

AMENDED AND RESTATED
MASTER LEASE AGREEMENT WITH OPTION TO PURCHASE

between

STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES
("Lessee")

and

FLORIDA CORRECTIONAL FINANCE CORPORATION
("Lessor")

Dated as of February 1, 2009
Amending and Restating a
Master Lease Agreement with Option to Purchase
Dated as of
November 1, 2001

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EXHIBIT A Form of Requisition

EXHIBIT B Legal Description of Land

EXHIBIT C Form of Memorandum of Lease and Notice of Option for Recording

This AMENDED AND RESTATED MASTER LEASE AGREEMENT WITH OPTION TO PURCHASE (this "Lease Purchase Agreement") is made and entered into between Florida Correctional Finance Corporation, a not-for-profit corporation organized and existing under the laws of the State of Florida, as Lessor (the "Lessor") and the State of Florida Department of Management Services (the "Lessee") as of February 1, 2009 and amends and restates a Master Lease Purchase Agreement with Option to Purchase entered into by the Lessor and the State of Florida Correctional Privatization Commission (predecessor agency of the Lessee), dated as of November 1, 2001. The term "Lessor" shall include all successors and assigns in interest hereunder.

WITNESSETH

WHEREAS, pursuant to Ch. 93-406, Laws of Florida, the Correctional Privatization Commission was created for the purpose of entering into contracts for the designing, financing, leasing, acquiring, constructing and operating of private correctional facilities; and

WHEREAS, the Correctional Privatization Commission previously entered into a Master Lease Purchase Agreement with Option to Purchase with the Lessor, dated as of November 1, 2001 (the "Original Lease Purchase Agreement"); and

WHEREAS, pursuant to Ch. 2008-248, Laws of Florida, the Correctional Privatization Commission was abolished and the Lessee was designated as the successor agency for all contracts previously entered into by the Correctional Privatization Commission, including the Original Lease Purchase Agreement and all Schedules thereto; and

WHEREAS, pursuant to Section 255.25(1)(c), Florida Statutes, the Department has the independent authority to approve a lease-purchase, sale-leaseback or tax-exempt leveraged lease contract or other financing technique for the acquisition, renovation or construction of a state fixed capital outlay project; and

WHEREAS, the Legislature has requested the Department lease-purchase finance State Correctional Institutions (as hereinafter defined) on behalf of the Florida Department of Corrections under this Master Trust Indenture; and

WHEREAS, the Lessee and Lessor desire to amend and restate the Original Lease Purchase Agreement for, among other purposes, to clarify that State Correctional Institutions, including equipment, fixtures and furnishings thereto, may be financed, acquired, leased, lease-purchased, constructed, operated, equipped pursuant to this Lease Purchase Agreement (as hereafter defined); and

WHEREAS, pursuant to the Act (as hereinafter defined), the Lessee is authorized to execute lease purchase agreements relating to the lease purchase acquisition, construction and

equipping of correctional facilities and improvements thereto, along with other equipment, fixtures and furnishings; and

WHEREAS, the Lessor is serving in such capacity for the purpose of facilitating the financing of a Project; and

WHEREAS, in furtherance of its corporate purpose the Lessor has either acquired or obtained a possessory interest pursuant to an Underlying Lease (as hereinafter defined) in, the Land and upon direction of the Lessee has caused or for future projects will cause, the construction and equipping of the Project and has determined to provide for the lease purchase thereof by this Lease Purchase Agreement; and

WHEREAS, upon direction of Lessee, Lessor has caused, or will cause, from time to time, the refinancing of existing Projects or the acquisition, construction and equipping of Projects by Lessee, as agent for Lessor, and has determined to provide for the lease purchase thereof by this Lease Purchase Agreement; and

WHEREAS, the Lessee has authorized, among other things, (i) the execution and delivery by the Lessee of this Lease Purchase Agreement and Schedules to the Lease Purchase Agreement to provide for the refinancing through lease purchase of correctional facilities to be located in the Counties, initially consisting of the Land, building, equipment and facilities as more fully described in the 2001 Schedule; and (ii) the acceptance by the Lessee of the Trust Indenture; and

WHEREAS, the Lessee desires to acquire through this Lease Purchase Agreement items of personal property constituting portions of various correctional facilities ("Equipment"), one or more leasehold estates in the hereinafter defined Land on which certain portions of various Projects will be located and correctional facilities to be built on the Land (hereinafter defined) as portions of various Projects (a "Building" or "Buildings", as the case may be). In order to differentiate the various Projects acquired hereunder and the correlative portions thereof, each Project, Building and Equipment shall be preceded by a designation identifying a Project to which it relates; and

WHEREAS, all items leased hereunder must be components of a Project; and

WHEREAS, pursuant to the Trust Indenture, the Lessor shall enter into the Assignment, to assign by outright assignment and not as security to the Trustee all of the Lessor's right, title and interest herein and hereunder; and

WHEREAS, the Lessor and the Trustee shall enter into the Trust Indenture, as accepted by the Lessee, and it is the intention of the parties hereto that the Trustee pursuant to the direction of the Lessee herein will issue Certificates of Participation ("Certificates") evidencing an undivided fractional interest in the Basic Rent Payments to be made by the Lessee under this Lease Purchase Agreement; and

WHEREAS, in and by this Lease Purchase Agreement, the Lessee has agreed to comply with all requirements of Section 103 of the Code necessary to maintain the exclusion from gross income for federal income tax purposes of the Interest Portion of the Basic Rent under this Lease Purchase Agreement as received by the Owners of the Certificates and with all requirements of the Resolution:

NOW, THEREFORE, in consideration of the premises and the covenants and conditions hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. RULES OF CONSTRUCTION.

1.1. Definitions. Unless the context otherwise specifically requires or indicates to the contrary herein, in addition to the meanings ascribed thereto in the preambles to this Lease Purchase Agreement, the defined terms used in this Lease Purchase Agreement shall have the respective meanings set forth herein:

"Act" shall mean collectively, Chapters 20, 255, 287, 944 and 957, Florida Statutes, as amended, and the Constitution of the State of Florida, as amended.

"Additional Interest" shall mean interest at the Maximum Interest Rate accrued as Supplemental Rent under the Lease Purchase Agreement.

"Applicable Law" shall mean all applicable provisions of all constitutions, statutes, ordinances, rules, regulations and orders of all governmental and quasi-governmental bodies, all Governmental Approvals and all orders, judgments and decrees of all courts and arbitrators.

"Assignment" shall mean the Assignment of Leases, Rents and Profits by the Lessor to the Trustee assigning all of the Lessor's rights under the Lease Purchase Agreement to the Trustee for the benefit of the Owners of the Certificates.

"Attorneys' Fees" shall mean reasonable attorneys' and paralegals' fees, reasonable expenses and court costs through all trial and appellate levels and post-judgment proceedings.

"Authorized Denominations" shall mean \$5,000, or any integral multiple of \$5,000 in excess thereof.

"Authorized Representative" shall mean (1) with respect to the Lessee, the Secretary of the Department of Management Services or any other person designated by the Secretary of the Department of Management Services as an Authorized Representative of the Lessee in a certificate

filed with the Trustee and (2) with respect to the Lessor, any person or persons designated as Authorized Representative by the Lessor to the Trustee in writing.

"Balance Due Lessor" shall mean the applicable amount as described in Section 2.8 of the Lease Purchase Agreement.

"Basic Rent" or "Basic Rent Payment" shall mean the Basic Rent Payments set forth in a Schedule to the Lease Purchase Agreement.

"Basic Rent Payment Date" shall mean each Basic Rent Payment Date set forth in a Schedule to the Lease Purchase Agreement.

"Board" shall mean the Board of Trustees of the Internal Improvement Trust Fund.

"Bond Insurer" shall mean any issuer of municipal bond or certificate insurance which is authorized to conduct business in the State and on the basis of such insurance the debt obligations so insured are rated in the highest debt category by at least one of Moody's, Fitch or S&P's and the successors thereof at the time of issuance of Certificates.

"Budget" shall mean the Budget for a Project set forth in the applicable Schedule to the Lease Purchase Agreement.

"Building" or "Buildings" shall mean the physical structures described in a Schedule hereto properly equipped as a correctional facility to be constructed on the Land.

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which banks located in the U.S. city in which the Principal Office of the Trustee is located are required or authorized by law to remain closed or on which the New York Stock Exchange is closed.

"Capitalized Interest Account" means the Capitalized Interest Account created and established within the Project Fund by the Trustee pursuant to Section 5.01(a) of the Trust Indenture with respect to the Certificates and the Proceeds.

"Certificate Documents" shall mean, at any time, each of the following as in effect or as outstanding, as the case may be at such time: (i) the Certificates, (ii) the Trust Indenture, (iii) the Certificate Purchase Contract, (iv) the Lease Purchase Agreement and the respective Schedules and any sub-leases thereunder, (v) the Assignment, and (vi) where applicable, the Ground Lease, the Ground Sublease, and the Underlying Lease.

"Certificate Interest Payment" shall mean the Certificate Payments representing undivided interests in the Interest Portion of the Basic Rent Payments under the Lease Purchase Agreement.

"Certificate Interest Payment Date" shall mean a Basic Rent Payment Date upon which an Interest Portion of Basic Rent Payment is due.

"Certificate Maturity Date" shall mean the date upon which the Certificate Principal Payment represented by such Certificate matures.

"Certificate Owners" or "Owners" shall mean the registered owners of the Certificates of Participation in accordance with the Trust Indenture.

"Certificate Payment Date" shall mean each semi-annual Certificate Payment Date set forth in the applicable Schedule.

"Certificate Payments" shall mean the Certificate Principal Payments and the Certificate Interest Payments.

"Certificate Principal Payment" shall mean the Certificate Payments representing undivided interests in the Principal Portion of a Basic Rent Payment under the Lease Purchase Agreement.

"Certificate Principal Payment Date" shall mean a Basic Rent Payment Date upon which a Principal Portion of Basic Rent Payment is due.

"Certificate Register" or "Register" shall mean the register provided for by Section 2.10 of the Trust Indenture and kept for such purpose by the Trustee with respect to the Certificates.

"Certificate Year" shall mean each twelve (12) month period beginning July 1 and ending on June 30.

"Certificates" or "Certificates of Participation" shall mean the Certificates of Participation, executed, authenticated and delivered by the Trustee pursuant to the Trust Indenture.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"Completion Date" shall mean the actual date of final completion of the acquisition, construction and equipping of all portions of a Project.

"Concluding Payment" shall mean, as of any Basic Rent Payment Date, that amount which (assuming the Basic Rent Payment due on that date has been made) is necessary to prepay all of the Certificate Principal Payments evidenced by the Outstanding Certificates, including the Premium Portion, if any, as set forth in the respective Schedules to the Lease Purchase Agreement and interest

accrued thereon to such Basic Rent Payment Date plus all other amounts due under the Lease Purchase Agreement.

"Contractor" shall mean the Person providing general contractor or similar construction services to the Department with respect to a Project, as identified on a Schedule relating to such Project.

"Costs" shall mean the costs (other than Costs of Issuance) identified in the Budget which shall include all costs of acquisition of the Land and of construction and equipping of a Project and may include, but are not limited to, interest under the Lease Purchase Agreement, but only during the period prior to placing a Project in service and the two months immediately thereafter, and may also include items such as site preparation, architectural and engineering fees, design fees, development fees and other fees for professional services related to the design or construction of such Project, the Department's administrative expenses related to a Project and may also include the cost of functionally related equipment and construction management fees and any similar fees or costs; provided however, that in the case of the refinancing of a Project through the issuance of a Series of Certificates, Costs shall mean the cost of such refinancing (other than Cost of Issuance) as certified by the Lessor.

"Costs of Issuance" shall mean the expenses incurred in issuing the Certificates, including without limitation, advertising and printing costs, financial advisors and counsel fees (which may include fees for Counsel to the Lessee and the Lessee's administrative expenses related to the financing of a Project) underwriting and placement fees and expenses (including counsel fees and expenses) and commissions, fees of rating agencies, municipal bond insurance premiums, initial fees and expenses (including counsel fees) of the Trustee, paying agents and certifying or authenticating agents.

"Costs of Issuance Account" shall mean the Costs of Issuance Account created and established within the Project Fund by the Trustee pursuant to Section 5.01(a) of the Trust Indenture with respect to the Certificates and the Proceeds, including any subaccount for a particular series of Certificates created by Supplemental Indentures.

"Counties" shall mean collectively, each county.

"County" shall mean any county within the State in which a Project is located.

"Department" shall mean the State of Florida Department of Management Services.

"Directive" shall mean an instrument in writing executed in one or more counterparts by the Owners of Certificates, as determined from the records of the Trustee pursuant to the respective Supplemental Trust Indenture, or their lawful attorneys-in-fact, representing no less than fifty-one percent (51%) of the aggregate Certificate Principal Payments of a Series represented by the then

Outstanding Certificates of the Series or by the respective Bond Insurer if a Municipal Bond Insurance Policy relating to a Series of Certificates is in effect.

"Draw Schedule" shall mean the anticipated scheduled progress payment disbursements from the Project Fund for the acquisition, construction and equipping of a Project.

"Equipment" shall mean, collectively, the items of personal property included in a Project.

"Event of Default" shall mean the occurrence of an Event of Default under Section 10.01 of the Trust Indenture.

"Event of Extraordinary Prepayment in Part" shall have the meaning set forth in Section 4.03.1 of the Trust Indenture.

"Event of Extraordinary Prepayment in Whole" shall have the meaning set forth in Section 4.03.1 of the Trust Indenture.

"Event of Lease Default" shall mean the occurrence of an Event of Default under Section 11 of the Lease Purchase Agreement.

"Event of Mandatory Prepayment" shall mean the occurrence of an event described in Section 16.2 of the Lease Purchase Agreement.

"Event of Non-Appropriation" shall have the meaning set forth in Section 2.6.1 of the Lease Purchase Agreement.

"Event of Optional Prepayment" shall mean a prepayment described in Section 4.02 of the Trust Indenture.

"Event of Special Mandatory Prepayment" shall mean a prepayment described in Section 4.03.2 of the Trust Indenture.

"Extraordinary Prepayment Fund" shall mean the Extraordinary Prepayment Fund so designated and established pursuant to Section 5.01(d) of the Trust Indenture.

"Final Payment Date" shall mean the Final Payment Date set forth in a Schedule to the Lease Purchase Agreement which is the Certificate Maturity Date.

"Financial Newspaper or Journal" shall mean The Wall Street Journal or The Bond Buyer or any other newspaper or journal containing financial news, printed in the English language, customarily published on each business day with a national circulation and customarily relied upon

by the financial community, and selected by the Trustee, whose decision shall be final and conclusive.

"First Optional Prepayment Date" shall mean the First Optional Prepayment Date set forth in a Schedule to the Lease Purchase Agreement.

"Fiscal Year" shall mean each twelve-month period beginning July 1 and ending on the next succeeding June 30.

"Fitch" shall mean Fitch IBCA, Inc., its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency.

"Governmental Approval" shall mean an authorization, permit, consent, approval, license or exemption from, registration or filing with, or report to, any governmental or regulatory unit.

"Governmental Obligations" shall have the meaning ascribed thereto in the Trust Indenture.

"Ground Lease" shall mean a ground sublease between the Lessor and the Lessee, pursuant to which the Lessee shall sublease the Land to the Lessor.

"Ground Sublease" shall mean a ground sub-sublease between the Lessee and the Lessor, pursuant to which the Lessor shall sublease the Land to the Lessee.

"Independent Insurance Consultant" shall mean a nationally recognized, independent actuary, insurance company or broker acceptable to the Bond Insurer that has actuarial personnel experienced in the area of insurance for which the Lessee is to be self-insured.

"Initial Lease Term" shall mean the Initial Lease Term set forth in a Schedule attached hereto.

"Initial Lease Termination Date" shall mean the termination date of the Initial Lease Term set forth in the respective Schedule to the Lease Purchase Agreement.

"Interest Portion" shall mean the portion of each Basic Rent Payment constituting interest as evidenced by the Certificates.

"Interest Rates" shall mean the Interest Rates set forth in the respective Schedule to the Lease Purchase Agreement.

"Investment Property" shall mean "investment property" as such term is used in the Code with respect to Sections 103 and 148 of the Code.

"Issue Date" shall mean the date so designated in the applicable Schedule to the Lease Purchase Agreement for the respective Series of Certificates.

"Item Purchase Price" shall mean the portion of the total invoice cost to be financed under the Lease Purchase Agreement (which may include charges for installation, delivery or preparation, on-site testing, or similar charges) for an item of Equipment, as identified in the Requisition submitted to the Trustee for payment for such item of Equipment.

"Land" shall mean the real property on which a Project is, or is to be, located, as described in Exhibit B to this Lease Purchase Agreement or any real property added to Exhibit B in conjunction with the delivery of a Schedule.

"Lease Commencement Date" shall mean the date so designated in the respective Schedule hereto.

