, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Underwriters") at an aggregate purchase price of \$_____ (representing the principal amount of \$_____ [plus/less] net original issue [premium/discount] of \$_____ and less an Underwriters' discount of \$_____). The Underwriters' obligations are subject to certain conditions precedent contained in a contract of purchase entered into with the County, and they will be obligated to purchase all of the Series 2012 Bonds if any Series 2012 Bonds are purchased. The Series 2012 Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2012 Bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2012 Bonds upon an event of default under the Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically the federal bankruptcy code, the remedies specified by the Resolution and the Series 2012 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2012 Bonds, including Bond Counsel's approving opinion, will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. See "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION" attached hereto for a description of events of default and remedies.

CONTINUING DISCLOSURE

The County has covenanted for the benefit of the Series 2012 Bondholders to provide certain financial information and operating data relating to the County and the Series 2012 Bonds in each year, and to provide notices of the occurrence of certain enumerated material events. The County has agreed to file annual financial information and operating data and its audited financial statements (collectively, the "Annual Report") with each entity authorized and approved by the SEC to act as a repository (each a "Repository") for purposes of complying with Rule 15c2-12 adopted by the SEC (the "Rule"). Currently, the sole Repository is the Municipal Securities Rulemaking Board. The County has agreed to file notices of certain enumerated material events, when and if they occur, with each Repository.

The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the undertaking are described in "APPENDIX D - FORM OF CONTINUING DISCLOSURE CERTIFICATE" attached hereto. The Continuing Disclosure Certificate shall be executed by the County prior to the issuance of the Series 2012 Bonds. These covenants have been made in order to assist the Underwriters in complying with the continuing disclosure requirements of the Rule.

With respect to the Series 2012 Bonds, no party other than the County is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the Rule. In the past five years, the County has never failed to comply with any prior agreements to provide continuing disclosure information pursuant to the Rule.

VERIFICATION OF ARITHMETICAL COMPUTATIONS

The accuracy of the arithmetical computation of (i) the adequacy of the maturing principal amounts of, and interest on, the Federal Securities together with any uninvested amounts, to be held in the Escrow Fund to pay the principal and interest on the Refunded Bonds, and (ii) the "yields" on the Federal Securities and the Series 2012 Bonds to be used by Bond Counsel to support the opinion that the interest on the Series 2012 Bonds is excluded from gross income for federal income tax purposes, will be verified for the County by the Verification Agent. Such verification will be based on certain information supplied to the Verification Agent by Public Financial Management, Inc.

ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT

The references, excerpts, and summaries of all documents, statutes, and information concerning the County and certain reports and statistical data referred to herein do not purport to be complete, comprehensive and definitive and each such summary and reference is qualified in its entirety by reference to each such document for full and complete statements of all matters of fact relating to the Series 2012 Bonds, the security for the payment of the Series 2012 Bonds and the rights and obligations of the owners thereof and to each such statute, report or instrument. Copies of such documents may be obtained from either the office of the Clerk of the Circuit Court, 4010 Lewis Speedway, St. Augustine, Florida 32084, attention: Finance Department, telephone (904) 823-2400 or the County's Financial Advisor, Public Financial Management, Inc., 300 South Orange Avenue, Suite 1170, Orlando, Florida 32801, telephone (407) 648-2208.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2012 Bonds.

The appendices attached hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

AUTHORIZATION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been duly authorized and approved by the County. At the time of delivery of the Series 2012 Bonds, the County will furnish a certificate to the effect that nothing has come to its attention which would lead it to believe that the Official Statement (other than information herein related to the Bond Insurer, the Bond Insurance Policy, the Reserve Policy, DTC, the book-entry only system of registration and the information contained under the caption "TAX EXEMPTION" as to which no opinion shall be expressed), as of its date and as of the date of delivery of the Series 2012 Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

ST. JOHNS COUNTY, FLORIDA

By: _____
Chair of its Board of County
Commissioners

APPENDIX A

GENERAL INFORMATION CONCERNING THE COUNTY

The following information concerning St. Johns County, Florida is included only for the purpose of providing general background information.

Location

St. Johns County (the "County") encompasses approximately 608 square miles and is located in the northeast region of the State of Florida. The County is located directly south of Duval County, Florida, and is bordered on the west by the St. Johns River, on the south by Flagler County, and on the east by the Atlantic Ocean.

There are three incorporated municipalities located in the County: St. Augustine, Hastings and St. Augustine Beach. St. Augustine, which was founded in 1565, is the oldest permanent European settlement in the United States and is the county seat. A small portion of the municipality of Marineland (primarily located in Flagler County) on which no improvements are located, is also a part of the County. Unincorporated communities include Ponte Vedra, Switzerland, Flagler Estates, Elkton, Palencia, Nocatee, Crescent Beach, Toco, Bakersville, Picolatta, Orangedale, Fruit Cove, Summer Haven, St. Johns and Vilano Beach.

Government

The Board of County Commissioners of St. Johns County (the "Board") is organized under Article VIII of the Constitution of the State of Florida which empowers the creation of counties as a political subdivision of the State of Florida. St. Johns County is a nonchartered county and has the power of self government as provided by general and special law through county ordinances. Under the Constitution of the State of Florida, the offices of Clerk of Court, Property Appraiser, Sheriff, Tax Collector and Supervisor of Elections are specifically authorized and empowered to provide their functional services independently of the Board. The Board enacted an ordinance which established the office of the County Administrator, who serves as the Chief Administrative Officer of the County and is responsible for the administration of County departments, services and agencies as authorized by the Board. The School Board of St. Johns County is a separately organized taxing entity not under the jurisdiction of the Board and has specific legislative authority granted by the Constitution. The Board is a five-member body with its members elected countywide. The Board serves as the taxing authority for certain entities authorized by the Constitution of the State of Florida including the constitutional officers and special taxing districts that are authorized under legislation and approved by the Board. Certain dependent county taxing districts also come under the purview of the Board's taxing limitations. The current general taxing limitation for the Board is ten mills plus an additional ten mills in municipal service taxing or benefit units in unincorporated areas of the County, as authorized by the Legislature. A mill generates one dollar of tax for every one thousand dollars of taxable value.

Florida Retirement System

As is the case with many local governments in Florida, the County participates in the Florida Retirement System (the "FRS System"), a cost sharing, multiple-employer public employee retirement system, which covers substantially all of the full-time and part-time employees. The FRS System was employee noncontributory through June 30, 2011 and is totally administered by the State of Florida. Presently, the employee contribution rate is three percent. Benefits vary under the plan and vest based on the employee's initial employment date. The FRS System also provides for early retirement at reduced benefits and death and disability benefits. These benefit provisions and all other requirements are established by Chapters 112 and 121, Florida Statutes.

Pension costs for the County as required and defined by state statute ranged between four percent and 14 percent of gross salaries for fiscal year 2011. For fiscal years ended September 30, 2011, 2010 and 2009, the County contributed 100 percent of the required contributions. These contributions aggregated \$12,382,759, \$13,586,852 and \$13,322,357, respectively.

A copy of the FRS System's June 30, 2011 annual report can be obtained by writing to the Florida Retirement System, P.O. Box 9000, Tallahassee, Florida 32399-9000 or by phoning (850) 488-5706.

In accordance with Section 112.0801, Florida Statutes, because the County provides medical plans to employees of the County and their eligible dependents, the County is also required to provide retirees the opportunity to participate in the group employee health plan. Although not required by Florida law, the County has opted to pay a portion of the cost of such participation for retired County employees. This is a post-retirement benefit plan (other than pensions) which provides retiree medical coverage, including prescription drug benefits to retired employees of the County and their eligible dependents (the "Plan"). As of the fiscal year ended September 30, 2011, the County is in compliance with the Governmental Accounting Standards Board's Statement No. 45 – Accounting and Financial Reporting by Employers for Postemployment Benefit Plans other than Pension Plans (GASB 45). Similar to most other jurisdictions, the County has historically accounted for the annual premiums associated with its Plan and the post-retirement benefit plans of its constitutional officers (i.e., the Sheriff, the Clerk of Courts, the Property Appraiser, the Supervisor of Elections, and the Tax Collector) as part of its annual budget, on a pay as you go basis.

In fiscal year 2008, by County Resolution 2008-151, St. Johns County established the St. Johns County Post Employment Welfare Benefits Trust Fund ("SJCPWB") which provides partial premium payments of eligible county retirees and their dependents for health care benefits, including health, prescription drugs, dental, vision and life insurance. Benefits are provided through a single employer defined benefit plan for post-employment benefits other than pension benefits for retirees and the eligible dependents of the Clerk of Courts, Sheriff, Tax Collector, Supervisor of Elections, Property Appraiser and County. The Board of County Commissioners can amend the benefits and retiree contributions associated with the plan.

Additionally, in accordance with Florida Statutes 112.0801, the health insurance subsidy

is provided to employees who retire and immediately begin receiving benefits from FRS System after at least 6 years of creditable service. The County will maintain current subsidy levels for all current retirees. However, as of January 1, 2009, future retirees will be expected to share in the increasing costs of the program through increased rate adjustments. Retirees with more than 20 years of creditable service will receive an additional monthly subsidy. The amount of the monthly subsidy is based on the number of years of service with the County or Constitutional Officer, and is equal to one dollar and fifty cents for each year of total service until they are eligible for Medicare.

Finally, on January 8, 2008, the County adopted Ordinance 2008-1 which established the permitted investments for SJCPEWB, which is a qualifying trust, and began funding its annual required contribution obligation through a direct contribution from unrestricted cash balances. A separate stand-alone financial statement for the Trust is not prepared.

For more detailed information, see "APPENDIX B" to the Official Statement.

Population

St. Johns County has experienced steady population growth over the last several decades, as shown below:

<u>Year</u>	<u>Population</u>
1980	51,303
1990	83,829
2000	123,135
2005	157,278
2010	190,039

Sources: U.S. Census; St. Johns County, Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2011.

Commerce and Industry

A combination of historical significance, favorable climate, and available recreational facilities including public beaches, golf courses, tennis courts, and cultural events has made the County a national and international tourist destination attracting more than a million visitors annually.

The County is home to a number of state, national and international educational, business and sports organizations all contributing to a stable economy. Among those headquartered in the County are the PGA Tour, Inc., Association of Tennis Professionals, Flagler College, Florida School for the Deaf and Blind and Florida National Guard. The World Golf Village, located in the northwestern part of the County, is the home of the World Golf Hall of Fame, World Golf Village Resort Hotel, and the St. Johns County Convention Center.

While tourism ranks highly in the economy, manufacturing and commercial activities, including food processing, airplane modification and repair, book binding, aluminum extrusion

and commercial fishing play key roles. In addition, agribusiness remains a key sector of the state and the northeast region's economy.

Employment

St. Johns County, Florida Civilian Labor Force (unadjusted)

Calendar <u>Year</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Unemployment Rate</u>	State <u>Unemployment Rate</u>
2001	66,186	2,524	3.7%	4.7%
2002	67,00	3,057	4.4	5.7
2003	69,539	2,936	4.1	5.3
2004	74,099	2,667	3.5	4.7
2005	79,848	2,543	3.1	3.8
2006	84,408	2,433	2.8	3.3
2007	88,864	2,949	3.2	4.0
2008	88,891	4,730	5.1	6.3
2009	87,243	8,137	8.5	10.4
2010	88,159	9,291	9.5	11.3
2011	108,959	16,332	13	10.5

Source: University of Florida Bureau of Economic and Business Research.

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Major Employers

The following table shows some of the major employers in the County and their approximate level of employment in 2011.

<u>Establishment</u>	<u>Product</u>	<u>Approximate Employment</u>
St. Johns County School Board	Education	3440
St. Johns County	County Government	1,940
Flagler Hospital	Health Care	1,600
Northrup Grumman	Aircraft Overhaul and Modification	1,000
PGA Tour/ Tournament Players Club	Professional Golf Events Management	940
Community Hospice of N.E. Florida	Health Care	700
Florida School for the Deaf and Blind	Educational Institution	670
Ring Power Corporation	Heavy Equipment Dealer	500
U.S. Army National Guard	Army	400
Tree of Life	Natural Foods Retailer	390

Source: St. Johns County, Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2011.

Transportation Facilities

Air: Commercial airline service is available at the Jacksonville International Airport located approximately 60 miles north of St. Augustine. The Daytona Beach Regional Airport is approximately 55 miles south of St. Augustine. Charter flights and flight training are available at the St. Augustine Municipal Airport.

Land: Three major north/south highways, Interstate 95, U.S. 1 and State Route 1A, serve the County.

Rail: The County is served by the Florida East Coast Railway with freight service only. Amtrak and piggyback facilities are located 38 miles north of the County in Jacksonville.

Waterways: The Matanzas Bay provides access to the St. Augustine Inlet, the Intracoastal Waterway and the Atlantic Ocean. The nearest deep water port is in Jacksonville.

Health Care Facilities

Medical facilities are provided by Flagler Hospital, which has 335 beds. There are over 240 physicians in the area, including specialists in most fields. There five nursing homes within the County. There is also the University of St. Augustine for Health Sciences. Programs offered are physical therapy and occupational therapy.

Education

The public school system is operated by the St. Johns County School Board. There

are 17 elementary schools (plus one currently under construction), 7 middle schools, 1 school for kindergarten through eighth grade, 7 high schools, two alternative centers (including 1 juvenile justice center), 3 charter schools (including a vocational and technical center), and three juvenile justice centers. Colleges and Universities in the area include Jacksonville University, University of North Florida, Bethune-Cookman College (Hastings Campus), Flagler College, Embry-Riddle Aeronautical University, Florida State College - Jacksonville, St. Johns River State College and Daytona State College. The State operates the Florida School for the Deaf and Blind in St. Augustine, with primary school through senior high school levels.

Property Taxes

St. Johns County, Florida Assessed and Estimated Taxable Value for Operating Millages

<u>Fiscal Year</u>	<u>Taxable Value Real Property</u>	<u>Taxable Value Personal Property</u>	<u>Taxable Value Centrally Assessed</u>	<u>Total Taxable Valuations</u>
2001/02	8,934,559,954	629,849,926	17,326,818	9,581,736,698
2002/03	10,220,118,339	631,954,462	18,404,181	10,870,476,982
2003/04	11,798,595,741	666,830,119	20,372,764	12,485,798,624
2004/05	13,523,942,842	700,016,681	21,461,857	14,245,421,380
2005/06	16,654,175,245	752,696,406	22,453,364	17,429,224,015
2006/07	21,233,616,012	831,854,254	23,410,747	22,088,881,625
2007/08	23,671,729,278	869,659,215	26,540,132	24,567,928,625
2008/09	22,478,870,762	793,061,691	26,282,262	23,308,214,715
2009/10	19,617,725,592	794,162,750	27,277,134	20,439,165,476
2010/11	17,565,264,709	762,436,149	24,253,580	18,351,954,438

Source: St. Johns County Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2011.