"Lease Purchase Agreement" shall mean this Master Lease Agreement with Option to Purchase dated as of November 1, 2001, as amended and restated as of February 1, 2009 between the Lessee and the Lessor and each Schedule attached hereto with respect to each Series of Certificates.

"Lease Purchase Rent" shall mean, collectively, Basic Rent, Supplemental Rent and all other amounts due under such Lease Purchase Agreement.

"Lease Purchase Revenues" shall mean all amounts paid and collected pursuant to or with respect to the Lease Purchase Agreement, including, without limiting the generality of the foregoing, all payments of Lease Purchase Rent, prepayments, Net Proceeds of insurance, or condemnation proceeds, and any and all interest, profits or other income derived from the investment thereof in the Lessee's Funds established pursuant to the Trust Indenture.

"Lease Rights" shall have the meaning set forth in Section 16.1 of the Lease Purchase Agreement.

"Lease Term" shall mean, collectively, the Initial Lease Term and all exercised Renewal Lease Terms for each respective Series of Certificates.

"Lease Termination Date" shall have the meaning set forth in the applicable Schedule to the Lease Purchase Agreement relating to a respective Series of Certificates.

"Leased Property" shall mean, in respect of a Project financed or refinanced with a Series of Certificates, as applicable to such Project, the Land, the correctional facilities constructed and to be constructed thereon and the equipment.

"Legislature" shall mean the Florida Legislature, a branch of the government of the State of Florida.

"Lessee" shall mean the State of Florida Department of Management Services, its successors and assigns.

"Lessee's Funds" shall mean, collectively, the Project Fund, the Rent Payment Fund, the Optional Prepayment Fund, the Extraordinary Prepayment Fund, the Special Prepayment Fund and the Reserve Fund and, as relates to a Series of Certificates, the applicable Accounts and Subaccounts therein.

"Lessor" shall mean Florida Correctional Finance Corporation, a Florida not-for-profit corporation, as lessor under the Lease Purchase Agreement.

"Lien", as applied to the property of any Person, shall mean (in each case, whether the same is consensual or nonconsensual or arises by contract, operation of law, legal process or otherwise): (a) any mortgage, lien, pledge, attachment, charge, finance, lease, conditional sale or other title retention agreement, or other security interest or encumbrance of any kind in respect of any property of such Person, or upon the income or profits therefrom; and (b) any arrangement, express or implied, under which any property of such Person is transferred, sequestered or otherwise identified for the purpose of securing indebtedness or performance of any other obligation in priority to the payment of the general unsecured creditors of such Person.

"Management Agreement" shall mean an Operation and Management Services Contract between the Lessee and an Operator with respect to a Project pursuant to which the Operator will operate and manage a Project on behalf of the Lessee, as such may be extended, renewed, amended or replaced from time to time.

"Materially Adverse Effect" shall mean, (a) with respect to any Person, a materially adverse effect upon such Person's business, assets, liabilities, financial condition, results of operations or business prospects and (b) with respect to any agreement or obligation, a materially adverse effect upon the binding nature, validity or enforceability of such agreement or obligation.

"Maximum Cost" shall mean the Maximum Cost set forth in the respective Schedule to the Lease Purchase Agreement for each Project.

"Maximum Interest Rate" shall mean as of any date of determination the maximum rate of interest allowed pursuant to Section 215.422, Florida Statutes.

"Maximum Lease Term" shall mean the Maximum Lease Term set forth in the respective Schedule to the Lease Purchase Agreement for each Project.

"Memorandum of Lease" shall mean a Memorandum of Lease substantially in the form set forth in Exhibit C to the Lease Purchase Agreement.

"Minimum Optional Prepayment Amount" shall mean the amount so designated and set forth in the respective Schedule to the Lease Purchase Agreement for each Project.

"Moody's" shall mean Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency.

"Municipal Bond Insurance Policy" shall mean a financial guaranty insurance policy issued by a Bond Insurer simultaneously with the delivery of a Series of Certificates, insuring the payment of the Certificate Principal Payments and the Certificate Interest Payments with respect to such Series of Certificates.

"Net Proceeds" shall mean proceeds from any insurance, condemnation award, performance bond, or any other financial guaranty (except that Net Proceeds shall not include any proceeds of the Municipal Bond Insurance Policy) or sale proceeds paid with respect to or for a Project (including the Land) remaining after payment therefrom of all expenses including attorney's fees incurred in the collection thereof; and, with respect to insurance, to the extent that the Lessee selects to self-insure as provided under section 9 of the Lease Purchase Agreement, any moneys payable from any appropriation to the Lessee in connection with such self-insurance.

"Notice by Mail" or "notice" of any action or condition "by Mail" shall mean a written notice meeting the requirements of the Trust Indenture mailed by first-class mail to the Owners of specified Certificates, at the addresses shown on the Certificate Register maintained pursuant to Section 2.10 of the Trust Indenture.

"Notice of Commencement" shall mean a Notice of Commencement duly executed in recordable form and meeting the requirements of Chapter 713, Florida Statutes.

"Offering Statement" shall mean the Offering Statement relating to a Series of Certificates and any documents incorporated therein by reference.

"Operator" shall mean the entity operating a Project on behalf of the Lessee pursuant to a Management Agreement.

"Option" shall mean the purchase option in favor of Lessee set forth in Section 17.2 of the Lease Purchase Agreement.

"Option Price" shall have the meaning set forth in Section 17.2(a) of the Lease Purchase Agreement.

"Option Notice" shall have the meaning set forth in Section 17.2(c) of the Lease Purchase Agreement.

"Optional Prepayment" shall mean an Optional Prepayment of the Principal Portion of Certificate Principal Payments representing an undivided interest in the Principal Portion of Basic Rent Payment pursuant to Section 4.02 of the Trust Indenture.

"Optional Prepayment Date" shall mean a date on which an Optional Prepayment of the Principal Portion of Certificate Principal Payments representing an undivided interest in the Principal Portion of Basic Rent Payment occurs pursuant to Section 4.02 of the Trust Indenture.

"Optional Prepayment Fund" shall mean the Optional Prepayment Fund so designated and established pursuant to Section 5.01(c) of the Trust Indenture.

"Outstanding" shall mean, as of the date of determination all Certificates theretofore issued, authenticated and delivered pursuant to the Trust Indenture except (i) Certificates theretofore canceled by the Trustee or surrendered to the Trustee for cancellation, (ii) Certificates for the transfer or exchange of or in lieu of or in substitution for which other certificates shall have been authenticated and delivered by the Trustee pursuant to the Trust Indenture, (iii) Certificates which have been deemed surrendered for prepayment or mandatory purchase and for which the Trustee holds in trust for the Owners the Prepayment Price or the purchase price of such Certificates, and (iv) Certificates paid or deemed to be paid pursuant to Article XII of the Trust Indenture.

"Owner" or "Certificate Owner" or "Registered Owners" shall mean the owner of a Certificate as shown on the Certificate Register kept pursuant to Section 2.10 of the Trust Indenture.

"Paying Agent" shall mean the Trustee.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof or any other entity.

"Premium Portion" shall mean the Premium Portion, if any, of Basic Rent Payment due under the Lease Purchase Agreement upon an Optional Prepayment.

"Prepayment Date" shall mean with respect to a Series of Certificates, its Prepayment Date as set in accordance with Article IV of the Trust Indenture.

"Prepayment Option" shall mean the right of the Lessee to prepay amounts due under the Lease Purchase Agreement with respect to one or more Series of Certificates pursuant to Section 17.1 hereof.

"Prepayment Price" shall mean, with respect to any Certificate (or portion thereof) the Certificate Principal Payments represented by such Certificate (or portion thereof) including the Premium Portion, if any, plus the Certificate Interest Payments accrued thereon, if any, to the Prepayment Date payable upon presentment thereof pursuant to Article IV of the Trust Indenture.

"Private Correctional Facility" shall mean any facility, which is not operated by the State of Florida Department of Corrections, for the incarceration of adults or juveniles who have been sentenced by a court and committed to the custody of the State of Florida Department of Corrections or Department of Juvenile Justice and shall include any facility defined as a private correctional facility in Section 944.710, Florida Statutes, as amended.

"Principal and Interest Payments" shall mean the payments of principal and interest to be made by the Lessee pursuant to the schedule of Basic Rent Payments set forth in the respective Schedules to the Lease Purchase Agreement.

"Principal Office" of the Trustee or the Paying Agent shall mean the designated corporate trust office of the Trustee initially located in Jacksonville, Florida.

"Principal Portion" shall mean the portion of each Basic Rent Payment constituting principal, if any, as evidenced by the Certificates.

"Proceeds" shall mean the aggregate amount of money paid by the Underwriter for a Series of Certificates to the Trustee.

"Project" shall mean a Project as described in a Schedule attached hereto which could be a Private Correctional Facility or a State Correctional Institution.

"Project Fund" shall mean the Project Fund created and established with the Trustee pursuant to Section 5.01(a) of the Trust Indenture with respect to the Proceeds and a Project which consists of the Acquisition Account, the Capitalized Interest Account and the Costs of Issuance Account, including any subaccounts for a particular Series of Certificates therein created by Supplemental Indentures.

"Qualified Investments" shall include any of the securities set forth in the definition of Qualified Investments in the respective Supplemental Trust Indenture, if and to the extent the same are at the time legal under State law for investment of the Lessee's Funds.

"Real Estate Taxes" shall mean all real estate taxes, public and governmental charges and assessments, including all extraordinary or special assessments, or assessments against any personal property included in a Project, all costs, expenses and attorneys' fees incurred in contesting or negotiating with public authorities as to any of same and all water, sewer, capital assessments and other similar taxes and charges.

"Rebate Account" shall mean the Rebate Account created and established with the Trustee pursuant to Article VIII of the Trust Indenture with respect to the Lease Purchase Agreement, including any subaccounts for a particular Series of Certificates therein created by Supplemental Indentures.

"Rebate Amount" shall have the meaning set forth in Section 8.02 of the Trust Indenture.

"Record Date" shall mean fifteen (15) days prior to each Certificate Payment Date.

"Registrar" shall mean the Trustee, or its successor as Registrar.

"Renewal Lease Term" shall mean a period of one year commencing on the date following each Lease Termination Date, unless earlier terminated pursuant to Section 2.2 hereof.

"Rent" or "Rent Payments" shall mean, collectively, Basic Rent, Supplemental Rent and all other amounts due under the Lease Purchase Agreement.

"Rent Payment Date" shall have the meaning ascribed thereto in the respective Schedule relating to a Series of Certificates.

"Rent Payment Fund" shall mean the fund by that name established pursuant to Section 5.01(b) of the Trust Indenture.

"Requisition" shall mean a completed Requisition in the form of Exhibit A to the Lease Purchase Agreement fully executed by the Authorized Representative of the Lessee.

"Reserve Deficiency" shall mean the amount by which the balance in the Reserve Fund, from time to time, is less than the Reserve Requirement.

"Reserve Fund" shall mean the Reserve Fund created pursuant to Section 5.01(e) of the Trust Indenture, including any Accounts for a particular Series of Certificates therein created by Supplemental Indentures.

"Reserve Requirement" shall mean a Reserve Fund Surety providing coverage equal to, and/ or funds in an amount equal to the lesser of (i) ten percent (10%) of the proceeds of a Series of Certificates, (ii) maximum annual debt service on such Series of Certificates, or (iii) one hundred twenty-five percent (125%) of the average annual debt service on such Series of Certificates, which shall be deposited to the Reserve Fund on the Issue Date from Proceeds or such other amount as shall be designated in a Supplemental Indenture with respect to a specific Series of Certificates.

"Reserve Fund Surety" shall mean a letter of credit, surety bond, debt service reserve fund insurance policy or similar financial instrument acceptable to the Bond Insurer for each Series of Certificates which is designed to satisfy all or any portion of the Reserve Requirement.

"Schedule" means a schedule attached hereto setting forth the specific terms relating to a Series of Certificates and the related Project.

"Serial Certificates" shall mean Certificates so designated in a Supplemental Indenture with respect to any Series of Certificates.

"Series" or "Series of Certificates" shall mean and refer to a separate series of Certificates issued pursuant hereto and pursuant to a Supplemental Trust Indenture relating to a specific Project under the Lease Purchase Agreement.

"Special Counsel" shall mean Bryant Miller Olive P.A., or such other law firm of nationally recognized bond counsel familiar with the transactions contemplated under the Certificate Documents subsequently selected by the Lessor.

"Special Prepayment Fund" shall mean the Special Prepayment Fund created pursuant to Section 5.01(f) of the Trust Indenture, including any Accounts for a particular Series of Certificates therein created by Supplemental Indentures.

"Standard & Poor's" or "S&P" shall mean Standard & Poor's Ratings Group, a division of McGraw Hill, Inc., a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency.

"State" shall mean the State of Florida.

"State Correctional Institution" shall mean any prison, road camp, prison industry, prison forestry camp, or any prison camp or prison farm or other correctional facility, temporary or permanent, in which prisoners are housed, worked, or maintained, under the custody and

jurisdiction of the State of Florida Department of Corrections and shall include any facility defined as a state correctional institution in Section 944.02, Florida Statutes, as amended.

"Stipulated Loss Value" shall mean the Stipulated Loss Value computed pursuant to Section 15 of the Lease Purchase Agreement.

"Supplemental Indenture" shall mean, with respect to any Series of Certificates, any Supplemental Indenture executed and delivered in accordance with the provisions of the Trust Indenture setting forth the particular provisions relating to the Series of Certificates.

"Supplemental Rent" shall have the meaning set forth in Section 2.4 of the Lease Purchase Agreement.

"Term Certificates" shall mean Certificates so designated in a Supplemental Indenture.

"Third Party Assignment" shall mean, with respect to any Vendor Contract, the assignment of the Lessee's right to acquire the Equipment described in the Vendor Contract for the purchase price set forth therein.

"Trust Indenture" or "Certificate Trust Indenture" shall mean the Master Trust Indenture dated as of November 1, 2001, and amended and restated as of February 1, 2009, between the Trustee and the Lessor as accepted by the Department, together with each Supplemental Indenture.

"Trust Estate" shall mean, collectively, the moneys, funds and rights set forth in the granting clause of the Trust Indenture.

"Trustee's Expenses" shall mean, collectively, all out-of-pocket expenses, disbursements and advances (including reasonable attorneys' fees) incurred by the Trustee under the Trust Indenture in connection with the Certificates and the Trust Estate.

"Trustee" shall mean U.S. Bank National Association, Jacksonville, Florida, as Trustee under the Trust Indenture and its successors thereunder.

"Underlying Lease" shall mean with respect to the Gadsden County Facility, the lease between the Board of Trustees of the State of Florida Internal Improvement Fund (the "Board") and the State of Florida Correctional Privatization Commission (the "Commission"), pursuant to which the Board leased the Land for the Gadsden County Project to the Commission, and with respect to future Projects to be constructed on lands owned by the State, similar leases to the Commission, in each case, permitting the Commission to sublease or ground lease the Land to the Lessor.

"Underwriter" shall mean the investment banking firm or firms set forth in the Schedule relating to a Series of Certificates.

"Vendor" shall mean, with respect to an item of Equipment, the seller thereof to the Lessee or the Trustee as assignee of the Lessee's rights under the Vendor Contract.

"Vendor Contract" shall mean, with respect to an item of Equipment, the contract for purchase thereof.

1.2. Gender. Use of the masculine, feminine or neuter gender herein and therein is for convenience of reference only and each shall be deemed to mean and include the other genders whenever and wherever appropriate.

1.3. Singular and Plural. The singular of each word defined includes the plural and the plural includes the singular whenever and wherever appropriate.

1.4. References. Reference to any Certificate Document or any other document or agreement shall mean such documents or agreement as same may be amended, modified or supplemented from time to time in accordance with the terms thereof.

1.5. Intended Relationship. The parties hereto explicitly intend to create a relationship of landlord and tenant and not of mortgagee and mortgagor.

2. LEASE TERM; LEASE RENTAL.

2.1. Lease Term. Effective as of the respective Lease Commencement Date, Lessor hereby rents and leases to the Lessee and the Lessee hereby rents and leases from Lessor the respective Project for the respective Initial Lease Term. The Initial Lease Term shall commence on the respective Lease Commencement Date and terminate on the first Lease Termination Date, unless this Lease Purchase Agreement is earlier terminated pursuant to Section 2.2 hereof. Thereafter, each Renewal Lease Term shall commence on the day following the preceeding Lease Termination Date and terminate on the next Lease Termination Date, unless this Lease Purchase Agreement is earlier terminated pursuant to Section 2.2 hereof.

2.2.1. Termination. (a) The Lease Term for all Projects will terminate upon the earliest to occur of the following events:

(x) an Event of Default by the Lessee and exercise by Lessor of Lessor's option to terminate this Lease Purchase Agreement pursuant to Section 12.1 hereof; or

(y) the expiration of the Initial Lease Term or any Renewal Lease Term and the non-renewal of this Lease Purchase Agreement due to an Event of Non-Appropriation under Section 2.6.1 hereof;

(b) the Lease Term for a specific Project will terminate upon the earliest to occur of the following events:

(i) the payment by the Lessee of all Rent to be paid by the Lessee under this Lease Purchase Agreement for the Maximum Lease Term including sufficient money to make payment or provision for payment of the Certificates then Outstanding and of all amounts due and owing to the Bond Insurer and Trustee; or

(ii) the date that the payment of the Option Price for a Project by the Lessee pursuant to exercise by the Lessee of the Lessee's Option pursuant to Section 17.2 hereof is applied to the prepayment of the respective Series of Certificates and payment of all amounts due and owing hereunder and of all amounts due and owing to the Bond Insurer and Trustee.

2.2.2. Effect on the Lessee of Expiration or Termination of the Term of this Lease Purchase Agreement. (a) The expiration or termination of the term of this Lease Purchase Agreement as to the Lessee pursuant to Section 2.2.1(a) hereof shall terminate all obligations of the Lessee hereunder (except to the extent that the Lessee shall have incurred any obligation to pay Rent from moneys theretofore appropriated and available for such purpose) and shall terminate the Lessee's rights of use and occupancy of all Projects; provided, however, that all other terms of this Lease Purchase Agreement and the Trust Indenture, including all obligations of the Trustee with respect to the holders of the Certificates and the receipt and disbursement of funds, shall be continuing until the lien of the Trust Indenture is discharged, as provided in the Trust Indenture. The termination or expiration of the term of this Lease Purchase Agreement as to the Lessee pursuant to Section 2.2.1(a) hereof, of itself, shall not discharge the lien of the Trust Indenture. The provisions of the first sentence of this Section 2.2.2(a) to the contrary notwithstanding, any portion of the Land which has been released pursuant to the provisions of the Ground Lease and the Ground Sublease shall be unaffected and Lessee's rights to use and occupancy of such released portion shall remain in full force and effect. Additionally, any joint use agreement, easement, or similar instrument which authorizes, permits or grants rights with respect to any utility or similar service shall also remain in full force and effect, provided however, that the Lessee's rights thereunder shall, upon such expiration or termination, automatically insure to the benefit of the Lessor or its assigns.

(b) The expiration or termination of the term of this Lease Purchase Agreement as to the Lessee pursuant to Section 2.2.1(b) hereof shall terminate all obligations of the Lessee hereunder with respect to the applicable Project and the Lessee shall automatically become the assignee and transferee of all Lessor's rights hereunder with respect to the applicable Project, free and clear of any and all liens or encumbrances appertaining thereto. The termination of the term of this Lease Purchase Agreement pursuant to Section 2.2.1(b) hereof shall not, of itself discharge the lien of the

Trust Indenture as to funds held thereunder if the Concluding Payment in respect of the applicable Series of Certificates has not been made.

2.3. Basic Rent. The Lessee agrees to make, as rental payments hereunder for a Project, the Basic Rent Payments, in arrears, by transfer of immediately available funds on the fifteenth day prior to each Basic Rent Payment Date as set forth in each Schedule hereto. The Lessee shall pay the Basic Rent Payments hereunder to the Trustee, at its offices and the Trustee shall apply same as provided in the Trust Indenture to payment to the Owners of the Certificates.

2.3.1. Interest Rates. The interest rates applicable to this Lease Purchase Agreement with respect to a particular Series of Certificates are the interest rates set forth in each Schedule hereto.

2.3.2. Additional Interest. During the time that any portion of Basic Rent or other sums under this Lease Purchase Agreement is not paid when due, the amount of such portion of Basic Rent shall bear interest at the Maximum Interest Rate and such Additional Interest shall constitute Supplemental Rent hereunder payable, in the case of Additional Interest on Basic Rent, to the Trustee and, in the case of other amounts, to the Person entitled to payment of such portion of the Basic Rent.

2.4. Supplemental Rent. The Lessee agrees to pay and discharge from time to time its obligations hereunder as provided herein as additional rental hereunder (the "Supplemental Rent"), including without limitation, amounts required to be deposited by the Lessee to the credit of the Reserve Fund pursuant to Section 2.7.2 hereof or to the credit of the Rebate Account pursuant to Section 4.5.2 hereof, amounts payable to the Lessor as an indemnity pursuant to Section 21 hereof, amounts payable to the Trustee for its services as trustee under the Trust Indenture (to the extent not already paid as part of the Costs of Issuance), and all other amounts, liabilities and obligations which the Lessee assumes or agrees to pay to Lessor or to others with respect to a Project, together with interest on any overdue amount at the Maximum Interest Rate.

2.5. Rent is Limited Obligation; No Abatement or Set-Off.

(a) The Lessee represents and warrants that for the Initial Lease Term and upon the renewal hereof for any Renewal Lease Term the obligation of the Lessee to pay Rent hereunder, for such Fiscal Year of Lessee, shall constitute a current obligation of the Lessee and shall not in any way be construed to be a debt of the Lessee in contravention of any applicable constitutional, statutory or charter limitations or requirements concerning the creation of indebtedness by the Lessee. THE PAYMENTS DUE HEREUNDER ARE TO BE MADE ONLY FROM THE LESSEE'S LEGALLY AVAILABLE FUNDS AND NEITHER THE LESSEE, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE TO LESSOR HEREUNDER FROM OTHER THAN DULY APPROPRIATED FUNDS AND NEITHER THE FULL FAITH AND CREDIT OF THE LESSEE, NOR THE STATE OF

FLORIDA NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF IS PLEDGED FOR PAYMENT OF SUCH SUMS DUE HEREUNDER AND THE CONTRACTUAL OBLIGATION HEREUNDER TO HAVE THE LESSEE REQUEST AN APPROPRIATION TO PAY SAME DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE LESSEE, OR THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION. THE STATE OF FLORIDA'S PERFORMANCE AND OBLIGATION TO PAY UNDER THIS LEASE PURCHASE AGREEMENT IS CONTINGENT UPON AN ANNUAL APPROPRIATION BY THE LEGISLATURE.

(b) Except as provided in subparagraph (c) of this Section 2.5, all payments of Rent and all other payments required to be made by the Lessee under this Lease Purchase Agreement shall be made when due without notice or demand, and, subject to this Section 2.5 and Section 2.6 hereof, shall be absolute and unconditional and without any set-off, counterclaim, abatement, deduction or defense (other than payment) whatsoever.

(c) Subject to the provisions of Sections 2.2.1, 2.2.2 and 2.6 hereof, this Lease Purchase Agreement shall remain in effect with respect to a Project through the Initial Lease Term and all Renewal Lease Terms for the Maximum Lease Term. The Lessee intends to continue this Lease Purchase Agreement with respect to all Projects in effect for the Maximum Lease Term and reasonably believes that the Lessee's legally available funds in an amount sufficient to pay all Rent for the Maximum Lease Term of this Lease Purchase Agreement will be available. The Lessee hereby covenants that it will request an appropriation for such payments in each annual proposed budget submitted to the Legislature.

2.6. Non-Appropriation.

2.6.1. Non-Renewal. As provided herein, this Lease Purchase Agreement is for the Initial Lease Term ending at the termination of the Lessee's then current Fiscal Year, which term shall be automatically renewed for all the Renewal Lease Terms set forth in each Schedule hereto. Notwithstanding the foregoing, no automatic renewal shall occur if the Legislature passes a budget which does not appropriate sufficient funds (without regard to any credits from earnings on Lessee's funds) from moneys legally available for such purpose either in a line item or otherwise sufficiently identified to be used for purposes of this Lease Purchase Agreement to continue making payments beyond the end of the then current Lease Term. In the event that the Lessee's final budget for the ensuing Fiscal Year has not become law prior to the end of the current Fiscal Year, this Lease Purchase Agreement shall be deemed renewed pending such final budget becoming law if (1) subject to the following paragraph, payments are due hereunder during such period, if an interim budget or extension of the prior budget makes available to the Lessee moneys which may be legally used to make the payments due hereunder during such period or (2) there are sufficient funds available in the Reserve Fund to make the payments due to the owners of all Certificates issued under the Master Trust Indenture.

In the event that despite compliance with all of the Lessee's covenants hereunder, the Legislature does not approve a budget which so appropriates funds for the payment of all of Lessee's obligations hereunder prior to the last day of the then current Initial Lease Term or the Renewal Lease Term (or if such final budget has not been enacted by such time, prior to the last day of any extension hereof pursuant to the preceding paragraph), sufficient funds from moneys legally available for the payment of the Rent (and sufficiently identified to be used for purposes of this Lease Purchase Agreement) to be paid during any Renewal Lease Term (an "Event of Non-Appropriation"), this Lease Purchase Agreement shall terminate on such last day and the Lessee shall not be obligated to make payment of Rent accruing or arising beyond such last day. Lessee shall deliver immediate written notice to the Lessor, the Trustee and the Bond Insurer if (i) such a line item or other identification is not included in the proposed budget or (ii) such a line item or other identification is not included in the budget as adopted by the Legislature.

Any provision hereof to the contrary notwithstanding, in the event that a withdrawal from the Reserve Fund occurs for any reason, it shall not be an Event of Default or an Event of Non-Appropriation so long as the Lessee makes a request for an appropriation sufficient to replenish such withdrawal in the next ensuing Fiscal Year for which such a request may be made and such appropriation is a part of such budget that became law. Lessee covenants to use its best efforts to request and obtain a supplemental appropriation for such amount, but failure to obtain a supplemental appropriation shall not constitute an Event of Default or an Event of Non-Appropriation hereunder.

2.6.2. Return of Projects. If this Lease Purchase Agreement is terminated pursuant to Section 2.6.1 hereof, the Lessee agrees peaceably and immediately to surrender use, possession and control of all Projects to Lessor pursuant to Section 13.1 hereof in the condition required under Section 7 hereof. Failure to do so shall result in the Lessee being liable for holdover rent in accordance with Section 13.2 hereof.

2.7. Lessee's Funds.

2.7.1. Rent Payment Fund. The Rent Payment Fund shall be invested as provided in the Trust Indenture at the direction of the Lessee. Any amounts earned from such investment shall be retained in the Rent Payment Fund and used to make all or a portion of the next Basic Rent Payment. In the event that such funds are available in the Rent Payment Fund, then the amounts that would otherwise be appropriated as a full payment of Basic Rent in the ensuing Fiscal Year may be reduced to reflect the amounts on deposit in the Rent Payment Fund, but not any interest anticipated to be earned thereon. All funds remaining in the Rent Payment Fund after termination of this Lease Purchase Agreement pursuant to Section 2.2.1(b) or (d) hereof and after payment of all amounts due and owing to the Bond Insurer and the Trustee, shall be paid to the Lessee.

2.7.2. Reserve Fund. The Lessee hereby authorizes (i) the creation of a Reserve Fund and separate Accounts therein to be held by the Trustee under the Trust Indenture, (ii) the deposit in the Reserve Fund of a Reserve Fund Surety or a portion of the Proceeds from the sale of a Series of Certificates representing the Principal Portion of the Basic Rent, in an aggregate amount equal to the Reserve Requirement for each Series of Certificates, and (iii) the use of the amounts in the Reserve Fund to pay, among other things, any portion of the Basic Rent not paid when due by the Lessee and any portion of Basic Rent or Supplemental Rent not so paid for the reason that no budget is approved as provided in Section 2.6.1. Amounts in the Reserve Fund not used as provided in clause (iii) above may be used, among other things, to make the final Basic Rent Payment or the Concluding Payment, as applicable. In the event the amount on deposit in the Reserve Fund shall be less than the Reserve Requirement because of use as provided in clause (iii), the Trustee shall deposit the delinquent Basic Rent Payment into the Reserve Fund upon the receipt of such delinquent Basic Rent Payment. If such deficiency is due to investment loss, or any reason other than as provided in clause (iii) above, the Lessee shall pay to the Trustee as Supplemental Rent an amount equal to such deficiency immediately upon receipt of written notice of such deficiency from the Trustee and the Lessee having had the opportunity to request an appropriation therefor in the next budget.

2.7.3. Capitalized Interest Account. The Lessee hereby authorizes (i) the creation of a Capitalized Interest Account and subaccounts therein in the Project Fund to be held by the Trustee under the Trust Indenture, (ii) the deposit therein of a portion of the Proceeds from the sale of a Series of Certificates representing the Interest Portion of the Basic Rent in an amount equal to the capitalized interest; and (iii) the use of the amounts in the Capitalized Interest Account in the Project Fund to pay a portion of the Interest Portion of the Basic Rent hereunder. The Trust Indenture shall provide that the Trustee will invest the amounts in the Capitalized Interest Account as directed in writing by the Lessee and any income received thereon shall be used by the Trustee to pay a portion of the Interest Portion of the Basic Rent Payments in accordance with a Schedule to the Lease Purchase Agreement.

2.8. Definition of "Balance Due Lessor". "Balance Due Lessor" shall be calculated as of the date that the amount of Basic Rent to be prepaid hereunder will be applied to pay one or more Series of Certificates, as follows:

(a) if the date with respect to which such calculation is being made is a Basic Rent Payment Date, an amount equal to the sum of (i) the Concluding Payment with respect to such Basic Rent Payment Date plus (ii) the Basic Rent Payment due as of such date, or

(b) if the date with respect to which such calculation is being made is other than a Basic Rent Payment Date, an amount equal to the sum of (i) the Concluding Payment with respect to the immediately preceding scheduled Basic Rent Payment Date plus (ii) interest accrued on such amount computed from such immediately preceding scheduled Basic Rent Payment Date through

the date of calculation computed per diem on the basis of a year of 360 days consisting of twelve (12) months of thirty (30) days each; and

(c) in either case, plus an amount equal to any Supplemental Rent due, owing or accrued to any Person hereunder.

3. ACQUISITION; AUTHORIZATION FOR PAYMENT; TITLE.

3.1. Acquisition of Project. The Lessee agrees to acquire, construct and equip each Project. On the respective Issue Date, a portion of the Proceeds of the Series of Certificates shall be deposited into the respective accounts in the Project Fund with the Trustee in amounts sufficient (together with earnings thereon) to pay the Costs of the specific Project in accordance with the Budget and the Draw Schedule.

(a) With respect to items of Equipment, upon receipt of Requisitions fully executed in the form of Exhibit A hereto and of any other documents required by Section 6.01(b) of the Trust Indenture, the Trustee shall disburse moneys from the respective accounts in the Project Fund for payment of the Item Purchase Price thereof with title to be made in the name of the Lessee free and clear of all liens and encumbrances other than the Permitted Encumbrances.

(b) With respect to soft costs (as identified in each Schedule or related to construction upon receipt of a Requisition in the form of Exhibit A hereto, and of any other documents required by Section 6.02 of the Trust Indenture), the Trustee shall disburse moneys from the Project Fund for payment of the Costs thereof.

(c) The Lessee shall at all times keep its interest hereunder free and clear of all liens and encumbrances of every kind whatsoever created by or arising through Lessee, except the Permitted Encumbrances, but subject to the lien of the Ground Lease, if any. IN THE EVENT A PROJECT IS TO BE CONSTRUCTED ON THE LAND THAT IS SUBJECT TO A GROUND LEASE, TITLE TO EACH AND EVERY PROJECT COMPONENT SHALL PASS DIRECTLY FROM THE CONTRACTOR OR VENDOR THEREOF DIRECTLY TO THE LESSEE UPON PAYMENT THEREFOR, BUT SUBJECT TO THE LIEN OF THE GROUND LEASE.

3.2. Warranties; Disclaimers. LESSOR, NOT BEING THE VENDOR OR CONTRACTOR OF A PROJECT, THE VENDOR'S AGENT OR THE CONTRACTOR'S AGENT, MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE TITLE TO, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, DESIGN OR CONDITION OF, OR AS TO THE QUALITY, CAPACITY OF THE MATERIAL OR WORKMANSHIP IN A PROJECT OR ANY WARRANTY THAT A PROJECT WILL SATISFY THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT WHICH PROVIDES FOR SPECIFIC MACHINERY, OPERATORS OR SPECIAL METHODS OR ANY OTHER WARRANTY OF ANY KIND WHATSOEVER. It is agreed that all such risks, as among Lessor and the Lessee are to be borne by

the Lessee at its sole risk and expense and the Lessee hereby agrees to look solely to the Contractor, Vendor or supplier of a Project for all such matters. LESSOR MAKES NO PATENT WARRANTIES OR REPRESENTATIONS WHATSOEVER. LESSOR SHALL NOT BE LIABLE FOR ANY ACTUAL, CONSEQUENTIAL, INDIRECT OR SPECIAL DAMAGES.

3.3. Location. Each component of a Building shall be delivered to and thereafter located upon the Land. No component of a Building shall be removed from its location without the prior written consent of the Bond Insurer. Subject to the rules of the Lessee given ruling visitation, the Bond Insurer shall be entitled to enter the Lessee's premises or any other premises where the components of a Project may be found (this provision does not imply any right in Lessee to relocate a component of a Building without complying with the preceding sentence) during reasonable business hours to inspect same or observe its use and operation.