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St. Johns County, Florida
Property Tax Levies and Collections

<u>Fiscal Year</u>	<u>Property Taxes Levied</u>	<u>Current Tax Collections⁽¹⁾</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collection</u>	<u>% of Levy Collected</u>
2001/02	65,415,916	63,123,231	197,727	63,320,958	96.80
2002/03	73,805,999	71,182,650	258,646	71,441,296	96.80
2003/04	88,228,658	84,998,530	351,008	85,349,538	96.74
2004/05	99,211,180	95,753,886	244,122	95,998,008	96.76
2005/06	121,318,507	116,767,023	35,023	116,802,046	96.28
2006/07	153,766,695	148,588,456	68,026	148,655,482	96.68
2007/08	148,017,827	140,957,073	809,001	141,766,074	95.78
2008/09	140,648,140	134,053,243	2,740,377	136,793,620	97.26
2009/10	136,359,880	131,462,350	1,308,771	132,771,127	97.37
2010/11	122,477,111	117,834,977	194,277	118,029,254	96.36

⁽¹⁾ Aggregate current taxes collected as of close of fiscal year which includes statutory discounts actually taken of 4% in the first month declining one percent each month thereafter.

Source: St. Johns County Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2011.

St. Johns County, Florida
Principal Taxpayers 2011

<u>Taxpayer</u>	<u>Real Estate Assessed Valuation</u>	<u>Percentage of Total County Taxable Assessed Value</u>
Florida Power & Light	144,107,500	0.70%
Ponte Vedra Corp	66,496,605	0.33%
BellSouth Telecommunications	48,578,872	0.24%
Bluegreen Vacations Unlimited	39,669,549	0.19%
RQB Resort LP	38,974,053	0.19%
Ring Power Corporation	26,424,449	0.13%
Florida East Coast Railway LLC	24,587,599	0.12%
LVP St. Augustine Outlets LLC	23,508,126	0.11%
CPG Partners LP	21,617,385	0.11%
Cobblestone Village at St. Augustine	19,136,189	0.09%

Source: St. Johns County, Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2011.

**St. Johns County, Florida
Debt Statement
as of September 30, 2011**

<u>General Description</u>	<u>Outstanding Principal Balance</u>
Water and Sewer Revenue Bonds, Series 1991A (including Credit Appreciation Bonds)	\$ 25,862,137
Water and Sewer Revenue Refunding Bonds, Series 1998	1,265,000
Water and Sewer Revenue Bonds, Series 2004 (including Credit Appreciation Bonds)	32,414,676
Water and Sewer Revenue and Refunding Bonds, Series 2006	41,015,000
Ponte Vedra Utility System Revenue Bonds, Series 2006	28,510,000
Ponte Vedra Utility System Revenue Bonds, Series 2007	30,620,000
City of Gulf Breeze, Florida Local Government Loan Program, Series 2004	12,300,000
Obligations under State Revolving Loan Program	4,703,585
Sales Tax Revenue Bonds, Series 2004A and Series 2004B	40,295,000
Sales Tax Revenue Bonds, Series 2006	43,465,000
Sales Tax Revenue and Refunding Bond, Series 2009	21,560,000
Sales Tax Revenue Refunding Bonds, Series 2009A	10,675,000
Capital Improvement Revenue and Refunding Bonds, Series 2005	19,040,000
Transportation Improvement Revenue Bonds, Series 2003	26,980,000
Transportation Improvement Revenue Bonds, Series 2006	27,455,000
Commercial Paper Loan Program	1,540,000
Community Redevelopment Agency Revenue and Refunding Note, Series 2007	4,890,000
Total Debt	<u>\$372,590,398</u>

Source: St. Johns County, Florida.

Police and Fire Protection

St. Johns County is served by the Sheriffs Office, which currently has 701 full- and part-time employees including deputies, the detective division, communications, jail and administrative personnel. There are 16 fire stations operating within the County, served by a force of 303 professional firefighters/paramedics and a support staff. The County operates Emergency Medical Services transport units staffed by trained paramedics.

APPENDIX B

**EXCERPTED PAGES FROM
THE GENERAL PURPOSE FINANCIAL STATEMENTS OF THE COUNTY
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2011**

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

SUMMARY OF CERTAIN PROVISIONS OF THE RESOLUTION

The Resolution contains various covenants and security provisions, certain of which are summarized below. Other provisions of the Resolution are summarized in the body of the Official Statement. Capitalized terms used herein and not defined are used as defined in the Resolution or the Official Statement. Such summaries do not purport to be complete and reference to the Resolution should be made for a full and complete statement thereof. Copies of the Resolution may be obtained from the office of the Clerk. See "INTRODUCTION - Additional Information" in the Official Statement for the Clerk's contact information.

Resolution to Constitute Contract

The Resolution is declared to be and shall constitute a contract between the County and all owners of the Series 2012 Bonds, the Parity Obligations and any Additional Bonds (collectively, the "Bonds"); and the covenants and agreements set forth in the Resolution to be performed by the County are and shall be for the equal benefit, protection and security of all owners of the Bonds, all of which shall be of equal rank and without preference, priority or distinction of any of the Bonds over any other, except as provided in the Resolution.

Security for Bonds

The payment of the principal of and interest on the Bonds shall be secured forthwith equally and ratably by a pledge of and prior lien upon the Pledged Funds. The County irrevocably pledges the Pledged Funds to the payment of the principal of and premium, if any, and interest on the Bonds and for reserves therefor and for all other payments required by the Resolution. The Series 2012 Bonds are payable from the Pledged Funds on a parity, equally and ratably, with the Parity Obligations.

Application of Bond Proceeds

The proceeds derived from the sale of the Series 2012 Bonds shall be applied by the County simultaneously with the delivery thereof as follows:

(A) A sufficient amount of Series 2012A Bond proceeds, together with other legally available moneys of the County, shall be deposited irrevocably in trust in an escrow deposit trust fund established under the terms and provisions of the Escrow Deposit Agreement and, other than a cash deposit, shall be invested in Federal Securities in the manner set forth in the Escrow Deposit Agreement, which investments shall mature at such times and in such amounts as shall be sufficient, together with such cash deposit, to pay the principal of, premium, if applicable, and interest on the Refunded 2004A Bonds as the same mature or are redeemed on their respective redemption dates.

(B) A sufficient amount of Series 2012B Bond proceeds, together with other legally available moneys of the County, shall be deposited irrevocably in trust in an escrow deposit trust fund established under the terms and provisions of the Escrow Deposit Agreement and, other than a cash deposit, shall be invested in Federal Securities in the manner set forth in the Escrow Deposit Agreement, which investments shall mature at such times and in such amounts as shall be sufficient, together with such cash deposit, to pay the principal of, premium, if applicable, and interest on the Refunded 2004B Bonds as the same mature or are redeemed on their respective redemption dates.

(C) A sufficient amount of the Series 2012 Bond proceeds will be applied to the payment of the premium for the Bond Insurance Policy.

(D) A sufficient amount of the Series 2012 Bond proceeds will be applied to the payment of the premium for the Reserve Account Insurance Policy.

(E) The remaining proceeds of the Series 2012 Bonds shall be applied to pay costs of issuance of the Series 2012 Bonds.

Covenants of the County

So long as any of the principal of or premium, if any, or interest on any of the Series 2012 Bonds shall be outstanding and unpaid, or until provision for payment thereof shall have been made in the manner provided in the Resolution for defeasance, except as to any Series 2012 Bonds which shall have not been surrendered for payment at maturity or on the date fixed for redemption as provided in the Resolution, the County covenants with the owners as follows:

(A) Certain Provisions Regarding Funds and Accounts. The Revenue Fund and the Sinking Fund and all other special funds and accounts created and established in the Resolution shall constitute trust funds for the purposes provided in the Resolution for such funds and accounts and shall be kept separate and apart from any other funds and accounts of the County. The Resolution creates a lien upon such funds and accounts in favor of the owners of the Bonds until the moneys deposited therein shall have been applied in accordance with the Resolution.

The cash required to be accounted for in each of the funds and accounts may be deposited in a single bank account, and funds allocated to the various accounts may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the cash on deposit therein and such investments for the various purposes of such funds and accounts as provided in the Resolution.

The designation and establishment of the various funds and accounts in and by the Resolution shall not be construed to require the establishment of any completely

independent, self-balancing fund as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as provided in the Resolution.

All such moneys shall be continuously secured in the manner that county deposits are authorized to be secured by the laws of the State of Florida. The moneys in such funds and accounts created and established in the Resolution may be invested and reinvested in Authorized Investments secured in the manner provided by the laws of the State of Florida. Moneys in the Reserve Account may be invested in Authorized Investments maturing no later than the final maturity date of the Bonds, and moneys in all other funds and accounts herein created and established may be invested in Authorized Investments maturing not later than the respective dates on which such moneys shall be needed for the purposes provided in the Resolution. For the purpose of determining whether the amount in the Reserve Account is less than the Maximum Bond Service Requirement, investments therein are to be valued at the market value thereof.

Any and all income received by the County from the investment of moneys in the Principal Account shall be deposited in the Principal Account; and any and all income received by the County from the investment of moneys in the Interest Account shall be deposited in the Interest Account. Such earnings deposited in the Principal Account and the Interest Account shall be applied to equivalent reductions in the monthly deposits to such accounts required pursuant to the Resolution. Any and all income received by the County from the investment of moneys in the Revenue Fund, the Reserve Account and the Term Bonds Retirement Account shall be deposited by the County in the Revenue Fund.

(B) Compliance with Part VI, Chapter 218, Florida Statutes. The County covenants and agrees that it will comply with all of the provisions of Chapter 218, Part VI, Florida Statutes, as amended, and all applicable regulations thereunder, in order that the County shall at all times receive the maximum allocation which it may be entitled to receive from the Local Government Half-cent Sales Tax Clearing Trust Fund. The County shall not knowingly acquiesce in any attempt to eliminate or reduce the rate of the Sales Tax or the base upon which it is imposed, if such reduction will result in diminishing the Sales Tax proceeds to be received by the County in each future Fiscal Year below an amount equal to 1.25 times the principal of and interest on the Bonds falling due in that year, and will vigorously resist all such attempts by others to eliminate or reduce the same. The County shall comply at all times with the eligibility requirement for participation in the Sales Tax enumerated in Section 218.63, Florida Statutes. If for any reason the Sales Tax proceeds are found not legally sufficient to produce the full amount of Sales Tax proceeds which such tax might produce in order to meet all the requirements of the Resolution, the County covenants that to the extent permitted by law it will take all action reasonably practicable and feasible to cause the same to be replaced

by another equivalent source of available non ad valorem revenues and will dedicate such revenues to the replacement of the Pledged Funds, to the extent necessary.

(C) Records and Audits. The County shall keep books and records of the Pledged Funds, which such books and records shall be kept separate and apart from all other books, records and accounts of the County, and any owner shall have the right, at all reasonable times, to inspect such books and records.

So long as any of the Bonds shall be outstanding, the County will furnish on or before 180 days after the close of each Fiscal Year, to any owner who shall request the same in writing, copies of an annual audit report prepared by an independent certified public accountant or an auditing official of the State of Florida, covering for the preceding Fiscal Year, in reasonable detail, the record of the County's receipts of Pledged Funds.

(D) Fidelity Bond. The County will require each employee who may have possession of any Pledged Funds to be covered by a fidelity bond written by a responsible indemnity company in an amount fully adequate to protect the County from loss.

(E) Creation of Superior Liens. The County covenants that it will not issue any other notes, bonds, certificates or obligations of any kind or nature or create or cause or permit to be created any debt, lien, pledge, assignment or encumbrance or charge payable from or enjoying a lien upon any of the Pledged Funds ranking prior and superior to the lien created by the Resolution for the benefit of the Series 2012 Bonds, or enjoying a lien upon the Pledged Funds equal to or on a parity with the lien in favor of the Series 2012 Bonds unless the conditions prescribed by the Original Instrument shall be fully complied with and no Event of Default shall exist.

(F) No Impairment of Contract. The County has full power and authority to irrevocably pledge the Pledged Funds to the payment of the principal of and interest on the Bonds. The County shall take all actions and pursue such legal remedies as may be available to it either in law or in equity to prevent or cure any substantial impairment of the pledge of the Pledged Funds made by the Resolution.

(G) Arbitrage. The County covenants that it will not knowingly make any investments or acquiesce in the making of any investments by any depository pursuant to or under the provisions of the Resolution which could cause the Series 2012 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended from time to time, and the applicable regulations issued thereunder (the "Code"). Unless the County is furnished with an opinion of its bond counsel, which counsel's legal and tax opinion on municipal bond issues shall be nationally recognized ("Bond Counsel"), that the Series 2012 Bonds qualify for any applicable exception to the arbitrage rebate requirements contained in the Code, the County covenants that it shall

pay from the special account described in paragraph (2) below, any rebate amount required to be paid on behalf of the County to the U.S. Treasury pursuant to Section 148 of the Code. The County shall take the following actions to provide for payment to the U.S. Treasury pursuant to Section 148 of the Code:

(1) Unless the County is furnished with an opinion of Bond Counsel to the effect that failure to make such determinations will not adversely affect the tax-exempt status of the Series 2012 Bonds, the County shall make a determination of the amount required to be paid to the U.S. Treasury at least every year (as of the anniversary of the date of issue of the Series 2012 Bonds) and upon the final payment of the Series 2012 Bonds.

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

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

(4) The County shall take any additional action required to be taken pursuant to the nonarbitrage certificate, or other instructions from its Bond Counsel, delivered in connection with or subsequent to the issuance and sale of the Series 2012 Bonds.

(5) The County shall keep records of the determinations made under this section until six years after the final payment on the Series 2012 Bonds. The County shall keep adequate records, including any necessary certifications, to evidence the fair market value of any securities purchased with Bond proceeds.

(H) Compliance with the Code. The County covenants that it shall comply with all requirements of the Code that must be satisfied in order for the interest on the Series 2012 Bonds to be excluded from gross income for federal income tax purposes as described in the opinion of the County's bond counsel delivered in connection with the issuance of the Series 2012 Bonds. The County covenants and agrees that it will take any additional action required to be taken pursuant to the Certificate as to Arbitrage and Certain Other Tax Matters to be executed in connection with the issuance of the Series 2012 Bonds whether delivered in connection with or subsequent to the issuance and sale of the Series 2012 Bonds, in order to comply with all provisions of the Code compliance with which is required to maintain the tax-exempt status of the interest payable on the Series 2012 Bonds as described in said opinion of its bond counsel.

Certain Reserve Account Provisions

Moneys in the Reserve Account shall be applied by the County to the payment of maturing principal of or interest or Amortization Installments on the Bonds and Additional Bonds when the other moneys in the Sinking Fund are insufficient therefor, and shall be used by the County for no other purpose. However, whenever the moneys on deposit in the Reserve Account exceed the Reserve Account Requirement, such excess shall be withdrawn and deposited into the Interest Account. The County shall promptly, and in any event within thirty (30) days of the occurrence thereof, give written notice to every Insurer of any withdrawal from the Reserve Account other than a withdrawal pursuant to the last sentence of this section. Moneys on deposit in the Sinking Fund, including the Reserve Account, may be invested in Authorized Investments in the manner provided in the Resolution.

Upon the issuance of any Additional Bonds under the terms, limitations and conditions as provided in the Resolution, the County shall increase the sum on deposit in the Reserve Account to the Reserve Account Requirement for all outstanding Bonds and Additional Bonds, including such Additional Bonds. The required deposit to the Reserve Account may be paid in full or in part from the proceeds of such Additional Bonds, may, with the prior written consent of all Reserve Instrument Providers, which consent shall address both the Reserve Instrument Provider of the proposed Reserve Instrument and its structure, be provided in full or in part by a Reserve Instrument, and may, with the prior written consent of all Reserve Instrument Providers, be accumulated in part, to the extent hereinafter provided, in equal monthly payments to the Reserve Account over a period of months from the date of issuance of the Additional Bonds, which shall not exceed the greater of (a) twenty-four (24) months, or (b) the number of months for which interest on such Additional Bonds has been capitalized, as determined by a resolution adopted prior to the issuance of such Additional Bonds. In the event that any part of the Reserve Account Requirement is to be accumulated, (i) the amount in the Reserve Account immediately after delivery of such Additional Bonds shall not be less than the Reserve Account Requirement on all Bonds and Additional Bonds outstanding (excluding such Additional Bonds) on such date, and (ii) a portion of the Reserve Account Requirement equal to at least one-half of the difference between the Reserve Account Requirement for all Bonds and Additional Bonds, outstanding (excluding such Additional Bonds) on the date of delivery of such Additional Bonds and the Reserve Account Requirement for all such Bonds and Additional Bonds, and such Additional Bonds which shall be funded upon delivery of such Additional Bonds. Notwithstanding the foregoing provisions of this paragraph, the prior consent of all Reserve Instrument Providers shall not be required if the Reserve Instrument Provider of the proposed Reserve Instrument is an entity licensed to issue an insurance policy guarantying the timely payment of debt service on instruments such as Additional Bonds with a claims paying ability rating of 'AAA' or 'Aaa' by Standard & Poor's or Moody's Investors Service, respectively (such a rated

Reserve Instrument Provider being referred to as a 'Highest Rated Reserve Instrument Provider').

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

shall not be discharged until all such obligations shall have been met and paid in full by the County.

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

Events of Default and Remedies

If one or more of the following events, called "Events of Default," shall happen, that is to say, in case:

(A) default shall be made in the payment of the principal or redemption price of any Bond when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or

(B) default shall be made in the payment of any installment of interest on any Bond when and as such installment of interest shall become due and payable; or

(C) default shall be made by the County in the performance of any obligations in respect of the Reserve Account and such default shall continue for 30 days thereafter; or

(D) the County shall (1) admit in writing its inability to pay its debts generally as they become due, (2) file a petition in bankruptcy or take advantage of any insolvency act, (3) make an assignment for the benefit of its creditors, (4) consent to the appointment of a receiver of itself or of the whole or any substantial part of its property, or (5) be adjudicated a bankrupt; or

(E) a court of competent jurisdiction shall enter an order, judgment or decree appointing a receiver of the Pledged Funds, or of the whole or any substantial part of the County's property, or approving a petition seeking reorganization of the County under the federal bankruptcy laws or any other applicable law or statute of the United States of America or the state of Florida pertaining to bankruptcy or insolvency, and such order, judgment or decree shall not be vacated or set aside or stayed within 60 days from the date of the entry thereof; or

(F) under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Pledged Funds or of the County or of the whole or any substantial part of the County's property, and such custody or control shall not be terminated or stayed within 60 days from the date of assumption of such custody or control; or

(G) the County shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in the Resolution on the part of the County to be performed, and such default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given the County by the owners of not less than 25% in principal amount of the Bonds then outstanding;

then in each and every such case any owner of the Bonds affected by the Event of Default and then outstanding or an agent or trustee therefor may proceed to protect and enforce its rights and the rights of the owners by a suit, action or special proceeding in equity or at law, by mandamus or otherwise, either for the specific performance of any covenant or agreement contained in the Resolution or in aid or execution of any power granted in the Resolution or for any enforcement of any proper legal or equitable remedy (including the appointment of a receiver) as said owner or owners shall deem most effectual to protect and enforce the rights aforesaid.

No remedy conferred upon or reserved to the owners by the Resolution is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given under the Resolution or now or hereafter existing at law or in equity or by statute.

No delay or omission of any owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein, and every power and remedy given by the Resolution to the owners may be exercised from time to time, and as often as may be deemed expedient.

Nothing contained in the Resolution, however, shall be construed to grant to any owner any right to or lien on any property or income of the County or situated within its territorial limits except the Pledged Funds.

Modification or Amendment

No material modification or amendment of the Resolution may be made without the consent in writing of the Insurer, and the owners of 51 percent or more in principal amount of any Bonds then outstanding, but no modification or amendment of the Resolution or of any resolution amendatory thereof or supplemental thereto which shall be approved by the Insurer shall require such consent of Bondowners; *provided, however*, that no modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon, or in the amount of principal obligation, or reduce the number of such Bonds the written consent of the owners of which are required by the Resolution for such modifications or amendments, without the consent of all owners of the Bonds. The Insurer is deemed to be the sole Holder of the Bonds insured by it for purposes of consenting to any modification or amendment of the Resolution.

Defeasance

If, at any time, the County shall have paid, or shall have made provision for payment of, the principal, interest and redemption premiums, if any, with respect to any of the Series 2012 Bonds, then, and in that event, the pledge of and lien on the Pledged Funds in favor of the owners of such Series 2012 Bonds shall be no longer in effect. For purposes of the preceding sentence, deposit by the County of Federal Securities, or bank certificates of deposit fully secured as to principal and interest by Federal Securities (or deposit of any other securities or investments which may be authorized by law from time to time and sufficient under such law to effect such a defeasance), in irrevocable trust with a banking institution or trust company, for the sole benefit of the owners of such Series 2012 Bonds, in an aggregate principal amount which, together with interest to accrue thereon, will be sufficient to make timely payment of the principal of and redemption premiums, if any, and interest accrued and which shall thereafter accrue on such Series 2012 Bonds in accordance with their terms, the registrar's and paying agents' fees and expenses with respect thereto and any other expenses occasioned by escrow arrangements or provision for redemption, shall be considered "provision for payment." Nothing contained in the Resolution shall be deemed to require the County to call any outstanding Series 2012 Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the County in determining whether to exercise any such option for early redemption.

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

APPENDIX E
FORM OF BOND COUNSEL OPINION

APPENDIX E

**FORM OF OPINION OF NABORS, GIBLIN & NICKERSON, P.A.,
WITH RESPECT TO THE SERIES 2012 BONDS**

Upon delivery of the Series 2012 Bonds in definitive form, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, proposes to render its opinion with respect to such Series 2012 Bonds in substantially the following form:

(Date of Delivery)

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

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$ _____ St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012A (the "Series 2012A Bonds") and \$ _____ St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012B (the "Series 2012B Bonds" and, together with the Series 2012A Bonds, the "Series 2012 Bonds").

The Series 2012 Bonds are issued under and pursuant to the Laws of the State of Florida, including Chapter 125, Part I, Florida Statutes, Ordinance No. 86-89, enacted by St. Johns County, Florida (the "County") on December 9, 1986, as amended, the Constitution of the State of Florida and all other applicable provisions of law, and Resolution No. 86-132 adopted by the County on September 30, 1986, as amended and supplemented (the "Resolution").

The Series 2012 Bonds are dated and shall bear interest from their date of delivery, except as otherwise provided in the Resolution. The Series 2012 Bonds will mature on the dates and in the principal amounts and will bear interest at the respective rates per annum, as provided in the Resolution and set forth in the Bond Purchase Agreement for the Series 2012 Bonds (the "Purchase Contract"). Interest on the Series 2012 Bonds shall be payable on each April 1 and October 1, commencing on April 1, 2013. The Series 2012 Bonds are being issued in the form of fully registered bonds in denominations of \$5,000 principal amount and any integral multiple thereof. The Series 2012 Bonds are subject to redemption prior to maturity in accordance with the terms of the Resolution and as set forth in the Purchase Contract.

The Series 2012 Bonds are issued for the principal purpose of providing moneys to advance refund all of the County's outstanding Sales Tax Revenue Bonds, Series 2004A and Sales Tax Revenue Bonds, Series 2004B (the "Refunded Bonds"). Certain proceeds of the Series 2012 Bonds, together with other legally available moneys of the County, shall be deposited into an escrow deposit trust fund (the "Escrow Fund") established pursuant to the Escrow Deposit Agreement, dated as of the date hereof, between the County and U.S. Bank National Association, as escrow agent, and invested in direct obligations of the United States of America (the "Escrow Securities"), such that the maturing principal of and interest on said obligations shall be sufficient to pay the principal of and interest on the Refunded Bonds as the same become due or are redeemed prior to maturity.

As to questions of fact material to our opinion, we have relied upon the representations of the County contained in the Resolution and in the certified proceedings relating thereto and to the issuance of the Series 2012 Bonds and other certifications of public officials furnished to us in connection therewith without undertaking to verify the same by independent investigation.

Based on the foregoing, we are of the opinion that:

1. The County is a duly created and validly existing political subdivision of the State of Florida.

2. The County has the right and power under the Constitution and Laws of the State of Florida to adopt the Resolution, and the Resolution has been duly and lawfully adopted by the County, is in full force and effect in accordance with its terms and is valid and binding upon the County and enforceable in accordance with its terms, and no other authorization for the Resolution is required. The Resolution creates the valid pledge which it purports to create of the Pledged Funds (as defined in the Resolution), subject to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.

3. The County is duly authorized and entitled to issue the Series 2012 Bonds, and the Series 2012 Bonds have been duly and validly authorized and issued by the County in accordance with the Constitution and Laws of the State of Florida and the Resolution. The Series 2012 Bonds constitute valid and binding obligations of the County as provided in the Resolution, are enforceable in accordance with their terms and the terms of the Resolution and are entitled to the benefits of the Resolution and the laws pursuant to which they are issued. The Series 2012 Bonds are issued on parity under the Resolution with the County's outstanding Sales Tax Revenue Bonds, Series 2006, Sales Tax Revenue and Refunding Bond, Series 2009 and Sales Tax Revenue Refunding Bonds, Series 2009A. The Series 2012 Bonds do not constitute a general indebtedness of the County or the State of Florida or any agency, department or political subdivision thereof, or a pledge of the faith and credit of such entities, but are payable solely from the

Pledged Funds in the manner and to the extent provided in the Resolution. No holder of the Series 2012 Bonds shall ever have the right to compel the exercise of any ad valorem taxing power of the County or the State of Florida or any political subdivision, agency or department thereof to pay the Series 2012 Bonds.

4. Under existing statutes, regulations, rulings and court decisions, the interest on the Series 2012 Bonds (a) is excluded from gross income for federal income tax purposes, and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that with respect to certain corporations, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax. Such opinions are subject to the condition that the County comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2012 Bonds in order that interest thereon be (or continues to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Series 2012 Bonds to be so included in gross income retroactive to the date of issuance of the Series 2012 Bonds. The County has covenanted in the Resolution to comply with all such requirements. Ownership of the Series 2012 Bonds may result in collateral federal tax consequences to certain taxpayers. We express no opinion regarding such federal tax consequences arising with respect to the Series 2012 Bonds.

In rendering the opinions set forth above, we are relying upon (a) the arithmetical accuracy of certain computations included in schedules provided by [Public Financial Management, Inc.] relating to the computations of projected receipts of principal and interest on the Escrow Securities and other amounts deposited in the Escrow Fund, of the adequacy of such projected receipts and other amounts to pay the principal of, redemption premium, if any, and interest on the Refunded Bonds, and of the yield on the Series 2012 Bonds and the yield on the Escrow Securities, and (b) the verifications of arithmetical accuracy of such computations by _____.

It should be noted that except as may expressly be set forth in an opinion delivered by us to the underwriters and the County (on which opinion only they may rely) for the Series 2012 Bonds on the date hereof, (1) we have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Series 2012 Bonds and we express no opinion relating thereto, and (2) we have not been engaged or undertaken to review the compliance with any federal or state law with regard to the sale or distribution of the Series 2012 Bonds and we express no opinion relating thereto.

The opinions expressed in paragraphs 2 and 3 hereof are qualified to the extent that the enforceability of the Resolution and the Series 2012 Bonds may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws

affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

We have examined the form of the Series 2012 Bonds and, in our opinion, the form of the Series 2012 Bonds is regular and proper.

Respectfully submitted,

APPENDIX F

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

EXHIBIT D

FORM OF ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT, dated as of November __, 2012, by and between **ST. JOHNS COUNTY**, a political subdivision of the State of Florida (the "County"), and **U.S. BANK NATIONAL ASSOCIATION** (the "Escrow Agent"), a banking corporation organized and existing under the laws of the United States of America and qualified to exercise trust powers under the laws of the State of Florida, having its designated corporate trust office in Orlando, Florida, as escrow agent hereunder.

WHEREAS, the County has heretofore issued its St. Johns County, Florida, Sales Tax Revenue Bonds, Series 2004A (the "Series 2004A Bonds") and Sales Tax Revenue Bonds, Series 2004B (the "Series 2004B Bonds" and, together with the Series 2004A Bonds, the "Series 2004 Bonds") pursuant to Resolution No. 86-132 adopted by the County on September 30, 1986, as amended and supplemented (the "Original Resolution"), particularly by Resolution No. 2004-198 adopted by the County on July 27, 2004 (the "Series Resolution" and, together with the Original Resolution, the "Resolution"); and

WHEREAS, the County has determined to exercise its option under the Resolution to advance refund [all] of the Series 2004A Bonds (the "Refunded 2004A Bonds") and [all] of the Series 2004B Bonds (the "Refunded 2004B Bonds" and, together with the Refunded 2004A Bonds, the "Refunded Bonds"), as described on Schedule A attached hereto; and

WHEREAS, the County has determined to issue its \$_____ aggregate principal amount of St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012A (the "Series 2012A Bonds") pursuant to the Resolution, a portion of the proceeds of which Series 2012A Bonds will be used to purchase certain United States Treasury obligations in order to provide payment for the Refunded 2004A Bonds and to discharge and satisfy the pledges, liens and other obligations of the County under the Resolution in regard to the Refunded 2004A Bonds; and

WHEREAS, the County has determined to issue its \$_____ aggregate principal amount of St. Johns County, Florida, Sales Tax Revenue Refunding Bonds, Series 2012B (the "Series 2012B Bonds" and, together with the Series 2012A Bonds, the "Series 2012 Bonds") pursuant to the Resolution, a portion of the proceeds of which Series 2012B Bonds will be used to purchase certain United States Treasury obligations in order to provide payment for the Refunded 2004B Bonds and to discharge and satisfy the pledges, liens and other obligations of the County under the Resolution in regard to the Refunded 2004B Bonds; and

WHEREAS, the issuance of the Series 2012 Bonds, the purchase by the Escrow Agent of the hereinafter defined Escrow Securities, the deposit of such Escrow Securities into an escrow deposit trust fund to be held by the Escrow Agent and the discharge and satisfaction of the pledges, liens and other obligations of the County under the Resolution in regard to the Refunded Bonds shall occur as a simultaneous transaction; and

WHEREAS, this Agreement is intended to effectuate such simultaneous transaction;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

SECTION 1. PREAMBLES. The recitals stated above are true and correct and incorporated herein.