3.4. Lessor Not Liable. Lessor has no liability to any contractor or any Vendor hereunder.

4. REPRESENTATIONS AND WARRANTIES.

4.1. Lessee's Representations and Warranties. The Lessee represents and warrants as follows:

4.1.1. Organization, Powers, Etc. The Lessee is an agency of the State of Florida in the executive branch of the government of the State, and duly existing under the Constitution and laws of the State, with full power and authority (i) to execute, deliver and perform its obligations under this Lease Purchase Agreement and under the Certificate Documents to which it is a party, (ii) to lease its property, or own buildings and equipment and (iii) to carry on its activities as now being conducted and as contemplated in the Offering Statement. The Lessee has complied with all provisions of Applicable Law, including without limitation the Act, in all material matters related to the transactions contemplated hereunder and under the Certificate Documents.

4.1.2. Authorization; Absence of Conflicts, Etc. The Lessee has taken all official action necessary to authorize Lessee and its Authorized Representative to execute, deliver and perform its obligations under this Lease Purchase Agreement and each of the Certificate Documents to which it is a party, in accordance with their respective terms. The execution, delivery and performance of this Lease Purchase Agreement and each of the Certificate Documents to which the Lessee is a party in accordance with their respective terms (i) have been duly authorized by all necessary action on the part of the Lessee, (ii) do not and will not conflict with, or result in a violation of, any Applicable Law, (iii) do not and will not require any consent or approval of any creditor of the Lessee or other third party or in any material way conflict with, result in a violation of, or constitute a default under any agreement or instrument to which the Lessee is a party or by which it or any of its property may be bound and (iv) do not and will not result in or require the creation or imposition of any lien, charge or encumbrance upon or with respect to any component of a Project.

4.1.3. Binding Obligation. This Lease Purchase Agreement and each of the Certificate Documents to which the Lessee is a party have been duly executed and delivered on behalf of the Lessee by an Authorized Representative of the Lessee and, when executed and delivered by the other parties thereto will be, legal, valid and binding obligations of the Lessee enforceable against the Lessee in accordance with their respective terms, except to the extent, if any, that the enforceability thereof may be limited by (i) the effect of any debt adjustment or other similar law or enactment now or hereafter enacted by the State or Federal government affecting the enforcement of landlord's rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

4.1.4. Governmental Approvals. All Governmental Approvals necessary for the Lessee to enter into this Lease Purchase Agreement, to enter into each of the Certificate Documents to which it is a party and to perform its obligations hereunder and thereunder, are in effect on the date hereof, have been obtained and remain in full force and effect and are subject to no further administrative or judicial review, and no other Governmental Approval is necessary for the due execution, delivery and performance by the Lessee of this Lease Purchase Agreement and the Certificate Documents to which it is a party; provided, however, that certain permits have not been obtained at this time but Lessee has no reason to believe that such permits will not be obtainable in due course.

4.1.5. Compliance with Applicable Law. The Lessee is in compliance in all material respects with all Applicable Law, including all Governmental Approvals.

4.1.6. Financial Statements. The Lessee has furnished to the Lessor copies of audited financial statements of the State for the most recent Fiscal Year. Such financial statements present fairly, in accordance with generally accepted accounting principles and applicable regulations consistently applied throughout the periods involved, the financial position of the Lessee at its respective date and the revenues and expenses and changes in fund balances for the periods covered thereby. Since the date of such financial statements, no change in the financial condition of the Lessee has occurred that might or could have a Materially Adverse Effect on the Lessee's ability to perform its obligations under this Lease Purchase Agreement or any of the Certificate Documents to which it is a party.

4.1.7. Absence of Litigation. There is no action, suit, proceeding, official inquiry or investigation, at law or in equity, before or by any court, arbitrator, governmental or other board, body or official, pending or, to the best knowledge of the Lessee, threatened against or affecting the Lessee, questioning the validity of any proceeding taken or to be taken by the Lessee or its other Authorized Representative in connection with the execution, delivery and performance by the Lessee of the Certificate Documents to which it is a party or this Lease Purchase Agreement or seeking to prohibit, restrain or enjoin the execution, delivery or performance by the Lessee of any of the foregoing, nor, to the best knowledge of the Lessee, is there any basis therefor, wherein an

unfavorable decision, ruling or finding (i) would adversely affect the validity or enforceability of, or the authority or ability of the Lessee to perform its obligations under, the Certificate Documents to which it is a party or this Lease Purchase Agreement, (ii) would adversely affect the validity of the Act or any provision thereof material to the transactions contemplated by this Lease Purchase Agreement or any of the Certificate Documents or (iii) would adversely affect the exclusion of the Interest Portion of Basic Rent hereunder represented by the Certificates from inclusion in the gross income of an owner of a Certificate for federal income tax purposes.

4.1.8. Accuracy and Completeness of Information. All information, reports and other papers and data furnished by or on behalf of the Lessee to the Lessor were, at the time the same were so furnished, complete and correct in all material respects, to the extent necessary to give the recipient a true and accurate knowledge of the subject matter. No fact is known to the Lessee that has had or in the reasonable judgment of the Lessee may in the future have a Materially Adverse Effect on the Lessee which has not been set forth in such information, reports or other papers or data otherwise disclosed in writing to the Lessor and the Bond Insurer by or on behalf of the Lessee. No document furnished or other written statement made to the Lessor and the Bond Insurer by or on behalf of the Lessee in connection with the negotiation, preparation or execution of this Lease Purchase Agreement or the Certificate Documents to which the Lessee is a party contains or will contain any untrue statement of a fact material to the creditworthiness of the Lessee or omits or will omit to state such a material fact necessary in order to make the statements contained therein not misleading.

4.1.9. Disclosure. The information contained in the Offering Statement with respect to the Lessee, including any exhibits, appendices or attachments thereto relating to the Lessee, as such Offering Statement may be amended or supplemented, but specifically excluding the information with respect to the Bond Insurer, is true and correct and does not contain any untrue statement of a material fact with respect to the Lessee necessary to make such statements, in light of the circumstances under which they were made, not misleading.

4.1.10. Absence of Defaults. The Lessee is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which the Lessee is a party or by which the Lessee or any of the Lessee's property is bound (including without limitation this Lease Purchase Agreement) or any judgments, decrees or orders, except for defaults that, singly or in the aggregate, have not had and will not have a Materially Adverse Effect on the Lessee's ability to perform its monetary obligations pursuant to this Lease Purchase Agreement or any of the Certificate Documents to which it is a party.

4.1.11. IRS Listing. Neither the State nor the Lessee has been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the State or the Lessee is an issuer of obligations whose arbitrage certifications may not be relied upon.

4.1.12. Tax-Exempt Status. Except as has been otherwise disclosed to the Lessor and the Bond Insurer in writing, the Lessee has not taken any action or omitted to take any action, and knows of no action taken or omitted to be taken by any other Person, which action, if taken or omitted, would cause the Interest Portion of Basic Rent hereunder represented by the Certificates or on any tax-exempt bond or note of the Lessee currently issued and outstanding to be included in the gross income of the owners of the Certificates for federal income tax purposes.

4.1.13. Availability of Funds. The Lessee expects to receive appropriations in an amount sufficient to pay all Rent in each Fiscal Year and has no reason to believe that there will not be appropriated in the budget for each Fiscal Year an amount sufficient to pay all Rent to become due in such Fiscal Year. The Lessee believes that funds will be available to pay all of its financial obligations during the term of this Lease Purchase Agreement and, subject to Section 2.6.1 hereof, the Lessee will do all things within its power to obtain, maintain and properly request and pursue funds from which such obligations may be paid.

4.1.14. Project Essential. The Lessee has an immediate need for and expects to make immediate use of a Project, which need is not temporary or expected to diminish during the Maximum Lease Term.

4.1.15 Foreseeable Need. There are no circumstances presently known to the Lessee affecting the Lessee that could reasonably be expected to alter its foreseeable need for a Project or adversely affect its ability or willingness to budget funds for the payment of sums due hereunder.

4.1.16. Sources. The Lessee shall make payments of Rent hereunder for each Fiscal Year only from sources of funds which are legally available to make payments under this Lease Purchase Agreement.

4.1.17. Competitive Procedures. Any procedures regarding the negotiation of this Lease Purchase Agreement and the award of any Vendor Contract or Operating Contract, to the extent required by law, have been or will be complied with by the Lessee.

4.2. Lessee's Affirmative Covenants.

4.2.1. Compliance with Agreements. The Lessee shall observe and perform fully and faithfully all of its obligations under this Lease Purchase Agreement and the Certificate Documents to which it is a party.

4.2.2. Compliance with Applicable Laws. The Lessee shall comply in all material respects with any and all Applicable Laws material to this Lease Purchase Agreement, and the Certificate Documents or to the operations, affairs, properties or condition (financial or otherwise) of the Lessee.

4.2.3. Lessee Obligations. Subject to Sections 2.5 and 2.6 hereof, the Lessee shall promptly pay all amounts payable by it hereunder according to the terms hereof and shall duly perform each of its obligations under this Lease Purchase Agreement and the other Certificate Documents to which it is a party. All payments due hereunder shall be made from current or other funds authorized by law and appropriated for such purpose by the Legislature.

4.2.4. Reports and Statements. The Lessee shall furnish to the Lessor as soon as they are available after the end of each Fiscal Year of the Lessee, financial statements of the State for such Fiscal Year.

4.2.5. Budget and Tax Law.

(a) The Lessee shall cause to be prepared and submitted to the Legislature the budget recommendation for the Lessee in accordance with the requirements of this Lease Purchase Agreement.

(b) The Lessee shall send copies of its interim and final budgets (as proposed and adopted) to the Lessor and the Bond Insurer. Copies of proposed budgets shall be sent promptly following their submission for consideration. Copies of actual budgets shall be sent promptly following their adoption and copies of related correspondence shall be sent to the Lessor, the Bond Insurer and the Trustee promptly upon receipt or mailing by the Lessee. Each budget shall identify the expenditures representing payments hereunder and the source of the appropriation for each such payment.

(c) The Lessee shall immediately notify the Lessor, the Bond Insurer and the Trustee of any change in the statutes or constitution of the State, of which it is aware, enacted into law or introduced in the legislature or any pending litigation that would adversely effect the ability of the Lessee to make payments or perform its obligations hereunder. Subject to the restrictions of Section 255.2503, F.S., the Lessee shall not introduce any legislation which would adversely affect the ability of the Lessee to perform its obligations hereunder.

4.2.8. Maintenance of Books and Records. The Lessee will maintain complete and accurate books and records pertaining to this Lease Purchase Agreement and each Project and all receipts and disbursements with respect thereto in accordance with generally accepted accounting principles for governmental entities consistently applied and any applicable regulations.

4.2.9. Notices. The Lessee will promptly furnish, or cause to be furnished, to the Lessor, the Trustee and the Bond Insurer, (i) notice of the occurrence of any default or Event of Lease Default hereunder or any default or event of default under any Certificate Documents of which it is aware, (ii) copies of any communications delivered to or received by it under any of the Certificate Documents (unless, with respect to communications received by it under any of the

Certificate Documents, the same are required to be furnished by the sender thereof directly to the Lessor, the Trustee and the Bond Insurer under the terms of such Certificate Documents), or from any taxing authority or State department or rating agency with respect to the transactions contemplated hereby, and (iii) further financial and other information with respect to the Lessee and its affairs as the Lessor, the Trustee and the Bond Insurer may reasonably request from time to time.

4.2.10. Maintenance of Approvals, Filings and Registration. The Lessee shall at all times maintain in effect, renew and comply with all the terms and conditions of all consents, licenses, approvals and authorizations as may be necessary or appropriate under any Applicable Law for its execution, delivery and performance of this Lease Purchase Agreement and the other Certificate Documents to which it is a party.

4.2.11. Visits and Inspections. The Lessee will permit representatives of the Lessor, the Trustee and the Bond Insurer, upon reasonable prior notice and from time to time as often as may be reasonably requested, to (i) visit and inspect a Project covered by this Lease Purchase Agreement, (ii) inspect the books and records of the Lessee pertaining to a Project and make copies and extracts of such books and records that relate to a Project and the Lessee's performance under this Lease Purchase Agreement, except for any such books and records which are exempt from disclosure under applicable provisions of state law, and (iii) discuss the affairs, finances and accounts of the Lessee pertaining to each Project with, and to be advised as to the same by, its officials, all in connection with the ability of the Lessee to perform its obligations hereunder.

4.2.12. Litigation Notice. The Lessee will notify the Lessor, the Trustee, the Bond Insurer and the Underwriter in writing, promptly after the same shall have become known to the Lessee or any official of the Lessee upon whom process has been served, if any action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency that, if adversely determined, would materially impair the ability of the Lessee to perform its obligations under the Certificate Documents or would Materially Adversely Effect the operations, property, assets or financial condition of the Lessee.

4.2.13. Secondary Market Disclosure. The Lessee will provide annually audited financial statements of the State to every Nationally Recognized Municipal Securities Information Repository ("NRMSIR") and will also provide to all NRMSIR's the following information, as applicable.

The Lessee also agrees that so long as any Certificates remain outstanding, it will in good faith endeavor to provide each NRMSIR notice of the occurrence of any of the following events promptly upon the Lessee's having actual knowledge thereof:

- (i) delinquencies in the payment of principal portion or interest portion of Basic Rent Payments on the Certificates;

- (ii) material non-payment defaults under the Master Trust Indenture;
- (iii) draws on the Reserve Fund;
- (iv) unscheduled draws on any credit enhancement securing the Certificates;
- (v) any material default by the Bond Insurer under its municipal bond insurance policy securing any Certificates;
- (vi) receipt of an adverse opinion of Special Counsel relating to, or the occurrence of any event known to adversely affect, the exclusion from gross income for federal income tax purposes of interest portion of Basic Rent Payments on the Certificates;
- (vii) material amendments to the Master Trust Indenture;
- (viii) the redemption of any Certificates other than pursuant to a mandatory sinking fund redemption;
- (ix) the defeasance of any Certificates; and
- (x) any changes in the credit ratings assigned to any Series of the Certificates issued hereunder.

The Lessee shall also provide such information to the Trustee. The Trustee is authorized to provide such information to any requesting Certificate Owners or potential Certificate Owner, provided that the Trustee shall be entitled to charge such requesting Certificate holder or potential Certificate holder an amount sufficient to reimburse the Trustee for costs incurred for copying and shipping such information.

By endeavoring to provide the information as described above, the Lessee intends only to in good faith attempt to make available information that might not otherwise be easily available to interested parties. The dissemination of certain information or notices as set forth in this section shall not be construed as a representation by the Lessee that other matters that may be material to an investment decision in the Certificates have not transpired; and failure to provide information or notice of matters described above shall not be construed as a representation on behalf of the Lessee that matters that may be material to an investment decision with respect to the Certificates have not transpired. Nothing provided herein is intended to impose upon the Lessee, and the foregoing shall not be construed as imposing upon the Lessee, any disclosure obligations beyond those imposed by Applicable Law. In the event that Applicable Law subsequently requires the dissemination of additional information, the covenants contained in this Section 4.2.13 shall be deemed to be amended to reflect such change in Applicable Law.

4.2.14. Further Assurances. The Lessee will, at any and all times, insofar as it may not be precluded from doing so by law, pass, make, do, execute, acknowledge and deliver every and all such further acts, deeds, conveyances, assignments, recordings, filings, transfers and assurances as may be necessary or desirable to maintain performance of its obligations hereunder or under the Certificate Documents, or intended so to be, or which the Lessee may hereafter become bound to pledge or assign thereto.

4.2.15. Post-Termination Construction. If the Lessee is in default under this Lease Purchase Agreement or an Event of Non-Appropriation has occurred, at the Trustee's option, the Trustee, may, but is not required to make, any or all subsequent disbursements directly to any Vendor. The Lessee's execution of this Lease Purchase Agreement constitutes an irrevocable authorization for the Trustee to make such disbursements directly to any Vendor. The Lessee agrees that all construction disbursements made to any Vendor shall constitute full performance of the Trustee's obligations to the Lessee under this Lease Purchase Agreement, regardless of the Vendor's disposition of the funds. The Trustee's decision to make a construction disbursement shall not constitute a waiver of any of the provisions of this Lease Purchase Agreement. If the Lessee is in default under this Lease Purchase Agreement and the Lessee is unable to cure its default, the Trustee's decision to make a construction disbursement shall not preclude the Trustee, from declaring the Lessee in default under this Lease Purchase Agreement by virtue thereof.

4.3. Negative Covenants of Lessee.

4.3.1. Certificate Documents. The Lessee will not directly or indirectly amend, supplement, terminate or waive, or consent to any amendment, supplement, termination or waiver of, any of the provisions of any Certificate Document or enter into or consent to any new Certificate Documents (whether or not any such Certificate Document expires in accordance with its terms), unless the Bond Insurer shall have previously approved in writing the form and substance of such new Certificate Document or such amendment, supplement, termination, waiver or consent except that the Lessee may add facilities located on the Land without such approval if paid for with funds.