SECTION 2. RECEIPT OF RESOLUTION AND VERIFICATION REPORT. Receipt of a true and correct copy of the above-mentioned Original Resolution, the Series Resolution and this Agreement is hereby acknowledged by the Escrow Agent. The applicable and necessary provisions of the Resolution, including but not limited to Sections 2.04 and 4.03 of the Original Resolution and Sections 3.4 and 5.1 of the Series Resolution, are incorporated herein by reference. The Escrow Agent also acknowledges receipt of the verification report of _____, dated November __, 2012 (the "Verification Report"). Reference herein to or citation herein of any provisions of the Resolution or the Verification Report shall be deemed to incorporate the same as a part hereof in the same manner and with the same effect as if the same were fully set forth herein.

SECTION 3. DISCHARGE OF PLEDGE OF HOLDERS OF REFUNDED BONDS. The County by this writing exercises its option to cause the pledge of and lien on the Pledged Funds (as defined in the Resolution) in favor of the owners of the Refunded Bonds to no longer be in effect.

SECTION 4. ESTABLISHMENT OF ESCROW FUND. There is hereby created and established with the Escrow Agent a special, segregated and irrevocable escrow fund designated the "St. Johns County, Florida, Sales Tax Revenue Bonds, Series 2004, Escrow Deposit Trust Fund" (the "Escrow Fund"). Within such Fund, the Escrow Agent shall establish two accounts, the "Series 2004A Account" and the Series 2004B Account." The Escrow Fund therein shall be held in the custody of the Escrow Agent as a trust fund for the benefit of the holders of the Refunded Bonds separate and apart from other funds and accounts of the County and the Escrow Agent. The Escrow Agent hereby accepts the Escrow Fund and acknowledges the receipt of and deposit to the credit of the Series 2004A Account of the Escrow Fund the sum of \$_____ received from the County from proceeds of the Series 2012A Bonds ("2012A Bond Proceeds") and \$_____ received from the County from certain

moneys on deposit in the debt service fund established under the Resolution and allocated to the Refunded 2004A Bonds ("2004A County Moneys"). The Escrow Agent hereby accepts the Escrow Fund and acknowledges the receipt of and deposit to the credit of the Series 2004B Account of the Escrow Fund the sum of \$_____ received from the County from proceeds of the Series 2012B Bonds ("2012B Bond Proceeds") and \$_____ received from the County from certain moneys on deposit in the debt service fund established under the Resolution and allocated to the Refunded 2004B Bonds ("2004B County Moneys").

SECTION 5. DEPOSIT OF MONEYS AND SECURITIES IN ESCROW FUND. The County hereby directs and the Escrow Agent represents and acknowledges that, concurrently with the deposit of the 2012A Bond Proceeds and 2004A County Moneys under Section 4 above, it has used \$_____ of the 2012A Bond Proceeds and \$_____ of the 2004A County Moneys to purchase on behalf of and for the account of the County certain United States Treasury obligations - State and Local Government Series (collectively, together with any other securities which may be on deposit, from time to time, in the Escrow Fund, the "2004A Escrow Securities"), which are described in Schedule B hereto, and the Escrow Agent will deposit such 2004A Escrow Securities and \$_____ in cash (the "2004A Cash Deposit") in the 2004A Account of the Escrow Fund.

The County hereby directs and the Escrow Agent represents and acknowledges that, concurrently with the deposit of the 2012B Bond Proceeds and 2004B County Moneys under Section 4 above, it has used \$_____ of the 2012B Bond Proceeds and \$_____ of the 2004B County Moneys to purchase on behalf of and for the account of the County certain United States Treasury obligations - State and Local Government Series (collectively, together with any other securities which may be on deposit, from time to time, in the Escrow Fund, the "2004B Escrow Securities"), which are described in Schedule B hereto, and the Escrow Agent will deposit such 2004B Escrow Securities and \$_____ in cash (the "2004B Cash Deposit") in the 2004B Account of the Escrow Fund.

All 2004A Escrow Securities and 2004B Escrow Securities (collectively, the "Escrow Securities") shall be noncallable, direct obligations of the United States of America. The 2004A Cash Deposit and the 2004B Cash Deposit shall be referred to collectively herein as the Cash Deposit.

In the event any of the Escrow Securities described in Schedule B hereto are not available for delivery on November __, 2012, the Escrow Agent may, at the written direction of the County and with the approval of the County's bond counsel ("Bond Counsel"), substitute other United States Treasury obligations and shall credit such other obligations to the appropriate Account of the Escrow Fund and hold such obligations until the aforementioned Escrow Securities have been delivered. Bond Counsel shall, as a condition precedent to giving its approval, require the County to provide it with a

revised Verification Report in regard to the adequacy of the Escrow Securities, taking into account the substituted obligations to pay the Refunded Bonds in accordance with the terms hereof. The Escrow Agent shall in no manner be responsible or liable for failure or delay of Bond Counsel or the County to promptly approve the substitutions of other United States Treasury obligations for the Escrow Fund.

SECTION 6. SUFFICIENCY OF ESCROW SECURITIES AND THE CASH DEPOSIT. In reliance upon the Verification Report, the County represents that the Cash Deposit and the interest on and the principal amounts successively maturing on the Escrow Securities in accordance with their terms (without consideration of any reinvestment of such maturing principal and interest) are sufficient such that moneys will be available to the Escrow Agent in amounts sufficient and at the times required to pay the amounts of principal of, premium, if any, and interest due and to become due on the Refunded Bonds as described in Schedule C attached hereto. If the Escrow Securities and the Cash Deposit shall be insufficient to make such payments, the County shall timely deposit to the Escrow Fund, solely from legally available funds of the County, such additional amounts as may be required to pay the Refunded Bonds as described in Schedule C hereto. Notice of any insufficiency shall be given by the Escrow Agent to the County as promptly as possible, but the Escrow Agent shall in no manner be responsible for the County's failure to make such deposits.

SECTION 7. ESCROW SECURITIES AND THE CASH DEPOSIT IN TRUST FOR HOLDERS OF REFUNDED BONDS. The deposit of the Escrow Securities and the Cash Deposit in the Escrow Fund shall constitute an irrevocable deposit of Federal Securities (as defined in the Resolution) and cash in trust solely for the payment of the principal of, premium, if any, and interest on the Refunded Bonds at such times and in such amounts as set forth in Schedule C hereto, and the principal of and interest earnings on such Escrow Securities and the Cash Deposit shall be used solely for such purpose.

SECTION 8. ESCROW AGENT TO PAY REFUNDED BONDS FROM ESCROW FUND. The County hereby directs, and the Escrow Agent hereby agrees, that it will take all actions required to be taken by it under the provisions of the Resolution referenced in this Agreement, including the timely transfer of money to the paying agent for the Refunded Bonds () as provided in the Resolution, in order to effectuate this Agreement and to pay the Refunded Bonds in the amounts and at the times provided in Schedule C hereto. The Escrow Securities and the Cash Deposit shall be used to pay debt service on the Refunded Bonds as they mature or are redeemed prior to maturity. The Refunded Bonds maturing on or after October 1, 2015, shall be redeemed prior to their respective maturities on October 1, 2014 (the "Redemption Date") at a redemption price equal to 100% of the principal amount of each Refunded Bond, plus interest accrued to the Redemption Date. The Refunded Bonds maturing prior to October 1, 2015, shall be paid at their respective maturities. If any

payment date shall be a day on which either the paying agent for the Refunded Bonds or the Escrow Agent is not open for the acceptance or delivery of funds, then the Escrow Agent may make payment on the next business day. The liability of the Escrow Agent for the payment of the principal of, premium, if any, and interest on the Refunded Bonds pursuant to this Agreement shall be limited to the application of the Escrow Securities and the Cash Deposit and the interest earnings thereon available for such purposes in the Escrow Fund.

SECTION 9. REINVESTMENT OF MONEYS AND SECURITIES IN ESCROW FUND. Moneys deposited in the Escrow Fund shall be invested, other than the Cash Deposit, only in the Escrow Securities listed in Schedule B hereto and, except as provided in Section 5 hereof and this Section 9, neither the County nor the Escrow Agent shall otherwise invest or reinvest any moneys in the Escrow Fund.

Except as provided in Section 5 hereof and in this Section 9, the Escrow Agent may not sell or otherwise dispose of any or all of the Escrow Securities or the Cash Deposit in the Escrow Fund and reinvest the proceeds thereof in other securities nor may it substitute securities for any of the Escrow Securities, except upon written direction of the County and where, prior to any such reinvestment or substitution, the Escrow Agent has received from the County the following:

- (a) a written verification report by a firm of independent certified public accountants, of recognized standing, appointed by the County and acceptable to the Escrow Agent, to the effect that after such reinvestment or substitution the principal amount of Escrow Securities, together with the interest therein and any uninvested cash, will be sufficient to pay the Refunded Bonds as described in Schedule C hereto; and
- (b) a written opinion of nationally recognized Bond Counsel to the effect that
 - (i) such investment will not cause the Series 2012 Bonds or the Refunded Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code, as amended, and the regulations promulgated thereunder or otherwise cause the interest on the Refunded Bonds or the Series 2012 Bonds to be included as gross income for purposes of federal income taxation, and (ii) such investment does not violate any provision of Florida law or of the Resolution.

The above-described verification report need not be provided in the event the County purchases Escrow Securities with the proceeds of maturing Escrow Securities and such purchased Escrow Securities mature on or before the next interest payment date for the Refunded Bonds and have a face amount which is at least equal to the cash amount invested in such Escrow Securities.

In the event the above-referenced verification concludes that there are surplus moneys in the Escrow Fund, such surplus moneys shall be released to the County upon its written direction. The Escrow Fund shall continue in effect until the date upon which the Escrow Agent makes the final payment to the paying agent for the Refunded Bonds in an amount sufficient to pay the Refunded Bonds as described in Schedule C hereto, whereupon the Escrow Agent shall sell or redeem any Escrow Securities remaining in the Escrow Fund, and shall remit to the County the proceeds thereof, together with all other money, if any, then remaining in the Escrow Fund.

SECTION 10. REDEMPTION OF CERTAIN OF THE REFUNDED BONDS. The County hereby irrevocably instructs the Escrow Agent to cause the registrar for the Refunded Bonds () to give, on behalf of the County, at the appropriate times the notice or notices, if any, required by the Resolution in connection with the redemption of that portion of the Refunded Bonds which mature on or after October 1, 2015. The Refunded Bonds that mature on or after October 1, 2015 shall be redeemed on October 1, 2014 at a redemption price equal to 100% of the principal amount thereof, plus accrued interest. The Refunded Bonds maturing prior to October 1, 2015, shall be paid at their respective maturities.

SECTION 11. DEFEASANCE NOTICE TO HOLDERS OF REFUNDED BONDS. Concurrently with the deposit of the Escrow Securities set forth in Section 5 hereof, the Refunded Bonds shall be deemed to have been paid within the meaning and with the effect expressed in Section 4.03 of the Original Resolution and Section 5.1 of the Series Resolution. Within 60 days of the deposit of moneys into the Escrow Fund, the Escrow Agent, on behalf of the County, shall cause the paying agent for the Refunded Bonds () to mail to the holders of the Refunded Bonds the appropriate notice in substantially the form provided in Schedule D attached hereto.

SECTION 12. ESCROW FUND IRREVOCABLE. The Escrow Fund hereby created shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on all Escrow Securities and the Cash Deposit deposited in the Escrow Fund pursuant to the terms hereof and the interest earnings thereon until paid out, used and applied in accordance with this Agreement and the Resolution. Neither the County nor the Escrow Agent shall cause nor permit any other lien or interest whatsoever to be imposed upon the Escrow Fund.

SECTION 13. AMENDMENTS TO AGREEMENT. This Agreement is made for the benefit of the County and the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders and the written consent of the Escrow Agent; provided, however, that the County and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not

adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of Bond Counsel with respect to compliance with this Section 13, including the extent, if any, to which any change, modification or addition affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section 13.

SECTION 14. FEES AND EXPENSES OF ESCROW AGENT; INDEMNIFICATION. In consideration of the services rendered by the Escrow Agent under this Agreement, the County agrees to and shall pay to the Escrow Agent the fees and expenses as shall be agreed to in writing by the parties hereto. The Escrow Agent shall have no lien whatsoever upon any of the Escrow Securities in the Escrow Fund for the payment of such proper fees and expenses. To the extent allowed by applicable law, the County further agrees to indemnify and save the Escrow Agent harmless, to the extent allowed by law, against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to the Escrow Agent's own negligence or misconduct. Indemnification provided under this Section 14 shall survive the termination of this Agreement.

Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the County. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Agreement; the Escrow Agent shall be protected and shall not be liable for acting or proceeding, in good faith, upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Escrow Agent may consult with counsel, who may be counsel to the County or independent counsel, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance

herewith. Prior to retaining such independent counsel, the Escrow Agent shall notify the County of its intention.

The Escrow Agent and its successors, agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, by reason of the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance and disposition of the various moneys and funds described herein, the purchase, retention or payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement or any nonnegligent act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be liable to the County and to holders of the Refunded Bonds to the extent of their respective damages for negligent or willful acts, omissions or errors of the Escrow Agent which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement.

SECTION 15. REPORTING REQUIREMENTS OF ESCROW AGENT.

As soon as practicable after the first day of April and October of each year, commencing April 1, 2013, so long as the Escrow Fund is maintained under this Agreement, the Escrow Agent shall forward in writing to the County a statement in detail of the Escrow Securities held as of April 1 and October 1 of that year, whichever is applicable, and the income and maturities thereof, and withdrawals of money from the Escrow Fund, since the last statement furnished pursuant to this Section 15.

SECTION 16. RESIGNATION OR REMOVAL OF ESCROW AGENT.

The Escrow Agent, at the time acting hereunder, may at any time resign and be discharged from the duties and obligations hereby created by giving not less than 60 days' written notice to the County and mailing notice thereof, specifying the date when such resignation will take effect to the holders of all Refunded Bonds then outstanding, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding or by the County as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be replaced at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and signed by either the County or the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding. Such instrument shall provide for the appointment of a successor Escrow Agent, which appointment shall occur simultaneously with the removal of the Escrow Agent.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized in writing; provided, nevertheless, that in any such event, the County shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding in the manner above provided, and any such temporary Escrow Agent so appointed by the County shall immediately and without further act be superseded by the Escrow Agent so appointed by such holders. The County shall mail notice of any such appointment made by it at the times and in the manner described in the first paragraph of this Section 16.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such holders or the County pursuant to the foregoing provisions of this Section 16 within 60 days after written notice of resignation of the Escrow Agent has been given to the County, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

In the event of replacement or resignation of the Escrow Agent, the Escrow Agent shall have no further liability hereunder and the County shall indemnify and hold harmless the Escrow Agent, to the extent allowed by law, from any such liability, including reasonable costs or expenses incurred by the Escrow Agent or its counsel.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers organized under the banking laws of the United States or any State, and shall have at the time of appointment capital and surplus of not less than \$30,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the County an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall nevertheless, on the written request of such successor Escrow Agent or the County execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trust of such predecessor hereunder; and every predecessor Escrow Agent shall deliver all securities and moneys held by it to its successor; provided, however, that before any such delivery is required to be made, all

fees, advances and expenses of the retiring or removed Escrow Agent shall be paid in full. Should any transfer, assignment or instrument in writing from the County be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the County.