4.3.2. Appointment of Successors. The Lessee shall not, without the prior written consent of the Bond Insurer, appoint or consent to the appointment of a successor Trustee.

4.3.3. Existence. The Lessee shall promptly notify the Lessor and the Bond Insurer of any action taken by the executive, legislative or judicial branches of the State government to terminate the existence of the Lessee.

4.3.4. Liens. The Lessee will not without the prior written consent of the Bond Insurer and subject to the provisions of Section 3.1, create, assume, incur or permit to exist or to be created, assumed or incurred or permitted to exist, directly or indirectly, any lien on, or assign, transfer, lease, sublease or otherwise grant any person any rights in a Project or the Land or its

interest therein or any of its rights under the Trust Indenture except that the Lessee may add facilities located on the Land without such approval if paid for with Lessee's funds.

4.4. [RESERVED]

4.5. Federal Tax Covenants.

4.5.1. General. Neither the Lessor nor the Lessee shall take any action or refrain from taking any action, nor shall it cause or, to the best of its ability, allow any other party under its direction or control to do so, except upon the occurrence of an Event of Default or an Event of Non-Appropriation, which act or failure to act could adversely affect the exclusion from gross income for federal income tax purposes of the Interest Portion of the Basic Rent Payments under this Lease Purchase Agreement as received by the Owners of the Certificates. Neither the Lessor nor the Lessee will make any investment of the proceeds of this Lease Purchase Agreement which would result in the obligations under this Lease Purchase Agreement being characterized as "arbitrage bonds" under Section 148 of the Code. The Lessee shall take all action required under the Code, including the calculation and payment of any rebate necessary to preserve the exclusion from gross income for federal income tax purposes of the interest portion of the Basic Rent Payments under this Lease Purchase Agreement as received by the Owners of the Certificates; provided, however, that the Lessee may delegate such responsibility to a third party pursuant to Section 4.5.2 hereof but upon failure of such Person to properly do so, the Lessee shall be responsible to the Certificate Owners only for same.

4.5.2. Rebate Account.

(a) The Lessee shall comply with the provisions of Article VIII of the Trust Indenture and with any written instructions received from Special Counsel, with respect to the Rebate Account and the deposit to and disbursements from such account.

(b) Moneys in the Rebate Account shall be deemed subject to a lien in favor of the United States to the extent of all amounts which must be paid to the United States in order to preserve the exclusion from gross income for federal income tax purposes of the Interest Portion of the Basic Rent Payments under this Lease Purchase Agreement as received by the Owners of the Certificates.

(c) Notwithstanding anything else herein contained, the moneys in the Rebate Account created pursuant to Article VIII of the Trust Indenture shall not be released upon any defeasance under this Lease Purchase Agreement and such moneys shall be held and applied pursuant to the terms of the Trust Indenture and any written instructions received from Special Counsel.

(d) The Lessee shall be responsible hereunder for calculating all amounts to be deposited in the Rebate Account and all amounts to be paid to the United States in accordance with the provisions of Article VIII of the Trust Indenture and any written instructions received from Special Counsel and preparing any document required under Section 148 of the Code and any regulations promulgated in regard thereto.

4.6. Additional Covenants, Representations and Warranties.

4.6.1. Construction. The Lessee, as agent for the Lessor, shall diligently commence acquisition, construction and equipping of a Project and diligently pursue acquisition, construction and equipping to completion of Project.

4.6.2. Reserved. The Lessor, the Lessee, and their respective representatives and agents shall be permitted to inspect all materials to be used in the construction of a Project; provided, however, that the Trustee is not obliged to make any inspections of a Project.

4.6.3. Correction of Defects. The Lessee shall promptly correct or cause to be corrected any defect in the design or construction of each or any Project. The Trustee's decision from time to time to make or allow disbursements shall not constitute a waiver of their right to require the Lessee's full compliance with this paragraph.

4.6.4. No Change in Projects. Lessee hereby covenants that it will make no change in the intended use of each Project and that it will not, without the prior written consent of the Bond Insurer with respect to such Project, alter, change or amend the budget for a Project hereunder by more than 15%.

4.6.5. No Waiver of Material Defaults. The Lessee shall not waive any material default under the terms of any construction contracts, shall enforce all of the material obligations of the contractor under such contracts, and shall not do any act that will relieve any Contractor or Vendor of its respective material obligations to provide or construct a Project according to the requirements of the Lessee and the Plans and Specifications without the prior written consent of the Bond Insurer except as may be provided in Section 4.6.4.

4.6.6. Additional Covenants, Representations and Warranties Represented in Requisition. The execution of a Requisition shall constitute an affirmation of the completeness and accuracy of the representations and warranties contained therein as of the date of such execution by the party or parties executing such Requisition.

4.6.7. Lessee's Insurance. The Lessee shall, during the construction of a Project, obtain and maintain (or cause any Contractor and subcontractor to obtain and maintain during the term of any contract) the following insurance coverage:

(a) The contractor and each subcontractor shall carry insurance of the types and coverage limits set forth for the Lessee in section 4.6.8. herein, in its own policy; and

(b) Owner's and contractor's protective liability insurance policy, covering explosion, collapse and underground damage for those classifications for which they are applicable, with policy limits for bodily injury liability and property damage liability of not less than \$2,000,000 each occurrence, combined single limits, or such higher coverage amounts as may be required in a schedule with respect to a Project.

4.6.8. Builder's Risk Insurance. The Lessee shall, or shall cause the contractor to, during the construction of the Building, obtain and maintain or require any of its contractors to obtain and maintain builder's risk insurance and payment and performance insurance to be held by the Trustee, naming the Trustee and the Lessee as the loss co-payees, including a standard subrogation clause, and a clause requiring the insurer to give the Trustee and the Lessee at least 30 days' prior written notice before canceling or amending the policy. Unless otherwise specified in a Schedule for a specific Project, the Lessee shall, or shall cause the contractor to, obtain and maintain during the construction period up to the Completion Date general liability insurance coverage (broad form coverage) which shall specifically include fire, and legal liability in an amount not less than five million dollars (\$5,000,000) for each occurrence within a yearly aggregate of at least twenty million dollars (\$20,000,000). Unless otherwise specified in a Schedule for a specific Project, the Lessee shall, or shall cause the Contractor to, also obtain and provide vehicle liability coverage for all vehicles used in connection with a Project in an amount of not less than two million dollars (\$2,000,000) per occurrence, and coverage shall be provided to protect against employee dishonesty in an amount of not less than fifty thousand dollars (\$50,000). The Lessor, the Trustee and the Lessee and its respective agencies shall be included as additional insureds, as their interest may lie, under the policy of general liability insurance coverage issued in satisfaction of this section.

4.6.9. Representations of the Lessor. (a) The Lessor is a not for profit corporation, duly organized and existing under the laws of the State, with full power and authority (i) to execute, deliver and perform its obligations under this Lease Purchase Agreement and under the Certificate Documents to which it is a party, (ii) to lease its property, or own buildings and equipment and (iii) to carry on its activities as now being conducted and as contemplated in the Offering Statement. The Lessor has complied with all provisions of Applicable Law, including without limitation Chapter 617, Florida Statutes, in all material matters related to the transactions contemplated hereunder and under the Certificate Documents.

(b) The Lessor has taken all official action necessary to authorize Lessor and its Authorized Representative to execute, deliver and perform its obligations under this Lease Purchase Agreement and each of the Certificate Documents to which it is a party, in accordance with their respective terms. The execution, delivery and performance of this Lease Purchase Agreement and each of the Certificate Documents to which the Lessor is a party in accordance with their respective terms (i) have been duly authorized by all necessary action of the Board of Directors

of the Lessor, (ii) do not and will not conflict with, or result in a violation of, any Applicable Law, (iii) do not and will not require any consent or approval of any creditor of the Lessor or other third party or in any material way conflict with, result in a violation of, or constitute a default under any agreement or instrument to which the Lessor is a party or by which it or any of its property may be bound and (iv) do not and will not result in or require the creation or imposition of any lien, charge or encumbrance upon or with respect to any component of a Project.

(c) This Lease Purchase Agreement and each of the Certificate Documents to which the Lessor is a party have been duly executed and delivered on behalf of the Lessor by an Authorized Representative of the Lessor and, when executed and delivered by the other parties thereto will be, legal, valid and binding obligations of the Lessor enforceable against the Lessor in accordance with their respective terms, except to the extent, if any, that the enforceability thereof may be limited by (i) the effect of any debt adjustment or other similar law or enactment now or hereafter enacted by the State or Federal government affecting the enforcement of landlord's rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) The Lessor hereby represents that neither the execution and delivery of the Certificate Documents to which it is a party, nor the fulfillment of and compliance with the terms and conditions hereof and thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of terms or violation of any other agreement to which the Lessor is a party or by which the Lessor is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Lessor, or upon the Projects, except Permitted Encumbrances.

5. REPAIR, MAINTENANCE AND UPKEEP.

Throughout the term of this Lease Purchase Agreement, Lessee shall be responsible for all repair and maintenance of a Project, both interior and exterior and both structural and nonstructural, whether foreseeable or not foreseeable, provided however, Lessee may satisfy its obligations under this Section 5 by contracting with one or more parties to perform such obligations. Lessee shall keep or cause to be kept the foundations, roof and structural portions of the walls of a Project in good repair and condition. Lessee shall commence required repairs as soon as practicable. Lessee shall at all times keep a Project (including all entrances and vestibules) and all partitions, window and window frames and moldings, glass, store fronts, doors, door openers, fixtures, equipment and appurtenances thereof (including lighting, heating, electrical, plumbing, ventilating and air conditioning fixtures and systems) and other mechanical equipment and appurtenances within a Project and all parts of a Project, in good order, condition and repair and clean, orderly, sanitary and safe, including but not limited to doing such things as are necessary to cause a Project to comply with applicable laws, ordinances, rules, regulations and orders of governmental and public bodies and agencies, such as but not limited to the Williams-Steiger

Occupational Safety and Health Act. If replacement of equipment, fixtures and appurtenances thereto is necessary, Lessee shall replace same with new or completely reconditioned equipment, fixtures and appurtenances, and repair all damages done in or by such replacement. Furthermore, Lessee shall:

(a) maintain all heating, ventilation and air conditioning equipment in a Project in satisfactory operating condition at all times during the Lease Term;

(b) furnish any necessary janitorial services and all necessary janitorial supplies during the Lease Term;

(c) be responsible for replacement of all bulbs, lamps, tubes and starters used in the light fixtures for the purpose of furnishing light;

(d) furnish any necessary pest control services for a Project during the Lease Term, including without limitation, those necessary to control or eradicate wood destroying organisms; and

(e) promptly pay all gas, water, sewage, power and electric light rates or charges which may become payable during the Lease Term for the gas, water, sewage and electricity used by the Lessee in a Project.

All obligations of the Lessee, under this Section 5 shall be at the Lessee's sole cost and expense and Lessee shall take all actions necessary to assure that no liens arise against any Project as a result of Lessee's failure to comply with this Section 5. In no event shall Lessor be responsible for the quality, quantity, failure or interruption of any such utility services to a Project. Lessee shall be responsible for and required to deliver any and all security deposits that may be required to provide utility services to a Project.

If Lessee fails to perform any of its obligations under this Section 5, Lessor, or the Trustee on its behalf, without notice, may (but shall not be obligated to) perform Lessee's obligations or perform work resulting from Lessee's acts, actions or omissions and the cost thereof shall be immediately due and payable hereunder as Supplemental Rent.

6. SUBLEASE; SUBSTITUTION OF EQUIPMENT; RELEASE; ADDITIONS; REMOVAL AND RESTORATION BY LESSEE.

6.1. Sublease. The Lessee shall not: (i) sublease any Leased Property or any part thereof, without the prior written consent of the Bond Insurer, or (ii) assign or transfer any portion of this Lease Purchase Agreement or a Project or any part thereof, or any interest therein, or (iii) permit a Project to be used in any manner inconsistent with Section 4.1.1 hereof, except that (x) Lessee may add facilities on the Land paid for from its own funds (including proceeds of a future Series of

Certificates) and (y) Lessee may sublease or assign its rights, obligations and interests in any Leased Property or any part thereof to another agency of the State if such property will be used by such sublessee or assignee agency as a State Correctional Institution or a Private Correctional Facility or similar purpose, and any necessary assignments or transfer shall be permitted hereby. Notwithstanding any sublease permitted hereunder, the Lessee shall not be thereby released from liability to make the Rent Payments.

6.2. Substitution of Equipment. The Lessee may substitute other equipment owned by the Lessee for an item of Equipment provided such substituted equipment is for the same purpose and (i) has the same or a greater remaining useful life, (ii) has a fair market value equal to or greater than the item of Equipment for which it is substituted, (iii) constitutes a Project component, (iv) such substituted equipment is free and clear of all liens and encumbrances, except the Permitted Encumbrances, (v) the Lessee is not in default of its obligations hereunder, and (vi) Lessee has title to such substituted equipment.

6.3. Release. Lessee hereby reserves the right to construct additional corrections facilities on the Land without financing such facilities under this Lease Purchase Agreement or the Master Trust Indenture. In that regard, Lessor agrees, so long as no Event of Default or Event of Non-Appropriation has occurred and is continuing hereunder, to cooperate with Lessee in the furnishing of easements for ingress and egress, use agreements with respect to utilities and meal preparation, easements necessary for such utility functions and such other agreements for the joint use of real and personal property as are necessary or desirable in order to facilitate the acquisition, construction, equipping, operating and maintaining correctional facilities on the Land.

Lessee further reserves the right to release items of personal property and a portion of the Land from the lien hereof, of the Ground Lease and of the Master Trust Indenture if, in the judgment of the Lessee, such personal or real property is no longer needed or useful in the operation of a Project and the value of the property to be released does not exceed \$250,000. The satisfaction of the requirements of the foregoing sentence shall be evidenced by the execution by the Lessee of a certificate to that effect and delivery thereof to the Trustee. Such certificates shall be kept on file by the Trustee for a period of not less than three years.

6.4. Additions. The Lessee may acquire, construct and equip additional Projects which are financed through the issuance of a Series of Certificates under the Master Trust Indenture. At the time of issuance of such additional Series of Certificates, the Lessor and Lessee shall enter into a Schedule to this Lease Purchase Agreement, a supplemental or additional Ground Lease and Ground Sublease as may be necessary and a Supplemental Trust Indenture with respect thereto.

6.5. Removal and Restoration by Lessee. All alterations, changes and additions and all improvements, including leasehold improvements, made by Lessee or by Lessor in Lessee's behalf, shall become part of a Project and shall not be removed by Lessee at or prior to the end of the Lease Term without prior written consent of Lessor and Bond Insurer; provided, however, that if Lessor

requests Lessee to remove same at the end of the Lease Term, Lessee shall do so at its own cost and expense.

7. USE; SUBROGATION; QUIET ENJOYMENT.

7.1. Care and Use of Project. The Lessee at its expense, shall maintain a Project in operating condition, repair and appearance and in the condition when construction is completed hereunder (ordinary wear and tear excepted) and shall protect same from deterioration, other than normal wear and tear, provided however, Lessee may satisfy its obligations under this Section 7.1 by contracting with one or more parties to perform such obligations; shall cause a Project to be used in a manner contemplated by the Vendor or Contractor thereof and in compliance with the requirements of applicable laws, ordinances and regulations and the requirements of any policy of insurance required under Section 9 hereof; and shall cause a Project to be operated by competent persons only and shall obtain, at the Lessee's expense, all permits and licenses, if any, required by law for the operation of a Project. The Lessee agrees that Lessor shall not be responsible for latent or patent or other defects, wear and tear or gradual deterioration or loss of service or use of a Project or any part thereof or for damage from fire or other casualty. Lessor hereby assigns to Lessee, to the extent assignable, all warranties with respect to a Project and each of its components made by any Vendor, Contractor, materialmen or supplier. Lessor shall not be liable to the Lessee or anyone else for any liability, injury, claim, loss, damage or expense of any kind or nature caused directly or indirectly by the inadequacy of a Project or any item supplied by any Vendor, Contractor, materialmen or supplier or any other party, any interruption of use or loss of service or usage or performance of any Project component, any loss of business or other consequence or damage, whether or not resulting directly or indirectly from any of the foregoing.

7.2. Mutual Waiver of Subrogation Rights. Lessor and Lessee and all parties claiming under them mutually release and discharge each other from all claims and liabilities arising from or caused by any casualty or hazard covered or required hereunder to be covered in whole or in part by insurance on a Project or in connection with property on or activities conducted on a Project, and waive any right of subrogation which might otherwise exist in or accrue to any person on account thereof and evidence such waiver by endorsement to the required insurance policies, provided that such release and waiver shall not operate in any case where the effect is to invalidate such insurance coverage.

7.3. Waiver. Lessor, its agents and employees, shall not be liable for, and Lessee waives all claims against Lessor for, damage, including but not limited to consequential damages, to person, property or otherwise, sustained by Lessee, or any person claiming through Lessee resulting from any accident or occurrence in or upon any part of a Project including, but not limited to, claims for damage resulting from: (a) any equipment or appurtenances becoming out of repair; (b) Lessee's failure to keep any part of a Project in repair; (c) injury done or caused by wind, water, or other natural element; (d) any defect in or failure of plumbing, heating or air conditioning equipment, electric wiring or installation thereof, gas, water, and steam pipes, stairs, porches, railings or walks;

(e) broken glass; (f) the backing up of any sewer pipe or downspout; (g) the bursting, leaking or running of any tank, tub, washstand, water closet, wastepipe, drain or any other pipe or tank upon or about a Project; (h) the escape of steam or hot water; (i) water, snow or ice upon a Project; (j) the falling of any fixture, plaster or stucco; (k) damage to or loss by theft or otherwise of property of Lessee or others; (l) acts or omissions of persons in a Project, other tenants in a Project, occupants of nearby properties, or any other persons; and (m) any act or omission of owners of adjacent or contiguous property, or of Lessor, its agents or employees. All property of Lessee, kept in a Project shall be so kept at Lessee's risk only and Lessee shall save Lessor harmless from claims arising out of damage to the same, including subrogation claims by Lessee's insurance carrier.

7.4. Quiet Enjoyment. The Lessor covenants and agrees with the Lessee that so long as the Lessee keeps and performs all of the covenants and conditions by the Lessee to be kept and performed hereunder, the Lessee shall have quiet and undisturbed and continued possession of a Project, free from any claims against the Lessor and all persons claiming under, by or through the Lessor.

8. NET LEASE; MECHANICS' LIENS; OFFSET STATEMENT.

8.1. Net Lease. The Lessee and Lessor intend the Rent Payments hereunder to be net to the Lessee. The Lessee shall comply with all liabilities, be responsible for all obligations, including the payment of all taxes, utility fees and charges, and pay from Lessee's legally available funds all payments of Basic Rent and Supplemental Rent or any other payments due from the Lessee hereunder, and any penalties, fines or interest imposed on any of the foregoing, during the Lease Term; and, as between Lessor and Lessee, the Lessee will pay all reasonable expenses incurred by the Trustee or the Lessor in connection with all filings or recordings of any documents relating to this Lease Purchase Agreement or Lessor's Lease Rights hereunder. The Lessee may in good faith and by appropriate proceedings, but only after posting security satisfactory to Lessor and Bond Insurer, contest any such taxes or charges with due diligence so long as such proceedings, in the reasonable opinion of Lessor, do not impair the Lessee's ability or obligations to pay the Rent Payments hereunder. Lessor shall have the right, after reasonable written notice to the Lessee, to make any of the payments required of the Lessee under this Section 8 with respect to a Project, but shall not be obligated to pay the same, and may charge such payment with interest at the highest rate permitted by applicable law, not to exceed the Maximum Rate, from the date of payment, as Supplemental Rent to be paid by the Lessee on the next Basic Rent Payment Date or in the next Fiscal Year of the Lessee, at Lessee's option.

8.2. Lessor's Interest Not Subject to Mechanics' Liens. All persons to whom these presents may come are put on notice of the fact that Lessee shall never, under any circumstances, have the power to subject the interest of Lessor in a Project to any mechanic's or materialman's lien or liens of any kind.

Lessee covenants and agrees with Lessor that Lessee will not permit or suffer to be filed or claimed against the interests of Lessor in a Project during the Lease Term any lien or claim of any kind and, if such lien be claimed or filed, it shall be the duty of Lessee, within thirty (30) days after Lessee shall have been given written notice of such claim being filed in the Public Records of the County to cause a Project to be released from such claim, either by payment or by posting of a bond or by the payment into the court of competent jurisdiction the amount necessary to relieve and release a Project from such claim or in any other manner which, as a matter of law, will result within such period of thirty (30) days in releasing the Lessor from such claim.

8.3. Offset Statement. Within ten (10) days after written request by either Lessor or Lessee the other party shall deliver, executed in recordable form, declaration to any person designated by the requesting party (a) ratifying this Lease Purchase Agreement; (b) stating the commencement and termination dates; and (c) certifying (i) that this Lease Purchase Agreement is in full force and effect and has not been assigned, modified, supplemented or amended (except by such writings as shall be stated), (ii) that all conditions under this Lease Purchase Agreement to be performed by the other party have been satisfied (stating exceptions, if any), to the extent known, (iii) that no defenses or offsets against the enforcement of this Lease Purchase Agreement by the requesting party exist (or stating those claimed), (iv) as to advance Rent, if any, paid by Lessee, (v) the date to which Rent has been paid, and such other information as the requesting party reasonably requires. Persons receiving such statements shall be entitled to rely upon them.

9. INSURANCE.

The Lessee shall provide or shall cause to be provided by an Operator, insurance against the following risks in the following respective amounts to be carried and maintained with respect to a Project during the Lease Term. Throughout the Lease Term the Lessee shall annually furnish to the Lessor, the Bond Insurer and the Trustee a certificate evidencing such coverage.

(a) general property and casualty insurance in an amount not less than the full replacement cost of a Project, as well as professional liability insurance coverage, including medical malpractice liability and errors and omissions coverage;

(b) boiler and machinery coverage ("comprehensive" coverage) in reasonable amounts to cover all loss arising from the operation of boilers and machinery, including loss to other property and losses due to business interruption;

(c) premises liability insurance (which may be included in any general liability coverage) and property coverage (fire and extended coverage) for the full value of all the moveable contents of the buildings, structures or other facilities operated by the Lessee or any subcontractor therefor;

(d) environmental impairment liability coverage for liability resulting from sudden, accidental or gradual pollution arising from operations conducted by the insured, covering damage for bodily injury and property damage, unless otherwise specified in a Schedule for a Project, in the amount of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) yearly aggregate limit;

(e) The insurance described in paragraphs (a) through (d) of this Section 9 shall be placed with an insurance agent licensed in the State and such coverage shall be provided by an insurance company or carrier licensed to issue such coverage in the State and admitted to do such business in the State, and coverage issued by surplus lines companies shall not be acceptable with the exception of civil rights liability coverage. All insurance carriers shall be, at the minimum, rated "A" or better by A.M. Best or an equivalent rating by a similar insurance rating service. No "self-insurance" coverage is acceptable unless the insured is licensed or authorized to self-insure for a particular coverage in the State or is an insured member of a self-insurance group that is licensed to self-insure in the State. Such coverage must apply exclusively to the Lease Property and must be available to repair/rebuild the Leased Property under all circumstances after the occurrence of an insured peril. Full payment of insurance proceeds up to the required policy dollar limit in connection with damage to the Leased Property shall, under no circumstances, be contingent on the degree of damage sustained at other facilities owned or leased by the Lessee. The policy must explicitly waive any co-insurance penalty. All policies shall include a provision requiring at least 30 days' prior written notice of cancellation to the Lessee.

Any insurance policy issued pursuant to this Section 9 shall be so written or endorsed as to make losses, if any, payable to the Trustee, the Lessee and the Lessor as their respective interests may appear.

The Net Proceeds of any casualty, whether from insurance or self-insurance, shall be applied pursuant to Section 15 hereof.

The Lessee may choose the amount of deductible for any of the insurance coverage required by this Section 9, but in no event shall such deductible for each occurrence exceed three (3) percent of the required yearly aggregate limit of coverage. The insured shall be responsible for first dollar coverage, and all general liability and professional liability policies shall provide defense in addition to the policy limits. As respects to the total limits of liability required, any combination of primary and/or umbrella coverage may satisfy those totals, provided, that if umbrella coverage is used, coverage must be at least as broad as the primary coverage.

Notwithstanding the foregoing, during any period in which an agency of the State is operating or otherwise possesses an interest as sublessee or assignee under Section 6.1 hereof, in lieu of the above insurance coverage, such operator, sublessee or assignee as the case may be shall provide the customary State pool insurance coverage which is provided by the State for any State facility.

10. CONSENT TO DISMISS.

The Lessee acknowledges that Lessor is a third party lease purchase financing conduit issuer with respect to a Project and Lessee hereby agrees to consent to (and to refrain from objection to), a motion made by Lessor to be dismissed from any lawsuit not involving the validity of the Lessor's interest in the Land and a Project brought by a party other than the Lessee or the Trustee, arising out of or in any way relating to this Lease Purchase Agreement with respect to a Project or the construction, equipping, furnishing, ownership, rental, possession, operation, condition, sale or return of a Project or any portion thereof. This covenant by the Lessee to consent to and refrain from objection to such a motion to dismiss shall include Lessor's assigns and their respective agents, employees, officers and directors. It is understood by and between Lessor and Lessee that this covenant is not intended to be and is not an indemnity. Notwithstanding the foregoing, if it is necessary for Lessor to remain a party in order to maintain the action, Lessor shall not be, and is hereby prohibited from seeking to be, dismissed from such action and Lessee shall indemnify Lessor therefor to the fullest extent permitted by law.

11. EVENTS OF DEFAULT.

In the event that:

(a) Lessee shall default in the payment of any Rent or in making any other payment hereunder, subject to the provisions of Section 2.6.1 hereof permitting the use of the Reserve Fund in the event a budget is not timely enacted, or

(b) (i) the Lessee shall breach the provisions of Section 6 hereof with respect to subleasing, (ii) the Lessee fails to provide insurance as and when required hereunder, or (iii) the Lessee shall default in the performance of any other covenant of the Lessee hereunder, and except with respect to clause (i) immediately above and the requirements of Lessee to submit budgets or request appropriations, the breach is not cured within thirty (30) days of receipt of notice thereof, or (iv) any representation or warranty made by Lessee hereunder proves to have been materially false at the time it was made, or

(c) the Lessee fails to immediately surrender a Project to Lessor after Lessee is requested to do so by Lessor following an Event of Lease Default or the occurrence of an Event of Non-Appropriation, as required by Section 2.6.2 hereof, or

(d) (i) the Lessee shall (A) commence a voluntary case under the Federal bankruptcy laws (as now or hereafter in effect), (B) file a petition asking to take advantage of any other laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, debt adjustment, winding up or composition or adjustment of debts, (C) consent to or fail to contest in a timely and appropriate manner any petition filed against it in an involuntary case under such bankruptcy laws or other

laws, (D) apply for or consent to, or fail to contest in a timely and appropriate manner, the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of a substantial part of its property, (E) admit in writing its inability to pay, or generally not be paying, its debts as they become due (within the meaning of such bankruptcy laws), (F) make a general assignment for the benefit of creditors, or (G) take any official action for the purpose of effecting any of the foregoing; or (ii) commence a case or other proceeding against the Lessee in any court of competent jurisdiction seeking (A) relief under the Federal bankruptcy laws (as now or hereafter in effect) or under any other laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts, or (B) the appointment of a trustee, receiver, custodian, liquidator or the like of the Lessee, or of all or a substantial part of its property, and such case or proceeding shall continue undismissed or unstayed for a period of 60 consecutive calendar days, or an order granting the relief requested in any such case or proceeding against the Lessee (including, but not limited to, an order for relief under such Federal bankruptcy laws) shall be entered;

then the occurrence of such event shall constitute an "Event of Lease Default" hereunder; provided, however, that with respect to a default arising under clause (b)(iii) of this Section 11, same shall not constitute an Event of Lease Default so long as the Lessee is pursuing the cure of same with due diligence and by appropriate means; provided, further, that this exception shall not apply to covenants to submit budgets or request appropriations.

12. REMEDIES.

12.1. Remedies for Default. Upon the occurrence of an Event of Lease Default, and as long as such Event of Lease Default is continuing, Lessor or its assigns may, at its option if there is no Municipal Bond Insurance Policy in effect and at the direction of Bond Insurer if such a policy is in effect, exercise any one or more of the following remedies or any other remedy available pursuant to law or in equity or granted pursuant to this Lease Purchase Agreement, including without limitation, the following remedies:

(a) Without terminating this Lease Purchase Agreement, re-enter and take possession of a Project and exclude Lessee from using same until the Event of Lease Default is cured; or

(b) Without terminating this Lease Purchase Agreement, re-enter and take possession of a Project, and remove all or any portion of the Equipment from the Land and sell, lease or sublease the Project, the Equipment or any portion thereof for the account of Lessee, decreasing the Rent payable hereunder during such Fiscal Year of Lessee for the difference between (i) the purchase price, rent and other amounts paid by the purchaser, lessee or sublessee pursuant to such sale, lease or sublease and (ii) the Basic Rent Payments and other amounts payable by Lessee with respect to such component under and pursuant to this Lease Purchase Agreement; or

(c) Terminate this Lease Purchase Agreement and require Lessee to surrender and transfer possession of a Project to Lessor in which event Lessee shall take all actions, necessary to authorize, execute and deliver to Lessor all documents necessary to vest in Lessor, all of Lessee's interest in and to a Project, subject, however, to the Lessee's right to occupy a Project at the end of the term of the Ground Sublease, if applicable, and to discharge any lien created by or pursuant to this Lease Purchase Agreement; and Lessee shall, upon request by Lessor, remove any Equipment from Lessor's property to such location as is specified by Lessor, and Lessor shall have the right, but not the obligation (unless so directed by the Bond Insurer), to sell, lease or sublease all or any portion of a Project at any time and at one or more times; or

(d) Terminate this Lease Purchase Agreement and without notice or demand, enter into and upon a Project, or any part thereof, and repossess the same and thereby restore the Lessor or its assignee to its former possessory estate as sublessee under the Ground Lease, if applicable, and expel the Lessee or its assignee, and expel the Lessee and remove its effects forcefully, if necessary, without being taken or deemed to be guilty of any manner of trespass and thereupon this demise shall terminate and upon such termination the Lessee shall be divested of its possessory rights for the term of the Ground Sublease in a Project, if applicable; and the Lessee shall be responsible for the payment of damages in an amount equal to the Basic Rent Payments which would have accrued hereunder, calculated on a daily basis, for any period during which the Lessee fails to surrender a Project or for any other loss suffered by the Lessor as a result of the Lessee's failure to surrender a Project, all without prejudice to any remedy which might otherwise be available to the Lessor for arrears of Rent or for any breach of the Lessee's covenants herein contained; or

(e) Take whatever action at law or in equity may appear necessary or desirable to collect the Rent Payments then due and thereafter to become due during the Lease Term or enforce performance and observance of any obligation, agreement or covenant of Lessee under this Lease Purchase Agreement.

Lessor's damages hereunder shall include the cost of enforcement hereof and the collection of any judgment, including Attorneys' Fees.

12.2. Disposition of Project.

(a) Except as provided in the next sentence, moneys received by Lessor or its assignee from any re-letting and/or sale in accordance with Section 12.1 hereof shall be the absolute property of Lessor or its assignee and Lessee shall have no right thereto. In the event that moneys received by Lessor or its assignee from such re-letting and/or sale exceeds all amounts payable hereunder (which shall include the amount necessary to pay or prepay, as the case may be, all the Certificates Outstanding under the Trust Indenture and unpaid Supplemental Rent due hereunder), and after payment of all amounts due and owing to Bond Insurer, Lessor shall pay such surplus to the Lessee. Neither notice of sale or notice to pay rent or to deliver up possession of a Project given

pursuant to law nor any proceeding in unlawful detainer taken by Lessor or its assignee shall of itself operate to terminate this Lease Purchase Agreement, and no termination of this Lease Purchase Agreement on account of an Event of Lease Default by Lessee shall be or become effective by operation of law, or otherwise, unless and until Lessor or its assignee shall have given written notice to Lessee of the election on the part of Lessor or its assignee to terminate this Lease Purchase Agreement as a result of such Event of Lease Default.

(b) Lessee hereby irrevocably appoints Lessor or its assignee as the agent and attorney-in-fact of Lessee to enter upon and convey its rights under the Ground Sublease or re-let a Project upon the happening of an Event of Lease Default. Lessee hereby exempts and agrees to save harmless Lessor and its assignee (but solely from Lessee's legally available funds and to the extent permitted by applicable law) from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and the sale or letting of a Project during the balance of the Fiscal Year in which the Event of Lease Default occurs and during any period of hold-over tenancy and same shall constitute Supplemental Rent hereunder. Lessee hereby waives any and all claims against the Lessor, the Trustee or the Bond Insurer for damages caused, or which may be caused, by Lessor or its assignee in taking possession of a Project, for all claims for damages that may result from the destruction of or injury to a Project, and all claims for damages to or loss of any property belonging to Lessee that may be in or upon a Project. Lessee agrees that the terms of this Lease Purchase Agreement constitute full and sufficient notice of the right of Lessor or its assignee to enter and sell or re-let a Project and any component thereof.