Any corporation into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Agent or any successor to it shall be a party shall be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 17. TERMINATION OF AGREEMENT. This Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made. Upon such termination, all moneys remaining in the Escrow Fund shall be released to the County.

SECTION 18. GOVERNING LAW. This Agreement shall be governed by the applicable laws of the State of Florida. Any action or proceeding, in law or equity, arising out of or in any way related to this Agreement or the obligations hereunder shall be in St. Johns County, Florida, or if in federal court, in Duval County, Florida.

SECTION 19. SEVERABILITY. If any one or more of the covenants or agreements provided in this Agreement on the part of the County or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 20. COUNTERPARTS. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 21. NOTICES. Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Agreement shall be in writing and sent by registered or certified mail addressed to:

U.S. Bank National Association
225 E. Robinson Street, Suite 250
Orlando, Florida 32801
Attn: Corporate Trust Services

St. Johns County, Florida
500 San Sebastian View
St. Augustine, Florida 32084
Attention: County Finance Director

IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Deposit Agreement to be executed by their duly authorized officers and officials as of the date first written herein.

ST. JOHNS COUNTY, FLORIDA

(SEAL)

Chair of its Board of County Commissioners

ATTEST:

Clerk of its Board of County
Commissioners

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Agent

By: _____

SCHEDULE A

DESCRIPTION OF THE REFUNDED BONDS

Refunded 2004A Bonds

<u>Maturity</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
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Refunded 2004B Bonds

<u>Maturity</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
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SCHEDULE B

ESCROW SECURITIES

2004A Escrow Securities

2004A County Moneys

<u>Type</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Total Cost</u>
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2012A Bond Proceeds

<u>Type</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Total Cost</u>
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2004B Escrow Securities

2004B County Moneys

<u>Type</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Total Cost</u>
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2012B Bond Proceeds

<u>Type</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Rate</u>	<u>Total Cost</u>
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SCHEDULE C

DISBURSEMENT REQUIREMENTS FOR REFUNDED BONDS

Refunded 2004A Bonds

Debt Service Requirements of the Refunded Bonds to Early Redemption			
<u>Date</u>	<u>Principal</u>	<u>Interest</u>	

Refunded 2004B Bonds

Debt Service Requirements of the Refunded Bonds to Early Redemption			
<u>Date</u>	<u>Principal</u>	<u>Interest</u>	

SCHEDULE D

FORM OF NOTICE OF DEFEASANCE

Notice is hereby given pursuant to Resolution No. 86-132 adopted by St. Johns County, Florida, on September 30, 1986, as amended and supplemented (the "Resolution"), that the St. Johns County, Florida, Sales Tax Revenue Bonds, Series 2004A (the "Refunded 2004A Bonds") and St. Johns County, Florida, Sales Tax Revenue Bonds, Series 2004B, identified below (the "Refunded 2004B Bonds" and, together with the Refunded 2004B Bonds, the "Refunded Bonds") are deemed to be paid within the meaning of Section 4.03 of the Resolution and shall no longer be secured from the Pledged Funds (as defined in the Resolution) and the other liens created by the Resolution for the benefit of the holders of the Refunded Bonds and shall be secured solely from the irrevocable deposit of U.S. Treasury obligations and cash made by the County with _____, as Escrow Agent, in accordance with Section 4.03 of the Resolution.

Further, the Refunded Bonds maturing on or after October 1, 2015 shall be redeemed, prior to their respective maturities, on October 1, 2014 (the "Redemption Date") at a redemption price equal to 100% of the principal amount of each Refunded Bond to be redeemed, together with interest accrued thereon to the Redemption Date.

That portion of the Refunded Bonds that are Refunded 2004A Bonds which are to be defeased are:

<u>Maturity</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP No.</u>
---------------------------------------	-----------------------------------	--------------------------------	------------------

That portion of the Refunded Bonds that are Refunded 2004B Bonds which are to be defeased are:

<u>Maturity</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP No.</u>
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EXHIBIT E

FORM OF REGISTRAR AND PAYING AGENT AGREEMENT

REGISTRAR AND PAYING AGENT AGREEMENT

between

ST. JOHNS COUNTY, FLORIDA

and

U.S. BANK NATIONAL ASSOCIATION

pertaining to the

\$ _____

ST. JOHNS COUNTY, FLORIDA,
SALES TAX REFUNDING BONDS, SERIES 2012A

and

\$ _____

ST. JOHNS COUNTY, FLORIDA,
SALES TAX REFUNDING BONDS, SERIES 2012B

Dated November ___, 2012

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ANNEX A Fees For Registrar and Paying Agent Services

REGISTRAR AND PAYING AGENT AGREEMENT

This REGISTRAR AND PAYING AGENT AGREEMENT (the "Agreement") by and between St. Johns County, Florida (the "Issuer"), and U.S. BANK NATIONAL ASSOCIATION (the "Bank"), a banking corporation organized and existing under the laws of the United States of America and qualified to exercise trust powers under the laws of the State of Florida, having its designated corporate trust office in Orlando, Florida.

WHEREAS, the Issuer has duly authorized and provided for the issuance of its Sales Tax Revenue Refunding Bonds, Series 2012A and Sales Tax Revenue Refunding Bonds, Series 2012B (the "Bonds"), in an original aggregate principal amount of \$_____ to be issued as registered securities without coupons;

WHEREAS, all things necessary to make the Bonds the valid obligations of the Issuer, in accordance with their terms, will have been taken upon the issuance and delivery thereof;

WHEREAS, the Issuer is desirous that the Bank act as the Paying Agent of the Issuer in paying the principal, redemption premium, if any, and interest on the Bonds, in accordance with the terms thereof, and that the Bank act as Registrar for the Bonds;

WHEREAS, the Issuer has duly authorized the execution and delivery of this Agreement, and all things necessary to make this Agreement a valid agreement of the Issuer, in accordance with its terms, have been done; and

WHEREAS, the Bank, being a duly organized and validly existing banking corporation organized under the laws of the United States of America and qualified to exercise trust powers under the laws of the State of Florida, has full power and authority to serve as Registrar and Paying Agent hereunder.

NOW, THEREFORE, it is mutually agreed to the following terms:

ARTICLE ONE APPOINTMENT OF BANK AS REGISTRAR AND PAYING AGENT

Section 1.01 Appointment.

(a) The Issuer hereby appoints the Bank to act as Paying Agent with respect to the Bonds, in paying to the Owners of the Bonds the principal, redemption premium, if any, and interest on all or any of the Bonds.

(b) The Issuer hereby appoints the Bank as Registrar with respect to the Bonds.

(c) The Bank hereby accepts its appointment, and agrees to act as the Paying Agent and Registrar with respect to the Bonds in accordance with the terms hereof and the Bond Resolution, as hereinafter defined.

Section 1.02 Compensation. As compensation for Bank's services as Registrar and Paying Agent, the Issuer agrees to pay the Bank from lawfully available non ad valorem revenues the fees and amounts set forth in Annex A hereto. The Issuer agrees to reimburse the Bank for any non-recurring expenses, disbursements or advances provided that the Issuer has been notified in advance and has approved such expense, disbursement or advance prior to being incurred or made. The Bank will provide documentation as to such non-recurring expenses and fees incurred by either an invoice or an internally generated document. Such fees and expenses shall be paid to the Bank as billed.

ARTICLE TWO DEFINITIONS

Section 2.01 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following terms have the following meanings when used in this Agreement.

"Bank" means U.S. Bank National Association.

"Bank Office" means the corporate trust office of the Bank in Orlando, Florida. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Bond" or "Bonds" means the Sales Tax Revenue Refunding Bonds, Series 2012A and Sales Tax Revenue Refunding Bonds, Series 2012B, dated November __, 2012.

["Bond Insurance Policy" means the municipal bond insurance policy issued by the Bond Insurer, insuring the payment of the principal of and interest on the Bonds.]

["Bond Insurer" means Assured Guaranty Municipal Corp.]

"Bond Resolution" means Resolution No. 86-132 adopted by the Issuer on September 30, 1986, as amended and supplemented, particularly as supplemented by Resolution No. 2012-____ adopted by the Issuer on October __, 2012, providing for the issuance of the Bonds.

"Fiscal Year" means each 12-month period ending September 30 of each year.

"Interest Period" means the number of days from the Bond's dated date or from the Bond's previous payment date based on a 30-day month.

"Issuer" means St. Johns County, Florida.

"Issuer Request" and "Issuer Order" means a request in writing signed by the Issuer's Finance Director, or any other officer or official of the Issuer duly authorized and satisfactory to the Bank.

"Legal Holiday" means a day on which the Bank is required or authorized to be closed.

“Owner” means The Depository Trust Company (“DTC”) or any successor company, unless the Bonds are no longer maintained under a system of book-entry, then such term shall mean the Person in whose name a Bond is registered in the Register.

“Paying Agent” means the Bank when it is performing the functions of paying principal, redemption premium, if any, and interest on the Bonds, all in accordance with the terms in this Agreement and the Bond Resolution.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, organization or government or any agency or political subdivision of a government.

“Predecessor Bonds” of any particular Bond means every previous Bond evidencing all or a portion of the same obligation as that evidenced by such particular Bond (and, for the purposes of this definition, any Bond registered and delivered under Section 4.06 hereof in lieu of a mutilated, lost, destroyed or stolen Bond shall be deemed to evidence the same obligation as the mutilated, lost, destroyed or stolen Bond).

“Register” means a register in which the Bank shall, on behalf of the Issuer, provide for the registration and transfer of Bonds.

“Registrar” means the Bank when it is performing the functions of registrar in accordance with the terms in this Agreement and the Bond Resolution.

“Responsible Officer” when used with respect to the Bank means the President or Vice President of the Board of Directors, the Chairman or Vice Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of such officer’s knowledge of and familiarity with the particular subject.

“Stated Maturity” means the date specified on the face of the Bond as the fixed date on which the principal of the Bond is due and payable or the date fixed in accordance with the terms of the Bond Resolution for earlier redemption of the Bond, or any portion thereof, prior to the fixed maturity date.

ARTICLE THREE PAYING AGENT

Section 3.01 Duties of Paying Agent. (a) The Bank, as Paying Agent and on behalf of the Issuer, shall pay to the Owner, at the Stated Maturity and upon the surrender of the Bond or Bonds so maturing at the Bank Office, the principal amount of the Bond or Bonds then maturing or subject to redemption, provided that the Bank shall have been provided by or on behalf of the Issuer adequate collected funds to make such payment, or in the event that DTC is the Owner

then payment is to be made to DTC or its successor by whatever means is agreeable between DTC, or its successor, and the Paying Agent.

(b) The Bank, as Paying Agent and on behalf of the Issuer, shall pay interest when due on the Bonds to each Owner of the Bonds (or their Predecessor Bonds) as shown in the Register at the close of business on the record date, with respect to the Bonds, provided that the Bank shall have been provided by or on behalf of the Issuer adequate collected funds to make such payments; such payments shall be made by computing the amount of interest to be paid each Owner (by multiplying the outstanding principal for each maturity or redemption by its respective interest rate and by the number of days in the interest period the product of which is divided by 360), preparing the checks, and mailing the checks on each interest payment date addressed to each Owner's address as it appears in the Register, or in the event that DTC is the Owner then payment is to be made to DTC or its successor by whatever means is agreeable between DTC, or its successor, and the Paying Agent.

(c) At least one business day prior to each principal or interest payment date of the Bonds, the Issuer shall notify the Bank if funds available to pay the principal of or interest due on the Bonds on the immediately succeeding principal or interest payment date, as applicable, will be insufficient to pay the principal of or interest due on the Bonds on such date.

(d) If the funds received by the Bank from the Issuer are insufficient for the payment of the principal of or interest on the Bonds on any principal or interest payment date, the Bank shall notify the Issuer and the Bond Insurer of such deficiency in accordance with the Bond Insurance Policy. In the event the Bonds have been defeased in accordance with the Bond Resolution, then the Bank shall notify the escrow agent for the trust account for the defeased bonds.

(e) The Bank, as Paying Agent, shall perform all obligations under the Bond Resolution, as supplemented and amended, and under any credit facility deposited in the Bond reserve account as may be required thereunder in connection with such credit facility.

Section 3.02 Payment Dates. The Issuer hereby instructs the Bank to pay the principal of, premium, if any, and interest on the Bonds on the dates specified in the Bond Resolution and on subsequent payment dates until the Bonds are ultimately retired.

ARTICLE FOUR REGISTRAR

Section 4.01 Authentication of Bonds. The Issuer may deliver executed Bonds to the Bank for authentication and the Bank shall manually authenticate and deliver the Bonds in accordance with the written instructions of the Issuer and not otherwise. No Bond shall be entitled to any benefit under the Bond Resolution or be valid for any purpose unless such Bond shall bear thereon a certificate of authentication substantially in the form set forth in the form of Bond set out in the Bond Resolution executed on behalf of the Bank with a manual signature of an authorized signatory of the Bank. Such certificate of authentication executed as aforesaid on a Bond shall be conclusive evidence that such Bond has been authenticated and delivered under the Bond Resolution.

Section 4.02 Transfer and Exchange. (a) The Issuer shall keep the Register at the Bank Office, and subject to such reasonable written regulations as the Issuer may prescribe, which regulations shall be furnished to the Bank herewith or subsequent hereto by Issuer Order, the Issuer shall provide for the registration and transfer of the Bonds. The Bank is hereby appointed as and accepts the role of Registrar for the purpose of registering and transferring the Bonds as herein provided. The Bank agrees to maintain the Register while it is Registrar.

(b) The Registrar hereby agrees that at any time while any Bond is outstanding, the Owner may deliver such Bond to the Registrar for transfer or exchange, accompanied by instructions from the Owner, or the duly authorized designee of the Owner, designating the persons, the maturities, and the principal amounts to and in which such Bond is to be transferred and the addresses of such persons; the Registrar shall thereupon, within not more than three business days, register and deliver such Bond or Bonds as provided in such instructions. To the extent any transfer and exchange procedures set forth herein are in conflict with such provisions in the Bond Resolution, the provisions of the Bond Resolution shall control.

(c) Every Bond surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a commercial bank or trust company or a member firm of the New York Stock Exchange or an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program, in form satisfactory to the Bank, duly executed by the Owner thereof or such Owner's attorney duly authorized in writing. The Bank shall manually authenticate every Bond surrendered for transfer or exchange in accordance with Section 4.01 hereof.

(d) The Registrar may request any supporting documentation necessary to effect a re-registration.

(e) The Owner may be charged an amount sufficient to reimburse the Issuer or the Registrar for any tax, fee or other governmental charge required to be paid for any registration, transfer, or exchange of Bond(s).

Section 4.03 The Bonds. The Clerk of the Issuer shall provide an adequate inventory of unregistered Bonds to facilitate transfers of the Bonds in the event the Bonds are no longer maintained under a book-entry system. The Bank covenants that it will maintain the unregistered Bonds in safekeeping, which shall be not less than the care it maintains for debt securities of other governments or corporations for which it serves as registrar, or which it maintains for its own securities.

Section 4.04 Form of Register. The Bank as Registrar will maintain the records of the Register in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Register in any form other than a form which the Bank has currently available and currently utilizes at the time.