13. SURRENDER OF PROJECT; HOLDING OVER.

13.1. Surrender of Project. Upon the termination of this Lease Purchase Agreement for any reason (including, without limitation, under Section 2.6.1 hereof or an Event of Lease Default) other than pursuant to Section 2.2.1(b) or (d) hereof, the Lessee shall surrender a Project to Lessor in the condition required pursuant to Section 7.1 hereof and shall deliver all keys for, and all combinations on locks, safes and vaults in, a Project to Lessor at Lessor's address for notices. If Lessee fails to remove any shelving, decorations, equipment or trade fixture or other personal property from a Project prior to the end of the Lease Term, same shall become Lessor's property and Lessee shall pay the cost to Lessor of removing same and shall repair or pay for the repair of any damage done to a Project in removing same.

13.2. Holding Over. If Lessee holds over or occupies a Project beyond the Lease Term, Lessee shall pay Lessor for each day of such holding-over a sum equal to the semi-annual Basic Rent prorated for the number of days of such holding over, plus a pro rata portion of all other amounts which Lessee would have been required to pay hereunder had this Lease Purchase Agreement been in effect. If Lessee holds over with or without Lessor's prior written consent Lessee shall occupy a Project on a tenancy from month to month and all other terms and provisions of this Lease Purchase Agreement shall be applicable to such period.

13.3. Limited to Legally Available Funds. Notwithstanding anything to the contrary contained herein, any obligations for Rent hereunder during any hold over period shall be solely from legally available funds of Lessee.

14. NO WAIVER OF REMEDIES; LATE PAYMENTS; ACCORD AND SATISFACTION.

(a) No failure on the part of either party to exercise, and no delay in exercising, any right or remedy provided for herein shall operate as a waiver thereof, nor shall any single or partial exercise by either party or any right or remedy provided hereunder, preclude any other or further exercise of any other right or remedy provided hereunder. Any provision of this Lease Purchase Agreement may be waived by an instrument in writing executed by the Lessee, the Lessor, the Trustee and the Bond Insurer.

(b) Whenever any payment is not made when due hereunder, the Lessee promises to pay Lessor, in addition to the amount due, interest thereon at the Maximum Interest Rate, for the period of delay.

(c) Lessor is entitled to accept, receive and cash or deposit any payment by Lessee for any reason or purpose in any amount whatsoever. No endorsement or statement on any check or letter of Lessee shall be deemed as accord and satisfaction or otherwise recognized for any purpose whatsoever. The acceptance of any such payment shall be without prejudice to Lessor's right to recover any and all amounts owed by the Lessee hereunder and Lessor's right to pursue any other available remedy.

15. RISK OF LOSS; STIPULATED LOSS VALUES.

As between Lessor and the Lessee, the Lessee hereby assumes the entire risk of loss, from any and every cause whatsoever to a Project including without limitation a loss resulting from exercise of eminent domain or condemnation with respect to all or part of a Project (collectively, an "Event of Loss"). The Rent hereunder shall not abate (in whole or in part) upon the occurrence of an Event of Loss or during the pendency of repairs following same, whether or not the Lessee is prevented from using all or any portion of a Project.

(a) Except as provided in paragraph (b) below, the Lessee shall cause the Net Proceeds of any insurance or condemnation award or of any appropriation made in connection with a self-insurance election to be applied to the prompt repair, restoration or replacement of a Project (which repair, restoration or replacement of a Project shall become part of a Project). Any such Net Proceeds shall be deposited with the Trustee in the Project Fund and shall be deposited and disbursed by the Trustee in accordance with Section 5.03.1(f)(ii) of the Trust Indenture; provided, however, that any amounts remaining after completion of such repair, restoration or replacement shall be applied as a prepayment of Basic Rent hereunder pursuant to Section 16.2 hereof. If such Net Proceeds are insufficient to pay for such repair, restoration or replacement, the Lessee shall

(from Lessee's legally available funds) deposit the amount of such deficiency with the Trustee immediately from the Reserve Fund or in the ensuing Fiscal Year upon receipt thereof and failure to do so shall constitute an Event of Lease Default hereunder.

(b) The Lessee may elect not to repair, restore or replace a Project with the Net Proceeds of any insurance or condemnation award or of any appropriation made in connection with a self-insurance election by filing a certificate with the Trustee stating (i) that it has made such election, (2) that it is not in the best interests of the Lessee to repair, restore or replace a Project, and (3) either (A) that the operation of a Project will not be materially adversely affected by not repairing, restoring or replacing portions of a Project suffering the Event of Loss or (B) that the Lessee intends to abandon and cease to operate portions of a Project; provided, further, that in the former case, there shall be an Event of Mandatory Prepayment in the amount of such Net Proceeds and in the latter case, there shall be an Event of Mandatory Prepayment in the amount of the greater of the Net Proceeds or the Stipulated Loss Value of a Project and if the Net Proceeds are insufficient therefor, the deficiency shall constitute Supplemental Rent hereunder and an amount equal to such deficiency shall be due and payable from the Lessee under this Lease Purchase Agreement either from the Reserve Fund or in the ensuing Fiscal Year.

The Stipulated Loss Value attributable to a loss of the entire Project shall be the Concluding Payment hereunder. In each case, the Stipulated Loss Value shall also include interest accrued through the date of payment computed in accordance with Section 2.8(b) hereof and any Supplemental Rent then due hereunder. Upon payment of such Stipulated Loss Value by the Lessee, such Stipulated Loss Value (or the Net Proceeds if the Net Proceeds are greater than the Stipulated Loss Value) shall be deposited to the credit of the Extraordinary Prepayment Fund.

16. CERTIFICATES: MANDATORY PREPAYMENT.

16.1. Certificates.

(a) Lessee consents and agrees that this Lease Purchase Agreement and Lessor's rights hereunder with respect to a Project and the Rent or other sums to become due hereunder (collectively referred to herein as the "Lease Rights") shall be assigned to and held by the Trustee for the benefit of the Certificate Owners and the Trustee shall execute, authenticate and deliver the Certificates evidencing an undivided interest of the Owners thereof in the Basic Rent Payments to be made hereunder. Lessee agrees to make Rent Payments directly to the Trustee.

(b) Lessor and the Lessee hereby agree that from and after the execution by the Trustee and the Lessor of the Trust Indenture and so long as same remains in effect, payment to the Trustee of any moneys or sums due hereunder shall satisfy the obligation for the payment of such moneys or sums.

16.2. Mandatory Prepayment. In the event that (a) there is an excess of Net Proceeds which is to be applied as a prepayment of Basic Rent hereunder pursuant to Section 15(a) hereof, or (b) funds in excess of an amount equal to \$250,000 remain in the Project Fund (without taking into account amounts in the Capitalized Interest Account) on a Completion Date, or (c) there occurs an Event of Mandatory Prepayment as provided in Section 15(b) hereof, same shall constitute an "Event of Mandatory Prepayment." Upon the occurrence of an Event of Mandatory Prepayment, the Lessee hereby authorizes the Trustee to credit the balance then remaining in the respective account in the Project Fund for a Series of Certificates (other than the Capitalized Interest Account thereof) to the Extraordinary Prepayment Fund to prepay a portion of the respective Series of Certificates and the amount of such prepayment of principal of Certificates shall be credited against the Principal Portion of the Basic Rent Payments hereunder in inverse order of maturity. Such prepayment shall be applied by the Trustee to such Basic Rent Payments without premium or penalty. Upon such prepayment, the remaining Basic Rent Payments relating to the applicable Series of Certificates hereunder (and the respective Interest Portion and Principal Portion of each) shall be reduced and the Concluding Payment relating to the applicable Series of Certificates recalculated pursuant to Section 18 hereof.

16.3. Sinking Fund Rent Payments. The Basic Rent Payments to be made hereunder that are characterized as a mandatory prepayment of the Principal Portion of Basic Rent due relating to Term Certificates issued hereunder as set forth in a Schedule hereto, are Basic Rent Payments hereunder and shall be deposited to the credit of the Rent Payment Fund.

16.4. Authorization to Transfer Funds. Upon the occurrence of an Event of Lease Default or an Event of Non-Appropriation hereunder, Lessee hereby authorizes the Trustee to transfer the balance, if any, in the Project Fund to the credit of the Special Prepayment Fund.

17. PREPAYMENT OPTION; PURCHASE OPTION.

17.1. Prepayment Option. The Lessee shall have the option, so long as the Lessee is not then in default under this Lease Purchase Agreement, but only with moneys provided by the Lessee, on each Optional Prepayment Date, as set forth on Exhibit C hereto, to prepay a portion of the Basic Rent Payments effective on any such Optional Prepayment Date upon fifteen (15) days' prior written notice to Lessor accompanied by the deposit of the amount of such prepaid Basic Rent with the Trustee not less than thirty (30) days prior to such date of prepayment. Any prepayment in part shall be not less than the Minimum Optional Prepayment Amount.

17.2. Option to Purchase. Lessor as "Optionor" hereby grants unto Lessee as "Optionee" the irrevocable Option (the "Option") and right to purchase a Project demised under this Lease Purchase Agreement on any Optional Prepayment Date, unless if done by defeasance hereof pursuant to Section 19 hereof, at any time hereunder; on following terms and conditions:

(a) The purchase price ("Option Price") shall be the Balance Due Lessor with respect to any Project as of the applicable Basic Rent Payment Date.

(b) So long as the Lease Term has not terminated and no event which, with the giving of notice or lapse of time or both, would constitute an Event of Lease Default hereunder, the Lessee shall have the right to exercise this Option to purchase a Project demised under this Lease Purchase Agreement at any time prior to the expiration of the Lease Term.

(c) The exercise of the Option to purchase shall be by written notice (the "Option Notice") to the Lessor sixty (60) days prior to the date set for "closing" which shall be effective when mailed or, if not mailed, when personally delivered to the Trustee and the Lessor.

(d) The "closing" pursuant to this Option shall occur upon execution and delivery of an assignment by Lessor to Lessee of all of Lessor's right, title and interest as Lessor under this Lease Purchase Agreement, as well as the execution and delivery of all other documents required to vest in Lessee the title as required hereby and the payment of the Option Price.

(e) Upon such closing, the assignment to Lessee of all of Lessor's right, title and interest as Lessor under this Lease Purchase Agreement, as well as any other necessary instruments required to vest in Lessee good and marketable and insurable title, subject only to those matters hereinbefore specifically set forth shall be recorded and the cash proceeds of such sale and purchase pursuant to this Option shall be applied pursuant to Section 19 hereof or Section 4.02 of the Trust Indenture whichever is applicable.

(f) The parties agree that the Lessee shall pay all expenses of closing including Lessor's expenses.

(g) Lessee shall have the right to record a Notice of Option in the form of Exhibit C hereto in the Public Records of the County.

18. RECALCULATION OF BASIC RENT PAYMENTS.

In the event of a prepayment in part of Basic Rent Payments under Section 16.2 or Section 17.1 hereof, the Concluding Payment applicable at the time of such prepayment shall be reduced to reflect the reduction in Principal Portion of Basic Rent outstanding hereunder and a revised schedule of Basic Rent Payments and Concluding Payments shall be prepared by the Lessor and provided to the Lessee.

19. DEFEASANCE.

With respect to the Basic Rent hereunder, all of the Basic Rent Payments shall be deemed to be paid: (i) when there is irrevocably deposited with or made available to the Trustee in trust and

irrevocably set aside exclusively for payment of the Basic Rent Payments money sufficient to pay, or non-callable Governmental Obligations which mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to pay, the Option Price on the next Optional Prepayment Date and all Basic Rent Payments payable on or before such next Optional Prepayment Date, and (ii) when all Supplemental Rent, including without limitation, all amounts and fees due or payable to the Trustee hereunder, shall have been paid or the payment thereof provided for to the satisfaction of the Trustee hereunder, shall have been paid or the payment thereof provided for to the satisfaction of the Trustee have been satisfied. When all of the Rent is deemed paid, as aforesaid, and the Trustee has received (x) an opinion of Special Counsel to the effect that the deposit of such money or non-callable Governmental Obligations in trust will not cause the Interest Portion of the Basic Rent Payments to be included in gross income for federal income tax purposes under the Code and (y) an accountant's certificate with respect to the sufficiency of the money or such non-callable Governmental Obligations so deposited, and the requirements of Section 10.04 of the Trust Indenture have been satisfied, the Lessor shall be entitled to payment solely from such money or Governmental Obligations and all right and interest of the Lessor under this Lease Purchase Agreement shall terminate and Lessor shall assign all of its right and interest in and to this Lease Purchase Agreement to the Lessee, and the Lessor shall, at Lessee's sole expense, transfer all interests in a Project it possesses to the Lessee.

20. [RESERVED]

21. LESSOR'S INDEMNITY.

To the extent permitted by Applicable Law but solely from Lessee's legally available funds, the Lessee hereby agrees to protect, indemnify, pay and save Lessor harmless from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable attorneys' fees) that Lessor may, other than as a result of the gross negligence or willful misconduct of Lessor, incur or be subject to as a consequence, direct or indirect, of (i) the execution hereof and the performance of the Lessor's obligations hereof (ii) any breach by any party of any representation or warranty, covenant, term or condition in, or the occurrence of any default under, the Certificate Documents, including all reasonable fees or expenses resulting from the settlement or defense of any claims or liabilities arising as a result of any such breach or default, (iii) the involvement in any legal suit, investigation, proceeding, inquiry or action as to which the Lessor is involved as a consequence, direct or indirect, of its execution hereof and the performance of the Lessor's obligations hereunder.

22. INTEGRATION; AMENDMENTS.

Except as explicitly provided herein, this Lease Purchase Agreement contains the entire agreement between the parties and may not be altered, modified, terminated or discharged (except in accordance with its terms) except in writing and executed by the Lessor and Lessee, and with the prior written consent of the Bond Insurer and the Trustee.

23. NOTICES; MEMORANDUM.

23.1. Notices. Any notices to be given or to be served upon any party hereto, in connection with this Lease Purchase Agreement, must be in writing and may be delivered personally, by facsimile transmission, by overnight delivery, or by certified or registered mail, return receipt requested and, if so mailed shall be deemed to have been given and received four (4) days after a registered or certified letter containing such notice, postage prepaid, is deposited in the United States mail, and if given otherwise shall be deemed to have been given when delivered to and received by the party to whom it is addressed. Such notice shall be given to the parties at their respective address set forth on Exhibit C hereto or at such other address as either party may hereafter designate to the other party in writing in accordance with the foregoing.

23.2. Memorandum. Unless mutually agreed to the contrary, simultaneously with the execution of this Lease Purchase Agreement, Lessor and Lessee shall each execute, acknowledge and deliver a Memorandum of Lease with respect to this Lease Purchase Agreement for recording in the Public Records of the County, said Memorandum of Lease shall be substantially in the form of Exhibit C hereto and shall not in any circumstances be deemed to change or otherwise to affect any of the obligations or provisions of this Lease Purchase Agreement.

24. MISCELLANEOUS.

(a) This instrument shall be deemed to have been executed and entered into within the State and any dispute arising hereunder shall be governed by the laws of the State with venue in Leon County.

(b) Any provision of this instrument in violation of the laws of the State shall be ineffective to the extent of such violation, without invalidating the remaining provisions of this instrument. In no event shall the Lessor have any cause of action against the officers or employees of the Lessee, or against any official of the Lessee based upon or materially related to any finding by any court that any or all provisions of this instrument violate Applicable Law.

(c) The Section headings used herein are for convenience or reference only and shall have no significance in the interpretation of this instrument.

(d) This Lease Purchase Agreement shall be binding upon the parties hereto only when duly executed and delivered on behalf of the Lessee and the Lessor.

(e) Time is of the essence of this Lease Purchase Agreement and of each of the covenants contained herein.

(f) This Lease Purchase Agreement may be executed in several counterparts, each of which together with a counterpart executed by each of the other parties hereto shall constitute a single original and shall constitute but one and the same agreement.

(g) For purposes of computing any period of a number of days hereunder for notices or performances (but not for accrual of interest) for periods of ten (10) days or less, only Business Days shall be counted.

(h) The Lessee represents and warrants that it has neither caused nor incurred any claims for brokers' commissions or finders' fees in connection with the execution of this Lease Purchase Agreement and, to the extent of Lessee's legally available funds and to the extent permitted by Applicable Law, indemnifies and holds Lessor harmless from and against all liabilities arising from any such claims caused or incurred by Lessee (including, without limitation, Attorney's Fees in connection therewith).

(i) This Lease Purchase Agreement is dated as of the date set forth above for convenience of reference only. The actual date of execution by each party hereto is set forth below the respective signatures for each party below and the effective date is the Issue Date.

25. Any references herein to the Bond Insurer shall be of no consequence if there is no Bond Insurer or if no Bond Insurer for the applicable Series of Certificates.

IN WITNESS WHEREOF, each of the parties hereto have caused this Lease Purchase Agreement to be executed by their duly authorized officers or agents, all as of the day and year indicated above, but effective on the Issue Date.