Section 4.05 List of Owners. (a) The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the cost, if any, of reproduction, a copy of the information contained in the Register. The Issuer may also inspect the information in the Register at any time

the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

(b) Except as otherwise provided in the Bond Resolution, the Bank will not release or disclose the content of the Register to any person other than to the Issuer's Finance Director, or any other officer or official of the Issuer duly authorized and satisfactory to the Bank, except upon the direction or request of an authorized officer or designee of the Issuer or upon receipt of a subpoena or court order. Upon receipt of a subpoena or court order and as permitted by law, the Bank will notify the Issuer so that the Issuer may contest the subpoena or court order.

Section 4.06 Cancellation of Bonds. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Bank, shall be promptly canceled by it and, if surrendered to the Issuer, shall be delivered to the Bank and, if not already canceled, shall be promptly canceled by the Bank. The Issuer may, at any time, deliver to the Bank for cancellation any Bonds previously certified or registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Bank. All canceled Bonds held by the Bank shall be disposed of by the Bank as directed by the Issuer. The Bank will surrender to the Issuer, at such reasonable intervals as it determines, certificates of destruction, in lieu of which or in exchange for which other Bonds have been issued or which have been paid.

Section 4.07 Mutilated, Destroyed, Lost, or Stolen Bonds. (a) Subject to the provisions of this Section 4.07, the Issuer hereby instructs the Bank to deliver fully registered Bonds in exchange for or in lieu of mutilated, destroyed, lost or stolen Bonds as long as the same does not result in an over issuance, all in conformance with the requirements of the Bond Resolution.

(b) If (i) any mutilated Bond is surrendered to the Bank, or the Issuer and the Bank receive evidence to their satisfaction of the destruction, loss, or theft of any Bond, and (ii) there is delivered to the Issuer and the Bank such security or indemnity as may be required by the Bank to save and hold each of them harmless, then, in the absence of notice to the Issuer or the Bank that such Bond has been acquired by a bona fide purchaser, upon the Issuer's request the Bank shall authenticate, shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Bond, a new Bond of the same stated maturity and series and of like tenor and principal amount bearing a number not contemporaneously outstanding.

(c) Duplicate replacement Bonds issued in place of any mutilated, destroyed, stolen or lost Bonds shall only be issued in accordance with the Bond Resolution and general law of the State of Florida.

(d) Upon the satisfaction of the Bank and the Issuer that a Bond has been mutilated, destroyed, lost or stolen, and upon receipt by the Bank and the Issuer of such indemnity or security as they may require, the Bank shall cancel the Bond number on such Bond, with a notation in the Register that said Bond has been mutilated, destroyed, lost or stolen, and a new Bond shall be issued of the same stated maturity and series and of like tenor and principal amount bearing a number, according to the Register not contemporaneously outstanding.

(e) The Bank may charge the Owner any expenses of the Issuer or the Bank in connection with issuing a new Bond in lieu of or exchange for a mutilated, destroyed, lost or stolen Bond.

Section 4.08 Transaction Information to Issuer. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Bonds it has paid pursuant to Section 3.01, Bonds it has delivered upon the transfer or exchange of any Bonds pursuant to Section 4.02, and Bonds it has delivered in exchange for or in lieu of mutilated, destroyed, lost or stolen Bonds pursuant to Section 4.07.

ARTICLE FIVE THE BANK

Section 5.01 Duties of Bank. The Bank undertakes to perform the duties set forth herein and in accordance with the Bond Resolution and agrees to use reasonable care in the performance thereof. The Bank hereby agrees to use the funds deposited with it for payment of the principal of, redemption premium, if any, and interest on the Bonds to pay the Bonds as the same shall become due, and further agrees to establish and maintain all accounts and funds as may be required for the Bank to function as Paying Agent.

Section 5.02 Reliance on Documents, Etc. (a) The Bank may conclusively rely as to the truth of the statements and correctness of the opinions expressed on any certificate or opinion furnished to the Bank which the Bank reasonably believes to be true and correct.

(b) The Bank shall not be liable for any error of judgment or any act or steps taken or permitted to be taken in good faith, or for any mistake in law or fact, or for anything it may do or refrain from doing in connection herewith, except for its own willful misconduct or negligence.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, certificate, note, security, or other paper or document believed reasonably by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Bonds, but is protected in acting upon receipt of Bonds containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Owner or an attorney-in-fact for or legal representative of the Owner. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, direction, consent, order, certificate, note, security paper or document supplied by Issuer.

(e) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

(f) The Bank may consult with nationally recognized counsel, and the advice of such counsel or any opinion of such counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

Section 5.03 Recitals of Issuer. (a) The recitals contained herein and in the Bonds shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

(b) The Bank shall in no event be liable to the Issuer, any Owner or Owners or any other Person for any amount due on any Bond except in the event of the Bank's willful misconduct or negligence.

Section 5.04 May Hold Bonds. The Bank, in its individual or any other capacity, may become the owner or pledgee of Bonds and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent and Registrar, or any other agent.

Section 5.05 Money Held by Bank. (a) Money held by the Bank hereunder need not be segregated from any other funds provided appropriate accounts are maintained.

(b) The Bank shall be under no liability for interest on any money received by it hereunder.

(c) Unless otherwise provided in the Bond Resolution, any money deposited with the Bank for the payment of the principal, redemption premium, if any, or interest on any Bond and remaining unclaimed for three years after final maturity of the Bond has become due and payable will be paid by the Bank to the Issuer, and the Owner of such Bond shall thereafter look only to the Issuer for payment thereof, and all liability of the Bank with respect to such monies shall thereupon cease.

Section 5.06 Mergers or Consolidations. Any corporation into which the Bank, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Bank or any successor to it shall be a party, or any banking association or corporation to which all or substantially all of the corporate trust business of the Registrar and Paying Agent shall be transferred shall be the successor Bank under this Agreement with written notice to the Issuer of the merger or consolidation within 60 days after the effective date of such transaction.

Section 5.07 Indemnification. The Issuer hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated), to the extent permitted by law and to the extent that non ad valorem revenues of the Issuer are lawfully available for such purpose, to indemnify, protect, save and keep harmless the Bank and its respective successors, assigns, agents and servants, from and against any and all liabilities,

obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements), which may be imposed on, incurred by, or asserted against, at any time, the Bank and in any way relating to or arising out of the execution and delivery of this Agreement, the acceptance of the funds and securities deposited hereunder, and any payment, transfer or other application of funds and securities by the Bank in accordance with the provisions of this Agreement and the Bond Resolution or any other duties of the Bank hereunder; provided, however, that the Issuer shall not be required to indemnify the Bank against the Bank's own negligence or willful misconduct. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Bank as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement and the resignation or removal of the Bank as Registrar and/or Paying Agent.

Section 5.08 Interpleader. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its persons as well as funds on deposit, waive personal service of any process, and agree that service of process by certified or registered mail, return receipt requested, to the address set forth in Section 6.03 hereof shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a bill of interpleader in any court of competent jurisdiction in St. Johns County, Florida, or Duval County, Florida (as provided in Section 6.11) to determine the rights of any person claiming any interest herein.

ARTICLE SIX MISCELLANEOUS PROVISIONS

Section 6.01 Amendment. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

Section 6.02 Assignment. This Agreement may not be assigned by either party without the prior written consent of the other.

Section 6.03 Notices. Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank, and any notice of deficiency to the Bond Insurer in accordance with Section 3.01(d) herein, shall be mailed first class postage prepaid or hand delivered to the Issuer or the Bank or the Bond Insurer at the respective addresses shown below:

- | | |
|-------------|---|
| (a) Issuer: | St. Johns County
4010 Lewis Speedway
St. Augustine, Florida 32084
Attn: Finance Director |
| (b) Bank: | U.S. Bank National Association
225 E. Robinson Street, Suite 250
Orlando, Florida 32801
Attn: Corporate Trust Services |

(c) [Bond Insurer: Assured Guaranty Municipal Corp.
31 West 52nd Street
New York, New York 10019
Attn: Managing Director - Surveillance]

Section 6.04 Effect of Headings. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

Section 6.05 Successors and Assigns. All covenants and agreements herein by either party shall bind its successors and assigns whether so expressed or not.

Section 6.06 Severability. In case any provision herein shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 6.07 Benefits of Agreement. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy or claim hereunder.

Section 6.08 Entire Agreement. This Agreement and the Bond Resolution constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent and Registrar and if any conflict exists between this Agreement and the Bond Resolution, the Bond Resolution shall govern.

Section 6.09 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 6.10 Termination. (a) This Agreement will terminate on the date of final payment by the Bank issuing its final payment of principal and interest of the Bonds, anticipated to be October 1, 2034.

(b) This Agreement may be earlier terminated with or without cause upon 60 days written notice by either party. Upon such termination, the Issuer reserves the right to appoint a successor Paying Agent and Registrar. If the Bank terminates pursuant to this subsection (b) and appointment of a successor is not made within 60 days from the date of written notice, the Bank shall deliver all records and any unclaimed funds to the Issuer without a right of setoff by the Bank for any fees, charges or expenses from the dated date of the written notice; provided, however, that the Bank is entitled to payment of all outstanding fees and expenses incurred prior to the date of written notice to the Issuer. In the event this Agreement is terminated by giving written notice, then the Bank agrees, upon request by the Issuer, to give notice by first-class mail to all registered holders of the name and address of the successor Paying Agent and Registrar. Expenses for such notice to the registered holders shall be paid by the Issuer.

The Issuer may appoint any Registrar and Paying Agent, unless otherwise prohibited by Florida law, as may be amended from time to time.

(c) The provisions of Section 1.02 and Article Five shall survive, and remain in full force and effect following the termination of this Agreement.

(d) In the event this Agreement is terminated prior to the time set forth in (a) above, a pro rated portion of the one-time, up front fee that the Issuer paid the Bank pursuant to Section 1.02 and Annex A shall be returned to the Issuer. The pro rated portion shall be calculated by dividing the number of separate principal and interest payments that remain to be paid by the Bank to the individual Owners under this Agreement at the time of termination of this Agreement by the total number of separate principal and interest payments that are required to be made by the Bank to the Owners pursuant to this Agreement without regard to early termination and then multiplying the quotient by the amount of the one-time, upfront fee.

Section 6.11 Governing Law; Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of Florida. Any action or proceeding, in law or equity, arising out of or in any way related to this Agreement or the obligations hereunder shall be in St. Johns County, Florida, or if in federal court, in Duval County, Florida.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the _____ day of November, 2012.

ST. JOHNS COUNTY, FLORIDA

By: _____
Chair of its Board of County
Commissioners

Attest:

By: _____
Clerk of its Board of County Commissioners

U.S. BANK NATIONAL ASSOCIATION

By: _____

ANNEX A

FEES FOR REGISTRAR AND PAYING AGENT SERVICES

Fee for services as Registrar and Paying Agent for the term of this Agreement shall be \$_____, payable as a one-time, upfront fee, paid in full upon the delivery hereof. Should the Bank resign or be removed from its duties hereunder, it shall refund to the Issuer a pro rata portion of the fee as stated in Section 6.10(d) of this Agreement.

The fee stated above includes set up and transfer fees and wire transaction fees and any annual or ongoing fees of the Bank or persons contracted by the Bank to provide information to the Issuer or the Issuer's auditors regarding the status of the Bonds, including, but not limited to, annual audit confirmations and requests. The Issuer may be billed for non-recurring expenses as stated in Section 1.02 of this Agreement.

EXHIBIT F

BOND INSURANCE POLICY PROVISIONS

(A) If, on the third business day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Issuer, after making all transfers and deposits required under the Resolution and the supplemental resolution pursuant to which the Series 2012 Bonds are authorized (collectively referred to herein as the "Resolution"), moneys sufficient to pay the principal of and interest on the Series 2012 Bonds due on such Payment Date, the Issuer shall give notice to Assured Guaranty and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such business day. If, on the second business day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Series 2012 Bonds due on such Payment Date, the Issuer shall notify the Registrar and cause the Registrar to make a claim under the Bond Insurance Policy and give notice to Assured Guaranty and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Series 2012 Bonds and the amount required to pay principal of the Series 2012 Bonds, confirmed in writing to Assured Guaranty and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second business day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy.

(B) The Registrar shall designate any portion of payment of principal on Series 2012 Bonds paid by Assured Guaranty, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Series 2012 Bonds registered to the then current Series 2012 Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Series 2012 Bond to Assured Guaranty, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Registrar's failure to so designate any payment or issue any replacement Series 2012 Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Series 2012 Bond or the subrogation rights of Assured Guaranty.

(C) The Registrar shall keep a complete and accurate record of all funds deposited by Assured Guaranty into the hereinafter defined Policy Payments Account and the allocation of such funds to payment of interest on and principal of any Series 2012 Bond. Assured Guaranty shall have the right to inspect such records at reasonable times upon reasonable notice to the Registrar.

(D) Upon payment of a claim under the Bond Insurance Policy, the Registrar shall establish a separate special purpose trust account for the benefit of the Series 2012

Bondholders referred to herein as the "Policy Payments Account" and over which the Registrar shall have exclusive control and sole right of withdrawal. The Registrar shall receive any amount paid under the Bond Insurance Policy in trust on behalf of the Series 2012 Bondholders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Registrar to Series 2012 Bondholders in the same manner as principal and interest payments are to be made with respect to the Series 2012 Bonds under the provisions of the Resolution regarding payment of Series 2012 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything to the contrary otherwise set forth herein, in the event amounts paid under the Bond Insurance Policy are applied to claims for payment of principal of or interest on the Series 2012 Bonds, the Issuer agrees to pay Assured Guaranty (i) a sum equal to the total of all amounts paid by Assured Guaranty under the Bond Insurance Policy (the "Insurer Advances"); and (ii) to the extent permitted by law, interest on such Insurer Advances from the date paid by Assured Guaranty until payment thereof in full, payable to Assured Guaranty at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (I) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (II) the then applicable highest rate of interest on the Series 2012 Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are payable from the Local Government Half-Cent Sales Tax and the amounts on deposit in certain funds and accounts established under the Resolution to the same extent and on the same basis as the Series 2012 Bonds.

(E) Funds held in the Policy Payments Account shall not be invested by the Registrar and may not be applied to satisfy any costs, expenses or liabilities of the Registrar. Any funds remaining in the Policy Payments Account following a Series 2012 Bond Payment Date shall promptly be remitted to Assured Guaranty.

(F) No modification, amendment or supplement to the Resolution pursuant to the Resolution which requires the consent of any Series 2012 Bondholders or would otherwise impair the interests of Assured Guaranty may become effective except upon obtaining the prior written consent of Assured Guaranty.

(G) Assured Guaranty shall, to the extent it makes any payment of principal of or interest on the Series 2012 Bonds, become subrogated to the rights of the recipients of

such payments in accordance with the terms of the Bond Insurance Policy. The obligations to Assured Guaranty shall survive discharge or termination of the Resolution

(H) The Issuer shall pay or reimburse Assured Guaranty any and all charges, fees, costs and expenses which Assured Guaranty may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Resolution; (ii) the pursuit of any remedies under the Resolution or any other related document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Resolution or any other related document whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Resolution or any other related document or the transactions contemplated thereby, other than amounts resulting from the failure of Assured Guaranty to honor its obligations under the Bond Insurance Policy. Assured Guaranty reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Resolution or any other related document.

(I) Assured Guaranty shall be entitled to pay principal or interest on the Series 2012 Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Bond Insurance Policy), whether or not Assured Guaranty has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy) or a claim upon the Bond Insurance Policy.

(J) The notice address of Assured Guaranty is: Assured Guaranty Municipal Corp., 31 West 52nd Street, New York, New York 10019, Attention: Managing Director -- Public Finance - Surveillance; Re: Policy No. _____, Telephone: (212) 826-0100, Telecopier: (212) 339-3556, e-mail: munidisclosure@assuredguaranty.com. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of General Counsel at the same address or at the following Facsimile Number (212) 445-8705 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(K) Assured Guaranty shall be provided with the following information at no charge:

(i) Annual audited financial statements within 30 days after the completion of the Issuer's annual audit (and in any event within 270 days of the end of the Issuer's Fiscal Year) and the Issuer's annual budget and revised budget within 30 days after the approval thereof together with such other information, data or reports as Assured Guaranty shall reasonably request from time to time;

(ii) Notice of any draw upon the Reserve Account within two (2) business days after knowledge thereof other than (1) withdrawals of amounts in excess of the Reserve Account Requirement and (2) withdrawals in connection with a refunding of the Series 2012 Bonds.

(iii) Notice of any default known to the Registrar or the Issuer within five business days after knowledge thereof;

(iv) Prior notice of the advance refunding or redemption of any of the Series 2012 Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(v) Notice of the resignation or removal of the Registrar and the appointment of, and acceptance of duties by, any successor thereto;

(vi) Notice of the commencement of any proceeding by or against the Issuer commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Series 2012 Bonds;

(viii) A full original transcript of all proceedings relating to any amendment, supplement, or waiver to the Resolution or any related documents;

(ix) All reports, notices and correspondence to be delivered under the terms of the Resolution or any related documents; and

(x) Such additional information as Assured Guaranty may reasonably require.

(L) Assured Guaranty is considered a third party beneficiary under the Resolution.

(M) The rights granted to Assured Guaranty under the Resolution or any related document to request, consent to or direct any action are rights granted to Assured Guaranty in consideration of its issuance of the Bond Insurance Policy. Any exercise by Assured Guaranty of such rights is merely an exercise of Assured Guaranty's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the Series 2012 Bondholders nor does such action evidence any position of Assured Guaranty, positive or negative, as to whether the Series 2012 Bondholder consent is required in addition to consent of Assured Guaranty.

(N) Amounts paid by Assured Guaranty under the Bond Insurance Policy shall not be deemed paid for purposes of the Resolution and shall remain outstanding and continue to be due and owing until paid by the Issuer in accordance with the Resolution. The Resolution shall not be discharged unless all amounts due or to become due to Assured Guaranty have been paid in full or duly provided for.

(O) Assured Guaranty shall be deemed to be the sole holder of the Series 2012 Bonds insured by it for the purpose of exercising any voting right or privilege or giving any consent or direction or taking of any other action that the holders of the Series 2012 Bonds insured by it are entitled to take pursuant to Section 3.06(K) of the Resolution subject to the provisions thereof and the provisions of the Resolution pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Registrar or trustee, if any.

(P) No contract shall be entered into by the Issuer nor any action taken by the Issuer by which the rights of Assured Guaranty or security for or sources of payment of the Series 2012 Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of Assured Guaranty.

(Q) Notwithstanding the provisions of Section 4.03 of the Resolution, to accomplish the defeasance of the Series 2012 Bonds, the Issuer shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to Assured Guaranty ("Accountant") verifying the sufficiency of the escrow established to pay the Series 2012 Bonds in full on the maturity or redemption date ("Verification"), (ii) an escrow deposit agreement (which shall be acceptable in form and substance to Assured Guaranty), and (iii) an opinion of nationally recognized bond counsel to the effect that the Series 2012 Bonds are no longer "outstanding" under the Resolution, each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Issuer, the Registrar and Assured Guaranty. Assured Guaranty shall be provided with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow. Series 2012 Bonds shall be deemed "outstanding" under the Resolution unless and until they are in fact paid and retired or the above criteria and the other criteria set forth in Section 4.03 are met.

(R) Notwithstanding satisfaction of other conditions to the issuance of Additional Bonds contained in the Resolution, no such issuance may occur if (i) any Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) has occurred and be continuing unless such default shall be cured upon such issuance, and (ii) unless the Reserve Account is fully funded at the Reserve Account Requirement (including the proposed issue) upon the issuance of such Additional Bonds, in either case, unless otherwise permitted by Assured Guranty.

(S) In determining whether any amendment, consent or other action to be taken, or any failure to act, under the Resolution would adversely affect the security for the Series 2012 Bonds or the rights of the Series 2012 Bondholders, the Registrar and the Issuer shall consider the effect of any such amendment, consent, action or inaction as if there were no Bond Insurance Policy.

(T) Notwithstanding any provisions of the Resolution to the contrary, no interest rate exchange agreement relating to the Series 2012 Bonds shall be entered into by the Issuer without the prior written consent of Assured Guaranty.

(U) Notwithstanding any other provision herein, if Series 2012 Bonds are purchased in lieu of redemption the prior written approval of Assured Guaranty shall be required if any Series 2012 Bond so purchased is not to be cancelled upon purchase.

(V) The Issuer will permit Assured Guaranty to discuss the affairs, finances and accounts of the Issuer or any information Assured Guaranty may reasonably request regarding the security for the Series 2012 Bonds with appropriate officers of the Issuer and will use commercially reasonable efforts to enable Assured Guaranty to have access to the facilities, books and records of the Issuer on any business day upon reasonable prior notice.

(W) The Issuer shall notify Assured Guaranty of any failure of the Issuer to provide notices, certificates and other information under the transaction documents.

(X) To the extent that the Issuer has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Series 2012 Bonds, all information furnished pursuant to such agreements shall also be provided to Assured Guaranty, simultaneously with the furnishing of such information.

(Y) No grace period for a covenant default shall exceed thirty (30) days or be extended for more than sixty (60) days, without the prior written consent of Assured Guaranty. No grace period shall be permitted for payment defaults.

(Z) The prior written consent of Assured Guaranty shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Reserve Account. Notwithstanding anything to the contrary set forth in the Resolution, amounts on deposit in the Reserve Account shall be applied solely to the payment of debt service due on the Bonds.

EXHIBIT G

FORM OF CONTINUING DISCLOSURE CERTIFICATE

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by St. Johns County, Florida (the "Issuer") in connection with the issuance of its of its \$_____ St. Johns County, Florida Sales Tax Revenue Refunding Bonds, Series 2012A (the "Series 2012A Bonds") and its \$_____ St. Johns County, Florida Sales Tax Revenue Refunding Bonds, Series 2012B (the "Series 2012B Bonds" and, together with the Series 2012A Bonds, the "Series 2012 Bonds"). The Series 2012 Bonds are being issued pursuant to the Issuer's Resolution No. 86-132, duly adopted by the Issuer on September 30, 1986, as previously amended and supplemented, particularly as supplemented by Resolution No. 89-143, duly adopted by the Issuer on June 27, 1989, as amended, and Resolution No. 2012-__, duly adopted by the Issuer on _____, 2012 (collectively, the "Resolution"). The Issuer covenants and agrees as follows:

SECTION 1. PURPOSE OF DISCLOSURE CERTIFICATE. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Series 2012 Bondholders and in order to assist the original underwriters of the Series 2012 Bonds in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934 (the "Rule").

SECTION 2. PROVISION OF ANNUAL INFORMATION. Except as otherwise provided herein, the Issuer shall provide to all of the nationally recognized municipal securities information repositories described in Section 5 hereof (the "NRMSIRs") and to Assured Guaranty Municipal Corp. (the "Bond Insurer"), on or before June 30 of each year, commencing June 30, 2013, the information set forth below in this Section 2. Notwithstanding the immediately preceding sentence, to the extent any such information does not become available to the Issuer before June 30 of any year, the Issuer shall provide such information when it becomes available, but no later than one year following the end of the Issuer's Fiscal Year.

(A) the Issuer's Comprehensive Annual Financial Report for the immediately preceding Fiscal Year (the "CAFR"), which shall include the audited financial statements of the Issuer for the immediately preceding Fiscal Year prepared in accordance with Generally Accepted Accounting Principles, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Government Accounting Standards Board; provided, however, if the audited financial statements of the Issuer are not completed prior to June 30 of any year, the Issuer shall provide unaudited financial statements on such date and shall provide the audited financial statements as soon as practicable following their completion; and

(B) to the extent not set forth in the CAFR, additional financial information and operating data of the type included with respect to the Issuer in the final official statement prepared in connection with the sale and issuance of the Series 2012 Bonds (as amended, the "Official Statement"), as set forth below:

1. Updates of the information set forth under the heading "SALES TAX REVENUES" in the Official Statement relating to the table entitled "Historical Receipts of Local Government Half-Cent Sales Tax by the County" which shows the Issuer's Local Government Half-Cent Sales Tax over the last five fiscal years; and

2. Description of any additional indebtedness secured in whole or in part from the Pledged Funds (as defined in the Official Statement).

For purposes of this Disclosure Certificate, "Fiscal Year" means the period commencing on October 1 and ending on September 30 of the next succeeding year, or such other period of time provided by applicable law.

SECTION 3. REPORTING SIGNIFICANT EVENTS. The Issuer shall provide to the NRMSIRs and to the Bond Insurer notice of any of the following events. Such notice shall be given in a timely manner not in excess of ten (10) business days after the occurrence of the event, with the exception of the event described in number 15 below, which notice shall be given in a timely manner:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Series 2012 Bonds, or other material events affecting the tax status of the Series 2012 Bonds;
7. modifications to rights of the holders of the Series 2012 Bonds, if material;
8. Series 2012 Bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Series 2012 Bonds, if material;
11. ratings changes;

12. an event of bankruptcy or similar event of an Obligated Person (as defined in the Rule);

13. the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. appointment of a successor or additional trustee or the change of name of a trustee, if material; and

15. notice of any failure on the part of the Issuer to meet the requirements of Section 2 hereof.

(b) The notice required to be given in paragraph 5(a) above shall be filed with the NRMSIRs, in electronic format as prescribed by the NRMSIRs.

SECTION 4. IDENTIFYING INFORMATION. In accordance with the Rule, all disclosure filings submitted in pursuant to this Disclosure Certificate to the NRMSIRs must be accompanied by identifying information as prescribed by the NRMSIRs. Such information may include, but not be limited to:

- (a) the category of information being provided;
- (b) the period covered by any annual financial information, financial statement or other financial information or operation data;
- (c) the issues or specific securities to which such documents are related (including CUSIPs, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
- (d) the name of any Obligated Person other than the Issuer;
- (e) the name and date of the document being submitted; and
- (f) contact information for the submitter.

SECTION 5. NRMSIRs. The NRMSIRs to which the Issuer shall provide the information described in Sections 2 and 3 above, to the extent required, shall be the NRMSIRs then existing on the date such information is provided in accordance with the terms of this Disclosure Certificate.

(A) A list of the names and addresses of all designated NRMSIRs as of any date may currently be obtained by calling the SEC's Fax on Demand Service at 202/942-8088 and requesting document number 0206 or by visiting the SEC's website at www.sec.gov/info/municipal/nrmsir.htm.

(B) As of the date hereof, the NRMSIR recognized by the Securities and Exchange Commission for such purpose is the Municipal Securities Rulemaking Board, which currently

accepts continuing disclosure submissions through its Electronic Municipal Market Access ("EMMA") web portal at <http://emma.msrb.org>.

SECTION 6. NO EVENT OF DEFAULT. Notwithstanding any other provision in the Resolution to the contrary, failure of the Issuer to comply with the provisions of this Disclosure Certificate shall not be considered an event of default under the Resolution. To the extent permitted by law, the sole and exclusive remedy of any Series 2012 Bondholder for the enforcement of the provisions hereof shall be an action for mandamus or specific performance, as applicable, by court order, to cause the Issuer to comply with its obligations hereunder. For purposes of this Disclosure Certificate, "Series 2012 Bondholder" shall mean any person who (A) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2012 Bonds (including persons holding Series 2012 Bonds through nominees, depositories or other intermediaries), or (B) is treated as the owner of any Series 2012 Bond for federal income tax purposes.

SECTION 7. INCORPORATION BY REFERENCE. Any or all of the information required herein to be disclosed may be incorporated by reference from other documents, including official statements or debt issues of the Issuer or related public entities, which have been submitted to each of the NRMSIRs and the Bond Insurer or the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each document incorporated by reference.

SECTION 8. DISSEMINATION AGENTS. The Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor disseminating agent.

SECTION 9. TERMINATION. The Issuer's obligations under this Disclosure Certificate shall terminate upon (A) the legal defeasance, prior redemption or payment in full of all of the Series 2012 Bonds, or (B) the termination of the continuing disclosure requirements of the Rule by legislative, judicial or administrative action.

SECTION 10. AMENDMENTS. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision may be waived, if such amendment or waiver is supported by an opinion of counsel that is nationally recognized in the area of federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

SECTION 11. ADDITIONAL INFORMATION. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in its annual information described in Section 2 hereof or notice of occurrence of a significant event described in Section 3 hereof, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include

any information in its annual information or notice of occurrence of a significant event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in its future annual information or notice of occurrence of a significant event.

SECTION 12. OBLIGATED PERSONS. If any person, other than the Issuer, becomes an Obligated Person relating to the Series 2012 Bonds, the Issuer shall use its best efforts to require such Obligated Person to comply with all provisions of the Rule applicable to such Obligated Person.

Dated: _____, 2012

ST. JOHNS COUNTY, FLORIDA

By: _____
Chair of its Board of County Commissioners

EXHIBIT H
FORM OF INSURANCE AGREEMENT

INSURANCE AGREEMENT

This INSURANCE AGREEMENT (the "Insurance Agreement") is made and entered into as of the ____ day of _____, 2012 by and between ST. JOHNS COUNTY (the "Issuer"), a political subdivision of the State of Florida, and ASSURED GUARANTY MUNICIPAL CORP., a New York stock insurance company ("AGM").

In consideration of the issuance by AGM of its Municipal Bond Debt Service Reserve Insurance Policy No. _____-R (the "Reserve Policy") with respect to the Issuer's Sales Tax Revenue Refunding Bonds, Series 2012A and Series 2012B (collectively, the "Bonds") issued pursuant to Resolution No. 86-132, adopted by the Issuer on September 30, 1986, as amended and supplemented, particularly by Resolution No. 89-143, adopted by the Issuer on June 27, 1989, as amended, and Resolution No. 2012-____, adopted by the Issuer on October _____, 2012 (collectively referred to herein as the "Bond Resolution"), and the Issuer's payment to AGM of the insurance premium for the Reserve Policy, AGM and the Issuer hereby covenant and agree as follows:

1. Upon any payment by AGM under the Reserve Policy, AGM shall furnish to the Issuer written instructions as to the manner in which payment of amounts owed to AGM as a result of such payment under the Reserve Policy shall be made.

2. The Issuer shall pay AGM the principal amount of any draws under the Reserve Policy and pay all related reasonable expenses incurred by AGM and shall pay interest thereon from the date of payment by AGM at the Late Payment Rate, "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such national bank as AGM shall designate. If the interest provisions of this Section 2 shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by AGM, with the same force and effect as if the Issuer had specifically designated such extra sums to be so applied and AGM had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

3. Repayment of draws and payment of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12th of the aggregate of Policy Costs related to such draw. Such payments shall be made after the payments required pursuant to subsections 3.06(B)(1), (2) and (3) of the Bond Resolution have been satisfied. Amounts in respect of Policy Costs paid to AGM shall be credited first to interest due, then to the expenses due and then to principal due.

4. As and to the extent that payments are made to AGM on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

5. All cash and investments in the Reserve Account shall be transferred to the Sinking Fund for payment of debt service on all outstanding Bonds secured by the Reserve Account before any drawing may be made on the Reserve Policy or on any alternative credit instrument. Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts; provided, however, that portion of the Policy Costs relating to accrued interest on draws under the Reserve Policy shall be payable after any such cash replenishment. Draws on all alternative credit instruments (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to available coverage under each such alternative credit instrument) after applying available cash and investments in the Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to alternative credit instruments shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Account; provided, however, accrued interest on draws under such credit instruments shall be payable after any such cash replenishment. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

6. If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of this Agreement, AGM shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Bond Resolution, other than (i) acceleration of the maturity of the Bonds or (ii) remedies which would adversely affect owners of the Bonds.

7. The Bond Resolution shall not be discharged until all Policy Costs owing to AGM shall have been paid in full the Issuer's obligation to pay such amounts shall expressly survive payment in full of the Bonds.

8. In order to secure the Issuer's payment obligations with respect to the Policy Costs, the Issuer hereby grants a pledge of and lien on the Pledged Funds (subordinate only to that of the owners of all outstanding Bonds).

9. Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test in the Bond Resolution.

10. The Registrar shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of paragraph 5 hereof and shall provide notice to AGM in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due on the Bonds. Where deposits are required to be made by the Issuer with the Registrar to the Sinking Fund for the Bonds more often than semi-annually, the Registrar shall give notice to AGM of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

11. The Issuer will pay or reimburse AGM, to the extent permitted by law, and solely from Pledged Funds, any and all charges, fees, costs, losses, liabilities and expenses which AGM may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Agreement or any document executed in connection with the Bonds (including the Bond Resolution, the "Related Documents"), including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Issuer) relating to this Agreement or any other Related Document, any party to this Agreement or any other Related Document or the transaction contemplated by the Related Documents, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Agreement or any other Related Document, if any, or the pursuit of any remedies under any other Related Document, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Agreement, the Reserve Policy or any other Related Document whether or not executed or completed, or (v) any action taken by AGM to cure a default or termination or similar event (or to mitigate the effect thereof) under any Related Document; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of AGM spent in connection with the actions described in clauses (ii)-(v) above, AGM reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Agreement or any other Related Document. Amounts payable by the Issuer hereunder shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by AGM until the date AGM is paid in full.

12. The obligation of the Issuer to pay all amounts due under this Agreement shall be an absolute and unconditional obligation of the Issuer and will be paid or performed strictly in accordance with this Agreement, irrespective of (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the Bonds or any Related Document, or (ii) any amendment or other modification of, or waiver with respect to the Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the Bonds, this Agreement or any Related Documents; (iv) whether or not the Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from this Agreement, the Reserve Policy or all or any of the Related Documents; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Issuer may have at any time against the Registrar or any other person or entity other than AGM, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transactions; (vii) any statement or any other document presented

under or in connection with the Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by AGM under the Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the Reserve Policy.

13. Notices to AGM shall be sent to the following address (or such other address as AGM may designate in writing): Assured Guaranty Municipal Corp., 31 West 52nd Street, New York, New York 10019 Attention: Risk Management Department - Public Finance Surveillance, Re: Policy No. _____-R.

14. If any one or more of the agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such agreements, provisions or terms shall be deemed severable from the remaining agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.

15. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Bond Resolution. For all purposes of the Bond Resolution, the Reserve Policy shall constitute a "Reserve Instrument."

16. This Agreement may be executed in counterparts, each of which alone and all of which together shall be deemed one original Agreement.

17. This Agreement and the rights and obligations of the parties of this Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, each of the following parties has caused this Agreement to be executed by its duly authorized officer as of the date set forth above.

ST. JOHNS COUNTY, FLORIDA

By: _____
Chair, Board of County Commissioners

ASSURED GUARANTY MUNICIPAL CORP.

By: _____
Authorized Officer

EXHIBIT I
FORM OF INTERLOCAL AGREEMENT

FOURTH INTERLOCAL REIMBURSEMENT AGREEMENT

This Fourth Interlocal Reimbursement Agreement (this "Agreement") is entered into on November __, 2012, by and between ST. JOHNS COUNTY, a political subdivision of the State of Florida (the "County"), and ST. JOHNS COUNTY COMMUNITY REDEVELOPMENT AGENCY, a Florida public community redevelopment agency (the "Agency").

WITNESSETH:

WHEREAS, the Board of County Commissioners of the County (the "Board") by the adoption of its Resolution 2002-184 established the boundaries of the Vilano Beach Community Redevelopment Area and by the adoption of its Resolution 2002-208 incorporated the boundary areas of the Vilano Beach Community Redevelopment Area into the Agency; and

WHEREAS, the Board by enacting Ordinance 2002-64 (which amended Ordinance 2001-70) (the "Trust Fund Ordinance") created the St. Johns County Community Redevelopment Agency Trust Fund (the "Trust Fund") and created a separate account therein for the Vilano Beach Community Redevelopment Area (the "Vilano Account"), all for the purpose of carrying out redevelopment in the designated redevelopment areas pursuant to Chapter 163, Part III, Florida Statutes (the "Redevelopment Act"); and

WHEREAS, the County enacted the Trust Fund Ordinance and a community redevelopment plan to, among other things, receive and manage tax increment revenues derived from the redevelopment areas; and

WHEREAS, pursuant to Resolution No. 2004-1 adopted on July 27, 2004, the Agency determined to acquire and construct a capital project consisting of the redevelopment of Vilano Beach, including but not limited to the reconstruction of Poplar Avenue and Vilano Road and the opening of Loja Street and related parking, drainage, utility and landscaping improvements (the "2004 Project"), and requested the assistance of the County in obtaining financing for the 2004 Project; and

WHEREAS, the County issued its Sales Tax Revenue Bonds, Series 2004B (the "Series 2004B Bonds"), to finance the cost of the 2004 Project and the costs of issuance relating to the Series 2004B Bonds, and the Agency agreed to reimburse the County for debt service on the Series 2004B Bonds and pay the County other related amounts from the Tax Increment Revenues (as hereinafter defined), all pursuant to the provisions of an Interlocal Reimbursement Agreement dated August 1, 2004, between the County and the Agency (the "Original Interlocal Agreement"); and

WHEREAS, the cost of the 2004 Project increased and the County authorized a transfer from Transportation Trust Fund Reserves to cover certain additional costs of the 2004 Project (the "Fund Transfer") and in order to induce the County to make the Fund Transfer, the Agency agreed to repay the County for the Fund Transfer and pay the County other related amounts from the Tax Increment Revenues, all in the manner and to the extent described in a Second Interlocal Reimbursement Agreement dated as of March 21, 2006, between the County and the Agency (the "Second Interlocal Agreement"); and

WHEREAS, due to the increased costs of the 2004 Project, the Agency determined to complete its capital project for the redevelopment of the Vilano Beach Redevelopment Area, including a second phase of the 2004 Project (the "2006 Project"), and requested the assistance of the County in obtaining financing for the 2006 Project; and

WHEREAS, the County issued its Sales Tax Revenue Bonds, Series 2006 (the "Series 2006 Bonds"), to finance, among other things, the 2006 Project, and the Agency agreed to reimburse the County for the portion of the debt service on the Series 2006 Bonds allocable to the 2006 Project and pay the County other related amounts from the Tax Increment Revenues, all pursuant to the provisions of a Third Interlocal Reimbursement Agreement dated December 14, 2006, between the County and the Agency (the "Third Interlocal Agreement"); and

WHEREAS, the County has determined that it is in its best interest to refund all of the outstanding Series 2004B Bonds in order to, among other things, achieve debt service savings; and

WHEREAS, the County proposes to issue its Sales Tax Revenue Refunding Bonds, Series 2012B (the "Bonds"), authorized to be issued pursuant to Resolution No. 2012-___ of the County adopted October 2, 2012 (the "Bond Resolution"), to, among other things, refinance the cost of the 2004 Project; and

WHEREAS, pursuant to the Bond Resolution, the County will pay debt service on the Bonds from the Pledged Funds (as defined in the Bond Resolution); and

WHEREAS, the Agency will pay to the County tax increment revenues in the Vilano Beach Account (the "Tax Increment Revenues") (which Tax Increment Revenues will be derived from the revenues received by the Agency and deposited into the Vilano Beach Account of the Trust Fund pursuant to Redevelopment Act) sufficient to reimburse the County for all debt service to be paid on the Bonds and pay the County other related amounts, all in the manner hereinafter provided; and

WHEREAS, the parties hereto desire to memorialize the terms under which the County will issue the Bonds for such purpose, and the Agency will make such payments to the County;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

1. Incorporation of Recitals. The above set forth recitals are hereby incorporated into the terms of this Agreement.

2. Obligation to Repay County. The Agency shall reimburse the County for all costs incurred by the County on behalf of the Agency in connection with the issuance of the Bonds and the refinancing of the 2004 Project as described in Section 3.C. hereof.

3. Financing.

A. The County proposes to issue the Bonds in accordance with the Bond Resolution for the purpose of refunding the Series 2004B Bonds and paying the costs of issuance relating to the Bonds. Pursuant to the Bond Resolution, the County will secure the Bonds with the Pledged Funds, to the extent set forth therein.

B. The County will apply the proceeds of the Bonds to refund the Series 2004B Bonds and pay the costs of issuance relating to the Bonds. In consideration of the refinancing of the 2004 Project by the County through the Bonds, the Agency will pay the Tax Increment Revenues to the County.

C. Commencing with the issuance of the Bonds under the Bond Resolution, the Agency shall immediately deposit or cause to be deposited all Tax Increment Revenues received by the Agency after the date of the issuance of the Bonds with the County in amounts sufficient, together with amounts currently deposited in the Vilano Beach Account, to timely pay all amounts due under the Original Interlocal Agreement, the Second Interlocal Agreement and the Third Interlocal Agreement as described therein (the "Prior Agency Obligations") and the following (the "2012 Agency Obligations"):

(i) all current debt service on the Bonds as set forth on Exhibit A attached hereto;

(ii) all amounts paid or payable pursuant to the Bond Resolution, by reason of the issuance of the Bonds (including the costs of issuance of the Bonds) or necessary in order to preserve the exclusion of interest on the Bonds from the gross income of the recipients thereof for federal income taxation purposes; and

(iii) all amounts necessary to reimburse the County for amounts expended by it to pay any of the items mentioned in clauses (i) or (ii) above, together with interest on amounts paid by the County at the rate equal to the true interest cost of the Bonds from the date paid by the County until and including the date reimbursed by the Agency.

The obligation to transfer the Tax Increment Revenues to the County to pay the 2012 Agency Obligations specified in clauses (i), (ii) and (iii) above shall survive the date on which the Bonds are no longer outstanding under the Bond Resolution.

Any amounts received by the Agency in excess of the amount necessary to pay the Prior Agency Obligations and the 2012 Agency Obligations as set forth above may be retained by the Agency and used for any lawful purpose of the Agency.

D. In order to secure its indebtedness to the County for the 2012 Agency Obligations, the Agency hereby pledges to the County the Tax Increment Revenues which pledge shall be on a parity with the pledge thereon in favor of the Prior Agency Obligations but otherwise prior and superior to all other pledges thereof; *provided, however,* that the tax increment revenues which derive from redevelopment areas other

than Vilano Beach Community Redevelopment Area are not pledged in any manner to secure the 2012 Agency Obligations.

E. The Agency is presently entitled to receive tax increment revenues to be deposited in the redevelopment trust fund, and has taken all action required by law to entitle it to receive such revenues, and the Agency will diligently enforce the obligation of any "taxing authority" (as defined in Section 163.340(2), Florida Statutes) to appropriate its proportionate share of the tax increment revenues and will not take, or consent to or permit, any action which will impair or adversely affect the obligation of each such taxing authority to appropriate its proportionate share of such revenues, impair or adversely affect in any manner the deposit of such revenues in the redevelopment trust fund, or the pledge of such revenues hereby. The Agency and the County shall be unconditionally and irrevocably obligated so long as the Bonds are outstanding, and until the payment in full by the Agency of its indebtedness to the County for the 2012 Agency Obligations, to take all lawful action necessary or required in order to ensure that each such taxing authority shall appropriate its proportionate share of the tax increment revenues as now or later required by law, and to make or cause to be made any deposits of tax increment revenues or other funds required by this Agreement and the Bond Resolution.

F. Until all of the 2012 Agency Obligations are paid in full, the Agency will not issue any debt obligations payable from or secured by the Tax Increment Revenues unless consented to in writing by the County.

G. In accordance with the Original Interlocal Agreement, the Second Interlocal Agreement and the Third Interlocal Agreement, the County by execution of this Agreement hereby consents to the Agency incurring the 2012 Agency Obligations hereunder.

5. Modification. No modification or amendment of the terms hereof shall be valid unless made in writing and executed by the parties hereto.

6. Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

7. Applicable Provisions of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

8. Rules of Interpretation. Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinafter," "hereinafter" and other equivalent words refer to this Agreement and not solely to the particular portion in which any such word is used.

9. Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

10. Board of County Commissioners of the County Exempt from Personal Liability. No recourse under or upon any obligation, covenant or agreement of this Agreement or the Bonds or for any claim based thereon or otherwise in respect thereof, shall be had against any member of the Board of County Commissioners of the County, as such, past, present or future, either directly or through the County it being expressly understood that (a) no personal liability whatsoever shall attach to, or is or shall be incurred by, the members of the Board of County Commissioners of the County, as such, under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom, and (b) any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such member of the Board of County Commissioner of the County, as such, are waived and released as a condition of, and as a consideration for, the execution of this Agreement and the issuance of the Bonds, on the part of the County.

11. Obligations Limited. By execution of this Agreement, the Agency hereby consents to all the provisions of the Bond Resolution. The obligation to pay to the County the 2012 Agency Obligations shall not be deemed to constitute a debt of the Agency or a pledge of the faith and credit of the Agency, but such the 2012 Agency Obligations shall be payable solely from the Tax Increment Revenues to be received by the Agency and deposited into the Vilano Beach Account pursuant to the Redevelopment Act. The Agency has no taxing power.

12. Filing of Agreement. It is agreed that this Agreement shall be filed with the Clerk of the Circuit Court of St. Johns County, in accordance with Section 163.01(11), Florida Statutes, as amended, and that this Agreement shall not become effective until so filed.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and their signatures to be affixed hereto.

(OFFICIAL SEAL)

ST. JOHNS COUNTY, FLORIDA

By: _____
Chairman of its Board of County
Commissioners

ATTEST:

Clerk of its Board of County
Commissioners

ST. JOHNS COUNTY COMMUNITY
REDEVELOPMENT AGENCY

By: _____
Chairman

ATTEST:

Clerk