FLORIDA CORRECTIONAL FINANCE CORPORATION, as Lessor

ATTEST:

By: Kim Mims
Kim Mims, Secretary

By: J. D. Solie
J. D. Solie, President

STATE OF FLORIDA DEPARTMENT OF MANAGEMENT SERVICES, as Lessee

By: Linda H. South
Linda H. South, Secretary

EXHIBIT A

Requisition No. _____

U.S. Bank National Association
225 Water Street, 3rd Floor
Jacksonville, Florida 32202
Corporate Trust Department

This Certificate is provided to you pursuant to Section ___ of the Amended and Restated Master Trust Indenture dated as of February 1, 2009 (the "Trust Indenture") between the Florida Correctional Finance Corporation (the "Corporation") and you, as Trustee.

You are hereby authorized to draw an amount equal to \$_____ from the Series _____ Acquisition Account in the Project Fund established under the Trust Indenture and remit payment of said amount to _____ at the address shown on the copy of the Contractor's Payment Certificate, which is attached hereto. Such amount has not been the basis of any previous payment to the Contractor. Each item has been properly incurred and is a proper charge against the Project Fund.

Date: _____

By: _____
Authorized Department Representative

EXHIBIT B

**BAY COUNTY
CORRECTIONAL FACILITY**

COMMENCE at the Southwest Corner of Section 35, Township 2 South, Range 13 West, Bay County, Florida; thence N89°11'20"E along the South line of said Section 35 for 4597.61 feet to the Point of Beginning; thence continue N89°11'20"E along said South line of Section 35 for 764.91 feet to the Southwest Corner of Section 36, Township 2 South, Range 13 West; thence S89°41'47"E along the South line of said Section 36 for 1957.81 feet; thence N00°05'52" West for 1600.00 feet; thence N89°41'47"W for 1945.83 feet to the West line of said Section 36; thence S89°11'20"W for 776.89 feet; thence S00°05'52"E for 1599.77 feet to the Point of Beginning.

SUBJECT TO: A reserved non-exclusive easement in favor of Grantor (See Warranty Deed recorded in O.R. Book 1509, at page 638, Public Records of Bay County, Florida) for ingress and egress, stormwater management, utilities and railway purposes over the South 100 feet and the East 100 feet of the above described parcel.

TOGETHER WITH A NON-EXCLUSIVE WAY OF INGRESS AND EGRESS OVER AND ACROSS THE FOLLOWING DESCRIBED PROPERTY:

COMMENCE at the Southwest Corner of Section 35, Township 2 South, Range 13 West, Bay County, Florida; thence N89°11'20"E along the South line of said Section 35 for 4597.61 feet; thence N00°05'52"W for 750.00 feet to the Point of Beginning; thence S89°11'20"W parallel with said South line of Section 35 for 2059.97 feet to the most Easterly Corner of the first parcel described in official Records Book 1257, Page 373, of the Public Records of Bay County, Florida; thence N00°48'40"W along the East line of said parcel for 100.00 feet; thence N89°11'20"E for 2061.21 feet; thence S00°05'52"E for 100.01 feet to the Point of Beginning.

**GADSDEN COUNTY
CORRECTIONAL FACILITY**

Description of a tract located in Section 5 and Section 8 Township 2 North, Range 4 West, Gadsden County, Florida, to-wit:

COMMENCE at a concrete monument (RLS 3031) marking the Northeast Corner of Section 8, Township 2 North, Range 4 West, Gadsden County, Florida, and run thence South 00°01'00" East along the Section line a distance of 158.79 feet to the South right of way boundary of State Road 12; thence along the said South right of way boundary of State Road 12 proceed North 84°06'00" West, a distance of 593.15 feet to the Point of Beginning. From said Point of Beginning continue along said South right of way boundary of State Road 12 proceed North 84°06'00" West, a distance of 947.90 feet to the Northeast Corner of that parcel described in Official Records Book 196, Page 349 of the Public Records of Gadsden County, Florida; thence leaving the South right of way boundary of State Road 12 proceed South 05°54'00" West along the East line of said parcel described in Official Records Book 196, Page 349 of the Public Records of Gadsden County, Florida, a distance of 290 feet to the Southeast Corner of that parcel described in Official Records Book 196, Page 349 of the Public Records of Gadsden County, Florida; thence North 84°06'00" West along the South lines of those parcels described in Official Records Book 196, Page 349 and Official Records Book 203, Page 523, both of the Public Records of Gadsden County, Florida, a distance of 766.00 feet to the Southwest corner of that said parcel described in Official Records Book 203, Page 523 of the Public Records of Gadsden County, Florida; thence North 05°54'00" East along the West line of said parcel described in Official Records Book 203, Page 523 of the Public Records of Gadsden County, Florida, a distance of 290.00 feet to the said South right of way boundary of State Road 12 and the Northwest Corner of said parcel described in Official Records Book 203, Page 523, of the Public Records of Gadsden County, Florida; thence along said South right of way boundary of State Road 12 proceed North 84°06'00" West, a distance of 1194.48 feet; thence leaving said South right of way boundary of State Road 12 proceed South 00°03'14" East, a distance of 1523.82 feet to the North line of the Southeast Quarter of the Northwest Quarter of said Section 8; thence North 89°43'55" East along the said North line of the Southeast Quarter of the Northwest Quarter and the North line of the Southwest Quarter of the Northeast Quarter of said Section 8, a distance of 2165.01 feet to the Northeast Corner of said Southwest Quarter of the Northeast Quarter of said Section 8; thence South 00°01'34" East along the East line of said Southwest Quarter of the Northeast Quarter of said Section 8, a distance of 1215.24 feet; thence North 89°43'55" East, a distance of 727.35 feet; thence North 00°01'54" West, a distance of 2426.57 feet to the Point of Beginning.

**GLADES COUNTY
CORRECTIONAL FACILITY**

All of Lots 5, 6 and 7, and a portion of Lots 8, 9, 10, 11 and 12, subdivision of Section 10, Township 42 South, Range 32 East, Glades County, Florida, according to the Plat thereof recorded in Plat book 3, Page 40 of the Public Records of DeSoto County, Florida. Being more particularly described as follows:

COMMENCE at a 2" iron pipe marking the Northwest Corner of said Section 10, thence $S89^{\circ}59'55''E$ along the North line of Section 10, a distance of 60.28 feet to a State road Department right of way (R/W) concrete monument;

Thence $S00^{\circ}27'57''W$ along the East line of the State Road (SR) #78 R/W (100' in width), a distance of 20.00 feet to the Point of Beginning;

Thence $S89^{\circ}59'55''E$ along the South line of the County Road (CR) #720 North R/W, also being the North line of aforesaid lots 5 thru 8, a distance of 1260.85 feet to an iron pipe with cap marking the Northeast Corner of said Lot 5;

Thence $S00^{\circ}30'43''W$, a distance of 1320.73 feet to an iron pipe with cap marking the Southeast Corner of said Lot 5;

Thence $S00^{\circ}33'19''W$ along the East line of aforesaid Lot 12, a distance of 476.94 feet;

Thence $N89^{\circ}59'55''W$, parallel with said North line of Section 10, a distance of 1259.05 feet to the intersection with the aforesaid East R/W line of SR #78;

Thence $N00^{\circ}27'57''W$ along said East R/W line, a distance of 1797.65 feet to the Point of Beginning.

EXHIBIT C

FORM OF MEMORANDUM OF LEASE AND NOTICE OF OPTION

MEMORANDUM OF AMENDED AND RESTATED MASTER LEASE AGREEMENT WITH OPTION TO PURCHASE DATED AS OF February 1, 2009, AMENDING AND RESTATING A MASTER LEASE PURCHASE AGREEMENT WITH OPTION TO PURCHASE DATED AS OF NOVEMBER 1, 2001 AS SUPPLEMENTED BY SCHEDULE NO. _____ DATED AS OF _____ BETWEEN FLORIDA CORRECTIONAL FINANCE CORPORATION, AS LESSOR, AND THE STATE OF FLORIDA DEPARTMENT OF MANAGEMENT SERVICES, AS LESSEE

As of February 1, 2009, the Florida Correctional Finance Corporation, a Florida not-for-profit corporation, as Lessor, entered into a certain Amended and Restated Master Lease Agreement with Option to Purchase, amending and restating a Master Lease Purchase Agreement with Option to Purchase, dated as of November 1, 2001, with the State of Florida Department of Management Services (successor agency to the Correctional Privatization Corporation), as Lessee, which was supplemented as of _____ with Schedule No. _____ thereto (collectively, the "Lease Purchase Agreement") with respect to certain real property and improvements thereon, described as attached hereto on Exhibit A, for a series of one year terms aggregating approximately _____ () years, commencing on the _____ day of _____.

1. Section 8.2 of the Lease Purchase Agreement provides:

All persons to whom these presents may come are put on notice of the fact that Lessee shall never, under any circumstances, have the power to subject the interest of Lessor in a Project to any mechanic's or materialman's lien or liens of any kind.

Lessee covenants and agrees with Lessor that Lessee will not permit or suffer to be filed or claimed against the interests of Lessor in a Project during the Lease Term any lien or claim of any kind and, if such lien be claimed or filed, it shall be the duty of Lessee, within thirty (30) days after Lessee shall have been given written notice of such claim being filed in the Public Records of the County to cause a Project to be released from such claim, either by payment or by posting of a bond or by the payment into the court of competent jurisdiction the amount necessary to relieve and release a Project from such claim or in any other manner which, as a matter of law, will result within such period of thirty (30) days in releasing the Lessor from such claim.

2. Section 6 of the Lease Purchase Agreement provides:

The Lessee shall not: (i) sublease any Leased Property or any part thereof, without the prior written consent of the Bond Insurer, or (ii) assign or transfer any portion of this Lease Purchase Agreement or a Project or any part thereof, or any interest therein, or (iii) permit a Project to be used

in any manner inconsistent with Section 4.1.1 hereof, except that Lessee may add facilities on the Land paid for from its own funds and any necessary assignments or transfer shall be permitted hereby. Notwithstanding any sublease permitted hereunder, the Lessee shall not be thereby released from liability to make the Rent Payments.

The Lessee may substitute other equipment owned by the Lessee for an item of Equipment provided such substituted equipment is for the same purpose and (i) has the same or a greater remaining useful life, (ii) has a fair market value equal to or greater than the item of Equipment for which it is substituted, (iii) constitutes a Project component, (iv) such substituted equipment is free and clear of all liens and encumbrances, except the Permitted Encumbrances, (v) the Lessee is not in default of its obligations hereunder, and (vi) Lessee has title to such substituted equipment.

Lessee hereby reserves the right to construct additional corrections facilities on the Land without financing such facilities under this Lease Purchase Agreement or the Master Trust Indenture. In that regard, Lessor agrees, so long as no Event of Default or Event of Non-Appropriation has occurred and is continuing hereunder, to cooperate with Lessee in the furnishing of easements for ingress and egress, use agreements with respect to utilities and meal preparation, easements necessary for such utility functions and such other agreements for the joint use of real and personal property as are necessary or desirable in order to facilitate the acquisition, construction, equipping, operating and maintaining correctional facilities on the Land.

Lessee further reserves the right to release items of personal property and a portion of the Land from the lien hereof, of the Ground Lease and of the Master Trust Indenture if, in the judgment of the Lessee, such personal or real property is no longer needed or useful in the operation of a Project and the value of the property to be released does not exceed \$250,000. The satisfaction of the requirements of the foregoing sentence shall be evidenced by the execution by the Lessee of a certificate to that effect and delivery thereof to the Trustee. Such certificates shall be kept on file by the Trustee for a period of not less than three years.

The Lessee may acquire, construct and equip additional Projects which are financed through the issuance of a Series of Certificates under the Master Trust Indenture. At the time of issuance of such additional Series of Certificates, the Lessor and Lessee shall enter into a Schedule to this Lease Purchase Agreement, a supplemental or additional Ground Lease and Ground Sublease as may be necessary and a Supplemental Trust Indenture with respect thereto.

All alterations, changes and additions and all improvements, including leasehold improvements, made by Lessee or by Lessor in Lessee's behalf, shall become part of a Project and shall not be removed by Lessee at or prior to the end of the Lease Term without prior written consent of Lessor and Bond Insurer; provided, however, that if Lessor requests Lessee to remove same at the end of the Lease Term, Lessee shall do so at its own cost and expense.

3. Section 16.1 of the Lease Purchase Agreement provides:

Lessee consents and agrees that this Lease Purchase Agreement and Lessor's rights hereunder with respect to a Project and the Rent or other sums to become due hereunder (collectively referred to herein as the "Lease Rights") shall be assigned to and held by the Trustee for the benefit of the Certificate Owners and the Trustee shall execute, authenticate and deliver the Certificates evidencing an undivided interest of the Owners thereof in the Basic Rent Payments to be made hereunder. Lessee agrees to make Rent Payments directly to the Trustee.

4. Section 17.2 of the Lease Purchase Agreement provides:

Lessor as "Optionor" hereby grants unto Lessee as "Optionee" the irrevocable Option (the "Option") and right to purchase a Project demised under this Lease Purchase Agreement on any Optional Prepayment Date, unless if done by defeasance hereof pursuant to Section 19 hereof, at any time hereunder; on following terms and conditions:

(a) The purchase price ("Option Price") shall be the Balance Due Lessor with respect to any Project as of the applicable Basic Rent Payment Date.

(b) So long as the Lease Term has not terminated and no event which, with the giving of notice or lapse of time or both, would constitute an Event of Lease Default hereunder, the Lessee shall have the right to exercise this Option to purchase a Project demised under this Lease Purchase Agreement at any time prior to the expiration of the Lease Term.

(c) The exercise of the Option to purchase shall be by written notice (the "Option Notice") to the Lessor sixty (60) days prior to the date set for "closing" which shall be effective when mailed or, if not mailed, when personally delivered to the Trustee and the Lessor.

(d) The "closing" pursuant to this Option shall occur upon execution and delivery of an assignment by Lessor to Lessee of all of Lessor's right, title and interest as Lessor under this Lease Purchase Agreement, as well as the execution and delivery of all other documents required to vest in Lessee the title as required hereby and the payment of the Option Price.

(e) Upon such closing, the assignment to Lessee of all of Lessor's right, title and interest as Lessor under this Lease Purchase Agreement, as well as any other necessary instruments required to vest in Lessee good and marketable and insurable title, subject only to those matters hereinbefore specifically set forth shall be recorded and the cash proceeds of such sale and purchase pursuant to this Option shall be applied pursuant to Section 19 hereof or Section 4.02 of the Trust Indenture whichever is applicable.

(f) The parties agree that the Lessee shall pay all expenses of closing including Lessor's expenses.

(g) Lessee shall have the right to record a Notice of Option in the Public Records of the County.

5. Nothing herein shall be considered as in any manner changing, altering, modifying or superseding any of the covenants, agreements or conditions set forth and contained in the Lease Purchase Agreement and Schedule No. ___ thereto.

6. This Memorandum of Lease and Notice of Option shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, representatives, successors and assigns.

7. This Memorandum of Lease and Notice of Option may be executed in counterparts each of which together with a counterpart executed by the other party hereto shall be deemed an original but all of which shall be deemed one and the same instrument.

8. This Memorandum of Lease and Notice of Option shall not in any way limit or modify the terms of the Master Lease Purchase Agreement with Option to Purchase. The terms of the Master Lease Purchase Agreement with Option to Purchase as set forth herein shall control in all respects with respect to matters not covered in the provisions set forth hereinabove.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Lease and Notice of Option as of the day and year first above written.

STATE OF FLORIDA DEPARTMENT OF
MANAGEMENT SERVICES

By: _____
_____, Secretary

WITNESSES:

(Print name)

(Print name)

STATE OF FLORIDA)
COUNTY OF LEON)

The foregoing Memorandum of Lease and Notice of Option was executed and acknowledged before me this ____ day of _____, 20__, by _____ as Secretary of the STATE OF FLORIDA DEPARTMENT OF MANAGEMENT SERVICES who executed the within Memorandum of Lease and Notice of Option and acknowledged to me that [s]he did such on behalf of the Department.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year in this Assignment first above written.

NOTARY PUBLIC – STATE OF FLORIDA

Personally Known _____
OR
Produced Identification ____
Type of Identification
Produced _____

Print, Type or Stamp Commissioned
Name of Notary Public

My Commission Expires:

FLORIDA CORRECTIONAL FINANCE
CORPORATION

ATTEST:

By: _____

President

By: _____

Secretary

WITNESSES:

(Print name)

(Print name)

STATE OF FLORIDA)
COUNTY OF LEON)

The foregoing Memorandum of Lease and Notice of Option was executed and acknowledged before me this _____ day of _____, 20__ by _____ as President of the FLORIDA CORRECTIONAL FINANCE CORPORATION who executed the within Memorandum of Lease and Notice of Option and acknowledged to me that [s]he did such on behalf of the corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year in this Assignment first above written.

NOTARY PUBLIC -- STATE OF FLORIDA

Personally Known _____

OR

Produced Identification _____

Print, Type or Stamp Commissioned

Name of Notary Public

Type of Identification

Produced _____

My Commission Expires: