Version 1/6/2013

THE CITY OF VERO BEACH ELECTRIC UTILITY

ASSET PURCHASE AND SALE AGREEMENT

BY AND BETWEEN

CITY OF VERO BEACH, FLORIDA,
AS SELLER

AND

FLORIDA POWER & LIGHT COMPANY,
AS BUYER

DATED AS OF [_____], 2013

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ASSET PURCHASE AND SALE AGREEMENT

This ASSET PURCHASE AND SALE AGREEMENT (the ***"Agreement"***), dated as of [_____] 2013 (***"Effective Date"***), is made and entered into by and between the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida (***"Seller"***), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida (***"Buyer"***). Seller and Buyer are referred to individually as a ***"Party,"*** and collectively as the ***"Parties."***

W I T N E S S E T H:

WHEREAS, Seller owns and operates an electric utility in Indian River County, Florida, and wishes to exit the electric utility business;

WHEREAS, Buyer desires to purchase and assume, and Seller desires to sell and assign, certain electric utility assets and certain associated liabilities, upon the terms and conditions hereinafter set forth in this Agreement (the "***Transaction***") as part of Seller's exit strategy from the electric utility business;

WHEREAS, Buyer and Seller desire for Buyer to provide retail electric service to Seller's electric utility customers, commencing on the day that Buyer purchases from Seller such electric utility assets upon the terms and conditions hereinafter set forth in this Agreement;

WHEREAS, Seller agrees to lease to Buyer and Buyer agrees to lease from Seller the site of Seller's electric utility plant to allow Buyer to temporarily operate Seller's electric utility plant for a period of time before such electric utility plant is decommissioned and dismantled as hereinafter provided, and Buyer will then provide electric power to Seller's service area entirely through Buyer's own, broader electric utility system; and

WHEREAS, Buyer and Seller desire for the rates for retail electric service to be provided to Seller's electric utility customers to be the same as the rates for retail electric service charged by Buyer to its retail electric service customers;

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements hereinafter set forth, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions.

As used in this Agreement, the following terms have the meanings specified in this Section 1.1.

(1) ***"Acquired Assets"*** has the meaning set forth in Section 2.1.

(2) ***"Acquired Land In Fee"*** means the real property occupied by substations 3, 7, 8, 9, 10, 11, and 20 described in Exhibit U, any other real property occupied by any of the FPUA Joint Facilities (other than substation 20) that is described in Exhibit U, and the real property for a new substation described in Exhibit V.

(3) ***"Action"*** means any suit, claim, proceeding, litigation, arbitration, audit or investigation by or before any Governmental Authority or arbitral tribunal.

(4) ***"Affiliate"*** means, with respect to any Person, (i) each Person that directly or indirectly, controls or is controlled by or is under common control with such designated Person; (ii) any Person that beneficially owns or holds fifty percent (50%) or more of any class of voting securities of such designated Person or fifty percent (50%) or more of the equity interest in such designated Person; or (iii) any Person of which such designated Person beneficially owns or holds fifty percent (50%) or more of the equity interest. For the purposes of this definition, ***"control"*** (including, with correlative meanings, the terms "***controlled by***" and ***"under common control with"***), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

(5) "***After-Tax Basis***" means (a) for purposes of any provision of this Agreement that requires a payment to be made on an After-Tax Basis, such payment shall be made in an amount equal to the sum of (i) the payment to be made before adding the amounts referred to in clause (ii) of this sentence (the "***Base Payment***") and (ii) an amount equal to the sum of any and all Taxes paid or required to be paid by or on behalf of the payee as a result of receipt or recognition of such Base Payment (including, without limitation, any Taxes on such additional amounts) (the "***Additional Payment***"); provided, however, that no Additional Payment shall be payable if (A) the Base Payment is not includible in the payee's gross income, (B) the Base Payment is being made to compensate the recipient for a loss or expense that is deductible for federal Tax purposes or (C) the Base Payment compensates the payee for failure to receive an amount, other than a base payment, that would have been includible in the recipient's gross income, had such amount been received, so that the net amount actually received and retained by the payee after payment of all Taxes on the Base Payment and the Additional Payment is equal to the payment otherwise required to be made to the payee under any provision of this Agreement; and (b) for purposes of determining the After-Tax Basis, each payee shall be deemed to be subject to tax at the highest marginal (federal, state and local, as the case may be) Tax rate applicable to a Person with the same legal status as payee doing business in Florida in effect or scheduled to be in effect for the year in which receipt of the payment or payments is taxed.

(6) ***"Agreement"*** means this Asset Purchase and Sale Agreement together with the Schedules and Exhibits hereto, as the same may be amended from time to time in accordance herewith.

(7) ***"Airport Property Lease Agreements"*** means the Airport Substations 5 and 6 Lease Agreement and, if Buyer exercises the Airport Warehouse Lease Agreement Option, the Airport Warehouse Lease Agreement.

(8) ***"Airport Substations 5 and 6 Lease Agreement"*** means a lease agreement and memorandum of lease substantially in the form of Exhibit I-1 attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(f) and approved by the FAA if required by applicable Law or by the provisions of any applicable contract with or grant from the FAA, including rent in the amount of $47,658.81 per year, payable in monthly installments.

(9) ***"Airport Warehouse Lease Agreement"*** means a lease agreement and memorandum of lease substantially in the form of Exhibit I-2 attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(g) and approved by the FAA if required by applicable Law or by the provisions of any applicable contract with or grant from the FAA, including rent as set forth in Section 2.6.

(10) ***"Airport Warehouse Lease Agreement Option"*** has the meaning set forth in Section 2.6.

(11) ***"Allocation"*** has the meaning set forth in Section 3.5(b).

(12) "***All-Requirements Contract***" means that certain All-Requirements Power Supply Project Contract dated October 1, 1996, between FMPA and Seller, as amended.

(13) ***"Ancillary Agreements"*** means the Bill of Sale, Assignment and Assumption Agreement, the Assignment of Easements and Other Real Property Interests, the Vero Beach Power Plant Site Lease Agreement, the Airport Property Lease Agreements, the Capital Leases (if any), the District Sublicenses, the Pole Attachment Agreement for Seller Fiber Optic System, the Dark Fiber License Agreement, the Substation Access Agreement, the Streetlight Agreement, the Termination of Territorial Boundary Agreement, the Franchise Ordinance, and any other Contract entered into by Seller and Buyer relating to the transactions contemplated herein or at or for the Closing, as the same may be amended from time to time in accordance therewith.

(14) ***"Assignment and Assumption Agreement"*** means the Assignment and Assumption Agreement between Seller and Buyer substantially in the form of Exhibit A1 attached hereto.

(15) "***Assignment of Easements and Other Real Property Interests***" means the assignment of Easements and Other Real Property Interests, including the Substation 20 Transmission R/W, between Seller and Buyer substantially in the form of Exhibit A-2 attached hereto.

(16) ***"Assumed Contracts"*** mean the Contracts listed in Schedule 1.1(16) or any other Seller Contract, in each case as has been requested by Buyer to be assumed by Buyer at Closing by notice to Seller given not later than ninety (90) days prior to Closing.

(17) ***"Assumed Liabilities"*** has the meaning set forth in Section 2.3.

(18) ***"Assumed Pension Liability"*** has the meaning set forth in Section 6.10(f).

(19) ***"Attachment Agreements"*** means all pole attachment agreements, wireline agreements, streetlight attachment agreements, joint use agreements, CATV (cable) agreements, fiber optic agreements, franchise agreements for the placement of telecommunication facilities, fiber-optic cable or cable facilities on any of the Acquired Assets, agreements for the placement of telecommunication, cable or other ground equipment and monopoles on any of the Acquired Assets, agreements for the attachment of facilities (including by Governmental Authorities) to towers, substations, buildings, transmission or distribution poles or other facilities comprising the Acquired Assets, banner agreements, holiday lights agreements and other similar agreements.

(20) ***"Available Proceeds"*** means the sum of (i) the total aggregate amount of insurance coverage under all of Seller's policies of insurance that are applicable to the Acquired Assets that were damaged or destroyed by the relevant fire or other casualty, plus (ii) the amount (or value, if provided in the form of property or repair assistance) of assistance that Seller has been provided (or that has been committed to be provided to Seller) in any form (including cash grant, property or repair assistance) by any Person (including the Federal Emergency Management Agency of the United States or any other Governmental Authority) that may be used by Seller to cure such damage or destruction.

(21) ***"Benefit Plans"*** means each employee benefit plan as defined in Section 3(3) of ERISA, each governmental plan as defined in Section 3(32) of ERISA, and each other plan, contract, agreement, arrangement or policy, whether written or oral, qualified or non-qualified, providing for (i) compensation, severance benefits, bonuses, profit-sharing or other forms of incentive compensation; (ii) vacation, holiday, sickness or other time-off; (iii) health, medical, dental, disability, life, accidental death and dismemberment, employee assistance, educational assistance, relocation or fringe benefits or perquisites, including post-employment benefits; and (iv) deferred compensation, defined benefit or defined contribution, retirement or pension benefits.

(22) ***"Between Meter Readings Period"*** has the meaning set forth in Section 6.24.

(23) ***"Bill of Sale"*** means the Bill of Sale, substantially in the form of Exhibit B attached hereto.

(24) "***Bond Resolution***" means the City of Vero Beach Electric Revenue Bond Resolution No. 93-17 adopted on May 18, 1993, as amended.

(25) ***"Breach"*** means (a) any breach or violation of, or any inaccuracy in, any representation or warranty, (b) any breach of, or failure to perform or comply with, any condition, provision, covenant or obligation, or (c) any other violation, breach or event of default.

(26) ***"Business Books and Records"*** has the meaning set forth in Section 2.1(h).

(27) ***"Business Day"*** shall mean any day other than Saturday, Sunday and any day on which banking institutions in the State of Florida are authorized by law or other governmental action to close.

(28) ***"Business of the Vero Beach Electric Utility"*** means each of the following: (a) the ownership, operation and maintenance of the Vero Beach Electric Utility; (b) the sale and provision of electricity to the Customers; and (c) the ownership, operation and maintenance of the Streetlight Assets.

(29) ***"Buyer"*** has the meaning set forth in the preamble to this Agreement.

(30) ***"Buyer Benefit Plans"*** has the meaning set forth in Section 6.10(d).

(31) ***"Buyer Fundamental Representations"*** means the representations and warranties made in Sections 5.1, 5.2, 5.3(a)(i) and 6.7.

(32) ***"Buyer Indemnitee"*** has the meaning set forth in Section 8.1(b).

(33) ***"Buyer Remediation Responsibility"*** has the meaning set forth in Section 6.23.

(34) ***"Buyer Remediation Share"*** has the meaning set forth in Section 6.23.

(35) ***"Buyer's Required Regulatory Approvals"*** has the meaning set forth in Section 5.3(b).

(36) ***"Capital Expenditure and Maintenance Plan"*** means the document attached hereto as Schedule 1.1(36), which details the maintenance and capital expenditure schedule for the Acquired Assets through December 31, 2016.

(37) ***"Capital Improvement Notice"*** has the meaning set forth in Section 6.16(a).

(38) ***"Capital Lease Assets"*** has the meaning set forth in Section 2.5.

(39) ***"Capital Leases"*** means any one or more leases entered into between Seller, as lessor, and Buyer, as lessee, substantially in the form of Exhibit O attached hereto, pursuant to the exercise of the option by the Buyer pursuant to Section 2.5 to lease any part or parts of the Acquired Assets for a minimum term of ninety-nine (99) years rather than acquire title thereto.

(40) "***Cayenta***" means Cayenta, a division of N. Harris Computer Corporation, or successor thereto.

(41) ***"Closing"*** has the meaning set forth in Section 3.1.

(42) ***"Closing Date"*** has the meaning set forth in Section 3.1.

(43) ***"Closing Election"*** means an Immediate Closing Election, a Delayed Closing Election or a Partial Recovery Closing Election.

(44) ***"COBRA"*** means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and the rules and regulations promulgated thereunder and any similar state or local Laws.

(45) ***"Code"*** means the Internal Revenue Code of 1986, as amended.

(46) ***"Commercially Reasonable Efforts"*** mean efforts which are designed to enable a Party, directly or indirectly, to expeditiously satisfy a condition to, or otherwise assist in the consummation of, the transactions contemplated by this Agreement and which do not require the performing Party to expend any funds or assume Liabilities other than expenditures and Liabilities which are customary and reasonable in nature and amount in the context of the transactions contemplated by this Agreement.

(47) ***"Contract"*** means any agreement, contract, purchase order, lease, license, right, commitment, evidence of Indebtedness, binding bid or other legally binding arrangement.

(48) ***"Converted Represented Transferred Employees"*** means Transferred Employees who were covered by any Seller Collective Bargaining Agreement while employed with the Seller, but who will be employed by the Buyer in positions that are not subject to a collective bargaining agreement.

(49) ***"Converted Unrepresented Transferred Employees"*** means Transferred Employees who were not covered by any Seller Collective Bargaining Agreement while employed with the Seller, but who will be employed by the Buyer in positions that are subject to a collective bargaining agreement.

(50) ***"Council"*** means the City Council of the Seller.

(51) ***"Covered Loss"*** has the meaning set forth in Section 8.1(a).

(52) "***Cure Amount***" means the amount of costs that Seller will be required to pay in order prior to Closing to cure the damage to or destruction of the Acquired Assets resulting from any fire or other casualty as required by Section 6.11(c).

(53) ***"Customer"*** means any existing or possible, retail electric service customer of Seller within the Service Territory.

(54) ***"Customer Deposits"*** means the electric utility deposits collected by Seller from its electric utility customers or the portion of deposits collected from customers of electric, water and sewer utility services allocable to the electric service provided by the Seller.

(55) ***"Customer Service Assets"*** means the customer service facilities, equipment and other tangible property and assets relating to, or used in or for, the Vero Beach Electric Utility or the Business of the Vero Beach Electric Utility or located on the Real Property, including but not limited to the facilities, equipment and other tangible property and

assets that connect the Distribution Assets to each individual Customer's Delivery Point (and other property and assets associated with or ancillary thereto), Customer/premise/account data, historical consumption information, meters, remote metering equipment, and equipment needed to access the meters (e.g., keys to locked meter rooms, any meter/special/barrel lock/anchor keys), and without limiting the generality of the foregoing, specifically includes the facilities and equipment described in Schedule 1.1(55) but excluding City Hall and related office equipment. For the avoidance of doubt, Customer Service Assets do not include assets used by Seller solely for its water and sewer utility business.

(56) ***"Dark Fiber License Agreement"*** means an agreement substantially in the form of Exhibit L-1 attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(e) and approved by Indian River County and the School District of Indian River County.

(57) ***"Decommissioning"*** means the decommissioning of the Vero Beach Power Plant, the Vero Beach Power Plant Substation and related facilities on the Vero Beach Power Plant Site in accordance with the standards set forth on Schedule 1.1(57).

(58) ***"Deed"*** means a special warranty deed substantially in the form of Exhibit C attached hereto.

(59) ***"Default Rate"*** means the rate determined from time to time equal to Buyer's then-current FPSC-approved pretax cost of capital from investor sources applied on a pro-rated annual basis, which is the sum of: (a) the quotient of (i) the product of (A) Buyer's common equity ratio multiplied by (B) its allowed return on common equity, divided by (ii) one minus the Buyer's effective income tax rate; plus (b) the product of the Buyer's debt ratio (calculated as one minus its equity ratio) and the projected cost of long-term debt for a regulated electric utility with a similar Moody's credit rating to that of the Buyer. The Buyer's equity ratio, allowed return on common equity, and effective income tax rate are referenced in the most recent FPSC-issued rate order to the Buyer, as amended from time to time. The Default Rate is 12.06% on January 4, 2013, based upon the variable elements of the calculation that existed on that date and consistent with the rate settlement recently approved by the FPSC, which will be memorialized in an order.

(60) ***"Defeasance Obligations"*** means (i) direct obligations of the United States of America, (ii) obligations the timely payment of the principal of and interest on which when due are fully and unconditionally guaranteed by the United States of America, or (iii) obligations which, in the opinion of the Attorney General of the United States of America, are general obligations backed by the full faith and credit of the United States of America.

(61) ***"Delayed Closing Election"*** has the meaning set forth in Section 9.1(i).

(62) ***"Delivery Point"*** means the point on the Customer's premises where, (i) if delivery is being made through overhead wires, Seller's wires connect to Customer's wires at the Customer's weatherhead, and (ii) if delivery is being made through underground wires, Seller's wires connect to the Customer's meter can.

(63) ***"Department of Energy"*** means the United States Department of Energy and any successor agency thereto.

(64) ***"Department of Justice"*** means the United States Department of Justice and any successor agency thereto.

(65) "***Department of Labor***" means the United States Department of Labor and any successor agency thereto.

(66) "***Direct Claim***" has the meaning set forth in Section 8.2(c).

(67) ***"Dismantled Portion"*** has the meaning set forth in Section 6.23.

(68) "***Distribution Assets***" means the electric distribution facilities, equipment and other tangible property and assets relating to, or used in or for, the Vero Beach Electric Utility or the Business of the Vero Beach Electric Utility or located on the Real Property or the Vero Beach Power Plant Site, including but not limited to the facilities, equipment and other tangible property and assets that connect the Transmission Assets to the Customer Service Assets (and other property and assets associated with or ancillary thereto), distribution substation equipment, feeder circuits and associated hardware (switches and switch gear, regulators, capacitor banks, reclosers, protective equipment, etc), primary circuits, transformers, secondaries and services, and associated physical assets (including poles, conductors, cables, insulators, metering, street lights and outdoor lights), and , without limiting the generality of the foregoing, specifically includes the facilities and equipment described in Schedule 1.1(67).

(69) ***"District"*** means the Indian River Farms Water Control District.

(70) ***"District Licenses"*** means one or more agreements between the District and Seller substantially in the form of Exhibit P attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(d) and approved by the District, that relate to all of the Real Property owned by the District on which any of the Acquired Assets are located as of the Closing Date.

(71) ***"District Sublicenses"*** means one or more agreements between the Buyer and the Seller substantially in the form of Exhibit Q attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(d) and approved by the District, that provide for sublicenses with respect to each of the District Licenses entered into on the Closing Date.

(72) "***Easements***" means the electrical distribution easements, electrical transmission easements, access easements, aerial easements and other easements used in or necessary for (A) the Business of the Vero Beach Electric Utility or (B) the operation or maintenance of the Acquired Assets, including the easements identified in Schedule 1.1(72).

(73) ***"Effective Date"*** has the meaning set forth in the preamble to this Agreement.

(74) ***"Electric Utility Accounting Records"*** means all financial statements, accounting books, related records and reports of Seller relating to the Vero Beach Electric Utility or the Business of the Vero Beach Electric Utility.

(75) ***"Encumbrances"*** means any liens, charges, pledges, options, mortgages, deeds of trust, security interests, equitable interests, claims, easements, rights-of-way, leases, mineral reservations, covenants, conditional and installment sales contracts, title retention arrangements, adverse claims or restrictions of any kind, including restriction on transfer or use, option, right of first refusal, license or other right of third parties, and other encumbrances affecting title or right to property, whether imposed by Law, agreement, understanding or otherwise and whether or not of record.

(76) ***"Environment"*** means all soil, real property, air, water (including surface waters, streams, ponds, drainage basins and wetlands), groundwater, water body sediments, drinking water supply, stream sediments or land, including land surface or subsurface strata, including all fish, plant, wildlife, and other biota and any other environmental medium or natural resource.

(77) ***"Environmental Claim"*** means any and all communications, whether written or oral, alleging potential Liability, administrative or judicial actions, suits, orders, liens, notices alleging Liability, notices of violation, investigations which have been disclosed to Seller, complaints, requests for information relating to the Release or threatened Release into the Environment of Hazardous Substances, proceedings, or other communication, whether criminal or civil, pursuant to or relating to any applicable Environmental Law, by any Person (including any Governmental Authority) based upon, alleging, asserting, or claiming any actual or potential (a) violation of, or Liability under any Environmental Law, (b) violation of any Environmental Permit, or (c) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release into the Environment of any Hazardous Substances at any location related to the Acquired Assets, including, but not limited to, any off-Site location to which Hazardous Substances, or materials containing Hazardous Substances, were sent.

(78) ***"Environmental Clean-up Site"*** means any location which is listed or formally proposed for listing on the National Priorities List, the Comprehensive Environmental Response, Compensation and Liability Information System, or on any similar state list of sites requiring investigation or cleanup, or which is the subject of any action, suit, proceeding or investigation which has been disclosed to Seller for any alleged violation of any Environmental Law, or at which there has been a Release, or a threatened or suspected Release, of a Hazardous Substance.

(79) ***"Environmental Laws"*** means all Laws regarding pollution or protection of the Environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including, without limitation, Laws regarding Releases or threatened Releases of Hazardous Substances (including, without limitation, Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the

manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances. ***"Environmental Laws"*** include, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), the Oil Pollution Act (33 U.S.C. §§ 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 et seq.), the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.) only as it relates to Hazardous Substances, and all other Laws analogous to any of the above.

(80) ***"Environmental Permit"*** means any Permit under or in connection with any Environmental Law, including any and all orders, consent orders or binding agreements issued or entered into by a Governmental Authority under any applicable Environmental Law, that is used in, or necessary for, (i) the Business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Acquired Assets or the Real Property, in each case under clause (i) or (ii), as conducted prior to the Effective Date and as conducted prior to the Closing Date.

(81) ***"ERISA"*** means the Employee Retirement Income Security Act of 1974, as amended, and the applicable rules and regulations promulgated thereunder.

(82) ***"ERISA Affiliate"*** means any trade or business under Section 414(b), (c), (m) or (o) of the Code.

(83) ***"Estimated Allocation"*** has the meaning set forth in Section 3.5(a).

(84) ***"Estimated Closing Statement"*** has the meaning set forth in Section 3.3(b).

(85) ***"Excess Uncovered Loss Amount"*** means the amount by which the Final Cure Amount exceeds the sum of the Maximum Uncovered Loss Amount plus the Available Proceeds.

(86) ***"Excluded Assets"*** has the meaning set forth in Section 2.2.

(87) ***"Excluded Contracts"*** means the FMPA Agreements, the Other FMPA Agreements, the OUC-Vero Beach PPA, Seller Collective Bargaining Agreements, the Excluded Licenses, the Gas Transportation Contracts and all other Contracts that are not Assumed Contracts.

(88) "***Excluded Environmental Liabilities"*** has the meaning set forth in Section 2.4(d).

(89) "***Excluded Inventory***" means any inventory of Seller described in Schedule 1.1(89).

(90) ***"Excluded Liabilities"*** has the meaning set forth in Section 2.4.

(91) ***"Excluded Licenses"*** means those license agreements listed on Schedule 1.1(91).

(92) ***"Excluded Real Property"*** means the Grand Harbor property described in the attached Exhibit T.

(93) ***"Excluded Substations"*** means substations of Seller described on Schedule 1.1(93).

(94) ***"FAA"*** means the Federal Aviation Administration or any successor agency thereto.

(95) ***"Federal Communications Commission"*** means the United States Federal Communications Commission or any successor agency thereto.

(96) ***"Federal Power Act"*** means the Federal Power Act, as amended.

(97) ***"Federal Trade Commission"*** means the United States Federal Trade Commission or any successor agency thereto.

(98) ***"FERC"*** means the Federal Energy Regulatory Commission or any successor agency thereto.

(99) ***"Fiber Optic System"*** means the fiber optic system of Seller described on Schedule 1.1(99).

(100) "***Final Cure Amount***" has the meaning set forth in Section 9.1(i).

(101) ***"FMPA"*** means the Florida Municipal Power Agency.

(102) "***FMPA Agreements***" means all of the following Contracts: (i) St. Lucie Project Power Sales Contract dated June 1, 1982, between FMPA and Seller, as amended; (ii) St. Lucie Project Power Support Contract dated June 1, 1982, between FMPA and Seller, as amended; (iii) the Stanton Contracts and (iv) the All-Requirements Contract.

(103) ***"FPSC"*** means the Florida Public Service Commission or any successor agency thereto.

(104) ***"FPUA"*** means the Fort Pierce Utilities Authority or any successor electric utility.

(105) ***"FPUA Joint Facilities"*** means the transmission and substation facilities owned jointly by Seller and FPUA in St. Lucie County, Florida, and Indian River County, Florida, including the property identified as "Substation 20" on the schedule of the Acquired Land in Fee and the Substation 20 Transmission Line R/W.

(106) ***"FPUA Right of First Refusal"*** means the right of first refusal with respect to certain of the Acquired Assets granted by Seller to FPUA pursuant to that certain Fort Pierce – Vero Beach Tie-Line Agreement dated May 5, 1992 between Seller and FPUA.

(107) ***"Franchise Ordinance"*** means the franchise ordinance agreement substantially in the form of Exhibit E attached hereto

(108) ***"Gas Transportation Contracts"*** means that certain Form of Service Agreement Applicable to Agreements Executed After April 1, 2002 Firm Transportation Service – Market Area FTS-2, dated January 1, 2010 and that certain Form of Service Agreement Firm Transportation Service – Market Area FTS-1, dated January 1, 2010, each between OUC and Florida Gas Transmission Company, each as amended.

(109) ***"Governmental Authority"*** means any federal, state, county, city, local or other governmental, regulatory or administrative agency, body, authority (including taxing authority), official, district (including water control district), commission, department, board or other governmental subdivision, court, tribunal or arbitrating body, and any national or regional electric reliability organizations, including NERC.

(110) ***"Hazardous Substances"*** means (a) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (b) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (c) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(111) ***"Holding Company Act"*** means the Public Utility Holding Company Act of 1935, as amended.

(112) "***Immediate Closing Election***" has the meaning set forth in Section 9.1(i).

(113) ***"Income Tax"*** means any Tax (a) based upon, measured by or calculated with respect to net income, profits or receipts (including, without limitation, capital gains Taxes and minimum Taxes), or (b) based upon, measured by or calculated with respect to multiple bases (including, without limitation, corporate franchise Taxes) if one or more of the bases on which such Tax may be based, measured by or calculated with respect to, is described in clause (a), in each case together with any interest, penalties or additions to such Tax.

(114) ***"Indebtedness"*** means, with respect to any Person, at any time without duplication, (i) all indebtedness for borrowed money, (ii) all obligations for the deferred purchase price of property or services, (iii) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (iv) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person, (v) all obligations of such Person as lessee under leases that are or should be capitalized in accordance with generally accepted accounting practices, (vi) all

obligations of such Person under acceptance, letter of credit or similar facilities, (vii) all obligations of such Person in respect of any exchange-traded or over-the-counter derivative transaction, including interest rate or currency hedging agreements, and (viii) all obligations of such Person to guarantee any Indebtedness, leases, dividends or other payment obligations of such Person or any other Person.

(115) ***"Indemnifying Party"*** has the meaning set forth in Section 8.1(d).

(116) ***"Indemnitee"*** means either a Seller Indemnitee or a Buyer Indemnitee.

(117) ***"Independent Accounting Firm"*** means such independent accounting firm of national reputation as is mutually appointed by Seller and Buyer.

(118) ***"Intellectual Property"*** means the following rights, both statutory and common law rights, if applicable: (a) copyrights, registrations and applications for registration thereof, (b) trademarks, service marks, trade names, slogans, domain names, business names, logos, trade dress, and registrations and applications for registrations thereof, (c) patents, as well as any reissued and reexamined patents and extensions corresponding to the patents, and any patent applications, as well as any related continuation, continuation in part and divisional applications and patents issuing therefrom, (d) trade secrets and other confidential and proprietary information, including ideas, designs, concepts, compilations of information, methods, techniques, procedures, processes and other know-how, whether or not patentable, and (e) computer programs and other software, including source and object codes.

(119) ***"Intellectual Property Licenses"*** means those agreements related to Licensed Intellectual Property.

(120) ***"Interconnection Points"*** mean the points at which Seller's Transmission Assets connect to: (a) Seller's West Substation, (b) Buyer's Emerson Substation, and (c) the FPUA Joint Facilities.

(121) ***"Interim Period"*** has the meaning set forth in Section 6.1(a).

(122) ***"Inventory"*** means materials, spare parts, supplies, fuel, chemicals and other items of inventory relating to, or used in or for, the Vero Beach Electric Utility or the Business of the Vero Beach Electric Utility, including the Streetlight Maintenance Inventory and other items of inventory located in Seller's warehouses at the airport.

(123) ***"IRS"*** means the United States Internal Revenue Service or any successor agency thereto.

(124) ***"Knowledge"*** means (i) with respect to Buyer, the constructive or actual knowledge (after reasonable inquiry of appropriate current (and thereafter hired) employees of Buyer) of the corporate officers of the Buyer who are charged with responsibility for the particular function relating to the matter of the inquiry and (ii) with respect to Seller, the constructive or actual knowledge (after reasonable inquiry of appropriate current (and thereafter hired) employees of Seller) of the City Attorney and City Manager of Seller.

(125) ***"Law"*** means any applicable foreign, federal, state or local law, constitutional provision, statute, ordinance or other law, rule, regulation, code (including any zoning code, fire code or health and safety code), Permit, or interpretation of any Governmental Authority or any Order of or by, or any Contract with, any Governmental Authority, including all Environmental Laws and NERC standards, requirements and regulations.

(126) ***"Lease Agreements"*** mean the Vero Beach Power Plant Site Lease Agreement, the Airport Property Lease Agreements, the District Licenses and the District Sublicenses and the Capital Leases (if any).

(127) ***"Liability"*** means any direct or indirect debt, liability, commitment, Indebtedness or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, and whether due or to become due) of any kind, character or nature, or any demand, claim or Action asserted or brought against the relevant Person.

(128) "***Licensed Intellectual Property***" means the Intellectual Property described in Schedule 1.1(128).

(129) ***"Long Term Real Property Interest"*** means, as to real property, (a) fee simple absolute interest in Buyer, (b) perpetual easement in favor of Buyer or (c) ground lease with Buyer as tenant, in each case under clause (a), (b) and (c), upon terms and conditions acceptable to Buyer in its reasonable discretion and, free and clear of Encumbrances (other than Permitted Encumbrances).

(130) ***"Loss"*** or ***"Losses"*** means any and all damages, fines, fees, penalties, deficiencies, losses, Liabilities, interest, awards, judgments, claims, Actions, diminution of value and expenses (whether or not involving a third party claim), including without limitation all Remediation costs, fees of attorneys, accountants and other experts, or other expenses of litigation or proceedings or of any claim, default or assessment relating to the foregoing.

(131) ***"Material Adverse Effect"*** means any change, effect, condition, fact, circumstance or event that individually or in the aggregate is or is reasonably likely to be adverse to, or have or result in an adverse effect on, (i) the condition, operations, results of operations, prospects, assets or properties of the Acquired Assets or (ii) the Business of the Vero Beach Electric Utility, in each case under clause (i) or (ii), prior to or after the Closing Date and that, in the aggregate under clause (i) and (ii) for all such changes, effects, conditions, facts, circumstances and events, amounts to a financial or economic adverse effect of at least $10,000,000; provided, however, that (a) all adverse effects from breaches of representations, warranties, covenants or agreements of Seller hereunder, if not cured prior to the Closing after written notice from Buyer to Seller specifying such breach and adverse effect, will be determined with respect to effects thereof on Buyer after Closing, assuming that Buyer acquires the Acquired Assets and commences conducting the Business of the Vero Beach Electric Utility (whether or not Closing occurs) and irrespective of whether such representation, warranty, covenant or agreement survives Closing, and (b) none of the following shall be taken into account in determining whether there has been or will be a Material Adverse Effect: (I) any change, effect, condition, fact, circumstance or event in the economy or the electrical power

industry in general or generally affecting fuel prices; (II) any change in Buyer's policies relating to retention and compensation of or provision of benefits to Buyer's employees and the Transferred Employees, whether resulting from decisions made by Buyer, regulatory authorities, or bargaining with the union representing Buyer's employees; (III) any change in the costs anticipated to be incurred by Buyer after the Closing under the Gas Transportation Contracts; (IV) any costs to be incurred by Buyer for moving the Vero Beach Power Plant Substation and upgrading any of the other substations included as part of the Acquired Assets to provide electricity to City of Vero Beach Customers; (V) any obligations to be performed by Buyer or costs to be incurred by Buyer under the OUC-FPL PPAs; (VI) any obligations of Buyer arising under this Agreement or any of the Ancillary Agreements (other than any such obligations of Buyer arising under (x) the District Licenses and the District Sublicenses (other than the fees charged by the District to Seller as of the Effective Date), (y) the Airport Property Lease Agreements that differ from those set forth in Exhibits I-1and I-2, including rent different than as set forth in Section 2.6 for the Airport Warehouse Lease Agreement, and (z) Dark Fiber License Agreement that differ from those set forth in Exhibit L-1); or (VII) any change, effect, condition, fact, circumstance or event primarily caused by Buyer or its Affiliates. Notwithstanding anything in the foregoing to the contrary, the calculation of the aggregate amount of the financial and economic adverse effects of all changes, effects, conditions, facts, circumstances and events described above shall include, without limitation, the net present value of all costs and expenses (calculated using a discount rate that is equal to the Prime Rate determined as of the date of such calculation) that, as of the time of calculation thereof, Buyer expects to incur after Closing in connection with the ownership, operation or maintenance of the Acquired Assets or the conduct of the Business of the Vero Beach Electric Utility that will be incremental to the costs and expenses ordinarily incurred by Seller prior to the Effective Date in connection with the ownership, operation or maintenance of the Acquired Assets or the conduct of the Business of the Vero Beach Electric Utility, excluding fuel charges; provided, that such calculation shall not take into account any such incremental costs or expenses to be incurred by Buyer with respect to the Acquired Assets that (A) are not applicable to Seller as of the date of such calculation because of its status as a Florida municipality as compared with Buyer's status as a Florida for-profit corporation (such as the payment of certain taxes); or (B) set forth above in clauses (I) through (VI) of this definition.

(132) ***"Material Seller Contracts"*** shall have the meaning set forth in Section 4.14(a).

(133) "***Maximum Uncovered Loss Amount***" means ten million dollars ($10,000,000).

(134) ***"Monthly Recovery Amount"*** means seven hundred fifty thousand dollars ($750,000).

(135) ***"MOU"*** means that certain Memorandum of Understanding dated September 19, 2012 between OUC, Buyer and Seller.

(136) ***"NERC"*** means the North American Electric Reliability Corporation.

(137) ***"Non-Environmental Permit"*** means any Permit (other than an Environmental Permit) that is used in, or necessary for, (i) the Business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Acquired Assets or the Real Property, in each case under clause (i) or (ii), as conducted prior to the Effective Date and as conducted prior to the Closing Date, and specifically includes the Radio Licenses.

(138) ***"Observers"*** has the meaning set forth in Section 6.1(b).

(139) ***"Order"*** means any judgment, decision, consent, assessment, decree, injunction, stay, ruling, writ or order of or by any Governmental Authority.

(140) ***"Other FMPA Agreements"*** means that certain Interlocal Agreement Creating the Florida Municipal Power Agency entered into by Seller as of September 10, 1979, as amended, and all other Contracts relating to FMPA, including any bond resolutions but excluding the FMPA Agreements.

(141) ***"Other Real Property Interest"*** means any real property lease, easement, license (other than those interests acquired under the Easements, the Lease Agreements and the Deeds), rights of way, right to use or other right in real property, including any option for any of the foregoing or for acquisitions of real property and any crossing agreement or consent and entry agreement related to the Business of the Vero Beach Electric Utility.

(142) ***"OUC"*** means the Orlando Utilities Commission.

(143) ***"OUC Assignment Agreements"*** means (a) that certain Assignment between City of Vero Beach and Orlando Utilities Commission of a 15.202% Power Entitlement Share in the St. Lucie Nuclear Power Plant Project dated January 8, 2013 between OUC and Seller, as amended, (b) that certain Assignment between City of Vero Beach and Orlando Utilities Commission of a 32.521% Power Entitlement Share in the Stanton I Project dated January 8, 2013between OUC and Seller, as amended, and (c) that certain Assignment between City of Vero Beach and Orlando Utilities Commission of a 23.9521% Power Entitlement Share in the Stanton II Project dated January 8, 2013between OUC and Seller, as amended.

(144) ***"OUC-FPL PPAs"*** means (a) that certain Power Purchase and Sale Agreement for Stanton Unit No. 1 dated January 8, 2013between OUC and Buyer and (b) that certain Power Purchase and Sale Agreement for Stanton Unit No. 2 dated January 8, 2013between OUC and Buyer.

(145) ***"OUC Termination Agreement"*** means that certain Termination and Settlement Agreement dated January 8, 2013between OUC and Seller.

(146) ***"OUC Transfer Agreements"*** means (a) that certain Agreement between the City of Vero Beach and the Orlando Utilities Commission for the Transfer of 100% of the City of Vero Beach's Power Entitlement Share of the Florida Municipal Power Agency St. Lucie Project dated January 8, 2013between OUC and Seller, as amended, and (b) that certain Agreement between City of Vero Beach and Orlando Utilities Commission for Transfer of 100% of City of Vero Beach's Power Entitlement Share of Stanton and Stanton II Projects dated January 8, 2013between OUC and Seller, as amended.

(147) ***"OUC-Vero Beach PPA"*** means the Agreement for Purchase and Sale of Electric Energy and Capacity, Gas Transportation Capacity and Asset Management Services dated April 21, 2008 between Seller and OUC.

(148) ***"Owned Intellectual Property"*** means the Intellectual Property described in Schedule 1.1(148).

(149) "***Partial Recovery Closing Election***" has the meaning set forth in Section 9.1(i).

(150) ***"Party"*** (and the corresponding term ***"Parties"***) has the meaning set forth in the preamble to this Agreement.

(151) ***"PBGC"*** means the Pension Benefit Guaranty Corporation established by ERISA.

(152) ***"Permits"*** means all permits, licenses, approvals, immunities, entitlements, certificates (including certificates of need), authorizations, franchises, registrations, waivers, variances, exemptions, orders, notices, application, filings and consents from, to, with or issued by any Governmental Authority, including all certificates of occupancy, operating permits, sign permits, development rights and approvals, zoning, building and safety and health approvals.

(153) ***"Permitted Encumbrances"*** means: (i) as to the Real Property Interests, those exceptions to title listed in Schedule 1.1(153); (ii) Encumbrances created by any mortgage indenture or the Vero Beach Electric Utility Bonds or the Vero Beach Revenue Note that will be released prior to or at the Closing; provided, that such Encumbrances shall cease to be Permitted Encumbrances as of the Closing; (iii) statutory liens for Taxes or other governmental charges or assessments not yet delinquent; (iv) statutory liens (including mechanics' and materialmen's liens and other like statutory liens and inchoate liens incurred in connection with worker's compensation, unemployment insurance, and social security laws) arising in the ordinary course of business securing payments not yet delinquent (or any such lien for a delinquent payment that has been waived in writing by the holder thereof or any such lien for a delinquent payment for which Seller has obtained a waiver, bond or other security in accordance with applicable Law to fully protect the Acquired Assets from any and all claims that may be made on account of any such lien); (v) existing zoning, entitlement, environmental or conservation restriction and other land use and environmental regulations imposed by Governmental Authorities and any existing conditions and obligations arising under any Permit so long as such restrictions, regulations, conditions and obligations do not materially interfere with the Business of the Vero Beach Electric Utility in the ordinary course as conducted prior to the Effective Date and as conducted prior to the Closing Date; (vi) the covenants and restrictions set forth in this Agreement or in any of the Ancillary Agreements; and (vii) Encumbrances with respect to the Acquired Assets created by or resulting from the acts or omissions of Buyer. In addition, (i) when the term "Permitted Encumbrances" is used with respect to any Real Property Interests created pursuant to any Easement or any Other Real Property Interest, "Permitted Encumbrances" shall be deemed to include matters of record affecting such Real Property Interest so long as (a) such matters of record are not Encumbrances that secure any Indebtedness of Seller and (b) any

restrictions, conditions or obligations arising from such matters of record do not to Seller's Knowledge materially interfere with the Business of the Vero Beach Electric Utility in the ordinary course as conducted prior to the Effective Date and as conducted prior to the Closing Date and (ii) if Seller is unable to secure a release or satisfaction of the matter set forth in item number 3 on Schedule 4.7(b), then the matter set forth in item number 3 on Schedule 4.7(b) shall be treated for purposes of Section 4.7(c) as a "Permitted Encumbrance."

(154) ***"Person"*** means a natural person, a corporation,, a partnership, a joint venture, a corporation, a union, a limited liability company, a trust, an unincorporated organization, an association, a joint stock company, trustee, estate, real estate investment trust or any other entity or organization, including a government or political subdivision or any agency or instrumentality thereof or a Governmental Authority or any other separate legal entity recognized pursuant to Law.

(155) ***"Pole Attachment Agreement for Seller Fiber Optic System"*** means an agreement substantially in the form of Exhibit K attached hereto.

(156) ***"Post-Closing Adjustment"*** has the meaning set forth in Section 3.3(c).

(157) ***"Post-Closing Consumption Period"*** has the meaning set forth in Section 6.24.

(158) ***"Post-Closing Statement"*** has the meaning set forth in Section 3.3(c).

(159) "***Post-Closing Taxes***" means Taxes (other than Transfer Taxes to which Section 6.8(a) applies) attributable to periods (or portions thereof) beginning on or after the Closing Date, determined by closing the books at the end of the Closing Date for purposes of Income Taxes and by pro rating all other Taxes based on the number of days in the period before and after the Closing Date; provided, however, if the Acquired Assets or the Business of the Vero Beach Electric Utility were not subject to a Tax in the hands of the Seller but become subject to that Tax in the hands of the Buyer, that Tax shall be a Post-Closing Tax in its entirety.

(160) "***Pre-Closing Taxes***" means Taxes (other than Transfer Taxes to which Section 6.8(a) applies) attributable to periods (or portions thereof) ending on or before the Closing Date, determined by closing the books at the end of the Closing Date for purposes of Income Taxes and by pro rating all other Taxes based on the number of days in the taxable period before and after the Closing Date; provided, however, if the Acquired Assets or the Business of the Vero Beach Electric Utility were not subject to a Tax in the hands of the Seller but become subject to that Tax in the hands of the Buyer, no portion of that Tax shall be a Pre-Closing Tax.

(161) ***"Pre-Closing Consumption Period"*** has the meaning set forth in Section 6.24.

(162) "***Prepaid Expenses***" means all expenses (excluding pre-payments for tangible assets such as inventory or property, plant and equipment, but including prepaid maintenance expense) paid in cash before being incurred for GAAP purposes.

(163) "***Prime Rate***" shall mean, for any date, the per annum rate of interest equal to the prime lending rate as may from time to time be published in *The Wall Street Journal* under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published).

(164) ***"Proposed Post-Closing Adjustment"*** has the meaning set forth in Section 3.3(c).

(165) ***"Public Document"*** has the meaning set forth in Section 6.5.

(166) ***"Purchase Price"*** has the meaning set forth in Section 3.2.

(167) ***"Radio Licenses"*** means the Permits set forth in Schedule 1.1(167).

(168) ***"Real Property"*** means any real property on which any of the Acquired Assets are located or real property relating to, or used in or for, the Business of the Vero Beach Electric Utility.

(169) ***"Real Property Interests"*** means the interest held by Seller in Real Property.

(170) ***"Real Property Interest Instrument"*** means any license, deed, lease, easement, agreement or other instrument creating a Real Property Interest.

(171) ***"Recovery Period"*** means the period that commences on the date of notice of a Closing Election and ends on the date that is *X* months thereafter, where "*X*" is equal to the quotient (rounded up or down to the next whole number) of the Excess Uncovered Loss Amount divided by the Monthly Recovery Amount.

(172) ***"Referendum Question"*** means the referendum question relating to the sale and purchase contemplated by this Agreement set forth on Exhibit X.

(173) ***"Release"*** means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of a Hazardous Substance into the Environment or within any building, structure, facility or fixture.

(174) ***"Reliability Call Agreement"*** means that certain Reliability Call Agreement dated January 8, 2013 between OUC and FPL.

(175) ***"Remaining Portion"*** has the meaning set forth in Section 6.23.

(176) "***Remediation***" means any action of any kind required by applicable Law to address the presence or Release of Hazardous Substances, including but not limited to: (a) monitoring, investigation, assessment, treatment, cleanup containment, removal, mitigation, response or restoration work, as well as obtaining any Permits necessary to conduct any such activity; (b) preparing and implementing any plans or studies for any such activity; and (c)

obtaining a written notice from a Governmental Authority with competent jurisdiction under Environmental Laws, that no material additional work is required.

(177) ***"Representatives"*** of a Party means the Party and its Affiliates and their directors, officers, employees, agents and advisors (including, without limitation, accountants, counsel, environmental consultants, financial advisors and other authorized representatives).

(178) ***"Represented Transferred Employees"*** means any Transferred Employee whose employment with Seller was subject to any Seller Collective Bargaining Agreement and who will be employed by the Buyer in positions that are subject to a collective bargaining agreement.

(179) ***"Retained Employees"*** means all Seller Employees who are actively employed by Seller as of the Closing Date and who do not become Transferred Employees as of the Closing Date.

(180) ***"Schedules"*** means the schedules attached to this Agreement.

(181) ***"Seller"*** has the meaning set forth in the preamble to this Agreement.

(182) ***"Seller Ancillary Agreements"*** means the District Licenses and the Seller Pole Attachment Termination Agreements.

(183) ***"Seller Benefit Plans"*** has the meaning set forth in Section 4.12(a).

(184) ***"Seller Collective Bargaining Agreements"*** means the Contract between Seller and Teamsters Local Union No. 769, dated October 1, 2010 and any other Contract between Seller and any trade union, labor organization, collective bargaining representative or employee representative of any Transferred Employees concerning terms and conditions with respect to employment with Seller, as well as all modifications of, or amendments to, any such agreements.

(185) ***"Seller Contracts"*** means all Contracts (other than Excluded Contracts) relating to the Acquired Assets or the Business of the Vero Beach Electric Utility (i) that are in favor, or for the benefit, of Seller or (ii) to which Seller is a Party or by which any of its assets may be bound, including (A) the Real Property Interest Instruments, the Assumed Contracts and the Intellectual Property Licenses, (B) Contracts associated with the forecasting, modeling, management and operation of the Acquired Assets, (C) Contracts associated with emergency or wind storm preparedness and (D) Contracts leasing, or providing the right to use, to attach to or of access to, any portion of the Acquired Assets, including the Attachment Agreements.

(186) ***"Seller Defined Benefit Plan"*** means the City of Vero Beach General Employee Retirement Plan in effect on the Effective Date.

(187) ***"Seller Employee"*** means an hourly-paid or salaried employee of Seller, who receives an Internal Revenue Service Form W-2 from Seller, who is employed by Seller as of the Closing Date, and whose work responsibilities involve principally the Vero Beach Electric Utility, which employees are set forth in Schedule 6.10(a) by position.

(188) ***"Seller Executed Ancillary Agreements"*** means the OUC Termination Agreement, the OUC Assignment Agreements and the OUC Transfer Agreements.

(189) ***"Seller Fundamental Representations"*** means the representations and warranties made in Sections 4.1, 4.2, 4.3(i), 4.7(c) and 6.7.

(190) ***"Seller Indemnitee"*** has the meaning set forth in Section 8.1(a).

(191) ***"Seller Pole Attachment Termination Agreements"*** means the agreements to be negotiated and executed by Seller and each Person (other than Buyer) that attaches or uses poles of Seller, including but not limited to AT&T, Comcast and BellSouth, regarding the termination of such Person's rights relating to poles of Seller.

(192) ***"Seller's Agent(s)"*** has the meaning set forth in Section 6.1(b).

(193) ***"Seller's Past Practices"*** means the recent historical operation, maintenance and repair practices, methods and actions performed prior to the Effective Date by, or on behalf of, Seller with respect to the Acquired Assets, but in each case shall require such practices, methods and actions to be performed in a manner complying with applicable Law.

(194) ***"Service Territory"*** means the area described as Seller's service territory in the map attached hereto as Schedule 1.1(194).

(195) ***"Spare Parts"*** means those spare parts and equipment identified on Schedule 1.1(195) hereto.

(196) ***"Stanton Contracts"*** means all of the following Contracts: (a) Stanton I Power Sales Contract, dated January 16, 1984, between FMPA and Seller; (b) Stanton I Power Support Contract dated January 16, 1984, between FMPA and Seller, as amended; (c) Stanton II Power Sales Contract executed on or about May 24, 1991, between FMPA and Seller, as amended; and (d) Stanton II Project Support Contract executed on or about May 24, 1991, between FMPA and Seller, as amended.

(197) ***"Streetlight Agreement"*** means Buyer's standard form of street lighting agreement that is applicable on the Closing Date, along with Buyer's street lighting rate schedule on file at the FPSC that is effective on the Closing Date. For reference purposes only, Exhibit J contains a copy of the Streetlight Agreement that is applicable on the Effective Date. For the avoidance of doubt, the Streetlight Agreement that is required to be executed under this Agreement may be different than the form attached hereto as Exhibit J.

(198) ***"Streetlight Assets"*** means the assets described in Schedule 1.1(198) and includes the Streetlight Maintenance Inventory and all poles with Seller-owned streetlights.

(199) ***"Streetlight Maintenance Inventory"*** means the assets described in Schedule 1.1(199).

(200) ***"Substation 20 Transmission R/W"*** means the easements or other rights appurtenant to Substation 20 described in Exhibit R attached hereto.

(201) ***"Substation Access Agreement"*** means an agreement substantially in the form of Exhibit L-2 attached hereto.

(202) ***"Taxes"*** means, all taxes, charges, fees, levies, penalties or other assessments imposed by any federal, state, local, provincial or foreign taxing authority, including but not limited to, income, gross receipts, excise, real or personal property, sales, transfer, customs, duties, franchise, payroll, withholding, social security, receipts, license, stamp, occupation, employment or other taxes, including any interest, penalties or additions attributable thereto, and any payments to any state, local, provincial or foreign taxing authorities in lieu of any such taxes, charges, fees, levies or assessments. The term ***"Tax"*** means any one of the foregoing Taxes.

(203) ***"Tax Return"*** means any return, report, form, information return, declaration, claim for refund or other document (including any schedule or related or supporting information) required to be supplied to any Governmental Authority with respect to Taxes including amendments thereto, including any information return filed by a tax exempt organization.

(204) ***"Termination Date"*** means, subject to Section 9.1(i), the earlier of:

(a) December 31, 2016; and

(b) the later of:

(i) the date that is three (3) months after the effective date of the withdrawal by Seller from the All-Requirements Contract, or

(ii) the second anniversary of the Effective Date.

(205) ***"Termination of Territorial Boundary Agreement"*** means the agreement substantially in the form of Exhibit F attached hereto, to be delivered at the Closing, which terminates the Territorial Boundary Agreement between Buyer and Seller dated June 11, 1980, as amended.

(206) ***"Third Party Claim"*** has the meaning set forth in Section 8.2(a).

(207) ***"Total Compensation"*** means base pay, authorized overtime, and benefits provided under all applicable Benefit Plans.

(208) ***"Transferable Permits"*** means the Environmental Permits and the Non-Environmental Permits.

(209) ***"Transferred Employee Records"*** means all records related to Transferred Employees, including but not limited to the following information: (i) skill and development training, (ii) seniority histories, (iii) salary and benefit information, (iv) Occupational, Safety and Health Administration reports, (v) active medical restriction forms, (vi) fitness for duty, (vii) disciplinary actions, (viii) job performance appraisals and/or evaluations, (ix) employment applications, (x) bonuses, (xi) job history and (xii) access authorization records.

(210) ***"Transferred Employees"*** means all Seller Employees whose primary work responsibilities are with respect to the Acquired Assets, who are actively employed by Seller as of the Closing Date and who are offered and accept continued employment with Buyer as of the Closing Date.

(211) ***"Transfer Taxes"*** means any real property transfer, sales, use, value added, stamp, documentary, recording, registration, conveyance, stock transfer, intangible property transfer, personal property transfer, gross receipts, registration, duty, securities transactions or similar fees or Taxes or governmental charges (together with any interest or penalty, addition to Tax or additional amount imposed) as levied by any Governmental Authority in connection with the transactions contemplated by this Agreement, including, without limitation, any payments made in lieu of any such Taxes or governmental charges which become payable in connection with the transactions contemplated by this Agreement.

(212) ***"Transmission Assets"*** means the electric transmission facilities relating to, or used in or for, the Vero Beach Electric Utility or the Business of the Vero Beach Electric Utility or located on the Real Property or the Vero Beach Power Plant Site (and other property and assets associated with or ancillary thereto); including, but not limited to: the facilities, equipment and other tangible property and assets that connect the Vero Beach Power Plant and the Distribution Assets to the Interconnection Points (and other property and assets associated with or ancillary thereto), transformers, breakers, capacitor banks, switches, arresters, instrument transformers, substation structures, substations, buswork, substation battery and chargers, relay protection panels, relay communications/carriers, remote telemetry and control equipment, metering, fault recorders, sequence of event recorders, annunciators, relay vaults, substation fencing, transmission lines, conductors, transmission line structures and poles, and control buildings, and without limiting the generality of the foregoing, specifically includes the facilities and equipment described in Schedule 1.1(212)

(213) ***"Union Representative"*** means the labor union that represents the craft or class of Represented Transferred Employees and Converted Unrepresented Transferred Employees after the Closing Date.

(214) ***"Unrepresented Transferred Employees"*** means any Transferred Employees whose employment with the Seller was not subject to any Seller Collective Bargaining Agreement and who will be employed by Buyer in positions that are also not subject to a collective bargaining agreement.

(215) ***"Vehicles"*** means the vehicles listed in Schedule 1.1(215).

(216) ***"Vero Beach Electric Utility"*** means the electric utility system of electricity generation, transmission and distribution commonly known as "The City of Vero Beach Electric Utility", including the Vero Beach Power Plant.

(217) ***"Vero Beach Electric Utility Bonds"*** means the Indebtedness created or evidenced by, or arising under, the Bond Resolution, including any principal, interest, fees, penalties and other amounts payable thereunder.

(218) ***"Vero Beach Power Plant"*** means (a) the nominal 157 MW electric generating facility located on the Vero Beach Power Plant Site, consisting of five (5) generating units (two (2) of which operate in combined cycle), and including the combustion turbine generators, steam turbine generators, heat recovery steam generators, boilers, cooling tower, transformers and other structures, facilities, appliances, lines, conductors, instruments, apparatus, components and equipment comprising and integrating the entire facility, and (b) all other facilities and equipment located on the Vero Beach Power Plant Site, including the Vero Beach Power Plant Substation.

(219) ***"Vero Beach Power Plant Expectations"*** means the maintenance, repair and replacement of the Acquired Assets in a manner that complies with applicable Law, that is consistent with the Capital Expenditure and Maintenance Plan and that ensures that (a) the Vero Beach Power Plant will be capable of operation for four (4) years after the Closing Date in a manner consistent with Seller's Past Practices and (b) the other Acquired Assets (such as the Transmission Assets and the Distribution Assets) will be capable of operating indefinitely in a manner consistent with Seller's Past Practices.

(220) ***"Vero Beach Power Plant Site"*** means the real property described in Exhibit S.

(221) ***"Vero Beach Power Plant Site Lease Agreement"*** means a lease agreement and memorandum of lease substantially in the form of Exhibit G attached hereto, which includes Seller as lessor and Buyer as lessee, a term of three (3) years from the Closing Date, with an option for Buyer to extend for one (1) additional year, and rent of $1,500,000 per year payable monthly.

(222) ***"Vero Beach Power Plant Substation"*** means the substation and other transmission and distribution facilities and equipment located on the Vero Beach Power Plant Site.

(223) "***Vero Beach Revenue Note***" means the $8,247,000 City of Vero Beach, Florida Electric System Refunding Revenue Note, Series 2008, issued pursuant to the Loan Agreement, dated as of June 10, 2008, between Seller and Regions Bank, and any and all renewals or replacements thereof.

Section 1.2 Certain Interpretive Matters.

(a) Unless otherwise required by the context in which any term appears:

(i) Capitalized terms used in this Agreement shall have the meanings specified in this Article.

(ii) The singular shall include the plural, the plural shall include the singular, and the masculine shall include the feminine and neuter.

(iii) References to "Articles", "Sections", "Schedules" or "Exhibits" shall be to articles, sections, schedules or exhibits of or to this Agreement, and references to

"paragraphs" or "clauses" shall be to separate paragraphs or clauses of the section or subsection in which the reference occurs.

(iv) The words "herein", "hereof" and "hereunder" shall refer to this Agreement as a whole and not to any particular section or subsection of this Agreement; and the words "include", "includes" or "including" shall mean "including, but not limited to."

(v) The term "day" shall mean a calendar day, commencing at 12:00 a.m. (Eastern Time). The term "week" shall mean any seven consecutive day period commencing on a Sunday, and the term "month" shall mean a calendar month; provided that when a period measured in months commences on a date other than the first day of a month, the period shall run from the date on which it starts to the corresponding date in the next month and, as appropriate, to succeeding months thereafter. Whenever an event is to be performed or a payment is to be made by a particular date and the date in question falls on a day which is not a Business Day, the event shall be performed, or the payment shall be made, on the next succeeding Business Day; provided, however, that all calculations shall be made regardless of whether any given day is a Business Day and whether or not any given period ends on a Business Day.

(vi) All references to a particular Person shall include such Person's successors and permitted assigns unless otherwise specifically provided herein.

(vii) All references herein to any Law, Permit or Contract shall be to such Law, Permit or Contract as amended, supplemented or modified from time to time unless otherwise specifically provided herein.

(viii) The words "substantially in the form of" or words of similar effect when used with respect to the form of any Ancillary Agreement or other agreement or document that has been included as an Exhibit to this Agreement and that is to be executed and delivered by the Parties and/or any third party or third parties, or executed and delivered by one of the Parties or any third party or third parties, in either case after the Effective Date pursuant to, or in order to satisfy, any covenant, obligation or condition set forth in this Agreement shall refer to the applicable form that is attached to this Agreement with such changes as the Parties may otherwise agree are necessary or appropriate, with such agreement to be evidenced by the Parties' execution thereof, including, without limitation, the insertion of mutually agreeable legal descriptions following preparation of an American Land Title Association (ALTA) survey for any applicable real property; provided, that, if such agreement or document is not executed by both of the Parties and has been executed by all of the parties thereto in order to satisfy, any covenant, obligation or condition set forth in this Agreement, the Closing of the transactions contemplated by this Agreement shall evidence the Parties' agreement to any changes to such agreement or document.

(b) The titles of the articles, sections, schedules and exhibits herein have been inserted as a matter of convenience of reference only, and shall not control or affect the meaning or construction of any of the terms or provisions hereof.

(c) The Parties acknowledge and agree that (i) this Agreement (A) shall be construed and interpreted as an arms-length contract entered into by parties with equal bargaining power and (B) was negotiated and prepared by both Parties with advice of counsel to the extent deemed necessary by each Party, (ii) the Parties have agreed to the wording of this Agreement, and (iii) none of the provisions hereof shall be construed against one Party on the ground that such Party is the author of this Agreement or any part hereof.

(d) The Schedules and Exhibits hereto are incorporated in and are intended to be a part of this Agreement.

ARTICLE II
PURCHASE AND SALE

Section 2.1 Acquired Assets.

Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, at the Closing, Seller will sell, assign, convey, transfer and deliver to Buyer, and Buyer will purchase and acquire from Seller, free and clear of all Encumbrances (except for Permitted Encumbrances), all of the property, assets and rights (other than the Excluded Assets), of every kind, nature, character and description, whether real, personal or mixed, tangible or intangible, owned (or hereafter acquired), wherever located, that relate to, or are used in or for, the Vero Beach Electric Utility or the Business of the Vero Beach Electric Utility (collectively, the ***"Acquired Assets"***); provided that the Acquired Assets shall specifically include the following property, assets and rights (other than the Excluded Assets):

(a) the Vero Beach Power Plant;

(b) the Transmission Assets;

(c) the Distribution Assets;

(d) the Customer Service Assets;

(e) the leasehold interests under any Capital Leases in the Capital Lease Assets;

(f) the Vehicles;

(g) All machinery, mobile or otherwise, equipment (including computer hardware and communications equipment), tools, works in progress, fixtures, furniture and furnishings and other personal property that relate to, or are used in or for, the Vero Beach Electric Utility or the Business of the Vero Beach Electric Utility, including all Inventory and Spare Parts;

(h) All books, operating records, licensing records, quality assurance records, purchasing records, equipment repair, maintenance or service records, operating, safety and maintenance manuals, inspection reports, environmental assessments, engineering design plans, documents, blueprints and as built plans, specifications, drawings, procedures and other similar

items of Seller, wherever located, relating to or used in or for, the Vero Beach Electric Utility, other Acquired Assets or the Business of the Vero Beach Electric Utility, whether existing in hard copy or magnetic or electronic form (collectively, the ***"Business Books and Records"***);

(i) [***Reserved***];

(j) All rights, title and interest in, to and under the Real Property Interests, and any of Seller's improvements to the Real Property, together with all rights incidental or appurtenant thereto, including, without limitation, all related rights of ingress and egress;

(k) All rights, title and interest in, to and under the Transferable Permits (other than Excluded Liabilities thereunder);

(l) All rights, title and interest in, to and under Assumed Contracts (other than Excluded Liabilities thereunder) and other Seller Contracts (other than Excluded Liabilities thereunder), including any unexpired, warranties and guarantees from third parties;

(m) All rights, title and interest in, to and under the Intellectual Property Licenses;

(n) the Owned Intellectual Property;

(o) Seller's rights, title and interest in the FPUA Joint Facilities;

(p) the Streetlight Assets;

(q) the rights of Seller in and to any causes of action, Actions or claims (including, without limitation, rights under insurance policies to proceeds, refunds or distributions thereunder paid on or after the Closing Date with respect to periods before the Closing Date) and defenses against third parties (including indemnification and contribution) relating to any Assumed Liabilities;

(r) the Transferred Employee Records;

(s) the Electric Utility Accounting Records;

(t) emissions allowances and credits;

(u) All models and systems associated with the forecasting, modeling, management and operation of the Acquired Assets; and

(v) All property, assets and rights, excluding cash, associated with emergency or wind storm preparedness for the Vero Beach Power Plant or other Acquired Assets.

Notwithstanding the foregoing, the transfer of the Acquired Assets pursuant to this Agreement shall not include the assumption of any Liability related to the Acquired Assets unless Buyer expressly assumes that Liability pursuant to Section 2.3. Seller may retain a copy of all Business Books and Records and Electric Utility Accounting Records as deemed appropriate by Seller.

Section 2.2 Excluded Assets.

Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall be construed as conferring on Buyer, and Buyer is not acquiring, any right, title or interest in or to the following specific property, assets and rights (the ***"Excluded Assets"***), which are hereby specifically excluded from the sale and the definition of Acquired Assets herein and which shall remain the property of Seller after the Closing:

(a) All cash, cash equivalents, bank deposits and bank accounts, and any income, sales, payroll or other receivables relating to Taxes, in each case relating to the Acquired Assets prior to the Closing Date;

(b) All personnel records of Seller relating to the Vero Beach Electric Utility, except the Transferred Employee Records;

(c) All Benefit Plan assets, including those held in any related trust or otherwise, including without limitation, all assets related to the Seller Defined Benefit Plan;

(d) Any refund or credit (i) of Pre-Closing Taxes paid by Seller in respect of the Acquired Assets, whether such refund is received as a payment or as a credit against future Taxes, or (ii) of items paid by Seller that arose under any agreement which is part of the Acquired Assets and that relate to a period (or portion thereof) ending prior to the Closing Date;

(e) All rights in, to or under the Excluded Contracts, the Seller Ancillary Agreements and the Seller Executed Ancillary Agreements;

(f) All Customer accounts receivables for periods prior to the Closing Date;

(g) Fee ownership of the Vero Beach Power Plant Site;

(h) The Fiber Optic System;

(i) the Gas Transportation Contracts;

(j) Any vehicle that is not a Vehicle;

(k) Excluded Substations;

(l) Excluded Real Property;

(m) Excluded Inventory;

(n) the Customer Deposits;

(o) Any wastes or Hazardous Substances generated in relation to the Vero Beach Electric Utility or the Business of the Vero Beach Electric Utility prior to the Closing Date; and

(p) All rights of Seller under this Agreement and the Ancillary Agreements.

Section 2.3 Assumed Liabilities.

On the Closing Date, Buyer shall deliver to Seller the Assignment and Assumption Agreement pursuant to which Buyer shall assume and agree to discharge when due, all of the Liabilities of Seller specifically listed below, other than the Excluded Liabilities (collectively, ***"Assumed Liabilities"***):

(a) All Liabilities of Seller arising on or after the Closing Date under (i) the Real Property Interest Instruments, (ii) the Assumed Contracts, (iii) the Intellectual Property Licenses, and (iv) to the extent an Acquired Asset, the Transferable Permits, in each case under items (i) to (iv), in accordance with the terms thereof;

(b) The Assumed Pension Liability;

(c) All Liabilities of Seller with respect to Transferred Employees for which Buyer is responsible pursuant to Section 6.10; and

(d) All Liabilities for (i) Transfer Taxes for which Buyer is liable pursuant to Section 6.8(a) and (ii) Post-Closing Taxes, other than Income Taxes, if any, arising from the transactions contemplated by this Agreement.

Section 2.4 Excluded Liabilities.

Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall be construed to impose on Buyer, and Buyer shall not assume or be obligated to pay, perform or otherwise discharge, the following Liabilities (the ***"Excluded Liabilities"***), with all of such Excluded Liabilities remaining the responsibility, and as obligations hereunder, of Seller:

(a) Any Liabilities in respect of any Excluded Assets;

(b) Subject to Section 3.6, all Liabilities under or relating to the Real Property Interest Instruments, the Assumed Contracts, the Intellectual Property Licenses and the Transferable Permits (i) arising out of or relating to any event, condition, circumstance, act or omission occurring prior to the Closing Date, including any Breach that occurred prior to the Closing Date or any payment obligation arising prior to the Closing Date or invoice received prior to the Closing Date (other than invoices for Prepaid Expenses payable by Buyer pursuant to Section 3.3(a)(ii)), or (ii) for payment of goods delivered or services rendered prior to the Closing Date;

(c) Any Liability under or relating to any Seller Contract that is not an Assumed Contract;

(d) All Liabilities under or related to Environmental Laws, Environmental Permits or Environmental Claims with respect to the Business of the Vero Beach Electric Utility or the Acquired Assets relating to or arising from any event, condition, circumstance, act or omission occurring prior to the Closing Date, including relating to or arising from the presence or Release of Hazardous Substances at, on, in, under, adjacent to or migrating from the Acquired Assets or the Real Property prior to the Closing Date ("***Excluded Environmental Liabilities***");

(e) All Liabilities for (i) Transfer Taxes for which Seller is liable pursuant to Section 6.8(a) and (ii) Pre-Closing Taxes, including for the avoidance of doubt Income Taxes, if any due by Seller, arising from the transactions contemplated by this Agreement;

(f) All Liabilities with respect to the Transferred Employees relating to or arising from any event, condition, circumstance, act or omission occurring prior to the Closing Date, other than Liabilities specifically assumed by Buyer in Section 2.3(d);

(g) All Liabilities with respect to Retained Employees;

(h) Except as otherwise set forth in Section 6.10, all Liabilities relating to any Seller Benefit Plans, or any other plan, program, arrangement or policy, including accrued sick pay, established or maintained in whole or in part by Seller or by any Person (whether or not incorporated) which is or ever has been under common control, or which is or ever has been treated as a single employer, with Seller or to which Seller contributes or contributed, including, but not limited to any such Liability of Seller (i) for the termination or discontinuance of, or the Seller's withdrawal from, any such Benefit Plan (including any multiemployer plan as defined in Section 3(37) of ERISA), (ii) relating to benefits payable under any Seller Benefit Plans, (iii) with respect to noncompliance with the notice requirements of COBRA under ERISA or the Public Health Service Act, to the extent applicable, (iv) with respect to any noncompliance with the Code or any other applicable Laws, and (v) with respect to any suit, proceeding or claim which is brought against Seller, any Seller Benefit Plan or any fiduciary or former fiduciary of, any of the Seller Benefit Plans;

(i) Any Liabilities relating to the failure to hire, the employment or services or termination of employment or services of any individual, including wages, compensation, benefits, affirmative action, personal injury, discrimination, harassment, retaliation, wrongful discharge, unfair labor practices, or constructive termination by Seller of any individual, or any similar or related claim or cause of action attributable to any actions or inactions by Seller prior to the Closing Date with respect to the Acquired Assets, the Transferred Employees, independent contractors, applicants, and any other individuals who are determined by a court or by a Governmental Authority to have been applicants or employees of Seller; and

(j) Any other Liabilities not expressly assumed by Buyer pursuant to Section 2.3 or Liabilities expressly allocated to or retained by Seller in this Agreement.

Section 2.5 Capital Leases.

Notwithstanding anything to the contrary in this Agreement, Buyer shall have the option, by notice to Seller not less than three (3) Business Days prior to the Closing Date, to lease any part or parts of the Acquired Assets pursuant to one or more Capital Leases in lieu of acquiring title to such part or parts of the Acquired Assets. The Buyer's notice shall describe in reasonable detail the Acquired Assets to be leased pursuant to each such Capital Lease ("***Capital Lease Assets***"). Such option may be exercised by Buyer one or more times. At Closing, Buyer and Seller will execute and deliver each of the Capital Leases and the applicable Acquired Assets that are subject to such Capital Leases shall not be included in the other instruments of transfer or leases executed and delivered by Seller at Closing pursuant to Section 3.7. The lease payment

under the Capital Leases shall be determined by Buyer in its sole discretion, shall be paid by Buyer to Seller in full at Closing, and the amount of such lease payment shall reduce the Purchase Price on a dollar for dollar basis. The leasehold interests in the Capital Lease Assets shall be deemed Acquired Assets hereunder.

Section 2.6 Airport Warehouse Lease Agreement Option.

Notwithstanding anything to the contrary in this Agreement, Buyer shall have the option, by notice to Seller not less than three (3) Business Days prior to the Closing Date, to lease a portion of Seller's airport warehouse property pursuant to the Airport Warehouse Lease Agreement (the "***Airport Warehouse Lease Agreement Option***"), on terms set forth in the Airport Warehouse Lease Agreement, including rent (subject to Section 6.4(g)) in the amount of $117,241.60 per year, multiplied by the percentage of the total square feet of the warehouse facility that Buyer will use, payable in monthly installments. If Buyer exercises the Airport Warehouse Lease Agreement Option, then such agreement shall be an Ancillary Agreement hereunder.

ARTICLE III
THE CLOSING

Section 3.1 Closing.

Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, the sale, assignment, conveyance, transfer and delivery of the Acquired Assets to Buyer shall take place at a closing (the "***Closing***"), to be held at 700 Universe Blvd, Juno Beach, FL 33408, at 10:00 a.m. local time, or another mutually acceptable time and location, on the date that is the first day of the month following the day on which the last of the conditions precedent to Closing set forth in Article VII of this Agreement have been either satisfied or waived by the Party for whose benefit such conditions precedent exist (except with respect to those conditions which by their terms are to be satisfied at Closing), but in no event earlier than January 1, 2014 or later than the Termination Date, unless the Parties mutually agree on another date. The date of Closing is hereinafter called the ***"Closing Date."*** Except as provided in Section 6.11, the Closing shall be effective for all purposes as of 12:01 a.m. on the Closing Date. Subject to Article VII, the Parties shall cause the Closing to occur as soon as possible after the Effective Date.

Section 3.2 Purchase Price.

Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, in consideration of the aforesaid sale, assignment, conveyance, transfer and delivery of the Acquired Assets, Buyer will pay or cause to be paid to Seller in accordance with Section 3.4 the sum of One Hundred Eleven Million Five Hundred Thousand Dollars ($111,500,000) (the ***"Purchase Price"***), plus or minus any adjustments to such Purchase Price pursuant to the provisions of Section 3.3 below.

Section 3.3 Adjustment to Purchase Price.

(a) Subject to Sections 3.3(b) and 3.3(c), the Purchase Price shall be adjusted, without duplication, to account for the items set forth in this Section 3.3(a):

(i) The Purchase Price shall be adjusted to account for the items prorated as of the Closing Date pursuant to Section 3.6;

(ii) The Purchase Price shall be increased by the amount of Prepaid Expenses; and

(iii) The Purchase Price shall be adjusted in accordance with:

(1) Section 2.5;

(2) Section 6.11(b) and (c);

(3) Section 6.16(a);

(4) Section 6.17; and

(5) Section 9.1(i).

(b) No fewer than ten (10) Business Days prior to the Closing Date, Seller shall prepare in good faith and deliver to Buyer an estimated closing statement (the ***"Estimated Closing Statement"***) that shall set forth Seller's best estimate of all estimated adjustments to the Purchase Price required by Section 3.3(a) (collectively, the ***"Estimated Closing Adjustments"***) together with reasonable supporting information and documentation, which shall include a reasonably detailed explanation of the calculation of the Estimated Closing Adjustments and documentation sufficient to confirm the accuracy of such calculation. The Estimated Closing Statement shall be prepared using the same accounting principles, policies and methods as Seller has historically used in connection with the calculation of the items reflected on such Estimated Closing Statement.

(c) Within sixty (60) Business Days after the Closing Date, Seller shall prepare and deliver to Buyer a final closing statement (the ***"Post-Closing Statement"***) that shall set forth all adjustments, subject to Section 3.6(b), to the Purchase Price required by Section 3.3(a) (the ***"Proposed Post-Closing Adjustment"***) together with reasonable supporting information and documentation, which shall include a reasonably detailed explanation of the calculation of the Proposed Post-Closing Adjustments and documentation sufficient to confirm the accuracy of such calculation. The Post-Closing Statement shall be prepared using the same accounting principles, policies and methods as Seller has historically used in connection with the calculation of the items reflected on such Post-Closing Statement. Within thirty (30) days after the delivery of the Post-Closing Statement by Seller to Buyer, Buyer may object to the Proposed Post-Closing Adjustment in writing. Seller and Buyer agree to cooperate with one another to provide one another with the information used to prepare the Post-Closing Statement and information relating thereto. If Buyer objects to the Proposed Post-Closing Adjustment, the Parties shall attempt to resolve such dispute by negotiation. If the Parties are unable to resolve such dispute

within thirty (30) days after any objection by Buyer, the Parties shall appoint the Independent Accounting Firm (with the cost of such Independent Accounting Firm to be borne equally by the Parties) to review the Proposed Post-Closing Adjustment and determine, subject to Section 3.6(b), the appropriate adjustment to the Purchase Price, if any, within thirty (30) days after such appointment. The Parties agree to cooperate with the Independent Accounting Firm and provide it with such information as it reasonably requests to enable it to make such determination. The Independent Accounting Firm shall act as an expert and not as an arbitrator and shall make findings only with respect to the remaining disputes so submitted to it (and not by independent review). The finding of such Independent Accounting Firm shall be binding on the Parties hereto. Upon determination of the appropriate adjustment (the ***"Post-Closing Adjustment"***) by agreement of the Parties or by binding determination of the Independent Accounting Firm, the Party owing the difference shall deliver such amount to the other Party no later than two (2) Business Days after such determination, in immediately available funds or in any other manner as reasonably requested by the payee.

Section 3.4 Payment of Purchase Price.

(a) At the Closing, Buyer shall pay Seller the Purchase Price (as adjusted by Section 3.3).

(b) Payment of the Purchase Price shall be made by wire transfer of immediately available funds denominated in U.S. dollars or by such other means as are agreed upon by Seller and Buyer.

Section 3.5 Allocation of Purchase Price.

(a) At least thirty (30) days prior to the Closing Date, Buyer shall use Commercially Reasonable Efforts to make an estimated allocation among the Acquired Assets of the sum of the Purchase Price and the Assumed Liabilities that is consistent with the allocation methodology provided by Section 1060 of the Code and the regulations promulgated thereunder (the ***"Estimated Allocation"***). The Estimated Allocation (or other allocation determined by Buyer in its sole discretion) will be used for transfer tax and for all other Closing document purposes.

(b) Within ninety (90) days after the Closing Date, Buyer shall make an allocation among the Acquired Assets of the sum of the Purchase Price (including any adjustments thereto) and the Assumed Liabilities (together with any other relevant items) that is consistent with the allocation methodology provided by Section 1060 of the Code and the regulations promulgated thereunder (the ***"Allocation"***). Seller (to the extent Seller is required to make any such reports) shall report the transactions contemplated by this Agreement for all purposes in a manner consistent with the Allocation. Subsequent to the preparation of the Estimated Allocation and the Allocation, Buyer and Seller agree to provide the other with any information required to complete Form 8594 or other filing or report within ten (10) days of the request for such information. Buyer and Seller shall notify and provide the other with reasonable assistance in the event of an examination, audit or other proceeding relating to the allocation of the Purchase Price pursuant to this Section 3.5. Buyer and Seller shall treat the transaction contemplated by this Agreement as the acquisition by Buyer of a trade or business for United

States federal income Tax purposes and agree that no portion of the consideration shall be treated in whole or in part as the payment for services or future services.

Section 3.6 Prorations.

(a) Buyer and Seller agree that all of the items normally prorated, including those listed below (but not including Taxes), relating to the Acquired Assets and the Business of the Vero Beach Electric Utility shall be prorated as of the Closing Date to the extent such items are Assumed Liabilities, with Seller liable to the extent such items relate to any time period prior to the Closing Date, and Buyer liable to the extent such items relate to periods commencing with the Closing Date (measured in the same units used to compute the item in question, otherwise measured by calendar days):

(i) Assessments and other charges (other than Taxes), if any, relating to the ownership, use or business of the Acquired Assets;

(ii) Any prepaid expenses (including security deposits) relating to the Acquired Assets, but excluding any Prepaid Expenses payable by Buyer pursuant to Section 3.3(a)(ii);

(iii) Rent and all other items (including prepaid services or goods not included in Inventory) payable under any of the Assumed Contracts;

(iv) Any fees, charges or other payments with respect to any Transferable Permit;

(v) Sewer rents and charges for water, telephone, electricity and other utilities for the Vero Beach Power Plant and substations being acquired hereunder;

(vi) Fees or charges (other than Taxes) imposed by any Governmental Authority; and

(vii) Rent and other items (other than Taxes) payable and relating to the Real Property Interests.

(b) In connection with the prorations referred to in (a) above, in the event that actual figures are not available at the Closing Date, the proration shall be based upon the actual amounts accrued through the Closing Date or paid for the most recent year (or other appropriate period) for which actual amounts paid are available. Such prorated amounts shall be re-prorated and paid to the appropriate Party within sixty (60) days of the date that the previously unavailable actual figures become available. Prorations measured by calendar days shall be based on the number of days in a year or other appropriate period (i) before the Closing Date and (ii) including and after the Closing Date. Seller and Buyer agree to furnish each other with such documents and other records as may be reasonably requested in order to confirm all adjustment and proration calculations made pursuant to this Section 3.6.

(c) To the extent that the proration of an item under this Section 3.6 allocates a portion of such item to a period (or portion thereof) ending before the Closing Date, such portion

shall constitute an Excluded Liability. To the extent that the proration of an item under this Section 3.6 allocates a portion of such item to a period (or portion thereof) ending on or after the Closing Date, such portion shall constitute an Assumed Liability.

Section 3.7 Deliveries by Seller.

At the Closing, Seller will deliver, or cause to be delivered, the following to Buyer:

(a) Deeds for the Acquired Land In Fee, duly executed by Seller and in recordable form;

(b) The Assignment of Easements and Other Real Property Interests, each duly executed by Seller and in recordable form;

(c) The Capital Leases, if any, duly executed by Seller, together with, if any real property is leased pursuant to any such Capital Lease, a related memorandum of such lease duly executed by Seller and in recordable form;

(d) The Vero Beach Power Plant Site Lease Agreement, duly executed by Seller, together with the related memorandum of such lease, duly executed by Seller and in recordable form;

(e) The Airport Substations 5 and 6 Lease Agreement, duly executed by Seller, together with the related memorandum of such lease, duly executed by Seller and in recordable form;

(f) If Buyer exercises the Airport Warehouse Lease Agreement Option, the Airport Warehouse Lease Agreement, duly executed by Seller, together with the related memorandum of such lease duly executed by Seller and in recordable form;

(g) The District Licenses, each duly executed by the District and Seller and in recordable form;

(h) The District Sublicenses, each duly executed by Seller and in recordable form;

(i) Releases or satisfactions of Encumbrances other than Permitted Encumbrances;

(j) The affidavit, substantially in the form of Exhibit D attached hereto, and such other affidavits, certificates and other documentation as is reasonably required by Buyer's title insurer;

(k) The Bill of Sale, duly executed by Seller;

(l) The Assignment and Assumption Agreement, duly executed by Seller;

(m) Copies of any and all Governmental Authority and other third party consents, waivers or approvals obtained by Seller with respect to the transfer of the Acquired Assets to Buyer, or the consummation of the transactions contemplated by this Agreement;

(n) All other Ancillary Agreements, duly executed by Seller, as applicable;

(o) All Seller Ancillary Agreements, duly executed by Seller and the other parties thereto, as applicable;

(p) Copies, certified by the City Clerk of Seller, of evidence of approval by the City Council of the Transaction, the Agreement, the Seller Ancillary Agreements, the Seller Executed Ancillary Agreements and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby (including the execution and delivery hereof and thereof), in the form of a written resolution adopted by the City Council, signed by the Mayor of the Seller and attested to by the City Clerk;

(q) A certificate of the City of Vero Beach Canvassing Board, filed with the City Clerk, evidencing that a majority of the votes cast voted in favor of the Referendum Question, at a referendum, duly called and held by the City of Vero Beach on a date not later than ninety (90) days after the Effective Date;

(r) To the extent available, originals of the Seller Contracts, the Transferred Employee Records and the Transferable Permits and, if not available, true and correct copies thereof, in all cases together with notices to and, if required by the terms thereof, consents by other Persons which are parties to the Assumed Contracts, Real Property Interest Instruments and Transferable Permits;

(s) All such other instruments of assignment, transfer or conveyance as shall, in the reasonable opinion of Buyer and its counsel, be necessary or desirable to transfer to Buyer Seller's interest in the Acquired Assets, in accordance with this Agreement and where necessary or desirable in recordable form;

(t) Such other agreements, consents, documents, instruments and writings as are required to be delivered by Seller at or prior to the Closing Date pursuant to this Agreement or the Ancillary Agreements;

(u) Estoppel certificates, substantially in the form of Exhibit W attached hereto, duly executed by each of the Persons other than Seller which are parties to the Assumed Contracts;

(v) A complete list of Seller Employees as of the Closing Date by name and by position;

(w) All documentation as shall, in the reasonable opinion of Buyer or its counsel, be necessary for Buyer to meet its obligations with respect to Section 6.10 of this Agreement; and

(x) Such affidavits, releases, certificates or other evidence required pursuant to the Buyer's title commitment in a form reasonably satisfactory to the title insurer to delete from such title commitment and final title insurance policy those matters set forth in Schedule 4.7(b) that are not Permitted Encumbrances.

Section 3.8 Deliveries by Buyer.

At the Closing, Buyer will deliver, or cause to be delivered, the following to Seller:

(a) The Purchase Price payable pursuant to Section 3.4(a), as adjusted pursuant to Section 3.3;

(b) The Vero Beach Power Plant Site Lease Agreement, duly executed by Buyer;

(c) The Airport Substations 5 and 6 Lease Agreement, duly executed by Buyer;

(d) If Buyer exercises the Airport Warehouse Lease Agreement Option, the Airport Warehouse Lease Agreement, duly executed by Buyer;

(e) The Capital Leases, if any, duly executed by Buyer;

(f) The District Sublicenses, each duly executed by Buyer;

(g) The Assignment of Easements and Other Real Property Interests, each duly executed by Buyer;

(h) All other Ancillary Agreements, duly executed by Buyer, as applicable;

(i) Copies, certified by the Secretary or any Assistant Secretary of Buyer, of resolutions authorizing the execution and delivery of this Agreement, and all of the agreements and instruments to be executed and delivered by Buyer in connection herewith, and the consummation of the transactions contemplated hereby;

(j) A certificate of the Secretary or any Assistant Secretary of Buyer identifying the name and title and bearing the signatures of the officers of Buyer authorized to execute and deliver this Agreement, and the other agreements contemplated hereby;

(k) A certificate of good standing with respect to Buyer, issued by the Secretary of the State of Florida;

(l) All such other instruments of assumption as shall, in the reasonable opinion of Seller and its counsel, be necessary for Buyer to assume the Assumed Liabilities in accordance with this Agreement; and

(m) Such other agreements, documents, instruments and writings as are required to be delivered by Buyer at or prior to the Closing Date pursuant to this Agreement.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer as follows:

Section 4.1 Organization.

Seller is a duly created and validly existing municipal corporation under the Constitution and laws of the State of Florida and has all requisite power and authority to own, lease, and operate its properties and to carry on its business as is now being conducted.

Section 4.2 Authority Relative to this Agreement.

Seller has full power and authority to execute and deliver this Agreement, the Seller Ancillary Agreements, the Seller Executed Ancillary Agreements and the Ancillary Agreements and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement, the Seller Ancillary Agreements, the Seller Executed Ancillary Agreements and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary action required on the part of Seller and no other proceedings on the part of Seller are necessary to authorize this Agreement, the Seller Ancillary Agreements, the Seller Executed Ancillary Agreements or the Ancillary Agreements or to consummate the transactions contemplated hereby and thereby, including authorization of the Mayor of the City to execute contracts and the City Manager to take all other actions on behalf of Seller (including the spending of monies) required for satisfaction of all conditions, covenants and obligations of Seller under the Agreement (including authorization to close the Transaction), the Seller Ancillary Agreements, the Seller Executed Ancillary Agreements and the Ancillary Agreements. This Agreement has been duly and validly executed and delivered by Seller and at Closing, the Seller Ancillary Agreements, the Seller Executed Ancillary Agreements and the Ancillary Agreements will be duly and validly executed and delivered by Seller, and assuming that this Agreement and the applicable Ancillary Agreements constitute valid and binding agreements of Buyer, this Agreement, the Seller Ancillary Agreements, the Seller Executed Ancillary Agreements and the Ancillary Agreements constitute the legal, valid and binding agreement of Seller, enforceable against Seller in accordance with their respective terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

Section 4.3 Consents and Approvals; No Violation

Subject to the receipt of the third-party consents set forth in Schedule 4.3, neither the execution and delivery of this Agreement, the Seller Ancillary Agreements, the Seller Executed Ancillary Agreements or the Ancillary Agreements by Seller nor the consummation by Seller of the transactions contemplated hereby or thereby will (i) conflict with or result in the breach or violation of any provision of the charter or other organizational or governing documents of Seller, or of resolutions of any governing body of Seller; (ii) require any consent or other action by any Person, or result in a default (or give rise to any right of termination, cancellation or

acceleration), under any of the terms, conditions or provisions of any Contract to which Seller is a party or by which Seller or any of the Acquired Assets may be bound, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained or which, with respect to Contracts that are not Real Property Interest Instruments, Assumed Contracts, Intellectual Property Licenses or Material Seller Contracts, would not, individually or in the aggregate, have a Material Adverse Effect; (iii) violate any Law of, or applicable to, Seller or any of its assets, which violation, individually or in the aggregate, would create a Material Adverse Effect; or (iv) result in the imposition or creation of an Encumbrance (other than a Permitted Encumbrance) on any of the Acquired Assets.

Section 4.4 Reports.

Seller has filed or caused to be filed with the applicable federal, state and/or local utility commissions or regulatory bodies (including NERC and other national and regional electric reliability organizations), as the case may be, all material forms, statements, reports and documents (including all exhibits, amendments and supplements thereto) required to be filed by Seller with respect to the Acquired Assets or the Business of the Vero Beach Electric Utility under applicable Law. All such filings complied in all material respects with all applicable requirements therefor in effect on the date each such form, statement, report and document was filed.

Section 4.5 Undisclosed Liabilities.

Except as set forth in Schedule 4.5, the Acquired Assets are not subject to any Liability or obligation (whether absolute, accrued, contingent or otherwise) that is not reflected in the "Electric Utility" portion of the City of Vero Beach comprehensive annual financial report for 2011, including the notes thereto, as of September 30, 2011 and other than Liabilities incurred in the ordinary course of the Business of the Vero Beach Electric Utility.

Section 4.6 Absence of Material Adverse Effect.

Since September 30, 2011, except as set forth in Schedule 4.6, there has not been any Material Adverse Effect.

Section 4.7 Real Property, Title and Related Matters.

(a) [Reserved].

(b) Schedule 4.7(b) contains a list of all Encumbrances (other than Permitted Encumbrances) relating to or affecting the Acquired Land In Fee, the Vero Beach Power Plant Site, the Easements and any leasehold interests under any Lease Agreements for which Seller will secure a release or satisfaction before Closing.

(c) The Seller has good and marketable title to each parcel of Acquired Land In Fee, and to Seller's Knowledge for any real property as to which Seller has an option or purchase and sale agreement to acquire and which relates to the Business of the Vero Beach Electric Utility, the optionor or seller has good and marketable title to the real property subject to such option, free and clear of all Encumbrances, except Permitted Encumbrances. Seller has

good and valid title to each Acquired Asset constituting personal property or a fixture free and clear of all Encumbrances, except Permitted Encumbrances. At the Closing, Buyer will receive: (A) with respect to each parcel of Acquired Land In Fee, good and marketable title, free and clear of all Encumbrances, except Permitted Encumbrances; (B) with respect to each Easement, to Seller's Knowledge, good and valid title, free and clear of all Encumbrances, except Permitted Encumbrances; and (C) with respect to each Acquired Asset not constituting Acquired Land In Fee or an Easement, good and valid title, free and clear of all Encumbrances, except Permitted Encumbrances. Except for the FPUA Right of First Refusal, there are no outstanding rights, options, agreements or other commitments giving any Person any current or future right to require the Seller or, following the Closing, the Buyer, to sell or transfer to such Person or to any third Person any interest in any of the Acquired Assets.

(d) Except for the real property that is the subject of the Airport Property Lease Agreements, Seller does not lease any Real Property. Seller has a valid and subsisting leasehold interest in, and the right to quiet enjoyment of, the real property that is the subject of the Airport Property Lease Agreements for the full term of the applicable lease, free and clear of all Encumbrances other than Permitted Encumbrances. To the Knowledge of Seller, Seller has a valid and subsisting easement interest in, and the right to quiet enjoyment of, any parcel of the real property under easement by Seller for the full term of the applicable easement, free and clear of all Encumbrances other than Permitted Encumbrances. To the Knowledge of Seller, Seller has a valid and subsisting real property interest in, under and to any Other Real Property Interests instrument for the full term of the applicable instrument, free and clear of all Encumbrances other than Permitted Encumbrances. There have been no oral leases or oral amendments to any such lease.

(e) Each Real Property Interest Instrument with respect to any Acquired Land In Fee or with respect to real property that is the subject of any Lease Agreement is in full force and effect and constitutes a legal, valid and binding obligation of Seller and enforceable against Seller and, to Seller's knowledge, constitutes a legal, valid and binding obligation of the other parties thereto and enforceable against the other parties thereto. For Real Property Interests Instruments other than those relating to the Acquired Land in Fee and the Lease Agreements, to the Knowledge of Seller, each Real Property Interest Instrument with respect to any such Real Property Interest is in full force and effect and constitutes a legal, valid and binding obligation of Seller and enforceable against Seller and constitutes a legal, valid and binding obligation of the other parties thereto and enforceable against the other parties thereto.

(f) There is not, under any Real Property Interest Instrument with respect to any Acquired Land In Fee or with respect to real property that is the subject of any Lease Agreement, any material breach, violation or default (or any condition or event which, with notice or lapse of time or both, would constitute a default on the part of Seller, or to the Knowledge of Seller, on the part of any of the parties thereto). For Real Property Interest Instruments other than those relating to the Acquired Land in Fee and the Lease Agreements, to the Knowledge of Seller, there is not, under any such Real Property Interest Instrument with respect to any Real Property Interest, any material breach, violation or default (or any condition or event which, with notice or lapse of time or both, would constitute a default on the part of Seller, or to the Knowledge of Seller, on the part of any of the parties thereto).

(g) Except for the Real Property Interest Instruments, the MOU, the Seller Executed Ancillary Agreements and any other instruments identified in Schedule 4.7(b), to the Knowledge of Seller, there are no written or oral agreements between Seller and any other party regarding (i) the matters set forth in, or the transactions contemplated by, the Real Property Interest Instruments, the Seller Ancillary Agreements, the Seller Executed Ancillary Agreements or the Ancillary Agreements or (ii) the Real Property or the Real Property Interests.

(h) Each Real Property Interest Instrument with respect to any Acquired Land In Fee and with respect to real property that is the subject of any Lease Agreement has been properly recorded, or a memorandum of such Real Property Interest Instrument has been properly recorded, in accordance with applicable Laws.

(i) To Seller's knowledge, each parcel of Real Property has not been abandoned by Seller and is in the possession or under the control of Seller.

(j) To Seller's Knowledge, there are no other third party real property interests or permitted uses which conflict in any material manner with the operation or maintenance of the Acquired Assets or the Business of the Vero Beach Electric Utility with respect to any of the Real Property Interests.

(k) [Reserved]

(l) All Real Property and Real Property Interests with respect to any Acquired Land In Fee or any Lease Agreement comply with all existing subdivision, land use and zoning ordinances, regulations and restrictions, and to Seller's knowledge, there is no Action pending by any Governmental Authority threatened against or affecting any Acquired Assets or any Real Property before any Governmental Authority. For Real Property Interests other than those relating to the Acquired Land in Fee and the Lease Agreements, to the Knowledge of Seller, all such Real Property and Real Property Interests comply with all existing subdivision, land use and zoning ordinances, regulations and restrictions, and there is no Action pending by any Governmental Authority, or to Seller's Knowledge, threatened against or affecting any such Real Property Interests before any Governmental Authority.

(m) There exist no outstanding covenants or agreements in connection with the zoning of the Real Property (or any portion thereof) relating to any Acquired Land In Fee or any Lease Agreement which would bind or require Buyer to perform any actions or pay any monies in connection therewith. To Seller's knowledge, there exist no outstanding covenants or agreements in connection with the zoning of the Real Property or any portion thereof (other than those relating to any Acquired Land In Fee or any Lease Agreement) which would bind or require Buyer to perform any actions or pay any monies in connection therewith

(n) Seller has delivered to Buyer prior to the Effective Date true and complete copies of all deeds, easements, leases, licenses, Permits, crossing agreements, right of entry agreements, mortgages, deeds of trust, site access agreements, certificates of occupancy, title insurance policies, updated title commitments or reports, and surveys and similar documents and amendments thereto which, after a complete and thorough review of Seller's records, are in Seller's possession relating to any Real Property Interests.

(o) [Reserved]

(p) Seller has not received written notice, and Seller does not have any Knowledge, of:

(i) except as disclosed in Schedule 4.7(p)(i), any pending or threatened proceedings in eminent domain, for rezoning or otherwise, which would affect any Real Property Interest, any Real Property or any portion thereof or any improvement thereon that is an Acquired Asset;

(ii) except as disclosed in Schedule 4.7(p)(ii), any pending or threatened public improvements or special assessments or Encumbrances by any Governmental Authority and/or violations that could reasonably be expected to result in any charge being levied or assumed or in the creation of any Encumbrance, that could reasonably be expected to affect any Real Property Interest, any Real Property, or any portion thereof or any improvement thereon that is an Acquired Asset;

(iii) except as disclosed in Schedule 4.7(p)(iii), any plan, study or effort by any Governmental Authority to widen, modify or realign any street or road in which any Acquired Assets are located, or providing access to the Real Property or any portion thereof, or that in any other way could reasonably be expected to materially affect Seller's current or intended use thereof;

(iv) any violations on the Real Property or any portion thereof of any covenants, conditions or restrictions applicable thereto or of any term or provision of any Real Property Interest Instrument;

(v) except for the Permitted Encumbrances, (i) Acquired Assets located on any Real Property encroaching onto adjoining lands, any easements, or other interests in favor of third parties, or (ii) any third party structures or improvements encroaching on portions of the Real Property occupied by Acquired Assets;

(vi) any material inaccuracies or omissions in any survey, map, plan, preliminary report or title policy, provided in final form, delivered to Buyer by or on behalf of Seller; or

(vii) except as disclosed in Schedule 4.7(p)(vii), (A) any mining, mineral or water extraction or development projects in progress or planned to commence on or under any Real Property or any portion thereof or (B) defects or conditions of the soil or land, including but not limited to any wetlands, which could reasonably be expected to impair the use of any Real Property Interests, any Real Property or any improvements thereon that are Acquired Assets.

(q) Except for amounts payable or receivable as set forth in Schedule 4.7(q) or as set forth in any Lease Agreement, there are no other rents, fees, royalties, water or sewer charges, taxes or assessments or other amounts payable or receivable by Seller or Buyer in connection with any Real Property Interest or Real Property or any tenancies, licenses,

occupancies or co-tenancies related to any Real Property Interests, any Real Property or any improvements thereon that are Acquired Assets.

(r) No Real Property Interest or Real Property (or any portion thereof) relating to any Acquired Land In Fee or any Lease Agreement or any improvement thereon that is an Acquired Asset, or the uses conducted thereon, violate any Law or Order. To Seller's knowledge, no Real Property Interest or Real Property (or any portion thereof) other than those relating to the Acquired Land in Fee and the Lease Agreements or any improvement thereon that is an Acquired Asset, or the uses conducted thereon, violate any Law or Order.

(s) Except for instruments constituting Permitted Encumbrances, the Lease Agreements and the Real Property Interests, there are no commitments or agreements with any Governmental Authority or public or private utility affecting any Real Property Interest, any Real Property or any portion thereof or any improvement thereon that is an Acquired Asset, Acquired Land In Fee or leasehold interests that are Real Property Interests, that are not disclosed in this Agreement. For Real Property Interests other than those relating to the Acquired Land in Fee and the Lease Agreements, except for the Permitted Encumbrances, the Lease Agreements and the Real Property Interests, to the Knowledge of Seller, there are no commitments or agreements with any Governmental Authority or public or private utility affecting any such Real Property Interest, any Real Property or any portion thereof or any improvement thereon that is an Acquired Asset.

(t) Except for Permitted Encumbrances, or as disclosed in Schedule 4.7(t), there are no Encumbrances, covenants, conditions, reservations, restrictions, easements or other matters affecting any Acquired Land In Fee or leasehold interests that are Real Property Interests. For Real Property Interests other than those relating to the Acquired Land in Fee and the Lease Agreements, except for Permitted Encumbrances, or as disclosed in Schedule 4.7(t), to the Knowledge of Seller, there are no Encumbrances, covenants, conditions, reservations, restrictions, easements or other matters affecting any such Real Property Interest, any Real Property or any portion thereof or any improvement thereon that is an Acquired Asset.

(u) Except as disclosed in Schedule 4.7(u), to Seller's Knowledge, there are no other facts or conditions relating to any Real Property Interest, any Real Property or any portion thereof, or any improvement thereon, that could have a Material Adverse Effect.

(v) Schedule 4.7(v) contains a true and correct list of all mortgages, deeds of trusts and other agreements or instruments creating a security interest in any Real Property Interest, any Real Property or any portion thereof or any improvement thereon that is an Acquired Asset.

Section 4.8 Operability; Condition of the Vero Beach Electric Utility; Sufficiency of Real Property Interests.

(a) The Acquired Assets constitute all of the assets, property and rights used in, or necessary for, the Business of the Vero Beach Electric Utility in the manner in which it has been operated since January 1, 2011, and, except as disclosed in Schedule 4.8, the Acquired

Assets are currently in conditions sufficient to operate the Vero Beach Electric Utility at its full capacity.

(b) Except as set forth in the Capital Expenditure and Maintenance Plan and taking into account the Vero Beach Power Plant Expectation, no Acquired Asset is in need of any repair or replacement that either (i) is known to Seller or (ii) would be disclosed by visual inspection or Seller's Past Practices.

(c) As of the Closing Date and immediately after giving effect to the consummation of the transactions contemplated by this Agreement, Buyer will have acquired all of Seller's interest in Seller's Long Term Real Property Interests with respect to each parcel of real property (i) on which the Acquired Assets are located or (ii) that is used in or necessary for (A) the Business of the Vero Beach Electric Utility or (B) the operation or maintenance of the Acquired Assets.

Section 4.9 Insurance.

Schedule 4.9 sets forth all material policies of property damage, fire, liability, worker's compensation and other forms of insurance relating to the Acquired Assets. Such policies are in full force and effect, all premiums with respect thereto covering all periods up to and including the date as of which this representation is being made have been paid, and no written notice of cancellation, non-renewal or termination has been received with respect to any such policy which was not replaced on substantially similar terms prior to the date of such cancellation. No insurance with respect to the Acquired Assets has been refused nor has its coverage been limited by any insurance carrier to which it has applied for any such insurance or with which it has carried insurance during the past three (3) years, and all required notices have been sent to insurers to preserve all material claims under the aforementioned insurance policies.

Section 4.10 Environmental, Licensing and Governmental Approval Matters.

Except as disclosed in Schedule 4.10:

(a) Seller has obtained and holds all Environmental Permits, each such Environmental Permit is in full force and effect, Seller is in compliance with all of its obligations thereunder, there are no proceedings pending or, to Seller's Knowledge, threatened that would reasonably be expected to result in the revocation, termination, suspension, modification or amendment of any Environmental Permit, and the Seller has not failed to make in a timely fashion any application or other filing required for the renewal of any Environmental Permit which failure would reasonably be expected to result in any Environmental Permit being revoked, terminated, suspended or adversely modified. No Environmental Permit will terminate or be subject to termination or revocation as a result of the transactions contemplated by this Agreement;

(b) (i) The Real Property Interests and Real Property (or any portion thereof) relating to any Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, and the uses conducted thereon, and the Business of the Vero Beach Electric Utility that is related to the Real Property Interests and Real Property (or any portion thereof) relating to any

Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, and the uses conducted thereon, are in compliance in all material respects with all terms, conditions and provisions of all Environmental Laws and Environmental Permits, (ii) to Seller's Knowledge, the Real Property Interests and Real Property (or any portion thereof) and the Business of the Vero Beach Electric Utility (other than the Real Property Interests and Real Property (or any portion thereof) relating to the Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, and the uses conducted thereon, and the Business of the Vero Beach Electric Utility that is related to the Real Property Interests and Real Property (or any portion thereof) relating to any Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, and the uses conducted thereon), are in compliance in all material respects with all terms, conditions and provisions of all Environmental Laws and Environmental Permits, and (iii) Seller has not received any written notice from any Governmental Authority that the Acquired Assets, the Real Property and the Business of the Vero Beach Utility are not or have not been in compliance with, any Environmental Law or any Environmental Permit;

(c) (i) There are no Environmental Claims pending against Seller or, to Seller's Knowledge, threatened, with respect to any of the Real Property Interests or Real Property (or any portion thereof) relating to any Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, or the uses conducted thereon, or with respect to the Business of the Vero Beach Electric Utility as it related to the Real Property Interests or Real Property (or any portion thereof) relating to any Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, (ii) to Seller's Knowledge, there are no Environmental Claims pending against Seller or threatened with respect to the Acquired Assets or the Real Property (other than the Real Property (or any portion thereof) relating to the Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, or the uses conducted thereon), or with respect to the Business of the Vero Beach Electric Utility (other than as it related to the Real Property (or any portion thereof) relating to any Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset), and (iii) Seller does not have Knowledge of any facts or circumstances which are reasonably likely to form the basis for any Environmental Claim against Seller with respect to the Acquired Assets, the Real Property or the Business of the Vero Beach Electric Utility;

(d) (i) No Releases of Hazardous Substances have occurred (1) at, from, on, or under, and no Hazardous Substances are present on or migrating from, any of the Real Property (or any portion thereof) relating to any Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, or (2) in the performance of the Business of the Vero Beach Electric Utility as it related to any of the Real Property (or any portion thereof) relating to any Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the

Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, in either case that are reasonably likely to give rise to an Environmental Claim against Seller or require any Remediation, (ii) to Seller's Knowledge, no Releases of Hazardous Substances have occurred (1) at, from, on, or under the Acquired Assets or the Real Property (other than Acquired Assets or Real Property (or any portion thereof) relating to the Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset) or (2) in the performance of the Business of the Vero Beach Electric Utility (other than as it related to Acquired Assets or Real Property (or any portion thereof) relating to the Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset), (iii) no Hazardous Substances are present on or migrating from any of the Real Property (or any portion thereof) relating to any Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset that are reasonably likely to give rise to an Environmental Claim against Seller or require any Remediation, and (iv) to Seller's Knowledge, no Hazardous Substances are present on or migrating from the Acquired Assets or the Real Property (other than Acquired Assets and Real Property (or any portion thereof) relating to the Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset) that are reasonably likely to give rise to an Environmental Claim against Seller or require any Remediation;

(e) (i) None of the Acquired Assets, the Real Property (or any portion thereof) relating to any Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset is an Environmental Clean-up Site, and Seller has not transported or arranged for treatment, storage, handling, disposal or transportation of any Hazardous Substances from the Real Property (or any portion thereof) relating to any Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, or in performance of the Business of the Vero Beach Electric Utility as it related to any Real Property (or any portion thereof) relating to Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, to any location which is an Environmental Clean-up Site, and (ii) to Seller's Knowledge, none of the Acquired Assets, the Real Property or any portion thereof (other than Acquired Assets or Real Property (or any portion thereof) relating to the Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset) is an Environmental Clean-up Site, and Seller has not transported or arranged for treatment, storage, handling, disposal or transportation of any Hazardous Substances from the Acquired Assets or the Real Property (other than Acquired Assets or Real Property (or any portion thereof) relating to the Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset), or in performance of the Business of the Vero Beach Electric Utility (other than as it related to the Acquired Assets or Real Property (or any portion thereof) relating the Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset), to any location which is an Environmental Clean-up Site;

(f) (i) There are no (1) underground storage tanks, active or abandoned, or (2) polychlorinated-biphenyl-containing equipment, located at, on, or under the Acquired Assets or the Real Property (or any portion thereof) relating to any Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset and (ii) to Seller's Knowledge, there are no (1) underground storage tanks, active or abandoned, or (2) polychlorinated-biphenyl-containing equipment, located at, on, or under the Acquired Assets or the Real Property (other than Acquired Assets or Real Property (or any portion thereof) relating to the Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset);

(g) (i) There are no Encumbrances arising under or pursuant to any Environmental Law with respect to the Acquired Assets or the Real Property (or any portion thereof) relating to any Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset or relating to the Business of the Vero Beach Electric Utility as it related to any Real Property (or any portion thereof) relating to any Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset, (ii) to Seller' Knowledge, there are no Encumbrances arising under or pursuant to any Environmental Law with respect to the Acquired Assets or the Real Property (other than Acquired Assets or Real Property relating to the Acquired Land in Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Acquired Asset) or relating to the Business of the Vero Beach Electric Utility (other than as it related to any Acquired Assets or Real Property relating to Acquired Land In Fee, the Vero Beach Power Plant Site Lease Agreement or either of the Airport Property Lease Agreements or any improvement thereon that is an Aequired Asset), and (iii) Seller does not have Knowledge of any facts, circumstances or conditions that are reasonably likely to or result in any Encumbrance arising under or pursuant to any Environmental Law with respect to the Acquired Assets or the Real Property or relating to the Business of the Vero Beach Electric Utility;

(h) There have been no environmental audits or assessments with respect to the Acquired Assets, the Real Property or the Business of the Vero Beach Electric Utility by, on behalf of, or which are in the possession of Seller which have not been made available to Buyer prior to the execution of this Agreement; and

(i) There have been no claims by Seller against comprehensive general liability or excess insurance carriers for any Loss resulting from, relating to or arising from Environmental Claims (i) with respect to the Acquired Assets or the Real Property or (ii) relating to the Business of the Vero Beach Electric Utility.

(j) Schedule 4.10(j) sets forth all Environmental Permits.

Section 4.11 Labor Matters.

Schedule 4.11 sets forth all Seller Collective Bargaining Agreements and other written employment agreements that relate to the Seller Employees. True, correct, and complete

copies of Seller Collective Bargaining Agreements and other written employment agreements, including all amendments thereto, have been made available to Buyer as of the date of this Agreement. Each Seller Employee is qualified, licensed, certified or trained, in accordance with applicable government requirements or standards to perform the duties and responsibilities of their current job assignment.

Section 4.12 ERISA; Benefit Plans.

(a) Schedule 4.12(a) lists (as of the date of this Agreement) all Benefit Plans covering any Seller Employee, or maintained, administered or with respect to which contributions are made by Seller in respect of Seller Employees (***"Seller Benefit Plans"***). True, correct, and complete copies of all Seller Benefit Plans, including all amendments thereto have been provided to Buyer.

(b) All Seller Benefit Plans are governmental plans as defined in Section 3(32) of ERISA and Seller Benefits Plans are not subject to ERISA.

(c) Seller has no ERISA Affiliates.

(d) All Seller Benefit Plans are in material compliance with all applicable Laws.

(e) Seller has materially fulfilled its obligations under the funding requirements and filing requirements of all applicable Laws with respect to Seller Benefit Plans as of the Closing Date. No Seller Benefit Plan is a "multiemployer plan" as defined in Section 3(37) of ERISA and Seller has never participated in or made contributions to a multiemployer plan with respect to which any liability remains unsatisfied.

(f) Seller has not made any commitment and will not take any action to establish any new Benefit Plan or modify or amend any Seller Benefit Plan (except as required under applicable Laws), nor has any intention to do so been communicated to any Seller Employees.

Section 4.13 Location of Acquired Assets.

Except as set forth on Schedule 4.13, all of the physical Acquired Assets are located on the Real Property.

Section 4.14 Contracts.

(a) Excluding the Excluded Contracts, Schedule 4.14 sets forth a complete list of the following Seller Contracts (the ***"Material Seller Contracts"***):

(i) Contracts for the future purchase, exchange or sale of natural gas, fuel oil or other fuel;

(ii) Contracts for the future purchase, exchange or sale of electricity, energy, capacity or other energy-related products or ancillary services;

(iii) Contracts for the future transportation, storage, parking, loaning, distribution, wheeling, unloading, delivery, balancing, metering or compression of natural gas, fuel oil or other fuel;

(iv) Contracts for the future purchase, exchange, sale or transportation of water;

(v) Contracts for the future transmission of electricity;

(vi) interconnection Contracts;

(vii) Contracts (A) for the sale, transfer or other disposition of any Acquired Asset or (B) that grant a right or option to sell, transfer or otherwise dispose of any Acquired Asset, other than in each case under clause (A) or (B), any Contract entered into in the ordinary course of the Business of the Vero Beach Electric Utility with respect to Acquired Assets with a value of less than $25,000;

(viii) Contracts for the future receipt by Seller of any Acquired Assets or services requiring payments in excess of $25,000 for each individual Contract or in the aggregate for Contracts with the same Person;

(ix) Contracts under which it has created, incurred, assumed or guaranteed any outstanding Indebtedness;

(x) Attachment Agreements or any Contract granting the right to use, to attach to or of access to, any portion of the Acquired Assets;

(xi) outstanding futures, swap, collar, put, call, floor, cap, option or other Contracts that have underlying value and payment liability driven by or tied to fluctuations in the price of commodities, including electric power, natural gas, fuel oil, other fuel or securities;

(xii) Contracts that purport to limit Seller's freedom to compete in any line of business or in any geographic area or contain any exclusivity, most-favored nation or similar covenant; and

(xiii) (A) operation, maintenance or management Contracts, (B) water or wastewater supply, treatment or transportation Contracts or (C) Contracts relating to the purchase or sale of air pollutant emission allowances or credits.

(b) Excluding the Excluded Contracts, the Real Property Interest Instruments, the Assumed Contracts and the Intellectual Property Licenses and the Contracts listed on Schedule 4.14, Seller is not, as of the date of this Agreement, a party to any Contract that is material to the ownership or operation of the Acquired Assets or that is material to the Business of the Vero Beach Electric Utility.

(c) Each Seller Executed Ancillary Agreement, Assumed Contract, Intellectual Property License and Material Seller Contract is in full force and effect and constitutes a legal,

valid and binding obligation of Seller and enforceable against Seller and, to the Knowledge of Seller, constitutes a legal, valid and binding obligation of the other parties thereto and enforceable against the other parties thereto.

(d) There is not, under any Seller Executed Ancillary Agreement, Assumed Contract, Intellectual Property License or Material Seller Contract, any breach, violation or default (or any condition or event which, with notice or lapse of time or both, would constitute a default on the part of Seller, or to the Knowledge of Seller, on the part of any of the other parties thereto). To Seller's Knowledge, Seller has not received notice from any other party to any Real Property Interest Instrument, Seller Executed Ancillary Agreement, Assumed Contract, Intellectual Property License or Material Seller Contract that such other party intends to terminate or fail to renew at the end of its term any such Contract, as applicable, or materially reduce the level of any goods or services to be provided under any such Contract.

Section 4.15 Legal Proceedings, etc.

Except as described in Schedule 4.15, there is no claim or Action pending or, to Seller's Knowledge, threatened against (i) Seller that seeks to enjoin, prohibit, restrain or make illegal the performance of this Agreement, the Seller Ancillary Agreements, the Seller Executed Ancillary Agreements or any of the Ancillary Agreements or the consummation of any of the transactions contemplated hereby or thereby or (ii) or affecting any of the Acquired Assets or the Business of the Vero Beach Electric Utility. Seller is not subject to any outstanding Order affecting any of the Acquired Assets or the Business of the Vero Beach Electric Utility.

Section 4.16 Non-Environmental Permits; Compliance with Law.

(a) Seller has obtained and holds all Non-Environmental Permits, each such Non-Environmental Permit is in full force and effect, Seller is in compliance with all of its obligations thereunder, there are no proceedings pending or, to Seller's Knowledge, threatened that would reasonably be expected to result in the revocation, termination, suspension, modification or amendment of any Non-Environmental Permit, and the Seller has not failed to make in a timely fashion any application or other filing required for the renewal of any Non-Environmental Permit which failure would reasonably be expected to result in any Non-Environmental Permit being revoked, terminated, suspended or adversely modified. No Non-Environmental Permit will terminate or be subject to termination or revocation as a result of the transactions contemplated by this Agreement. The Acquired Assets, the Real Property and the Business of the Vero Beach Electric Utility are in compliance in all material respects with all terms, conditions and provisions of all Laws and Non-Environmental Permits, and Seller has not received any written notice from any Governmental Authority that they are not or have not been in compliance with, any Law or any Non-Environmental Permit. Seller is in compliance with all Non-Environmental Permits and all Laws applicable to the Acquired Assets, the Real Property or the Business of the Vero Beach Electric Utility.

(b) Schedule 4.16(b) sets forth all Non-Environmental Permits.

Section 4.17 Regulation as a Utility.

Seller is an electric utility within the meaning of Florida Statutes Section 366.02. Except with respect to local tax and zoning laws, Seller is not, as a result of its ownership or operation of the Acquired Assets or the Business of the Vero Beach Electric Utility, subject to regulation as a public utility or public service company (or similar designation) by any federal agency or state of the United States other than Florida, or any municipality or any political subdivision of the foregoing.

Section 4.18 Tax Matters

Except as set forth on Schedule 4.18, with respect to the Acquired Assets or the Business of the Vero Beach Electric Utility, (i) all Tax Returns of Seller, if any, required to be filed for taxable periods ending on or prior to the Closing Date have been timely filed, and all such Tax Returns are complete and accurate in all material respects, and (ii) Seller is not liable to pay, collect, withhold, or remit any Taxes (including any Taxes in connection with the transactions contemplated by this Agreement) with respect to the Acquired Assets or the Business of the Vero Beach Electric Utility, and has not received any notice from any Governmental Authority asserting any claim for Taxes.

Section 4.19 Intellectual Property.

Except as set forth in Schedule 4.19, Seller has ownership of, or a license to use, all of the Intellectual Property used in, or necessary for, the operation of the Acquired Assets or for the Business of the Vero Beach Electric Utility as conducted prior to the Effective Date and as conducted prior to the Closing Date. Except as set forth in Schedule 4.19 and pursuant to the transfer to Buyer of the Owned Intellectual Property and the other Acquired Assets on the Closing Date and assignment to Buyer of the Intellectual Property Licenses on the Closing Date, Buyer will have ownership of, or a license to use, all of the Intellectual Property used in or necessary for (a) the operation of the Acquired Assets or (b) the Business of the Vero Beach Electric Utility, in each case under clause (a) or (b), as conducted prior to the Effective Date and as conducted prior to the Closing Date. The rights of Seller in (i) Owned Intellectual Property are freely transferable to Buyer and (ii) the Intellectual Property Licenses are freely assignable to Buyer. Except as set forth in Schedule 4.19, Seller has not received written notice of any claims or demands of any other Person pertaining to any of the Owned Intellectual Property or the Licensed Intellectual Property and no Action has been instituted, or is pending or, to Seller's Knowledge, threatened, which challenge the rights of Seller in respect thereof. Seller has not granted any rights to any Person in respect of any Owned Intellectual Property or Licensed Intellectual Property. None of the Acquired Assets (including the Owned Intellectual Property) or the Licensed Intellectual Property infringes any Intellectual Property of any Person. Seller is not infringing or making any unauthorized disclosure or use of any Intellectual Property of any Person, including without limitation, of any former employer of any past or present Seller Employee, in its activities related to the Business of the Vero Beach Electric Utility or in performing its obligations under this Agreement.

Section 4.20 [Reserved]

Section 4.21 Service Territory.

The Delivery Point for each Person purchasing electricity from Seller is located within the Service Territory.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants with respect to itself to Seller as follows:

Section 5.1 Organization; Qualification.

Buyer is a corporation duly formed, validly existing and in good standing under the laws of the State of Florida. Buyer has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as is now being conducted. Buyer has heretofore delivered to Seller complete and correct copies of its articles of incorporation and bylaws as currently in effect.

Section 5.2 Authority Relative to This Agreement

Buyer has full corporate power and authority to execute and deliver this Agreement, the OUC-FPL PPAs, the Reliability Call Agreement and the Ancillary Agreements to which it is a party and to consummate the transactions contemplated hereby or thereby. The execution and delivery of this Agreement, the OUC-FPL PPAs, the Reliability Call Agreement and the Ancillary Agreement and the consummation of the transactions contemplated hereby or thereby, will have been duly and validly authorized by all necessary corporate action required on the part of Buyer following approval after the Effective Date by each of the respective boards of directors of Buyer and its sole shareholder, NextEra Energy, Inc. (which approvals may be withheld in each of such boards' sole discretion), and no other corporate proceedings on the part of Buyer are necessary to authorize this Agreement, the OUC-FPL PPAs, the Reliability Call Agreement and the Ancillary Agreements or to consummate the transactions contemplated hereby or thereby. Following approval after the Effective Date by the respective boards of directors of Buyer and its sole shareholder, NextEra Energy, Inc., this Agreement will have been duly and validly executed and delivered by Buyer, and assuming that this Agreement constitutes a valid and binding agreement of Seller, will constitute a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

Section 5.3 Consents and Approvals; No Violation.

(a) Subject to the receipt of the third-party consents set forth in Schedule 5.3(a) and the Buyer's Required Regulatory Approvals and the approvals by the respective boards of directors of Buyer and its sole shareholder, NextEra Energy, Inc., neither the execution and

delivery of this Agreement, the OUC-FPL PPAs, the Reliability Call Agreement and the Ancillary Agreements by Buyer nor the consummation by Buyer of the transactions contemplated hereby or thereby will (i) conflict with or result in any breach of any provision of the articles of incorporation and bylaws of Buyer, (ii) require any consent or other action by an Person, or result in a default (or give rise to any right of termination, cancellation or acceleration), under any of the terms, conditions or provisions of any Contract to which Buyer is a party or by which Buyer or any of its assets may be bound, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained or which would not, individually or in the aggregate, have Material Adverse Effect, or (iii) violate any Laws applicable to Buyer, which violations, individually or in the aggregate, would create a Material Adverse Effect.

(b) Except as set forth in Schedule 5.3(b) (the Permits referred to in such Schedule are collectively referred to as the ***"Buyer's Required Regulatory Approvals"***), no Permit is necessary for the consummation by Buyer of the transactions contemplated hereby. Buyer has no Knowledge of any facts or circumstances that make it reasonably likely that Buyer's Required Regulatory Approvals will not be obtained.

Section 5.4 Availability of Funds.

Buyer currently has sufficient funds available to it through corporate funds, credit facilities and access to capital markets to provide sufficient funds to pay the Purchase Price on the Closing Date and to enable Buyer to timely perform all of its obligations under this Agreement.

Section 5.5 Legal Proceedings.

Except as set forth in Schedule 5.5, there are no claims or Actions pending or, to Buyer's Knowledge, threatened against (i) Buyer that seek to enjoin, prohibit, restrain or make illegal the performance of this Agreement, the Reliability Call Agreement or any of the OUC-FPL PPAs or Ancillary Agreements or the consummation of any of the transactions contemplated hereby or thereby.

Section 5.6 Certain Agreements.

The form of agreement attached as Exhibit K hereto is Buyer's form of pole attachment agreement with Governmental Authorities that is applicable on the Effective Date. The form of agreement attached as Exhibit J hereto is Buyer's form of street lighting agreement that is applicable on the Effective Date.

ARTICLE VI
COVENANTS OF THE PARTIES

Section 6.1 Conduct of Business Relating to the Acquired Assets.

(a) Seller retains the exclusive responsibility for safe operation of the Vero Beach Electric Utility until the Closing, and nothing in this Agreement shall in any way alter the Seller's duties or obligations under any Law or Permit. Except as described in Schedule 6.1(a), during the period from the Effective Date to the Closing Date (the ***"Interim Period"***), Seller shall (i) operate and maintain the Acquired Assets in the ordinary course consistent with Seller's Past Practices (taking into account the Vero Beach Power Plant Expectations) and the Capital Expenditure and Maintenance Plan and conduct the Business of the Vero Beach Electric Utility in the ordinary course consistent with Seller's Past Practices (taking into account the Vero Beach Power Plant Expectations) and the Capital Expenditure and Maintenance Plan, (ii) use Commercially Reasonable Efforts to preserve and protect in all material respects the Acquired Assets, taking into account the Vero Beach Power Plant Expectations, (iii) maintain the Transferable Permits and (iv) comply with all applicable Laws and Permits relating to the Acquired Assets or the Business of the Vero Beach Electric Utility. Without limiting the generality of the foregoing, and, except as contemplated in this Agreement or as described in Schedule 6.1(a), during the Interim Period, without the prior written consent of Buyer (unless such consent would be prohibited by Law), Seller shall not do any of the following with respect to the Acquired Assets:

(i) sell, transfer, remove, assign, convey, distribute or otherwise dispose of, any Acquired Assets unless such action is consistent with the Capital Expenditure and Maintenance Plan; provided, that, if capital expenditures and/or maintenance with respect to a specific Acquired Asset is not covered in the Capital Expenditure and Maintenance Plan, such Acquired Asset may be sold, transferred, removed, assigned, conveyed, distributed or otherwise disposed of in the ordinary course of the Business of the Vero Beach Electric Utility consistent with Seller's Past Practices;

(ii) except for Permitted Encumbrances (including amendments and/or replacements to the Permitted Encumbrances), create, permit or allow any Encumbrances to be imposed on or against any of the Acquired Assets;

(iii) grant any waiver of any material term under, exercise any material option under, or give any material consent with respect to any Real Property Interest Instrument, Seller Executed Ancillary Agreement, Assumed Contract, Intellectual Property License or Material Seller Contract, including waiving any material default by, or release, settle or compromise any material claim against, any other party thereto;

(iv) enter into, amend or voluntarily terminate prior to the expiration date thereof (i) any Real Property Interest Instrument, Seller Executed Ancillary Agreement, Assumed Contract, Intellectual Property License or Transferable Permit or (ii) any Material Seller Contract (other than Contracts that will be fully performed prior to Closing and that are entered into in the ordinary course of the Business of the Vero Beach Electric Utility consistent

with Seller's Past Practices (taking into account the Vero Beach Power Plant Expectations) and the Capital Expenditure and Maintenance Plan);

(v) amend in any material respect or cancel any property, liability or casualty insurance policies related to the Acquired Assets or the Business of the Vero Beach Electric Utility, or fail to maintain such insurance policies with current insurance companies who have issued such policies, their successors, or other financially responsible insurance companies in such amounts and against such risks and losses as are customary for such assets and businesses consistent with Seller's Past Practices;

(vi) except as required by any Law or accounting principles generally accepted in the United States, change, in any material respect, its Tax practice or policy (including making new Tax elections or changing Tax elections and settling Tax controversies not in the ordinary course of the Business of the Vero Beach Electric Utility) to the extent such change or settlement would be binding on Buyer;

(vii) take any action, fail to take any action, or enter into any transaction through the Closing that will result or may reasonably be anticipated to result in any misrepresentation or breach of any warranty of Seller hereunder as of the Closing Date;

(viii) settle any claim or Action that results in any obligation imposed on the Acquired Assets that could reasonably be likely to continue past the Closing Date;

(ix) (a) hire any individual (other than to replace any Seller Employee who may have resigned or have been terminated); or (b) increase the compensation or benefits payable to any Seller Employee, except as required under Seller Collective Bargaining Agreements;

(x) enter into or amend any Contract that (A) binds Buyer to adopt and/or implement the terms of any Seller Collective Bargaining Agreement (or any portion thereof) or (B) obligates Buyer to treat with or recognize any union; or

(xi) agree or commit to do any of the foregoing.

(b) During the Interim Period, in the interest of cooperation between Seller and Buyer and to perform diligence on the transactions contemplated hereunder (including the representations and warranties of Seller hereunder) and to plan for and facilitate an orderly and seamless transition from Seller to Buyer on the Closing Date of ownership and operation of the Acquired Assets and the Business of the Vero Beach Electric Utility, the Parties agree that at the sole expense of Buyer, and subject to compliance with all applicable Laws and Permits, Seller will permit designated Representatives of Buyer (***"Observers"***) to observe any and all aspects of the Business of the Vero Beach Electric Utility, and such observation will be permitted on a cooperative basis in the presence of one or more individuals designated by Seller (the "***Seller's Agent(s)***"); provided, however, that such Observers and their actions shall not interfere with the Business of the Vero Beach Electric Utility. Seller shall use Commercially Reasonable Efforts to provide to the Observers interim furnished office space and utilities at the Vero Beach Power Plant and Seller's T&D center, as reasonably necessary to allow Buyer to conduct its efforts

through the Closing Date; provided that Buyer shall be responsible for all of its costs relating thereto.

Section 6.2 Access to Information; Reporting.

(a) In addition to the rights granted by Sections 6.1(b), during the Interim Period, in the interest of cooperation between Seller and Buyer and to perform diligence on the transactions contemplated hereunder (including the representations and warranties of Seller hereunder) and to plan for and facilitate an orderly and seamless transition from Seller to Buyer on the Closing Date of ownership and operation of the Acquired Assets and the Business of the Vero Beach Electric Utility, Seller will (i) give Buyer and Buyer's Representatives reasonable access to (x) all management personnel engaged in the Business of the Vero Beach Electric Utility, (y) all books, documents, records and information (including financial and operating data and Permits, reports, schedules or other documents filed with or received from any Governmental Authority) relating to the Acquired Assets or the Business of the Vero Beach Electric Utility and furnish copies thereof as Buyer may from time to time reasonably request (z) all offices and other facilities and properties constituting the Acquired Assets or used in the Business of the Vero Beach Electric Utility; and (ii) permit Buyer and Buyer's Representatives to make such reasonable inspections thereof as Buyer may reasonably request; provided, however, that (A) any such investigation shall be conducted in such a manner as not to interfere unreasonably with the Business of the Vero Beach Electric Utility and (B) Seller need not supply Buyer with any information that Seller is legally prohibited from supplying.

(b) During the Interim Period, promptly after obtaining Knowledge thereof, Seller shall notify Buyer in writing of, (i) any fact, event, circumstance or condition that would reasonably be expected to have a Material Adverse Effect, (ii) any material unanticipated maintenance or repair of any of the Acquired Assets, (iii) any material emergency condition affecting, or material unscheduled interruption of, the operation of any of the Acquired Assets or the Business of the Vero Beach Electric Utility, or (iv) any receipt of a notice of a violation of any Law or Permit relating to the Acquired Assets or the Business of the Vero Beach Electric Utility.

(c) Within thirty (30) days after the Effective Date, Seller shall provide to Buyer true, complete and un-redacted copies of all Assumed Contracts, Intellectual Property Licenses, Transferable Permits and Material Seller Contracts and Seller shall provide an update thereto between sixty (60) and ninety (90) days prior to Closing.

Section 6.3 Expenses.

Except to the extent specifically provided herein, whether or not the transactions contemplated hereby are consummated, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including the cost of legal, technical and financial consultants, shall be borne by the Party incurring such costs and expenses; provided, however, that Buyer will bear the cost of filing for and prosecuting applications for Buyer's Required Regulatory Approvals.

Section 6.4 Further Assurances; Cooperation

(a) Subject to the terms and conditions of this Agreement, each of the Parties hereto will take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper or advisable under applicable Laws to consummate and make effective the sale, transfer, conveyance, assignment and delivery of the Acquired Assets and the assignment of the Assumed Liabilities and the exclusion of the Excluded Liabilities pursuant to this Agreement, including, without limitation, ensuring satisfaction of the conditions precedent to each Party's obligations hereunder, including, without limitation, all regulatory approvals. To the extent that authorized representatives of the Parties determine that the implementation of any covenant or obligation under this Agreement of a Party is not consistent with, or may be likely to impede, the satisfaction of the conditions precedent to a Party's obligations hereunder, including, without limitation, obtaining all regulatory approvals, the Parties may by mutual written agreement (but without need for any amendment of this Agreement) agree to take alternative actions that the Parties determine are necessary or desirable to ensure satisfaction of the conditions precedent to each Party's obligations hereunder or to otherwise ensure consummation of the transactions contemplated by this Agreement. Neither Buyer nor Seller will, without the prior written consent of the other, advocate or take any action which would reasonably be expected to prevent or materially impede, interfere with or delay the transactions contemplated by this Agreement or which could reasonably be expected to cause, or to contribute to causing, the other to receive less favorable regulatory treatment than that sought by the other.

(b) From time to time after the Closing Date, Seller will execute and deliver such documents to Buyer as Buyer may reasonably request, at Buyer's expense, in order to more effectively consummate the sale and purchase, including the transfer, conveyance and assignment, of the Acquired Assets or to more effectively vest in Buyer such title to the Acquired Assets (or such rights to use, with respect to Acquired Assets not owned by Seller), as is provided for in Section 4.7, subject to the Permitted Encumbrances. From time to time after the Closing Date, without further consideration, Buyer will, at its own expense, execute and deliver such documents to Seller as Seller may reasonably request in order to evidence Buyer's assumption of the Assumed Liabilities.

(c) Without limiting the generality of the foregoing, and without limiting any of the other assets to be transferred hereunder, Seller, in consideration of payment of the Purchase Price and without further consideration, will make available to Buyer all of Seller's rights under any real property, easement, right of way, permit, lease, license or franchise (collectively, the "***Rights of Way***") reasonably necessary for the Business of the Vero Beach Electric Utility or the operation or maintenance of the Acquired Assets by Buyer after the Closing Date. If any claim is made challenging Buyer's entitlement to such Rights of Way, at Buyer's option, Seller shall cooperate with Buyer, at Buyer's expense to the extent that any payments are required to be made to any third parties in connection therewith, to make available an alternative Right of Way reasonably adequate and acceptable to Buyer.

(d) Seller and Buyer agree to fully support execution of the District Licenses and the District Sublicenses in the forms attached hereto as Exhibits P and Q during the approval process thereof by the District. If the District does not approve one or more provisions of the District Licenses or the District Sublicenses in the forms attached hereto in Exhibits P and Q,

then the Parties agree to negotiate in good faith to finalize and obtain approval from the District of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the original intention of the Parties as reflected in Exhibits P and Q.

(e) Seller and Buyer agree to fully support execution of the Dark Fiber License Agreement in the form attached hereto as Exhibit L-1 during the approval process thereof by Indian River County and the School District of Indian River County. If Indian River County or the School District of Indian River County does not approve one or more provisions of the Dark Fiber License Agreement in the form attached hereto in Exhibit L-1, then the Parties agree to negotiate in good faith to finalize and obtain approval from Indian River County and the School District of Indian River County of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the original intention of the Parties as reflected in Exhibit L-1.

(f) Seller and Buyer agree to fully support execution of the Airport Substations 5 and 6 Lease Agreement in the form attached hereto as Exhibit I-1 during the approval process thereof, if any, by the FAA, including rent as set forth in the definition of "Airport Substations 5 and 6 Lease Agreement". If FAA approval of the Airport Substations 5 and 6 Lease Agreement is required by applicable Law or by the provisions of any applicable contract with or grant from the FAA and the FAA does not approve one or more provisions of the Airport Substations 5 and 6 Lease Agreement in the form attached hereto in Exhibit I-1, then the Parties agree to negotiate in good faith to finalize and obtain approval from the FAA of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the original intention of the Parties as reflected in Exhibit I-1.

(g) Seller and Buyer agree to fully support execution of the Airport Warehouse Lease Agreement in the form attached hereto as Exhibit I-2 during the approval process thereof, if any, by the FAA, including rent as set forth in Section 2.6. If Buyer exercises the Airport Warehouse Lease Agreement Option and if FAA approval of the Airport Substations 5 and 6 Lease Agreement is required by applicable Law or by the provisions of any applicable contract with or grant from the FAA and the FAA does not approve one or more provisions (including rent as set forth in Section 2.6) of the Airport Warehouse Lease Agreement in the form attached hereto in Exhibit I-2, then the Parties agree to negotiate in good faith to finalize and obtain approval from the FAA of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the original intention of the Parties as reflected in Exhibit I-2.

Section 6.5 Public Statements.

(a) Any document submitted by a Party to the other under this Agreement or during the negotiation of this Agreement or any Ancillary Agreements (***"Public Document"***) will be a public record (as defined in Section 119.011, Florida Statutes) and may be open for inspection or copying by any person or entity except to the extent such document or certain information included in such document is exempted under Chapter 119, Florida Statutes. Buyer may claim that certain information included in one or all of the Public Documents is, or has been

treated as, being exempt from disclosure in accordance with Florida law. In the event that Seller is requested or required by legal or regulatory authority to disclose any Public Document, Seller shall within three (3) days notify Buyer of such request or requirement prior to disclosure so that Buyer may seek an appropriate protective order if Buyer believes certain information included in such Public Document is exempt from disclosure under Florida law. To the extent reasonably possible and permissible under Florida law, Seller shall endeavor to provide redacted versions of documents, upon request of Buyer if Seller reasonably agrees with Buyer's assertion that certain information included in such Public Document is exempt from public disclosure under Florida law.

(b) The Parties shall not issue any press release or other public disclosure with respect to this Agreement or the transactions contemplated hereby without first affording the non-disclosing Party the opportunity to review and comment on such press release or public disclosure, except for disclosure made in order to comply with applicable Law or stock exchange rules.

Section 6.6 Consents; Approvals.

(a) [***Reserved***]

(b) As promptly as practicable after the Effective Date, Buyer and Seller, as applicable, shall make the filings listed on Schedule 6.6(b). In fulfilling their respective obligations under this Section 6.6(b), Buyer and Seller shall each use Commercially Reasonable Efforts to lodge or cause to be lodged any such filings within thirty (30) days after the Effective Date. Prior to any Party's submission of the applications contemplated by this Section 6.6(b), the submitting Party shall provide a draft of such application to the other Parties for review and comment and the submitting Party shall in good faith consider any revisions reasonably requested by the reviewing Parties. Each Party will bear its own costs for the preparation and review of any such filings.

(c) As promptly as practicable after the Effective Date, but no later than thirty (30) days after Seller supplies to Buyer all of the information regarding Seller that is required to be included in the application described in this Section 6.6(c), Buyer shall file with FERC, an application for approval of this transaction under Section 203 of the Federal Power Act. Seller shall promptly provide Buyer any information requested in regards to such application. In fulfilling their respective obligations set forth in this Section 6.6(c), Seller and Buyer shall use their Commercially Reasonable Efforts. Prior to Buyer's submission of such application with FERC, Buyer shall submit such application to Seller for review and comment and Buyer shall consider any revisions reasonably requested by Seller. Seller and Buyer shall respond promptly to all requests from FERC or its staff for additional information regarding such application and use their respective Commercially Reasonable Efforts to participate in any hearings, settlement proceedings or other proceedings ordered by FERC with respect to the application. Buyer shall be solely responsible for the cost of filing this application, any petition(s) for rehearing, or any reapplication(s). Seller shall intervene in the proceeding before FERC and shall support the application. Each Party will bear its own costs of the review of such filings.

(d) Buyer will have primary responsibility for securing approval of the FPSC for: (i) authority under Rule 25-9.044, Florida Administrative Code, to charge Buyer's existing retail electric rates to former Customers of the Vero Beach Electric Utility; (ii) termination of the territorial agreement between Buyer and the Vero Beach Electric Utility; and (iii) any other matters for which approval of the FPSC is determined by Buyer to be necessary or advisable to consummate the transactions contemplated by this Agreement. Prior to Buyer's submission of any application for such approval by the FPSC, Buyer shall submit such application to Seller for review and comment and Buyer shall consider any revisions reasonably requested by Seller. Seller and Buyer shall respond promptly to all requests from the FPSC or its staff for additional information regarding such application and use their respective Commercially Reasonable Efforts to participate in any hearings, settlement proceedings or other proceedings ordered by the FPSC with respect to the application. Buyer shall be solely responsible for the cost of filing this application, any petition(s) for rehearing, or any reapplication(s). Seller shall intervene in any proceeding before the FPSC and shall support the application. Each Party will bear its own costs of the review of such filings.

(e) Seller and Buyer shall cooperate with each other and, as promptly as practicable after the Effective Date, (i) prepare and make with FERC, the Federal Communications Commission or any other Governmental Authority having jurisdiction over Seller, Buyer or the Acquired Assets, all necessary filings required to be made with respect to the transactions contemplated hereby (including those specified above), (ii) effect all necessary applications, notices, petitions and filings and execute all agreements and documents, (iii) use Commercially Reasonable Efforts to obtain the transfer or reissuance to Buyer of all necessary Transferable Permits, and (iv) use Commercially Reasonable Efforts to obtain all necessary consents, approvals and authorizations of all other parties, in the case of each of the foregoing clauses (i), (ii), (iii) and (iv), necessary or advisable to consummate the transactions contemplated by this Agreement (including, without limitation, Buyer's Required Regulatory Approvals). The Parties shall respond promptly to any requests for additional information made by such agencies, use their respective Commercially Reasonable Efforts to participate in any hearings, settlement proceedings or other proceedings ordered with respect to the applications, and use their respective Commercially Reasonable Efforts to cause regulatory approval to be obtained at the earliest possible date after the date of filing. Each Party will bear its own costs of the preparation and review of any such filing. Seller and Buyer shall have the right to review in advance all characterizations of the information relating to the transactions contemplated by this Agreement which appear in any filing made in connection with the transactions contemplated hereby and the filing Party shall consider in good faith any revisions reasonably requested by the non-filing Party.

(f) Buyer shall have the primary responsibility for securing the transfer, reissuance or procurement of the Transferable Permits effective as of the Closing Date. Seller shall cooperate with Buyer's efforts in this regard and assist in any transfer or reissuance of Transferable Permits held by Seller or the procurement of any other Permit when so requested by Buyer. In the event that Buyer is unable, despite its Commercially Reasonable Efforts, to obtain a transfer or reissuance of one or more of the Transferable Permits as of the Closing Date, Buyer may use the applicable Permit issued to Seller, provided (i) such use is not unlawful, (ii) Buyer notifies Seller prior to the Closing Date, (iii) Buyer continues to make Commercially Reasonable Efforts to obtain a transfer or reissuance of such Permit after the Closing Date, and (iv) Buyer

indemnifies Seller for any losses, claims or penalties suffered by Seller in connection with such Permit that is not transferred or reissued as of the Closing Date resulting from Buyer's ownership or operation of the Acquired Assets following the Closing Date.

Section 6.7 Brokerage Fees and Commissions.

Seller and Buyer each represent and warrant to the other that no broker, finder or other Person is entitled to any brokerage fees, commissions or finder's fees in connection with the transaction contemplated hereby by reason of any action taken by the Party making such representation. Seller and Buyer will pay to the other or otherwise discharge, and will hold the other harmless from and against, and will pay, reimburse or fully compensate as the primary obligor the other for, any and all claims or liabilities for all brokerage fees, commissions and finder's fees incurred by reason of any action taken by the Party breaching its representation and warranty hereunder.

Section 6.8 Tax Matters.

(a) Seller and Buyer shall each pay any Transfer Taxes imposed on it by Law in connection with this Agreement and the transactions contemplated hereby. Buyer and Seller will file, to the extent required by applicable Law, all necessary Tax Returns and other documentation with respect to all such Transfer Taxes, and, if required by applicable Law, will each join in the execution of any such Tax Returns or other documentation.

(b) Buyer shall prepare and timely file all Tax Returns required to be filed after the Closing Date with respect to the Acquired Assets, if any, and shall duly and timely pay all such Taxes shown to be due on such Tax Returns. Buyer's preparation of any such Tax Returns shall be subject to Seller's approval (not to be unreasonably withheld, delayed or conditioned) to the extent that such Tax Returns include Pre-Closing Taxes for which Seller is responsible pursuant to this Agreement. Buyer shall make such Tax Returns and all schedules and working papers supporting such Tax Returns available for Seller's review and approval no later than thirty (30) Business Days prior to the due date for filing such Tax Return. Seller shall provide Buyer with any comments on the reporting of Pre-Closing Taxes shown in the Tax Return no later than ten (10) Business Days prior to the due date for filing such Tax Return, and Buyer shall incorporate all such comments in the Tax Return unless and to the extent that Buyer determines such comments are incorrect or unreasonable. Subject to Section 6.8(d), not less than five (5) Business Days prior to the due date of any such Tax Return, Seller shall pay to Buyer any Pre-Closing Taxes shown on such Tax Return. Except for matters deseribed in Section 3.5, in the event Buyer and Seller cannot agree as to the preparation or the reporting of any material Pre-Closing Taxes on a Tax Return to be filed by Buyer, the dispute shall be settled in the manner provided by Section 6.8(d) and the cost of such Independent Accounting Firm shall be borne equally by the Parties; provided, that if the Independent Accounting Firm has not made a determination as of the date that such Tax Return is required to be filed, such Tax Return required to be filed by Buyer may be filed by Buyer in a manner consistent with Buyer's position, and such Tax Return required to be filed by Seller may be filed by Seller in a manner consistent with Seller's position; provided, further, that with respect to any such Tax Return that is filed prior to a determination by the Independent Accounting Firm, Seller and Buyer shall take

all commercially reasonable steps to amend such Tax Return, if necessary, to reflect any material determination made by the Independent Accounting Firm.

(c) Each of the Parties shall provide the other with such assistance as may reasonably be requested by the other Party in connection with the preparation of any Tax Return, any audit or other examination by any taxing authority, or any judicial or administrative proceedings relating to Liability for Taxes or effectuating the terms of this Agreement, and each will retain and provide the requesting Party with any records or information which may be relevant to such return, audit or examination, proceedings or determination. Any information obtained pursuant to this Section 6.8(c) or pursuant to any other Section hereof providing for the sharing of information or review of any Tax Return or other schedule relating to Taxes shall be kept confidential by the Parties hereto, except to the extent such information is required to be disclosed by Law.

(d) Except for matters described in Section 3.5, in the event that a dispute arises between Seller and Buyer as to the preparation or the reporting on a Tax Return to be filed by one Party of any material Tax for which the other Party would be liable pursuant to this Agreement, or as to the allocation of the responsibility for any Tax between Seller and Buyer, the Parties shall attempt in good faith to resolve such dispute, and any agreed amount shall be paid to the appropriate Party within ten (10) Business Days of the date on which the Parties reach agreement. If a dispute is not resolved within thirty (30) days of a Party having provided the other Party written notice of a dispute, the Parties shall submit the dispute for determination and resolution to the Independent Accounting Firm, which shall be instructed to determine and report to the Parties in writing, within thirty (30) days after such submission, upon such disputed amount, and such written report shall be final, conclusive and binding on the Parties. The Independent Accounting Firm shall act as an expert and not as an arbitrator and shall make findings only with respect to the remaining disputes so submitted to it (and not by independent review). Notwithstanding anything in this Agreement to the contrary, the fees and expenses of the Independent Accounting Firm in resolving the dispute shall be borne equally by Buyer and Seller. Any payment required to be made as a result of the resolution of the dispute by the Independent Accounting Firm shall be made within ten (10) days after such resolution, together with any interest determined by the Independent Accounting Firm to be appropriate. Submission of a dispute to the Independent Accounting Firm shall not relieve any Party from any obligation under this Agreement to timely file a Tax Return or pay a Tax.

Section 6.9 Updating Disclosure Schedules.

Prior to the Closing Date, Seller shall promptly (but no later than thirty (30) days after obtaining Knowledge thereof) notify Buyer of any changes or additions to the Schedules required by this Agreement with respect to any matter hereafter arising which, if existing or occurring at the date of this Agreement, would have been required to be set forth or described in such Schedules. No notice made pursuant to this Section shall be deemed to cure any breach of any representation or warranty made in this Agreement unless the Parties agree thereto in writing.

Section 6.10 Employees.

(a) Buyer shall offer employment commencing as of the Closing Date to all Seller Employees whose primary work responsibilities are with respect to the Acquired Assets and who are actively employed as of the Closing Date, which Seller Employees are set forth on Schedule 6.10(a) by position. Notwithstanding the foregoing, Buyer shall not be required to offer employment to any Seller Employees who were previously terminated for cause by Buyer or any of its Affiliates. The Parties shall cooperate in preparation of communications materials applicable to Transferred Employees. Seller agrees to provide to Buyer, within ten (10) days following receipt of a request from Buyer at any time and from time to time during the Interim Period and at Closing, a complete list of Seller Employees by name and by position.

(b) Except as Buyer and any Unrepresented Transferred Employee or Converted Represented Transferred Employee may otherwise mutually agree and subject to Buyer's employee policies and procedures, for the period commencing on the Closing Date and ending twenty-four (24) months thereafter, Buyer shall provide Unrepresented Transferred Employees and Converted Represented Transferred Employees with Total Compensation which in the aggregate is comparable to the Total Compensation provided to similarly situated Buyer's employees. Notwithstanding the foregoing, Unrepresented Transferred Employees and Converted Represented Transferred Employees shall be granted a pension benefit under the Buyer's Retirement Plan (as defined below) as set forth in Section 6.10(f) below.

(c) Except as otherwise negotiated by the Buyer and the Union Representative and subject to any applicable collective bargaining agreement applicable to Buyer's employees and Buyer's employee policies and procedures, for the period commencing on the Closing Date and ending twenty-four (24) months thereafter, Buyer shall provide Represented Transferred Employees and Converted Unrepresented Transferred Employees with employment, Total Compensation and terms and conditions of employment as negotiated with the Union Representative.

(d) As of the Closing Date, all Transferred Employees shall cease to be eligible for active participation in the Seller Benefit Plans and shall commence participation (if applicable eligibility requirements are satisfied) in the Benefit Plans of Buyer, its ERISA Affiliates or, if applicable, the benefit plans negotiated by the Union Representative (***"Buyer Benefit Plans"***).

(e) Except as otherwise negotiated by the Buyer and the Union Representative, with respect to Buyer Benefit Plans that are self-funded employee welfare benefit plans as defined in Section 3(1) of ERISA, Buyer shall (i) waive all waiting periods with respect to the Transferred Employees and (ii) provide each Transferred Employee with credit for any co-payments and deductibles for claims incurred during the plan year of the applicable Buyer Benefit Plan in which the Closing Date falls. Seller will use its reasonable best efforts to provide sufficient information to enable Buyer to provide such credits for co-payments and deductibles. To the extent Seller fails to provide such sufficient information, each Transferred Employee shall be responsible for providing written evidence to enable Buyer to provide accurate credit for such co-payments and deductibles.

(f) Except as otherwise negotiated by the Buyer and the Union Representative, all Transferred Employees shall be granted credit for all service with Seller under all Buyer Benefit Plans in which such Transferred Employees become participants for purposes of eligibility, vesting and service related level (except for purposes of qualifying for retiree welfare benefits and benefit accrual under the Buyer Retirement Plan as defined below).

(i) Buyer shall assume the obligation and liability for the Accrued Frozen Pension Benefit (as defined below) for all of the Transferred Employees (the "***Assumed Pension Liability***"). Except as otherwise negotiated by the Buyer and the Union Representative, effective as of the Closing Date, Buyer shall amend its tax-qualified defined benefit plan ("***Buyer Retirement Plan***") to provide each Transferred Employee with a vested benefit equal to a Transferred Employee's accrued benefit under the Seller Defined Benefit Plan as of the Closing Date calculated pursuant to the formula applicable to each such Transferred Employee existing on the Effective Date and counting all service with the Seller for purposes of eligibility, benefit accrual, early retirement or any retirement-type subsidy or ancillary benefit through the Closing Date ("***Accrued Frozen Pension Benefit***") provided that the Accrued Frozen Pension Benefit of any Transferred Employee shall not include any duplication of benefits provided under Seller Defined Benefit Plan. The Accrued Frozen Pension Benefit for each Transferred Employee shall include (i) all optional forms of benefits under the Buyer Retirement Plan and Seller Defined Benefit Plan other than (A) the 10% lump sum option described in Section 6.2(C) of the Seller Defined Benefit Plan, and (B) the distribution of employee contributions as described in Section 7.2 of the Seller Defined Benefit Plan, (ii) a disability benefit corresponding to the disability benefit under Article 8 of the Seller Defined Benefit Plan (if eligible), and (iii) a death benefit corresponding to the death benefit under Article 9 of the Seller Defined Benefit Plan (if eligible). Seller will provide records to Buyer within ninety (90) days following the Closing Date setting forth detailed calculations of each Transferred Employee's Accrued Frozen Pension Benefit under the Seller Defined Benefit Plan as of the Closing Date, and will provide (or ensure that any third party administrator, if applicable, provides) upon Buyer's reasonable request copies of pension calculations for any distributions to Transferred Employees, including distributions of employee contributions under Seller's Defined Benefit Plan, to facilitate the Buyer Retirement Plan administrator to perform appropriate calculations to reflect that no duplication of benefit ensues with regard to the Seller Defined Benefit Plan. For the avoidance of doubt, in the event that a Transferred Employee receives a distribution of employee contributions under the Seller Defined Benefit Plan, pursuant to Section 7.3 of the Seller Defined Benefit Plan, no benefit shall be payable under Buyer's Retirement Plan (other than the benefit attributable to the cash balance formula that accrues prospectively to such Transferred Employee commencing on the Closing Date set forth in subsection (ii) below).

(ii) Effective as of the Closing Date, except as otherwise negotiated by the Buyer and the Union Representative, Transferred Employees prospectively shall accrue pension benefits under the Buyer Retirement Plan cash balance formula on terms and conditions applicable to similarly situated Buyer employees. Notwithstanding the foregoing, effective as of the Closing Date and except as otherwise negotiated by the Buyer and the Union Representative, Transferred Employees will accrue pension credits at the same level as nonbargaining eligible employees of Buyer who have attained at least five years of service.

(g) Seller shall be responsible for extending COBRA continuation coverage, or

its equivalent, to former Seller Employees and qualified beneficiaries of such former Seller Employees who become or became entitled to such COBRA continuation coverage on or before the Closing Date by reason of the occurrence of a qualifying event on or before the Closing Date, including those for whom the Closing Date occurs during their COBRA election period. Buyer shall be responsible for providing COBRA continuation coverage only to Transferred Employees and qualified beneficiaries of Transferred Employees for COBRA qualifying events occurring after the Closing Date.

(h) Seller shall remain responsible for paying Transferred Employees for: (a) all salary, wages, and Seller Benefit Plan benefits (other than the Assumed Pension Liability), and (b) all workers' compensation, disability benefits, or life insurance benefits for which entitlement to payment is based upon events occurring on or prior to the Closing Date including any incurred but unreported claims under the Seller Benefit Plans. Except as otherwise negotiated by the Buyer and the Union Representative, Buyer will assume liability for all floating holidays, sick days, vacation days and personal days of each Transferred Employee that have accrued but remain unused or unpaid by such Transferred Employee as of the Closing Date up to the accrual limits therefor under Buyer's employee policies and procedures for similarly situated employees of Buyer.

(i) Any individual who is otherwise a Transferred Employee but who on the Closing Date is not actively at work due to a leave of absence covered by the Family and Medical Leave Act or similar state or local Law, short-term disability or any other authorized leave of absence and who does not return to active-at-work status within 30 days of Closing, shall remain an employee of Seller and shall not become a Transferred Employee until such time as he or she returns to active-at-work status.

Section 6.11 Risk of Loss; Insurance.

(a) On or prior to the Closing, Buyer shall not bear any risk of loss or damage to the property included in the Acquired Assets. For the avoidance of doubt, the risk of loss or damage to the property included in the Acquired Assets shall not pass to Buyer until the actual time of the Closing, notwithstanding the effective time specified in Section 3.1. Seller shall replace or repair any damage to the Acquired Assets consistent with Seller's Past Practices (taking into account the Vero Beach Power Plant Expectations) and the Capital Expenditure and Maintenance Plan, except as otherwise provided in paragraphs (b) or (c) below.

(b) If, before the Closing, all or any portion of the Acquired Assets is taken by eminent domain or is the subject of a pending taking which has not been consummated, Seller shall notify Buyer promptly in writing of such fact, and Seller shall replace such portion of the Acquired Assets with reasonably comparable assets (such replacement to be reasonably satisfactory to Buyer), taking into account the Vero Beach Power Plant Expectations. If such replacement is not completed by the Closing, the Purchase Price shall be reduced by the amount of the reasonable cost of such replacement. At Seller's election, the Closing Date shall be extended by the time reasonably necessary for such replacement (not to exceed a six (6) months extension), which Closing Date extension shall also extend the Termination Date to the extent the Closing Date would be extended beyond the Termination Date pursuant to this sentence.

(c) If, before the Closing, all or any portion of the Acquired Assets is damaged or destroyed by fire or other casualty, Seller shall notify Buyer promptly in writing of such fact, and Seller shall cure such damage or destruction to a condition reasonably comparable to their prior condition (such cure to be reasonably satisfactory to Buyer), taking into account the Vero Beach Power Plant Expectations. Buyer and Buyer's Representatives shall be entitled to inspect and observe all aspects of such cure. If such cure is not completed by the Closing, the Purchase Price shall be reduced by the reasonable cost to perform such cure. At Seller's election if a notice of intent to terminate has not been given by Seller pursuant to Section 9.1(i), the Closing Date shall be extended by the time reasonably necessary for such cure (not to exceed a six (6) months extension), which Closing Date extension shall also extend the Termination Date to the extent the Closing Date would be extended beyond the Termination Date pursuant to this sentence.

(d) During the Interim Period, Seller shall continue to pay all premiums for insurance policies described in Schedule 4.9, and Seller shall not amend in any material respect or cancel or fail to maintain any such insurance policies with the current insurance companies or their successors or other financially responsible insurance companies in such amounts and against such risks and losses as are currently maintained. Prior to the Closing Date, Seller shall use Commercially Reasonable Efforts to purchase an extended reporting period of at least three (3) years on all claims-made policies included in Schedule 4.9 to allow for the reporting of any claims that may have taken place prior to the Closing Date that have yet to be reported. After the Closing Date, Seller further agrees to cooperate with Buyer concerning any and all incurred but not reported liability claims that may have taken place prior to the Closing Date covered by Seller's insurance as listed in Schedule 4.9, and Seller agrees to cooperate in the resolution of any pending or disputed property damage claims and shall cause their insurers to do the same.

Section 6.12 Assumed Contracts; Ancillary Agreements.

(a) Seller shall obtain any consents required to assign the Assumed Contracts, the Intellectual Property Licenses and the Transferable Permits to Buyer.

(b) At Closing and effective immediately after Closing, Buyer and Seller shall enter into the Ancillary Agreements. At or prior to Closing, Seller shall enter into each of the Seller Ancillary Agreements and shall cause the other parties thereto to enter into the applicable Seller Ancillary Agreements.

Section 6.13 OUC Agreements and FMPA Entitlements.

(a) As promptly as practicable after the Effective Date but no later than the Closing Date, Seller shall, at Seller's sole cost, cause the satisfaction of each of the following conditions precedent to the extent within its control and use reasonable efforts to cause the satisfaction of each of the following conditions precedent to the extent not within its control:

(i) each condition precedent to the termination of the OUC-Vero Beach PPA set forth in the OUC Termination Agreement; and

(ii) each condition precedent to the transfer and assignment to OUC of Seller's power entitlement shares in the Stanton I, Stanton II and St. Lucie II

projects, and assumption by OUC of Seller's post-transfer obligations under the FMPA Agreements (other than the All-Requirements Contract), set forth in the OUC Assignment Agreements and the OUC Transfer Agreements.

(b) [*Reserved*]

(c) As promptly as practicable after the Effective Date but no later than the Closing Date, Seller shall, at Seller's sole cost as reasonably acceptable to Seller, terminate Seller's participation in, and the applicability to Seller of, the All-Requirements Contract as of no later than the Closing Date.

(d) As promptly as practicable after the Effective Date but no later than the Closing Date, Seller shall, at Seller's sole cost as reasonably acceptable to Seller, obtain the written consent of FMPA to the assignment of the FMPA Agreements (other than the All-Requirements Contract) to OUC and other consents of FMPA, if any, necessary for the transfer of the applicable Acquired Assets to Buyer, each in form and substance reasonably satisfactory to Seller and Buyer.

(e) During the Interim Period, (i) Seller shall continue to comply with and satisfy all of its obligations, if any, under each of the FMPA Agreements, the OUC-Vero Beach PPA, the OUC Termination Agreement, the OUC Assignment Agreements and the OUC Transfer Agreements, and Seller shall not cause or permit any Breach by Seller of any of such Contracts and (ii) Buyer shall perform and fulfill its obligations under the OUC-FPL PPAs.

(f) As promptly as practicable after the Effective Date but no later than the Closing Date, Buyer shall, at Buyer's sole cost, cause the satisfaction of each of the following conditions precedent to the extent within its control and use reasonable efforts to cause the satisfaction of each of the following conditions precedent to the extent not within its control:

(i) each condition precedent to OUC-FPL PPAs; and

(ii) each condition precedent to the Reliability Call Agreement.

Section 6.14 Separation of Seller Assets.

To the extent that the Acquired Assets need to be severed or separated from other Seller property, assets or rights, Seller shall perform and pay for such severance or separation at Seller's cost not to exceed $10,000.

Section 6.15 Franchise Ordinance.

Seller shall adopt the Franchise Ordinance by July 31, 2013.

Section 6.16 Capital Expenditure and Maintenance Plan; Spare Parts.

(a) Prior to the Closing Date, Seller agrees to perform the activities described in the Capital Expenditure and Maintenance Plan in accordance with the schedule therein. The value (as set forth in the Capital Expenditure and Maintenance Plan) of each such activity not

performed in accordance with such schedule by the Closing Date shall reduce the Purchase Price on a dollar-for-dollar basis; except to the extent that a Vice President of Buyer in consultation with Seller agrees in writing that such activity is not required to be performed. If Seller desires to incur any capital expenditure that materially improves the Acquired Assets and is not (x) described in the Capital Expenditure and Maintenance Plan or required to comply with any applicable Law or Permit or (y) a repair, replacement or cure required under Section 6.11, and Seller desires to increase the Purchase Price therefor, Seller shall notify Buyer of the cost of such capital expenditure, of its desire to increase the Purchase Price by such cost and of the expected material improvement to the Acquired Assets (such notice being, the ***"Capital Improvement Notice"***). If Buyer expressly approves such capital expenditure (which may be conditioned upon terms and conditions acceptable to Buyer) and expressly agrees to increase the Purchase Price by such cost by notice to Seller referencing this Section 6.16(a), (i) Seller shall be entitled to perform the work necessary to execute, and incur the cost for, such capital expenditure, and (ii) if after completion of such work, the Acquired Assets are materially improved as described in the Capital Improvement Notice, the Purchase Price shall be increased by an amount equal to Seller's costs incurred to execute such capital expenditure, except that such amount shall not exceed the cost described in the Capital Improvement Notice, without Buyer's written consent. All Seller Contracts for such work shall become Assumed Contracts, except that the price payable under such Contracts shall remain the obligation of Seller. Notwithstanding any provision herein to the contrary, the Purchase Price shall not be increased due to Seller's incurrence of any capital or other expenditure, expect as set forth in clause (ii) above.

(b) Prior to the Closing Date, Seller shall at all times maintain an inventory of Spare Parts; provided that Seller shall have the right to use Spare Parts in the ordinary course of the Business of the Vero Beach Electric Utility consistent with Seller's Past Practices but shall be required to purchase replacement Spare Parts upon such use taking into account the Vero Beach Power Plant Expectations.

Section 6.17 Customer Data Conversion.

The Parties shall cooperate with each other to facilitate an orderly and seamless transition from Seller to Buyer of the information systems, computer applications and processing of data for Buyer to commence conducting the Business of the Vero Beach Electric Utility as of the Closing Date in the manner and format acceptable to Buyer. At Buyer's option, (a) Buyer shall with the cooperation of Seller engage Cayenta to convert Seller's Customer data to a format useable by Buyer as reasonably determined by Buyer or (b) Seller shall with the cooperation of Buyer engage Cayenta to convert Seller's Customer data to a format useable by Buyer as reasonably determined by Buyer and outlined in Schedules 6.17(a) and (b), on terms, conditions and pricing approved by Buyer. If option (b), above, is exercised by Buyer, the Purchase Price shall be increased by the price approved by Buyer for such data conversion that is charged by Cayenta to Seller.

Section 6.18 Seller as Customer.

Seller shall be a retail electric service customer of Buyer commencing with the Closing Date. Except with respect to facilities or other structures covered by a Buyer tariff designed to handle un-metered service, Seller shall be responsible for providing, prior to the Closing Date,

all metering and other equipment necessary for Buyer to measure Seller's consumption of electricity at each facility or other structure of Seller (other than Acquired Assets) requiring electric service.

Section 6.19 Vero Beach Electric Utility Bonds and Other Indebtedness.

Simultaneous with the Closing, Seller shall deposit in trust under an escrow deposit agreement acceptable to Buyer with an independent trustee acceptable to Buyer either (i) monies in an amount that shall be sufficient, or (ii) non-callable Defeasance Obligations the principal of and the interest on which when due will provide monies which, together with other monies, if any, deposited in the escrow deposit agreement, shall be sufficient, in the case of (i) and (ii), to pay when due the principal or redemption price, if applicable, and interest due and to become due on the Vero Beach Electric Utility Bonds on or prior to the redemption date or maturity date thereof, as the case may be. The sufficiency of such deposit of monies and/or non-callable Defeasance Obligations shall be verified by an independent certified public accountant acceptable to Buyer and irrevocable instructions shall be provided under the escrow deposit agreement to the trustee thereunder to cause the publication and provision of any required redemption notice in accordance with the Bond Resolution, and there shall be delivered to the Parties opinions of bond counsel to Seller, in a form satisfactory to the Parties, to the effect that the Vero Beach Electric Utility Bonds have ceased to be entitled to any lien, benefit or security under the Bond Resolution, and all covenants, agreements and obligations of the Seller to the holders of such Vero Beach Electric Utility Bonds have thereupon ceased, terminated and become void and be discharged and satisfied, and the Bond Resolution is of no further force and effect. Simultaneously with the Closing, Seller shall redeem and pay in full the Vero Beach Revenue Note, and the holder of the Vero Beach Revenue Note shall acknowledge payment in full of the Vero Beach Revenue Note and satisfaction of Seller's obligations under the Loan Agreement dated June 10, 2008 related thereto, in a manner satisfactory to Seller and Buyer.

Section 6.20 [Reserved]

Section 6.21 Exclusivity.

Except as expressly permitted by this Agreement, Seller will not, directly or indirectly, or through an official, employee, representative or by or through the use of any other conduit (including any other Person), (a) offer to sell or transfer any of the Acquired Assets (or offer to enter into any transaction contemplated by this Agreement with) any Person, or (b) request, solicit or otherwise encourage inquiries, proposals or offers from, or participate in any discussions or negotiations with, any Person other than Buyer with respect to the sale or transfer of any of the Acquired Assets or any transaction contemplated by this Agreement.

Section 6.22 No Seller Changes in Law.

On or prior to the Closing Date, Seller agrees not to promulgate, enact, adopt, repeal, amend, modify or make effective any Law or resolution, or take or support any action, that would adversely affect any of the transactions contemplated by this Agreement or the Business of the Vero Beach Electric Utility.

Section 6.23 Vero Beach Power Plant; Certain Environmental Liabilities.

Seller shall be entitled at any time within ninety (90) days after Buyer provides notice to Seller of the date for commencement of Decommissioning (which notice shall be provided no less than nine (9) months prior to such date) to direct Buyer to dismantle all or a portion of the Vero Beach Power Plant and the Vero Beach Power Plant Substation in accordance with Exhibit H; provided that Buyer may be required by applicable law to dismantle more than the portions directed by Seller. If Seller does not direct Buyer to dismantle any portion of the Vero Beach Power Plant and the Vero Beach Power Plant Substation in accordance with the previous sentence, then title of the Vero Beach Power Plant and the Vero Beach Power Plant Substation shall pass to Seller upon termination or expiration of the Vero Beach Power Plant Site Lease Agreement and Buyer shall have no obligation to dismantle the Vero Beach Power Plant or the Vero Beach Power Plant Substation. If Seller directs Buyer to dismantle only a portion of the Vero Beach Power Plant or the Vero Beach Power Plant Substation in accordance with the previous sentence (the "***Dismantled Portion***"), then title to the portion of the Vero Beach Power Plant and the Vero Beach Power Plant Substation not dismantled by Buyer or its contractor (the "***Remaining Portion***"), shall pass to Seller upon completion of the dismantlement of the Dismantled Portion and Buyer shall have no obligation to dismantle the Remaining Portion. Seller shall be required to perform (or reimburse Buyer for the cost to perform if performed by Buyer or its contractor) all Remediation relating to the presence or Release of Hazardous Substances at, on, in, under, adjacent to or migrating from the Vero Beach Power Plant Site at any time before or after the Closing Date irrespective of the cause of such presence or Release, excluding the costs of Remediation of known, above ground Releases caused by Buyer after the Closing Date but prior to commencement of dismantling of the Vero Beach Power Plant or the Vero Beach Power Plant Substation (such excluded costs being, the "***Buyer Remediation Responsibility***"). Buyer agrees that, notwithstanding Seller's obligation in the preceding sentence or under Section 8.1(b)(iii) to indemnify, defend and hold the Buyer Indemnitees harmless from, and pay, reimburse and fully compensate as the primary obligor Buyer Indemnitees for, Excluded Environmental Liabilities, Buyer shall bear the first $500,000 of costs for Remediation of the Vero Beach Power Plant Site required by applicable Law in connection with Buyer's dismantling of the Vero Beach Power Plant and the Vero Beach Power Plant Substation (the "***Buyer Remediation Share***"); provided that if Seller does not direct Buyer to dismantle any portion of the Vero Beach Power Plant or the Vero Beach Power Plant Substation in accordance with this paragraph, then the Buyer Remediation Share shall be zero dollars. The Buyer Remediation Share and the Buyer Remediation Responsibility is intended to constitute the Parties' agreement as to Buyer's sole and exclusive Liability related to the presence or Release of Hazardous Substances at, on, in, under, adjacent to or migrating from the Vero Beach Power Plant Site irrespective of the cause of such presence or Release, and Seller hereby releases Buyer from any Liability in excess of the Buyer Remediation Share and the Buyer Remediation Responsibility for Remediation related to the presence or Release of Hazardous Substances at, on, in, under, adjacent to or migrating from the Vero Beach Power Plant Site irrespective of the cause of such presence or Release (including Releases by Buyer).

Section 6.24 Customer Consumption Allocation.

(a) Seller shall use reasonable efforts to read the meters of all Customers of Seller within one (1) month (reading used for billing) prior to the Closing Date, and Buyer shall

use reasonable efforts to read the meters of all such Customers within one (1) month after the Closing Date. The reading obtained by Seller (within one month prior to the Closing Date) shall be included in the Customer data conversion file from Seller to Buyer. Within sixty (60) days after the date that Buyer reads the last of the meters of such Customers, Buyer shall provide to Seller the date of the first meter reading of each such Customer occurring on and after the Closing Date and a prorated final bill reading (using the allocation method described below) for the Pre-Closing Consumption Period (as defined below). Irrespective of the actual consumption of electricity by a Customer during (a) the period (the ***"Pre-Closing Consumption Period"***) from and including the date of the last meter reading of such Customer occurring prior to the Closing Date and (b) the period (the ***"Post-Closing Consumption Period"*** and together with the Pre-Closing Consumption Period, the ***"Between Meter Readings Period"***) from and including the date of the first meter reading of such Customer occurring on or after the Closing Date, the Parties agree to allocate to the Pre-Closing Consumption Period and the Post-Closing Consumption Period a percentage of the actual consumption of electricity by each Customer during the Between Meter Readings Period pursuant to the following formulas (for the avoidance of doubt, the sum of the percentages allocated to the Pre-Closing Consumption Period and the Post-Closing Consumption Period of a particular Customer must equal 100%):

(i) Allocation to the Pre-Closing Consumption Period shall be: (A) (i) the total consumption of electricity by each Customer during the Between Meter Readings Period *divided by* (ii) the total number of days in the Between Meter Readings Period *multiplied by* (B) the total number of days in the Pre-Closing Consumption Period; and

(ii) Allocation to the Post-Closing Consumption Period shall be: (A) (i) the total consumption of electricity by each Customer during the Between Meter Readings Period *divided by* (ii) the total number of days in the Between Meter Readings Period *multiplied by* (B) the total number of days in the Post-Closing Consumption Period

(b) The Parties agree that Seller (and not Buyer) shall bill, and be entitled to collect payment from Customers, for electric service provided to Customers prior to the Closing Date and that Buyer (and not Seller) shall bill, and be entitled to collect payment from Customers, for electric service provided to Customers on and after the Closing Date; provided that, in determining the amount of electricity consumed by a particular Customer that was provided by Seller or by Buyer during the Between Meter Readings Period for such Customer, the Parties agree that, irrespective of the actual amount of electricity provided by Seller or by Buyer during the Between Meter Readings Period, the amount of electricity provided by Seller shall be the amount of electricity deemed to be consumed by such Customer during the Pre-Closing Consumption Period as determined by this Section, and the amount of electricity provided by Buyer shall be the amount of electricity deemed to be consumed by such Customer during the Post-Closing Consumption Period as determined by this Section.

(c) Notwithstanding Section 6.24(a) and (b), if the FPSC requires Buyer to determine consumption of electricity by Customers during Post-Closing Consumption Period in manner different than in accordance with Section 6.24(a) and (b), then the allocation between Buyer and Seller of consumption of electricity by Customers during the Between Meter Readings Period shall be in accordance with the manner required by the FPSC for Buyer to

determine the consumption of electricity by Customers during the Post-Closing Consumption Period.

Section 6.25 Seller's Responsibility for Environmental Liabilities.

At all times after the Closing Date and except to the extent of the Buyer Remediation Share, Seller agrees to be responsible for any and all Losses of Buyer, and pay and perform when due any and all Liabilities of Buyer, (a) under or related to Environmental Laws, Environmental Permits or Environmental Claims with respect to the Business of the Vero Beach Electric Utility and/or the Acquired Assets relating to or arising from any event, condition, circumstance, act or omission occurring prior to the Closing Date, or (b) relating to or arising from the presence or Release of Hazardous Substances at, on, in, under, adjacent to or migrating from the Acquired Assets or the Real Property prior to the Closing Date.

ARTICLE VII
CONDITIONS PRECEDENT

Section 7.1 Conditions Precedent to Obligations of Buyer.

The obligations of Buyer to purchase the Acquired Assets and to consummate the other transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to the Closing Date of the following conditions precedent (except to the extent waived (in whole or in part) in writing by Buyer in its sole discretion):

(a) The representations and warranties (other than the Seller Fundamental Representations) of Seller set forth in this Agreement (without regard to any materiality or Material Adverse Effect qualification therein) shall be true and correct in all respects on and as of the Effective Date and on and as of the Closing Date as though made on and as of the Closing Date (except those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date), except for such failures to be true and correct which would not reasonably be expected to constitute, individually or in the aggregate with the financial or economic adverse effect on Buyer of breaches of covenants and agreements of Seller in Article VI, a Material Adverse Effect.

(b) The Seller Fundamental Representations shall be true and accurate in all respects on and as of the Effective Date and on and as of the Closing Date as though made on and as of the Closing Date (except those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date).

(c) Seller shall have satisfied all of its obligation under Section 6.13 and:

(i) each condition precedent to the termination of the OUC-Vero Beach PPA set forth in the OUC Termination Agreement has been satisfied (or waived thereunder);

(ii) each condition precedent to the transfer and assignment to OUC of Seller's power entitlement shares in the Stanton I,

Stanton II and St. Lucie II projects, and assumption by OUC of Seller's post-transfer obligations under the FMPA Agreements (other than the All-Requirements Contract), set forth in the OUC Assignment Agreements and the OUC Transfer Agreements has been satisfied (or waived thereunder);

(iii) has obtained the written consent of FMPA and all other Persons required under the FMPA Agreements (other than the All-Requirements Contract), for the transfer of the applicable Acquired Assets to Buyer in form and substance reasonably satisfactory to Buyer; and

(iv) has terminated Seller's participation in, and the applicability to Seller of, the All-Requirements Contract.

(d) No preliminary or permanent injunction or other Order by any Governmental Authority (other than Seller) which restrains or prevents the consummation of the transactions contemplated hereby shall have been issued and remain in effect (each Party agreeing to cooperate in all efforts to have any such injunction or Order lifted) and no Law shall have been enacted by any Governmental Authority which prohibits the consummation of the transactions contemplated hereby;

(e) Buyer shall have received all of Buyer's Required Regulatory Approvals, in form and substance reasonably satisfactory to Buyer and such approvals shall be in full force and effect and either (i) shall be final and non-appealable or (ii) if not final and non-appealable, shall not be subject to the possibility of appeal, review or reconsideration which, in the reasonable opinion of Buyer, is likely to be successful;

(f) Seller shall have performed and complied in all material respects with the covenants and agreements contained in this Agreement which are required to be performed and complied with by Seller on or prior to the Closing Date or during the Interim Period;

(g) Buyer shall have received a certificate from the City Manager of Seller, dated the Closing Date, to the effect that, to such person's knowledge, the conditions set forth in this Sections 7.1 (a), (b) and (f) have been satisfied by Seller;

(h) Seller shall have delivered, or caused to be delivered, to Buyer at the Closing, Seller's closing deliveries described in Section 3.7;

(i) Since the Effective Date, no Material Adverse Effect shall have occurred and be continuing; provided, that for purposes of determining whether a Material Adverse Effect has occurred for purposes of this Section 7.1(i), any such violations or breaches by Seller of any representation or warranty contained in Section 4.7 shall be measured without regard to any Knowledge qualifiers in such representations and warranties of Seller (other than with respect to Seller's Knowledge as to the obligations of third parties that may be counterparties to any Real Property Interest Instrument);

(j) Seller shall have delivered to Buyer reasonably satisfactory evidence of (i) the satisfaction, discharge and payment in full of the Vero Beach Electric Utility Bonds and the

Vero Beach Revenue Note in accordance with Section 6.19; and (ii) release of all Encumbrances on the Acquired Assets (other than Permitted Encumbrances);

(k) Buyer has received approval from the FPSC to charge Seller's Customers the same rates for retail electric service as Buyer charges its other electric utility customers;

(l) Buyer shall have secured, at Buyer's cost and expense, (i) title insurance policies, insurable at regular rates, in an amount satisfactory to Buyer, from a title insurance company authorized to do business in the State of Florida, insuring that Buyer has good, marketable and insurable title to the Acquired Land in Fee and the right to control, occupy and use the Acquired Land in Fee, free and clear of Encumbrances other than Permitted Encumbrances, (ii) title insurance policies, insurable at regular rates, in an amount satisfactory to Buyer, from a title insurance company authorized to do business in the State of Florida, insuring that Buyer has good, marketable and insurable leasehold interests in the Vero Beach Power Plant Site, the substation 5 and substation 6 real property and (if Buyer exercises the Airport Warehouse Lease Agreement Option) the Airport Warehouse (T&D) Building, and the right to control, occupy and use such property, free and clear of Encumbrances other than Permitted Encumbrances, and (iii) American Land Title Association (ALTA) surveys issued to Buyer and the title company secured by Buyer prepared by certified surveyors showing the Acquired Land In Fee, the substation 5 real property and the substation 6 real property and (if Buyer exercises the Airport Warehouse Lease Agreement Option) the Airport Warehouse (T&D) Building property with all physical encumbrances observed and all matters of record that affect the Acquired Land In Fee, the substation 5 real property and the substation 6 real property, and the Airport Warehouse (T&D) Building property, the form and substance of which are satisfactory to Buyer; and

(m) Buyer shall have received such other documents, and certificates as Buyer, or its counsel, shall reasonably request for conveying title to Acquired Assets by written notice to Seller given not less than ten (10) days prior to the Closing Date.

Section 7.2 Conditions Precedent to Obligations of Seller.

The obligation of Seller to sell the Acquired Assets and to consummate the other transactions contemplated by this Agreement shall be subject to the fulfillment at or prior to the Closing Date of the following conditions precedent (except to the extent waived (in whole or in part) in writing by Seller in its sole discretion):

(a) The representations and warranties (other than the Buyer Fundamental Representations) of Buyer set forth in this Agreement (without regard to any materiality or Material Adverse Effect qualification therein) shall be true and correct in all respects on and as of the Effective Date and on and as of the Closing Date as though made on and as of the Closing Date (except those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date), except for such failures to be true and correct which would not reasonably be expected to constitute, individually or in the aggregate, a Material Adverse Effect.

(b) The Buyer Fundamental Representations shall be true and accurate in all respects on and as of the Effective Date and on and as of the Closing Date as though made on and as of the Closing Date (except those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date).

(c) No preliminary or permanent injunction or other Order by Governmental Authority (other than Seller) which restrains or prevents the consummation of the transactions contemplated hereby shall have been issued and remain in effect (each Party agreeing to use its Commercially Reasonable Efforts to have any such injunction or Order lifted) and no Law shall have been enacted by any state or federal government or Governmental Authority (other than Seller) which prohibits the transactions contemplated hereby;

(d) Buyer shall have performed and complied with in all material respects the covenants and agreements contained in this Agreement which are required to be performed and complied with by Buyer on or prior to the Closing Date or during the Interim Period;

(e) Buyer has received approval from the FPSC to charge Seller's Customers the same rates for retail electric service as Buyer charges its other electric utility customers;

(f) Seller shall have received a certificate from an authorized officer of Buyer, dated the Closing Date, to the effect that, to such person's knowledge, the conditions set forth in this Sections 7.2 (a), (b) and (d) have been satisfied by Buyer;

(g) The following has occurred, except to the extent any of the following are within Seller's control (it being understood by Seller that performance of such matters within Seller's control shall not constitute conditions precedent under this Section 7.2 to the obligation of Seller to sell the Acquired Assets and to consummate the other transactions contemplated by this Agreement):

(i) Each condition precedent to the termination of the OUC-Vero Beach PPA set forth in the OUC Termination Agreement has been satisfied (or waived thereunder);

(ii) Each condition precedent to the transfer and assignment to OUC of Seller's power entitlement shares in the Stanton I, Stanton II and St. Lucie II projects, and assumption by OUC of Seller's post-transfer obligations under the FMPA Agreements (other than the All-Requirements Contract), set forth in the OUC Assignment Agreements and the OUC Transfer Agreements has been satisfied (or waived thereunder); and

(iii) The written consent of FMPA and all other Persons required under the FMPA Agreements (other than the All-Requirements Contract) for the transfer of the applicable Acquired Assets to Buyer has been obtained in form and substance reasonably satisfactory to Seller.

(h) Buyer shall have delivered, or caused to be delivered, to Seller at the Closing, Buyer's closing deliveries described in Section 3.7.

ARTICLE VIII
INDEMNIFICATION AND PAYMENT FOR LOSSES

Section 8.1 Indemnification and Payment for Losses.

(a) From and after the Closing, Buyer shall, on an After-Tax Basis, indemnify, defend and hold harmless Seller and its Counsel and employees (each, a ***"Seller Indemnitee"***) from and against, and pay, reimburse and fully compensate as the primary obligor each Seller Indemnitee for, any and all Losses (each, a ***"Covered Loss"***), asserted against or suffered by any Seller Indemnitee relating to, resulting from or arising out of:

(i) any breach or inaccuracy of any Buyer Fundamental Representation as of the date hereof or as of the Closing Date as though such representations or warranties were made on the Closing Date (any such breach being determined and any resulting Loss measured without regard to any "materiality," "material adverse effect" or similar qualifiers in the representations and warranties of Buyer), except those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date;

(ii) any breach of any covenant (including any covenant to indemnify, defend or hold a Person harmless from, or to pay, reimburse or fully compensate as the primary obligor a Person for Losses) or agreement of Buyer contained in this Agreement;

(iii) any Assumed Liability (other than any Excluded Liability);

(iv) any Assumed Contract (other than any Loss relating to, resulting from or arising out of any Excluded Liability); or

(v) any Third Party Claim against a Seller Indemnitee arising out of or in connection with (A) Buyer's ownership, use or operation of the Acquired Assets or (B) Buyer's performance of the Business of the Vero Beach Electric Utility, in each case under clause (A) or (B), following the Closing Date (other than any Loss relating to, resulting from or arising out of any Excluded Asset or Excluded Liability).

(b) From and after the Closing, Seller shall, on an After-Tax Basis, indemnify, defend and hold harmless Buyer and its Affiliates and its and their officers, directors, members, employees, shareholders and agents (each, a ***"Buyer Indemnitee"***) from and against, and pay, reimburse and fully compensate as the primary obligor each Buyer Indemnitee for, any and all Covered Losses asserted against or suffered by any Buyer Indemnitee relating to, resulting from or arising out of:

(i) any breach or inaccuracy of any Seller Fundamental Representation or any representation or warranty of Seller contained in Section 4.10 or 4.18 as of the date hereof or as of the Closing Date as though such representations or warranties were made on the Closing Date (any such breach being determined and any resulting Loss measured without regard to any "materiality," "material adverse effect" or similar qualifiers in the representations and warranties of Seller, other than (A) such references in the defined term "Material Seller Contract", and (B) with respect to the representations and warranties contained in Section 4.6),

except those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date;

(ii) any breach of any covenant (including any covenant to indemnify, defend or hold a Person harmless from, or to pay, reimburse or fully compensate as the primary obligor a Person for Losses) or agreement of Seller contained in this Agreement;

(iii) any Excluded Liability, except to the extent of the Buyer Remediation Share;

(iv) any Excluded Asset;

(v) any Third Party Claim against a Buyer Indemnitee arising out of or in connection with (A) Seller's ownership, use or operation of the Acquired Assets, or (B) the Business of the Vero Beach Electric Utility, in each case under clause (A) or (B), on or prior to the Closing Date (other than any Loss relating to, resulting from or arising out of any Assumed Liability);

(vi) the presence or Release of Hazardous Substances at, on, in, under, adjacent to or migrating from the Vero Beach Power Plant Site prior to or after the Closing Date irrespective of the cause of such presence or Release (including Releases by Buyer), except to the extent of the Buyer Remediation Share and the Buyer Remediation Responsibility; or

(vii) any demand, claim or Action relating to public assistance funds awarded to Seller relating to any hurricane or other named storm.

(c) Notwithstanding anything in this Agreement to the contrary:

(i) the representations and warranties contained in this Agreement shall not survive the Closing Date, except that (A) the Seller Fundamental Representations and the Buyer Fundamental Representations shall survive the Closing indefinitely, and (B) the representations and warranties set forth in Sections 4.10 and 4.18 shall survive until sixty (60) days following the expiration of the applicable statute of limitations with respect to the matters covered thereby; and

(ii) the covenants and obligations of the Parties set forth in this Agreement shall survive the Closing until sixty (60) days following the expiration of the applicable statute of limitations applicable to contracts, and each Party shall be entitled to the full performance thereof by the other Party within such time period, except that each Party's rights and obligations under this Article VIII, Section 6.4, Section 6.23, Section 6.25 and Section 9.1(i) shall survive the Closing indefinitely; and

(iii) (A) the end of the survival period for a representation, warranty, covenant or obligation as provided in subparagraphs (i) or (ii) of this Section 8.1(c) and the agreement of the Parties that a Party shall have no rights or remedies against the other Party (other than a potential right to terminate under Section 9.1(d) or (e)) for an alleged breach of representations and warranties which do not survive the Closing shall only affect an Indemnitee's ability to make a claim for a Covered Loss under Section 8.1(a) or Section 8.1(b)

that is based upon one or more of the representations, warranties, covenants or obligations that no longer survive, and (B) no provision of this Section 8.1 (including, without limitation, Section 8.1(d) and Section 8.1(e)) shall be interpreted or applied in a manner that limits or adversely affects an Indemnitee's ability to make a claim for a Covered Loss under any provision of Section 8.1(a) or Section 8.1(b) with respect to any event or circumstance that can be made independent of, and without reliance upon, a claim of breach of any representation, warranty, covenant or obligation by a Party that has expired pursuant to subparagraphs (i) or (ii) of this Section 8.1(c) even if such event or circumstance might have also formed the basis for a claim in reliance upon such expired representation, warranty, covenant or obligation had such representation, warranty, covenant or obligation continued to survive.

(d) The expiration or termination of any representation, warranty, covenant or agreement shall not affect the Parties' obligations under this Section 8.1 if the Indemnitee provided the Person required to provide indemnification, or payment, reimbursement or full compensation as the primary obligor, for Losses under this Agreement (the ***"Indemnifying Party"***) with proper notice of the claim or event for which indemnification or payment, reimbursement or full compensation as the primary obligor for Losses is sought prior to such expiration, termination or extinguishment; except the foregoing shall not apply to any claim for an alleged breach of any of Seller's representations or warranties which do not survive the Closing, as provided in Section 8.1(c)(i).

(e) The rights and remedies of Seller and Buyer under this Article VIII are not exclusive, but shall be in addition to any and all other rights and remedies which Seller or Buyer may have under this Agreement or at law or in equity with respect to any breach of or failure to perform any covenant, agreement, representation or warranty of the other Party set forth in this Agreement; provided, however, Buyer shall have no rights or remedies against Seller (other than a potential right to terminate under Section 9.1(d)) for an alleged breach of any of Seller's representations and warranties which do not survive the Closing, as provided in Section 8.1(c)(i). Notwithstanding any provision in this Agreement to the contrary, each Party shall have the express right to collect amounts payable under this Agreement pursuant to legal action.

Section 8.2 Defense of Claims.

(a) If any Indemnitee receives notice of the assertion of any claim or of the commencement of any claim, action, or proceeding made or brought by any Person who is not a Party to this Agreement or any Affiliate of a Party to this Agreement (a ***"Third Party Claim"***), including but not limited to an information document request or a notice of proposed disallowance issued by the IRS relating to a matter covered by Section 6.8, with respect to which indemnification is to be sought from an Indemnifying Party, the Indemnitee shall give such Indemnifying Party reasonably prompt written notice thereof, but in any event such notice shall not be given later than twenty (20) calendar days after the Indemnitee's receipt of notice of such Third Party Claim. Such notice shall describe the nature of the Third Party Claim in reasonable detail and shall indicate the estimated amount, if practicable, of the Covered Loss that has been or may be sustained by the Indemnitee. The Indemnifying Party will have the right to participate in or, by giving written notice to the Indemnitee, to elect to assume the defense of any Third Party Claim at such Indemnifying Party's expense and by such Indemnifying Party's own counsel, provided that the counsel for the Indemnifying Party who shall conduct the defense of

such Third Party Claim shall be reasonably satisfactory to the Indemnitee. The Indemnitee shall cooperate in good faith in such defense at such Indemnitee's own expense. If an Indemnifying Party elects not to assume the defense of any Third Party Claim, the Indemnitee may compromise or settle such Third Party Claim over the objection of the Indemnifying Party, which settlement or compromise shall conclusively establish the Indemnifying Party's Liability pursuant to this Agreement; provided, however, that the Indemnitee provides written notice to the Indemnifying Party of its intent to settle and such notice reasonably describes the terms of such settlement at least ten (10) Business Days prior to entering into any settlement.

(b) (i) If, within twenty (20) calendar days after an Indemnitee provides written notice to the Indemnifying Party of any Third Party Claims, the Indemnitee receives written notice from the Indemnifying Party that such Indemnifying Party has elected to assume the defense of such Third Party Claim as provided in Section 8.2(a), the Indemnifying Party will not be liable for any legal expenses subsequently incurred by the Indemnitee in connection with the defense thereof; provided, however, that if the Indemnifying Party shall fail to take reasonable steps necessary to defend diligently such Third Party Claim within twenty (20) calendar days after receiving notice from the Indemnitee that the Indemnitee believes the Indemnifying Party has failed to take such steps, the Indemnitee may assume its own defense and the Indemnifying Party shall be liable for all reasonable expenses thereof.

(ii) Without the prior written consent of the Indemnitee, which consent shall not be unreasonably withheld, conditioned or delayed, the Indemnifying Party shall not enter into any settlement of any Third Party Claim which would lead to Liability or create any financial or other obligation on the part of the Indemnitee for which the Indemnitee is not entitled to indemnification, or payment, reimbursement or full compensation as the primary obligor, for Losses hereunder. If a firm offer is made to settle a Third Party Claim that would lead to a Liability or the creation of a financial or other obligation on the part of the Indemnitee for which the Indemnitee is not entitled to indemnification, or payment, reimbursement or full compensation as the primary obligor, for Losses hereunder and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to the Indemnitee to that effect. If the Indemnitee fails to consent to such firm offer within twenty (20) calendar days after its receipt of such notice, the Indemnifying Party shall be relieved of its obligations to defend such Third Party Claim and the Indemnitee may contest or defend such Third Party Claim. In such event, the maximum Liability of the Indemnifying Party as to such Third Party Claim will be the amount of such settlement offer plus reasonable costs and expenses paid or incurred by Indemnitee up to the date of said notice.

(c) Any claim by an Indemnitee on account of a Covered Loss which does not result from a Third Party Claim (a ***"Direct Claim"***) shall be asserted by giving the Indemnifying Party reasonably prompt written notice thereof, stating the nature of such claim in reasonable detail and indicating the estimated amount, if practicable, but in any event such notice shall not be given later than twenty (20) calendar days after the Indemnitee becomes aware of such Direct Claim, and the Indemnifying Party shall have a period of twenty (20) calendar days within which to respond to such Direct Claim. If the Indemnifying Party does not respond within such twenty (20) calendar day period, the Indemnifying Party shall be deemed to have accepted such claim. If the Indemnifying Party rejects such claim, the Indemnitee will be free to seek enforcement of

its right to indemnification, or payment, reimbursement or full compensation as the primary obligor, for Losses under this Agreement.

(d) The amount of any Covered Loss shall be reduced to the extent that the Indemnitee receives any insurance proceeds with respect to a Covered Loss. If the amount of any Covered Loss, at any time subsequent to the making of a payment in full in respect thereof, is reduced by recovery, settlement or otherwise under or pursuant to any insurance coverage, or pursuant to any claim, recovery, settlement or payment by, from or against any other entity, the amount of such reduction, less any costs, expenses or premiums incurred in connection therewith (together with interest thereon from the date of payment thereof to the date or repayment at the Prime Rate, but in no event more than the maximum rate permitted by applicable Law) shall promptly be repaid by the Indemnitee to the Indemnifying Party.

(e) A failure to give timely notice as provided in this Section 8.2 shall not affect the rights or obligations of any Party hereunder except if, and only to the extent that, as a result of such failure, the Party which was entitled to receive such notice was actually prejudiced as a result of such failure.

(f) Payment, reimbursement or full compensation of a Covered Loss shall be made by the relevant Party within thirty (30) days after demand therefor; provided, that this Section 8.2(f) shall not be construed to limit or impair such Party's ability to dispute its responsibility for payment, reimbursement or full compensation of a Covered Loss as otherwise permitted by this Agreement.

Section 8.3 Offset.

Buyer shall have the right to offset, on a dollar for dollar basis, any portion of any payment to be made under Article III or under the Franchise Ordinance against any amount payable by Seller under any provision of this Agreement (including, without limitation, this Article VIII) that has not been paid when due to Buyer or any of the other Buyer Indemnitees or by Seller to Buyer under any of the Ancillary Agreements. If any Buyer Indemnitee incurs or suffers a Loss for which such Buyer Indemnitee is entitled to indemnification, or payment, reimbursement or full compensation as the primary obligor, by Seller for Losses pursuant to Section 8.1(b) or if Seller becomes obligated pursuant to any other provision of this Agreement or any of the Ancillary Agreements to indemnify, pay, reimburse or fully compensate Buyer for any other amount under this Agreement or under any of the Ancillary Agreements, then Buyer shall be entitled to offset an amount equal to such Loss and/or such other amount against any one or more payments due to be made to Seller under the Franchise Ordinance and such payments under the Franchise Ordinance shall be reduced by the amount so offset by Buyer; provided, that Buyer shall not be entitled to offset against any payment due within twelve (12) months after notice by Buyer to Seller of Buyer's exercise of its right to offset under this paragraph. Buyer shall charge Seller interest from the date of incurrence or suffering of such Loss or the date any such other amount becomes due from Seller to Buyer until the actual date of offset against payment under the Franchise Ordinance at the following rates: (i) during the first twelve (12) months after notice by Buyer to Seller of Buyer's exercise of its right to offset under this paragraph, the interest rate shall be the Prime Rate from time to time in effect, and (ii) after the end of such twelve (12) month period, the interest rate shall be at the Default Rate, but in no

event more than the maximum rate permitted by applicable Law. Such interest may be offset by Buyer against such payment under the Franchise Ordinance or later payments thereunder. To the extent Buyer offsets any amount alleged to be due from Seller under Article VIII or otherwise, and it is determined Buyer offset more than what should have been offset, then Buyer shall reimburse Seller promptly upon such determination and Buyer shall pay Seller interest from the date of such excess offset on the amount to be reimbursed to Seller until the actual date of reimbursement at the following rates: (i) during the first twelve (12) months after Buyer exercise of its right to offset with respect to such excess amount, the interest rate shall be the Prime Rate from time to time in effect, and (ii) after the end of such twelve (12) month period, the interest rate shall be the Default Rate, but in no event more than the maximum rate permitted by applicable Law. For the avoidance of doubt, accrual or payment of interest on an obligation of a Party that has become due and payable, including interest at the Default Rate, shall not mean that the other Party is not entitled to pursue any other remedy available to such Party at law or in equity to enforce the obligations of the defaulting Party under this Agreement.

ARTICLE IX
TERMINATION

Section 9.1 Termination.

(a) This Agreement may be terminated at any time prior to the Closing Date by mutual written consent of Seller and Buyer.

(b) This Agreement may be terminated by Seller or Buyer, if (i) any federal or state court of competent jurisdiction shall have issued an Order permanently restraining, enjoining or otherwise prohibiting the Closing, and such Order, shall have become final and nonappealable; (ii) any Law shall have been enacted or issued by any Governmental Authority (other than Seller) which, directly or indirectly, prohibits the consummation of the Closing; or (iii) each condition precedent in Section 7.1 has been satisfied (or waived by Buyer), each condition precedent in Section 7.2 has been satisfied (or waived by Seller) and the Closing contemplated hereby shall have not occurred on or before the Termination Date; provided, that the right to terminate this Agreement under this Section 9.1(b)(iii) shall not be available to any Party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before such date.

(c) This Agreement may be terminated by Buyer if any of Buyer's Required Regulatory Approvals shall have been denied or shall have been granted but are not in form and substance reasonably satisfactory to Buyer.

(d) This Agreement may be terminated by Buyer if there has been one or more violations or breaches by Seller of any representation or warranty contained in this Agreement and such violation(s) or breach(es) (individually or in the aggregate) constitutes a Material Adverse Effect and is not cured by the earlier of the Closing Date or ninety (90) days after receipt by Seller (or by Buyer in the case of notice by Seller pursuant to Section 6.9) of written notice specifying particularly such violation(s) or breach(es) and the amount of any alleged Covered Losses. For purposes of determining whether a Material Adverse Effect has occurred for purposes of this Section 9.1(d), any such violations or breaches by Seller of any

representation or warranty contained in Section 4.7 shall be measured without regard to any Knowledge qualifiers in such representations and warranties of Seller. Notwithstanding the foregoing, if Buyer gives Seller such notice of a violation or breach by Seller of any such representation or warranty within ninety (90) days before the Termination Date, Seller may elect by written notice to Buyer prior to the Closing Date to extend the Termination Date by up to ninety (90) days if Seller deems such additional time necessary for it to cure such violations or breaches of its representations and warranties.

(e) This Agreement may be terminated by Seller if there has been one or more violations or breaches by Buyer of any representation or warranty contained in this Agreement and such violation(s) or breach(es) (individually or in the aggregate) constitutes a Material Adverse Effect and is not cured by the earlier of the Closing Date or ninety (90) days after receipt by Buyer of written notice specifying particularly such violation(s) or breach(es) and the amount of any alleged Covered Losses. Notwithstanding the foregoing, if Seller gives Buyer such notice of a violation or breach by Buyer of any such representation or warranty within ninety (90) days before the Termination Date, Buyer may elect by written notice to Seller prior to the Closing Date to extend the Termination Date by up to ninety (90) days if Buyer deems such additional time necessary for it to cure such violations or breaches of its representations and warranties.

(f) This Agreement may be terminated by a Party if there has been one or more material breaches by the other Party of any covenant or agreement contained in this Agreement and such breach(es) is not cured by ninety (90) days after receipt by the breaching Party of written notice specifying particularly such breach(es). Notwithstanding the foregoing, if a Party gives the other Party such notice of breach(es) within ninety (90) days before the Termination Date, the other Party may elect by written notice to such Party prior to the Closing Date to extend the Termination Date by up to ninety (90) days if the other Party deems such additional time necessary for it to cure such breach(es).

(g) This Agreement may be terminated by either Party if on or prior to ninety (90) days following the Effective Date a referendum election has been duly called and held by the City of Vero Beach on the Referendum Question and the Referendum Question was not approved by a majority of the votes cast in such referendum election; provided, that notice of termination of this Agreement under this Section 9.1(g) must be given by the terminating Party to the other Party not later than sixty (60) days following the date on which such referendum election was held.

(h) This Agreement may be terminated by Buyer if, by February 28, 2013, the board of directors of NextEra Energy, Inc. fails to approve Buyer's execution of this Agreement, which approval may be withheld in such board's sole discretion; provided, that notice of termination of this Agreement under this Section 9.1(h) must be given by Buyer to Seller not later than March 4, 2013.

(i) If, following the occurrence of any fire or other casualty that results in all or any portion of the Acquired Assets being damaged or destroyed, Seller reasonably estimates that the Cure Amount would exceed the sum of the Maximum Uncovered Loss Amount plus the Available Proceeds, then Seller may, within one (1) month following the date that such fire or

other casualty ended, give notice to Buyer of its intent to terminate this Agreement, which notice shall set forth a detailed breakdown of Seller's reasonable estimate of the Cure Amount and Available Proceeds. Within sixty (60) days after Buyer's receipt of such notice (or such longer period as the Parties may mutually agree), the Parties shall reasonably agree upon the Cure Amount (the "***Final Cure Amount***"). At any time prior to sixty (60) days after agreement on the Final Cure Amount, Buyer shall (which Buyer may do prior to agreement on the Final Cure Amount) (a) accept Seller's notice of intent to terminate and the Agreement shall terminate, (b) elect (the "***Immediate Closing Election***") to proceed to Closing as soon as practicable, and Seller and Buyer shall cause Closing to occur as soon as practicable (subject to satisfaction (or waiver at the sole discretion of the Party for whose benefit such conditions precedent exist) of all conditions precedent under Sections 7.1 and 7.2) or (c) elect (the "***Delayed Closing Election***") to proceed to Closing no earlier than the end of the Recovery Period and the Termination Date shall not be earlier than sixty (60) days after the end of the Recovery Period, except that at any time prior to the end of the Recovery Period, Buyer may elect (the "***Partial Recovery Closing Election***") to proceed to Closing as soon as practicable with a Closing Date no earlier than eighteen (18) months after the date of notice of the Delayed Closing Election, and Seller and Buyer shall cause Closing to occur as soon as practicable (subject to satisfaction (or waiver at the sole discretion of the Party for whose benefit such conditions precedent exist) of all conditions precedent under Sections 7.1 and 7.2). For the avoidance of doubt, neither Party is required to waive any condition precedent to Closing in order for Closing to occur pursuant to a Closing Election. If Buyer makes an Immediate Closing Election, the Purchase Price shall be increased by the Excess Uncovered Loss Amount. If Buyer makes a Partial Recovery Closing Election, the Purchase Price shall be increased by the product of (A) the Monthly Recovery Amount multiplied by (B) the number of months from the Closing Date to the end of the Recovery Period. If Buyer makes an Immediate Closing Election but Closing does not occur within eighteen (18) months after the date of notice of the Immediate Closing Election, then Buyer's election shall no longer be an Immediate Closing Election but shall be deemed to have been a Partial Recovery Closing Election. If Buyer makes a Closing Election and Closing occurs, Seller shall continue to make available to Buyer to effect such cure as determined by Buyer in its sole discretion the unexpended amount of all Available Proceeds; provided, however, if a Governmental Authority determines Buyer is not eligible to use any portion of the Available Proceeds provided by any Governmental Authority, such as the Federal Emergency Management Agency, then Seller will use such Available Proceeds and apply them to the repair of such damage or destruction as determined by Buyer in its sole discretion in compliance with the mandatory conditions of such Governmental Authority applicable to the use of such portion of the Available Proceeds. Schedule 9.1(i) attached hereto sets forth examples of the application of the provisions of this Section 9.1(i) and Section 6.11(c) to a hypothetical casualty event for illustrative purposes only.

(j) For the avoidance of doubt, if this Agreement is terminated by either Party under Section 9.1(g), by the Buyer under Section 9.1(h) or by Seller under Section 9.1(i), no termination fee will be payable under Sections 9.2(b) or Section 9.2(c).

Section 9.2 Effect of Termination.

(a) In the event of termination of this Agreement by Seller or Buyer pursuant to Section 9.1, written notice thereof shall promptly be given by the terminating Party to the

other Party, and this Agreement shall thereupon terminate. Notwithstanding the foregoing, and subject to Sections 9.2(b) and (c), if this Agreement terminates pursuant to Section 9.1 (other than a termination under Section 9.1(d), (e) or (f) due to an intentional or willful violation or breach of any covenant, agreement, representation or warranty), this Agreement shall be null and void and neither Party shall have any liability or obligation to the other Party under this Agreement or as a result of the termination hereof. If this Agreement is terminated as provided herein, all filings, applications and other submissions made to any Governmental Authority shall, to the extent practicable, be withdrawn from the Governmental Authority to which they were made.

(b) Notwithstanding any provision herein to the contrary, if this Agreement is terminated by Buyer pursuant to Section 9.1(d) or (f), then, in any such case, Seller shall pay Buyer, by wire transfer of immediately available funds within three (3) Business Days following demand therefor $5,000,000. Other than in the case of a termination by Buyer under Section 9.1(d) or (f) due to an intentional or willful violation or breach by Seller of any covenant, agreement, representation or warranty, this Section 9.2(b) shall be Buyer's sole and exclusive remedy as a result of a termination of this Agreement by Buyer pursuant to Section 9.1(d) or (f); provided, that nothing in this Section 9.1(b) shall limit Buyer's rights under Section 10.12.

(c) Notwithstanding any provision herein to the contrary, if this Agreement is terminated by Seller pursuant to Section 9.1(e) or (f), then, in any such case, Buyer shall pay Seller, by wire transfer of immediately available funds within three (3) Business Days following demand therefor $5,000,000. Other than in the case of a termination by Seller under Section 9.1(e) or (f) due to an intentional or willful violation or breach by Buyer of any covenant, agreement, representation or warranty, this Section 9.2(b) shall be Seller's sole and exclusive remedy as a result of a termination of this Agreement by Seller pursuant to Section 9.1(e) or (f); provided, that nothing in this Section 9.1(b) shall limit Seller's rights under Section 10.12.

(d) Seller and Buyer hereby acknowledge and agree that the fixed amounts payable pursuant to Sections 9.2(b) and (c) are reasonable liquidated damages considering the actual costs and losses that the non-breaching Party will sustain in the event of a termination of this Agreement under Section 9.1(d), (e) or (f), as applicable. Such amounts are agreed by the Parties and fixed hereunder by the Parties as liquidated damages because of the difficulty of ascertaining the exact amount of such actual costs and losses that will actually be sustained by the non-breaching Party in the event of such a termination, and the Parties hereby agree that the amounts specified Sections 9.2(b) and (c), respectively, are a reasonable estimate of the non-breaching Party's probable costs and losses (and not a penalty) and that they shall be applicable regardless of the amount of the costs and losses that the non-breaching Party actually sustains.

ARTICLE X
MISCELLANEOUS PROVISIONS

Section 10.1 Amendment and Modification.

This Agreement may not be amended, modified or supplemented, except by written agreement of Seller and Buyer.

Section 10.2 Waiver of Compliance; Consents.

Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. Any waiver by any Party of any condition, or of the breach of any provision, term, covenant, representation or warranty contained in this Agreement, in any one or more instances, shall not invalidate this Agreement, nor shall such waiver be deemed to be nor construed as a furthering or continuing waiver of any such condition, or of the breach of any other provision, term, covenant, representation or warranty of this Agreement. Except as otherwise provided herein, the failure of a Party to this Agreement to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of such rights. A waiver by a Party of the performance of any covenant, condition, representation or warranty of the other Party shall not invalidate this Agreement, nor shall such waiver be construed as a waiver of any other covenant, condition, representation or warranty. A waiver by a Party of the time for performing any act shall not constitute a waiver of the time for performing any other act or the time for performing an identical act required to be performed at a later time. All remedies, either under this Agreement or by Law or otherwise afforded, will be cumulative and not alternative.

Section 10.3 Third Party Beneficiaries.

(a) Except for the provisions of Article VIII which are intended to be for the benefit of the Persons identified therein, the terms and provisions of this Agreement are intended solely for the benefit of the Parties and their respective successors or permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other Person, including without limitation any employee or any beneficiaries or dependents thereof. No provision of this Agreement shall create any third party beneficiary rights in any employee or former employee of Seller (including any beneficiary or dependent thereof) in respect of continued employment or resumed employment, and no provision of this Agreement shall create any rights in any such Persons in respect of any benefits that may be provided, directly or indirectly, under any employee benefit plan or arrangement except as expressly provided for thereunder.

Section 10.4 Notices.

All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or mailed by overnight courier or registered or certified mail (return receipt requested), postage prepaid, to the recipient Party at its address (or at such other address for a Party as shall be specified by like notice; provided, however, that notices of a change of address shall be effective only upon receipt thereof):

(a) If to Seller, to:

City of Vero Beach
1053 20th Place
Vero Beach, FL 32961-1389
Attention: City Manager

with copies to:

City of Vero Beach
1053 20th Place
Vero Beach, FL 32961-1389
Attention: City Attorney

and

Edwards Wildman Palmer LLP
525 Okeechobee Boulevard
Suite 1600
West Palm Beach, FL 33401
Attention: John G. Igoe, P.A.

(b) if to Buyer, to:

Florida Power & Light Company
700 Universe Boulevard EMT/JB
Juno Beach, FL 33408
Attention: EMT Contracts Department

with a copy to:

Florida Power & Light Company
700 Universe Boulevard JB/Law
Juno Beach, FL 33408
Attention: General Counsel

Section 10.5 Assignment.

Neither this Agreement nor any right, interest or obligation hereunder may be assigned by any Party without the prior written consent of the other Party, except that, from and after the Closing, Buyer may (without the consent of any other Party) assign this Agreement or all or any portion of Buyer's rights, interests or obligations hereunder to any Affiliate of Buyer or any Person providing financing to Buyer or any of its their Affiliates, but no such assignment shall release Buyer of its obligations under this Agreement. Subject to this Section 10.5, this Agreement is binding upon, inures to the benefit of and is enforceable by the Parties and their respective successors and permitted assigns.

Section 10.6 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN LEON COUNTY, FLORIDA, WHICH

COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING OR TERMINATION OF THIS AGREEMENT.

Section 10.7 Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 10.8 Schedules and Exhibits.

Except as otherwise provided in this Agreement, all Exhibits and Schedules referred to herein are intended to be and hereby are specifically made a part of this Agreement.

Section 10.9 Entire Agreement.

Except for the MOU, the Seller Executed Ancillary Agreements, this Agreement and the Ancillary Agreements, including the Exhibits, Schedules, documents, certificates and instruments referred to herein or therein, embody the entire agreement and understanding of the Parties hereto in respect of the transactions contemplated by this Agreement and shall supersede all previous oral and written and all contemporaneous oral negotiations, commitments and understandings including, without limitation, (a) that certain Letter of Intent dated May 6, 2011, between Seller and Buyer, as amended, and (b) all documents or communications, whether oral, written or electronic, submitted or made by (i) Buyer or any of its representatives to Seller or any of its representatives or (ii) Seller or any of its representatives to Buyer or any of its representatives, in connection with the sale process that occurred prior to the execution of this Agreement or otherwise in connection with the negotiation and execution of this Agreement.

Section 10.10 No Joint Venture.

Nothing in this Agreement creates or is intended to create an association, trust, partnership, joint venture or other entity or similar legal relationship among the Parties, or impose a trust, partnership or fiduciary duty, obligation, or liability on or with respect to the Parties.

Section 10.11 Change in Law.

If and to the extent that any Laws (other than Laws of Seller) that govern any aspect of this Agreement shall change, so as to make any aspect of this transaction unlawful, then the Parties agree to make such modifications to this Agreement as may be reasonably necessary for

this Agreement to accommodate any such legal or regulatory changes, without materially changing the overall benefits or consideration expected hereunder by any Party.

Section 10.12 Specific Performance.

Each Party acknowledges and agrees that the other Party would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached. Accordingly, each Party agrees that the other Party shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in addition to any other remedy to which it may be entitled, at law or in equity. For the avoidance of doubt, if a Party seeks and is granted specific performance of the obligations of a breaching Party under this Agreement and the Closing occurs in the manner contemplated by this Agreement, then neither Party shall be obligated to make the respective payments contemplated by Sections 9.2(b) or 9.2(c).

Section 10.13 Severability.

If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future Law, and if the rights or obligations of any Party under this Agreement will not be materially and adversely affected thereby, such provision will be fully severable, this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom and in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

[Signatures appear on the following page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

FLORIDA POWER & LIGHT COMPANY

By: _____

Name: _____

Title: _____

ATTEST:

_____
Tammy K. Vock
City Clerk

(City Seal)

Approved as to form and legal sufficiency:

_____
Wayne R. Coment
City Attorney

Approved as to technical requirements:

_____

CITY OF VERO BEACH, FLORIDA

_____
Craig Fletcher
Mayor

Approved as conforming to municipal policy:

_____
James R. O'Connor
City Manager

Approved as to technical requirements:

_____

EXHIBIT A-1

Form of Assignment and Assumption Agreement

EXHIBIT A-1

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "***Agreement***"), dated as of [___], 201_, is made and entered into by and between the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida ("***Assignor***"), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida ("***Assignee***"). Assignor and Assignee are referred to herein individually as a ***"Party,"*** and collectively as the ***"Parties."***

W I T N E S S E T H:

WHEREAS, Assignor and Assignee have entered into an Asset Purchase and Sale Agreement, dated as of [___], 201_ (the "***PSA***");

WHEREAS, simultaneously with the execution of this Agreement, the Parties are executing and delivering a Bill of Sale, pursuant to which Assignor is selling, assigning, conveying, transferring and delivering to Assignee the Acquired Assets, and Assignee will accept such sale, assignment, conveyance, transfer and delivery;

WHEREAS, pursuant to the PSA, upon the terms and subject to the conditions set forth therein, simultaneous with the sale, assignment, conveyance, transfer and delivery by Assignor of the Acquired Assets at the Closing, Assignor shall assign to Assignee, and Assignee shall assume and agree to discharge when due all of the Assumed Liabilities; and

WHEREAS, this Agreement effectuates the assignment by Assignor, and the assumption by Assignee, of the Assumed Liabilities.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the PSA.

2. Acceptance and Assumption. Subject to the terms and conditions of this Agreement and the PSA, Assignor hereby assigns to Assignee and Assignee hereby assumes and agrees to discharge when due, the Assumed Liabilities.

3. Liabilities Not Being Assumed. Notwithstanding anything to the contrary in this Agreement, Assignee shall not assume, pay, bear, perform or discharge any of the Excluded Liabilities.

4. Effective Time. The assignment by Assignor to Assignee, and the assumption by Assignee, of the Assumed Liabilities, all pursuant to this Agreement and the PSA, shall be effective as of the Closing.

5. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

6. No Modification. This Agreement is made pursuant to, and is subject to the terms of, the PSA. Notwithstanding anything to the contrary contained in this Agreement, nothing contained herein is intended to or shall be deemed to limit, restrict, modify, alter, amend or otherwise change in any manner the rights and obligations of Assignor or Assignee under the PSA, and in the event of any conflict between the terms and provisions hereof and the terms and provisions of the PSA, the terms and provisions of the PSA shall control.

7. Section Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

8. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN LEON COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT. EACH OF THE PARTIES IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the day and year first set forth above.

ASSIGNOR:

ATTEST:

CITY OF VERO BEACH, FLORIDA

_____

Name:
City Clerk

_____

Name:
Mayor

(City Seal)

Approved as to form and legal sufficiency:

_____

Name:
City Attorney

Approved as conforming to municipal policy:

_____

Name:
City Manager

Approved as to technical requirements:

_____

Approved as to technical requirements:

_____

ASSIGNEE:

FLORIDA POWER & LIGHT COMPANY

By: _____

Name: _____

Title: _____

Exhibit A-2

Form of Assignment of Easements and Other Real Property Interests

[*Exhibit begins on the following page.*]

This instrument was prepared by and after recording return to:
Jorge Diaz-Silveira, Esq.
Hogan Lovells US LLP
200 South Biscayne Blvd.
Suite 400
Miami, FL 33131

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this "***Assignment***") is dated as of [_____], 201_, and is made and entered into by and between the **CITY OF VERO BEACH, FLORIDA**, a municipal corporation organized under the laws of the State of Florida ("***Assignor***"), and **FLORIDA POWER & LIGHT COMPANY**, a corporation organized under the laws of the State of Florida ("***Assignee***"). Assignor and Assignee are referred to herein individually as a "***Party***," and collectively as the "***Parties***."

WITNESSETH:

WHEREAS, Assignor and Assignee have entered into an Asset Purchase and Sale Agreement, dated as of [____], 201_ (the "***PSA***"), pursuant to which Assignor has agreed to assign to Assignee all of its right, title and interest in and to (i) those certain easements recorded in Official Records Books of the Public Records of Indian River County, Florida [or of St. Lucie County, Florida] as described in Schedule I attached hereto and from the respective grantor(s) named on said Schedule 1 in favor of Assignor, (ii) those certain easements in favor of Assignor, appearing on the Plat of the subdivisions, recorded in the Plat Books and at the Page(s) of the Public Records of Indian River County, Florida [or of St. Lucie County, Florida] as described on Schedule 2 attached hereto, and (iii) those certain agreements or instruments and/or the recorded memoranda thereof as described on Schedule 3 attached hereto (collectively, the "***Interests***");

WHEREAS, pursuant to the PSA, Assignee shall assume all of the Assumed Liabilities (as defined in the PSA) relating to the Interests; and

WHEREAS, Assignor and Assignee desire to enter into this Assignment to effect such assignment and assumption and to provide notice to third parties of same by recording this Assignment in the Public Records of the counties in which the Interests were recorded;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the PSA.

2. Acceptance and Assumption. Subject to the terms and conditions of this Assignment and the PSA, Assignor hereby assigns, transfers, sells and conveys to Assignee all of Assignor's right, title and interest in and to the Interests and Assignee hereby assumes, and agrees to pay and perform or discharge when due, the Assumed Liabilities relating to the Interests that arise or accrue from and after the date hereof.

3. Liabilities Not Being Assumed. Notwithstanding anything to the contrary in this Assignment, Assignee shall not assume, pay, bear, perform or discharge any of the Excluded Liabilities.

4. Recordation of Assignment. Assignor and Assignee shall take such action as is reasonably necessary to promptly record this Assignment in the Public Records of the counties in the State of Florida where the Interests, or memoranda thereof, have been recorded.

5. Further Assurances. Assignor does hereby agree, from time to time as and when reasonably requested by Assignee, to execute and deliver (or cause to be executed and delivered) such documents or instruments and to take (or cause to be taken) such further or other actions, as may be reasonably necessary to carry out the purposes of this Assignment.

6. Effective Date. The assignment by Assignor to Assignee, and the assumption by Assignee, of the Assumed Liabilities, all pursuant to this Assignment and the PSA, shall be effective as of the Closing.

7. Counterparts. This Assignment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

8. No Modification. This Assignment is made pursuant to, and is subject to the terms of, the PSA. Notwithstanding anything to the contrary contained in this Assignment, nothing contained herein is intended to or shall be deemed to limit, restrict, modify, alter, amend or otherwise change in any manner the rights and obligations of Assignor or Assignee under the PSA, and in the event of any conflict between the terms and provisions hereof and the terms and provisions of the PSA, the terms and provisions of the PSA shall control.

9. Section Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Assignment.

10. Governing Law; Jurisdiction. This Assignment shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES AGREE THAT VENUE IN ANY AND ALL

ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS ASSIGNMENT SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN LEON COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT. EACH OF THE PARTIES IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS ASSIGNMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS ASSIGNMENT, AND SHALL SURVIVE THE CLOSING AND ANY TERMINATION OF THIS ASSIGNMENT AS TO ANY INTEREST(S).

[Signature Page Follows]

IN WITNESS WHEREOF, Assignor and Assignee have caused this Assignment to be duly executed by their respective representatives thereunto duly authorized, all as of the day and year first above written.

WITNESSES:

_____

Print name:_____

_____

Print name:_____

ASSIGNOR:

CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation

By:_____

Name:_____

Title:_____

WITNESSES:

_____

Print name:_____

_____

Print name:_____

ASSIGNEE:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

By:_____

Name:_____

Title:_____

ASSIGNOR ACKNOWLEDGEMENT

STATE OF FLORIDA)
) SS
COUNTY OF _____)

On this, the ___ day of _____, 201_, before me, a Notary Public in and for the State of Florida, personally appeared_____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized officer of the City of Vero Beach, Florida, and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the City of Vero Beach, Florida by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201_.

_____
Notary Public

ASSIGNEE ACKNOWLEDGEMENT

STATE OF FLORIDA)
) SS
COUNTY OF _____)

On this, the ___ day of _____, 201_, before me, a Notary Public in and for the State of Florida, personally appeared _____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized officer of Florida Power & Light Company, and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the Florida Power & Light Company by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201_.

_____
Notary Public

Schedule 1

[LIST OF EASEMENTS]

Schedule 2

[LIST OF PLATTED EASEMENTS]

Schedule 3

[LIST OF OTHER REAL PROPERTY AGREEMENTS]

EXHIBIT B

Form of Bill of Sale

EXHIBIT B

FORM OF BILL OF SALE

BILL OF SALE

This BILL OF SALE is made and effective as of [___], 201_ (this "***Bill of Sale***"), by and between the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida ("***Seller***"), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida ("***Buyer***"). Seller and Buyer are referred to herein individually as a ***"Party,"*** and collectively as the ***"Parties."***

W I T N E S S E T H:

WHEREAS, Buyer and Seller have entered into an Asset Purchase and Sale Agreement, dated as of [___], 201_ (the "***PSA***"), pursuant to which, upon the terms and subject to the conditions set forth therein, among other things, Seller has agreed to sell, assign, convey, transfer and deliver to Buyer, and Buyer has agreed to purchase and acquire from Seller, the Acquired Assets; and

WHEREAS, simultaneously with the execution of this Bill of Sale, the Parties are executing and delivering an Assignment and Assumption Agreement, pursuant to which Seller is assigning the Assumed Liabilities to Buyer and Buyer is assuming and agreeing to discharge when due the Assumed Liabilities to Buyer.

NOW, THEREFORE, for and in consideration of the payment of a portion of the Purchase Price and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the PSA.

2. Conveyance. Subject to the terms and conditions of this Bill of Sale and the PSA, Seller does hereby irrevocably and unconditionally sell, assign, convey, transfer and deliver to Buyer the Acquired Assets, and Buyer hereby accepts such sale, assignment, conveyance, transfer and delivery.

3. Effective Time. The conveyance by Seller to Buyer of the Acquired Assets, all pursuant to this Bill of Sale and the PSA, shall be effective as of the Closing.

4. No Modification. This Bill of Sale is made pursuant to, and is subject to the terms of, the PSA. Notwithstanding anything to the contrary contained in this Bill of Sale, nothing contained herein is intended to or shall be deemed to limit, restrict, modify, alter, amend or otherwise change in any manner the rights and obligations of Seller or Buyer under the PSA, and in the event of any conflict between the terms and provisions hereof and the terms and provisions of the PSA, the terms and provisions of the PSA shall control.

5. Counterparts. This Bill of Sale may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

6. Section Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Bill of Sale.

7. Governing Law and Jurisdiction. This Bill of Sale shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS BILL OF SALE SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN LEON COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT. EACH OF THE PARTIES IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS BILL OF SALE OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS BILL OF SALE, AND SHALL SURVIVE THE CLOSING.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Bill of Sale to be signed by their respective duly authorized officers as of the date first above written.

SELLER:

ATTEST:

CITY OF VERO BEACH, FLORIDA

_____

Name:
City Clerk

_____

Name:
Mayor

(City Seal)

Approved as to form and legal sufficiency:

_____

Name:
City Attorney

Approved as conforming to municipal policy:

_____

Name:
City Manager

Approved as to technical requirements:

_____

Approved as to technical requirements:

_____

BUYER:

FLORIDA POWER & LIGHT COMPANY

By: _____

Name: _____

Title: _____

EXHIBIT C

Form of Special Warranty Deed

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

St. Lucie County Parcel

Tax Parcel ID Number (Parcel 1):	**1406-211-0002-010.4**
Tax Parcel ID Number (Parcel 2):	**1406-211-0001-010.7**
Tax Parcel ID Number (Parcel 3):	**1406-121-0001-000.8**
Tax Parcel ID Number (Parcel 3):	**1406-121-0002-000.5**
Tax Parcel ID Number Parcel 3):	**1406-210-0000-000.4**
Tax Parcel ID Number Parcels A and B):	**1310-412-0002-000.4**

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__ , by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, **an undivided one-half (1/2) interest** in all that certain parcel of land lying and being in the **County of St. Lucie**, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

Grantor is also conveying by this Deed any rights that it would have otherwise retained under Florida Statutes Section 270.11 (1).

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning and land use ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; agreements and easements of record.

And the said Grantor hereby covenants with Grantee that Grantor is lawfully

seized of the Property in fee simple, and has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST: _____ Printed Name:_____ Title:_____	**CITY OF VERO BEACH, FLORIDA** By:_____ Printed Name:_____ Title:_____
Approved as to form and legal suffieiency: _____ Printed Name:_____ Title:_____	

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

are personally known to me, or

have produced _____ as identification.

_____
Notary Public – State of Florida
Printed Name:_____
My Commission Expires:_____

(Notary Seal)

EXHIBIT "A"

Three (3) parcels of land lying in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, more particularly described as follows:

Parcel 1

The North 60 feet of the West one-half (W ½) of the East two-fifths (E 2/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 19, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

Parcel 2

The North 60 feet of the East one-fifth (E 1/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 20, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

Parcel 3

Easement created by Easement Deed granted by Violet Klatt and Bill R. Winchester, as a majority of the Special Trustees of the Revocable Trust Agreement created by Ernest F. Klatt, also known as Ernest Klatt, dated May 18, 1990, in favor of the City of Vero Beach, a municipal corporation of the State of Florida, said Easement dated March 18, 1993, recorded April 2, 1993, in Official Records Book **834**, Page **2265**, in the Public Records of St. Lucie County, Florida, over, across and upon the following described property situate in the County of St. Lucie, State of Florida and being more particularly bounded and described as follows:

The North 60 feet of the West one-third (W 1/3) of the East three-fifths (E 3/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 18, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

AND

The North 35 feet of the West 235 feet of the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼), LESS the West 235 feet thereof, in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, lying West of the West right-of-way line of U.S. Highway No. 1, LESS the Northwest one-quarter NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) thereof in said Section 6.

Subject to the terms, provisions and conditions set forth in said Easement Deed.

TOGETHER WITH THE FOLLOWING LAND:

Two (2) parcels of land lying in the North one-half (N ½) of the Southeast one-quarter (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, more particularly described as follows:

Parcel A

The South 200 feet of the South 863.18 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, LESS the West 60 feet and the East 775 feet thereof.

Parcel B

The West 40 feet of the East 775 feet of the North 460 feet of the South 660 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida.

EXHIBIT D

Form of Seller's Affidavit

EXHIBIT D

OWNER'S AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, (the "Seller"), ("Seller" refers to singular or plural as context requires) who, first being duly sworn, deposes and says:

A. OWNER'S AFFIDAVIT

1. Seller is the owner of the following described property (the "Property"):

All those certain parcels of land lying and being in the County of Indian River, State of Florida, as more particularly described on Exhibit "A" attached hereto and made a part hereof (the "Property").

2. There is no outstanding contract for the sale of the property to any person or persons whomsoever, nor any unrecorded deed, mortgage or other conveyances affecting the title to the Property.

3. There are no liens, encumbrances, mortgages, claims, boundary line or other disputes, demands or security interests in, on or against the Property; that there are no unpaid taxes, levies, assessments, paving liens or utility liens against the Property (other than real estate taxes for the current year).

4. There have been no improvements made upon the Property within the past ninety (90) days for which there remain any outstanding and unpaid bills for labor, materials or supplies for which a lien or liens might be claimed by anyone.

5. There are no matters pending against Seller which could give rise to a lien that would attach to the Property during the period of time between the effective date of the title insurance commitment and the time of recording of the instruments evidencing the Buyer's fee simple or other interests in the Property; and that the Seller has not executed and will not execute any instrument that would adversely affect the title to the Property from the date of this Affidavit forward.

6. There are no judgments, claims, disputes, demands or other matters pending against Seller that could attach to the Property.

7. Except as may be described in Chicago Title Insurance Company Commitment No. ____, Seller is in sole constructive or actual possession of the Property and no other person has any right to possession of the Property, or asserts any claim of title or other interests in it.

8. Seller represents there are no violations of governmental laws, regulations or ordinances pertaining to the use of the Property.

Seller states that this instrument is given for the express purpose of inducing FLORIDA POWER & LIGHT COMPANY, a Florida corporation, to purchase the Property and to cause CHICAGO TITLE INSURANCE AGENCY, INC. as agent for CHICAGO TITLE INSURANCE COMPANY to insure title to said property. This Affidavit is made under the full understanding of the law regarding liability for any misrepresentation herein.

Dated this ___day of _____, 2013.

:
ATTEST:

By: _____

Printed Name: _____

Title: _____

CITY OF VERO BEACH, FLORIDA

By: _____

Printed Name: _____

Title: _____

Approved as to form and legal sufficiency:

By: _____

Printed Name: _____

Title: _____

STATE OF FLORIDA)
ss:
COUNTY OF INDIAN RIVER)

Sworn and subscribed before me this ____ day of _____, 2013 by _____,

as _____, and attested by _____,

as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized

under the laws of the State of Florida, on behalf of said municipal corporation, who:

are personally known to me, or

have produced _____ as identification.

NOTARY RUBBER STAMP SEAL

_____
Notary Signature

_____
Print Name

EXHIBIT E

Form of Franchise Ordinance

EXHIBIT E

ORDINANCE NO. 2013-_____

AN ORDINANCE OF THE CITY OF VERO BEACH, FLORIDA, GRANTING TO FLORIDA POWER & LIGHT COMPANY AN ELECTRIC UTILITY FRANCHISE WITHIN THE CITY OF VERO BEACH; ESTABLISHING TERMS AND CONDITIONS RELATING THERETO; PROVIDING FOR CONFLICT AND SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Vero Beach, Florida ("City") owns and operates an electric utility in Indian River County, Florida, and wishes to exit the electric utility business; and

WHEREAS, Florida Power & Light Company ("FPL") is a public utility and desires to purchase and assume from the City, and the City desires to sell and assign to FPL, certain electric utility assets and certain associated liabilities upon the terms and conditions set forth in that certain Asset Purchase and Sale Agreement, dated as of [_____], 2013, by and between the City, as seller, and FPL, as buyer (the "Purchase Agreement"), as part of the City's exit strategy from the electric utility business; and

WHEREAS, the City Council of the City of Vero Beach ("City Council") and FPL desire for FPL to provide retail electric service to the City's electric utility customers, commencing on the day that FPL purchases from the City such electric utility assets upon the terms and conditions set forth in the Purchase Agreement (the "Closing Date"); and

WHEREAS, in connection with the purchase of such electric utility assets and the assumption of such associated liabilities pursuant to the Purchase Agreement, the

City and FPL have agreed that, on or prior to the Closing Date, the City will adopt a franchise ordinance providing for the payment of fees to the City effective on and after the Effective Date (as hereinafter defined) in exchange for the nonexclusive right and privilege of supplying electricity and other services within the City free of competition from the City, pursuant to certain terms and conditions set forth herein; and

WHEREAS, the City Council finds that the franchise provided for in this Ordinance and the provisions thereof are in the public interest and serve a municipal purpose,

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VERO BEACH, FLORIDA:

Section 1 – Adoption of "Whereas" Clauses.

The foregoing "Whereas" clauses are hereby ratified as true and correct and incorporated herein as forming the purpose and legislative intent of this Ordinance.

Section 2 – Franchise Granted.

There is hereby granted to FPL, its successors and assigns (hereinafter called the "Grantee"), for the period of 30 years from the Effective Date, the nonexclusive right, privilege and franchise (hereinafter called "Franchise") to construct, operate and maintain in, under, upon, along, over and across the present and future roads, streets, alleys, bridges, easements, rights-of-way and other public places (hereinafter called "public rights-of-way") throughout all of the incorporated areas, as such incorporated areas may be constituted from time to time, of the City and its successors (hereinafter called the "Grantor"), in accordance with the Grantee's customary practice with respect to construction and maintenance, electric light and power facilities, including, without

limitation, conduits, poles, wires, transmission and distribution lines, and all other facilities installed in conjunction with or ancillary to all of the Grantee's operations (herein called "facilities"), for the purpose of supplying electricity and other services to the Grantor and its successors, the inhabitants thereof, any and all other Customers (as defined in the Purchase Agreement) and other persons beyond the city limits of the Grantor.

Section 3 – Grantee Facilities.

The facilities of the Grantee shall be installed, located or relocated so as to not unreasonably interfere with traffic over the public rights-of-way or with reasonable egress from and ingress to abutting property. To avoid conflicts with traffic, the location or relocation of all facilities shall be made as representatives of the Grantor may prescribe in accordance with the Grantor's reasonable rules and regulations with reference to the placing and maintaining in, under, upon, along, over and across said public rights-of-way; provided, however, that such rules or regulations (a) shall not prohibit the exercise of the Grantee's right to use said public rights-of-way for reasons other than unreasonable interference with motor vehicular traffic, (b) shall not unreasonably interfere with the Grantee's ability to furnish reasonably sufficient, adequate and efficient electric service to all of its customers, and (c) shall not require the relocation of any of the Grantee's facilities installed before or after the Effective Date in public rights-of-way unless or until widening or otherwise changing the configuration of the paved portion of any public right-of-way used by motor vehicles causes such installed facilities to unreasonably interfere with motor vehicular traffic. Such rules and regulations shall recognize that above-grade facilities of the Grantee installed after the Effective Date should be installed near the outer boundaries of the public rights-of-way to the extent possible. When any portion of a public right-of-way

is excavated by the Grantee in the location or relocation of any of its facilities, the portion of the public right-of-way so excavated shall within a reasonable time be replaced by the Grantee at its expense and in as good condition as it was at the time of such excavation. The Grantor shall not be liable to the Grantee for any cost or expense in connection with any relocation of the Grantee's facilities required under subsection (c) of this Section, except, however, the Grantee shall be entitled to reimbursement of its costs from others as may be provided by law.

Section 4 – Indemnification.

The Grantor shall in no way be liable or responsible for any accident or damage that may occur in the construction, operation or maintenance by the Grantee of its facilities hereunder, and the acceptance of this Ordinance shall be deemed an agreement on the part of the Grantee to indemnify the Grantor and hold it harmless against any and all liability, loss, cost, damage or expense which may accrue to the Grantor by reason of the negligence, default or misconduct of the Grantee in the construction, operation or maintenance of its facilities hereunder.

Section 5 – Regulation of Rates.

All rates and rules and regulations established by the Grantee from time to time shall be subject to such regulation as may be provided by law.

Section 6(a) – Consideration.

As a consideration for this Franchise, the Grantee shall pay to the Grantor, commencing 90 days after the Effective Date, and each month thereafter for the remainder of the term of this Franchise (and for two months thereafter due to the lag between collection and payment by Grantee), an amount which added to the amount of all licenses,

excises, fees, charges and other impositions of any kind whatsoever (except ad valorem property taxes and non-ad valorem tax assessments on property) levied or imposed by the Grantor against the Grantee's property, business or operations and those of its subsidiaries during the Grantee's monthly billing period ending 60 days prior to each such payment will equal six percent (6%) of the Grantee's billed revenues, less actual write-offs, from the sale of electrical energy to residential, commercial and industrial customers (as such customers are defined by FPL's tariff) within the incorporated areas of the Grantor for the monthly billing period ending 60 days prior to each such payment, and in no event shall payment for the rights and privileges granted herein exceed six percent (6%) of such revenues for any monthly billing period of the Grantee (such monthly amount, as calculated pursuant to this paragraph, the "Monthly Payment.")

The Grantor understands and agrees that such revenues as described in the preceding paragraph are limited to the precise revenues described therein, and that such revenues do not include, by way of example and not limitation: (a) revenues from the sale of electrical energy for Public Street and Highway Lighting (service for lighting public ways and areas); (b) revenues from Other Sales to Public Authorities (service with eligibility restricted to governmental entities); (c) revenues from Sales to Railroads and Railways (service supplied for propulsion of electric transit vehicles); (d) revenues from Sales for Resale (service to other utilities for resale purposes); (e) franchise fees; (f) Late Payment Charges; (g) Field Collection Charges; (h) other service charges.

Section 6(b) – Monthly Payment Offset by Grantee.

The Grantee shall have the right to offset, on a dollar for dollar basis, any portion of any Monthly Payment(s) to be made under this Section 6 against any amount

payable by the Grantor under any provision of the Purchase Agreement (including, without limitation, under Article VIII of the Purchase Agreement) that has not been paid when due to the Grantee or any of the other Buyer Indemnitees (as defined in the Purchase Agreement) or payable by the Grantor to the Grantee under any of the Ancillary Agreements (as defined in the Purchase Agreement) (such amounts payable by the Grantor, collectively, the "Grantor Payment Obligations"). Grantee shall not be entitled to offset against any of the Monthly Payments that are due from the Grantee within twelve (12) months after the date notice is given to Grantor of such offset. In addition to any offset of a Grantor Payment Obligation, Grantee shall be entitled to offset against such Monthly Payment or later Monthly Payments hereunder the amount of any accrued and unpaid interest on any Grantor Payment Obligation payable by Grantor as described in Section 8.3 of the Purchase Agreement.

Section 6(c) – Franchise Adjustment.

If during the term of this Franchise the Grantee enters into a franchise with any other municipality located in Indian River County, Brevard County, or St. Lucie County, where the number of Grantee's active electrical customers is equal to or less than the number of Grantee's active electrical customers within the incorporated areas of Grantor, the terms of which provide for the payment of franchise fees by the Grantee at a rate greater than 6% of the Grantee's residential, commercial, and industrial revenues under the same terms and conditions as specified in Section 6(a) hereof, the Grantee, upon written request of the Grantor, shall negotiate and enter into a new franchise with the Grantor in which the percentage to be used in calculating monthly payments under Section 6(a) utilizing the same terms and conditions as set forth in Section 6(a) hereof shall be that

greater rate provided for such other municipality within Indian River County, Brevard County, or St. Lucie County; provided, however, that if the franchise with such other municipality contains additional benefits given to Grantee in exchange for the increased franchise rate, which such additional benefits are not contained in this Franchise, such new franchise shall include those additional benefits to the Grantee.

Section 7 – Additional Consideration.

As a further consideration, during the term of this Franchise or any extension thereof, the Grantor agrees: (a) not to engage in the distribution and/or sale, in competition with the Grantee, of electric capacity and/or electric energy to any ultimate consumer of electric utility service (herein called a "retail customer") or to any electrical distribution system established solely to serve any retail customer formerly served by the Grantee, (b) not to participate in any proceeding or contractual arrangement, the purpose or terms of which would be to obligate the Grantee to transmit and/or distribute, electric capacity and/or electric energy from any third party(ies) to any other retail customer's facility(ies), and (c) not to seek to have the Grantee transmit and/or distribute electric capacity and/or electric energy generated by or on behalf of the Grantor at one location to the Grantor's facility(ies) at any other location(s). Nothing specified herein shall prohibit the Grantor from engaging with other utilities or persons in wholesale transactions which are subject to the provisions of the Federal Power Act.

Nothing herein shall prohibit the Grantor, if permitted by law, (i) from purchasing electric capacity and/or electric energy from any other person, or (ii) from seeking to have the Grantee transmit and/or distribute to any facility(ies) of the Grantor electric capacity and/or electric energy purchased by the Grantor from any other person; provided,

however, that before the Grantor elects to purchase electric capacity and/or electric energy from any other person, the Grantor shall notify the Grantee. Such notice shall include a summary of the specific rates, terms and conditions which have been offered by the other person and identify the Grantor's facilities to be served under the offer. The Grantee shall thereafter have 90 days to evaluate the offer and, if the Grantee offers rates, terms and conditions which are equal to or better than those offered by the other person, the Grantor shall be obligated to continue to purchase from the Grantee electric capacity and/or electric energy to serve the previously-identified facilities of the Grantor for a term no shorter than that offered by the other person. If the Grantee does not agree to rates, terms and conditions which are equal to or better than the other person's offer, then Grantor may proceed with the other person's offered sale and purchase arrangement and all of the terms and conditions of this Franchise shall remain in effect.

Section 8 – Other Franchise Grants by Grantor.

If the Grantor grants a right, privilege or franchise to any other person or otherwise enables any other such person to construct, operate or maintain electric light and power facilities within any part of the incorporated areas of the Grantor in which the Grantee may lawfully serve or compete on terms and conditions which the Grantee determines are more favorable than the terms and conditions contained herein, the Grantee may at any time thereafter terminate this Franchise if such terms and conditions are not remedied within the time period provided hereafter. The Grantee shall give the Grantor at least 150 days advance written notice of its intent to terminate. Such notice shall, without prejudice to any of the rights reserved for the Grantee herein, advise the Grantor of such terms and conditions that it considers more favorable. The Grantor shall

then have 150 days in which to correct or otherwise remedy the terms and conditions complained of by the Grantee. If the Grantee determines that such terms or conditions are not remedied by the Grantor within said time period, the Grantee may terminate this Franchise by delivering written notice to the Grantor's City Manager and termination shall be effective on the date of delivery of such notice.

Section 9 – Service by Other Provider.

If as a direct or indirect consequence of any legislative, regulatory or other action by the United States of America or the State of Florida (or any department, agency, authority, instrumentality or political subdivision of either of them) any person is permitted to provide electric service within the incorporated areas of the Grantor to a customer then being served by the Grantee, or to any new applicant for electric service within any part of the incorporated areas of the Grantor in which the Grantee may lawfully serve, and the Grantee reasonably determines that its obligations hereunder, or otherwise resulting from this Franchise in respect to rates and service, place it at a competitive disadvantage with respect to such other person, the Grantee may, at any time after the taking of such action, terminate this Franchise if such competitive disadvantage is not remedied within the time period provided hereafter. The Grantee shall give the Grantor at least 150 days advance written notice of its intent to terminate. Such notice shall, without prejudice to any of the rights reserved for the Grantee herein, advise the Grantor of the consequences of such action which resulted in the competitive disadvantage. The Grantor shall then have 150 days in which to correct or otherwise remedy the competitive disadvantage. If such competitive disadvantage is not remedied by the Grantor within said time period, the Grantee may terminate this Franchise by delivering written notice to the Grantor's City

Manager and termination shall take effect on the date of delivery of such notice. Nothing contained herein shall be construed as constraining Grantor's rights to legally challenge Grantee's reasonable determination of competitive disadvantage leading to termination under this section.

Section 10 – Default by Grantee.

Failure on the part of the Grantee to comply in any substantial respect with any of the provisions of this Franchise shall be grounds for forfeiture, but no such forfeiture shall take effect if the reasonableness or propriety thereof is protested by the Grantee until there is final determination (after the expiration or exhaustion of all rights of appeal) by a court of competent jurisdiction that the Grantee has failed to comply in a substantial respect with any of the provisions of this Franchise, and the Grantee shall have six months after such final determination to make good the default before a forfeiture shall result with the right of the Grantor at its discretion to grant such additional time to the Grantee for compliance as necessities in the case require. Such final determination by a court of competent jurisdiction, including any final appellate determination or ruling, shall allow Grantor to proceed with its choice of remedies, provided, however, that the Grantor may, in its discretion, grant such additional time to the Grantee for compliance as the Grantor determines are in the best interests of Grantor and Grantor's citizens. Non-substantial or non-material defaults or failures by the Grantee shall be remediable pursuant to any available legal remedies.

Section 11 – Default by Grantor.

Failure on the part of the Grantor to comply in substantial respect with any of the provisions of this Ordinance, including, but not limited to: (a) denying the Grantee use of

public rights-of-way for reasons other than unreasonable interference with motor vehicular traffic; (b) imposing conditions for use of public rights-of-way contrary to Florida law or the terms and conditions of this Franchise; (c) unreasonable delay in issuing the Grantee a use permit, if any, to construct its facilities in public rights-of-way, shall constitute breach of this Franchise and entitle the Grantee to withhold all or part of the payments provided for in Section 6 hereof until such time as a use permit is issued or a court of competent jurisdiction has reached a final determination in the matter. The Grantor recognizes and agrees that nothing in this Ordinance constitutes or shall be deemed to constitute a waiver of the Grantee's delegated sovereign right of condemnation and that the Grantee, in its sole discretion, may exercise such right.

Section 12 – Grantor Annexation of Additional Territory.

Upon the Grantor's annexation of any property and appropriate written notice to Grantee, the portion of Grantee's electrical system located within such annexed territory, and in, under, over, and upon the streets, alleys, rights-of-way, or public grounds of such annexed territory, shall be subject to all the terms of this Franchise within ninety (90) days of the Grantee's receiving written notice by U.S. certified mail return receipt requested of such annexation from the Grantor, which notice shall include the legal description(s) of the property annexed and the addresses of the individual properties within the annexed property to the extent that information is available to the Grantor.

Section 13 – Grantee Records; Grantor Audit.

The Grantor may, upon reasonable notice and within 90 days after each anniversary date of this Franchise, at the Grantor's expense, examine the records of the Grantee relating to the calculation of the franchise payment for the year preceding such

anniversary date. Such examination shall be during normal business hours at the Grantee's office where such records are maintained. Records not prepared by the Grantee in the ordinary course of business may be provided at the Grantor's expense and as the Grantor and the Grantee may agree in writing. Information identifying the Grantee's customers by name or their electric consumption shall not be taken from the Grantee's premises. Such audit shall be impartial and all audit findings, whether they decrease or increase payment to the Grantor, shall be reported to the Grantee. The Grantor's right to examine the records of the Grantee in accordance with this Section shall not be conducted by any third party employed by the Grantor whose fee, in whole or part, for conducting such audit is contingent on findings of the audit.

Section 14 – Severability.

If any of the provisions of Sections 2, 3, 4, 6, 7, 8, 9, 10, 11, or 12 are found or adjudged to be invalid, void or of no effect by a court of competent jurisdiction, this Ordinance shall be null and void and of no force and effect. If any other section, sentence, clause or phrase of this Ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, said holding in no way shall affect the validity of the remaining portions of this Ordinance.

Section 15 – "Person" Defined.

As used herein "person" means an individual, a partnership, a corporation, a business trust, a joint stock company, a trust, an incorporated association, a joint venture, a governmental authority or any other entity of whatever nature.

Section 16 – Conflict.

In the event any provision of this Ordinance conflicts or is inconsistent with any

provision of the Code of the City or any other Ordinance or resolution of the City, the provisions of this Ordinance shall apply and supersede on the subject matter of this Ordinance.

Section 17 – Codification.

This Ordinance, being of limited scope and applicability, shall not be codified in the Code of the City of Vero Beach.

Section 18 – Effective Date.

As a condition precedent to the taking effect of this Ordinance, the Grantee shall file its acceptance hereof with the Grantor's Clerk within 30 days of adoption of this Ordinance. The "Effective Date" of this Ordinance shall be the Closing Date, a condition of which shall be the filing with the Grantor's City Clerk of acceptance of this Ordinance by the Grantee on or before the Closing Date.

****

This Ordinance was read for the first time on the ___ day of _____ 2013, and was advertised on the ____ day of _____ 2013 for a public hearing to be held on the ____ day of _____ 2013, at the conclusion of which hearing it was moved for adoption by Councilmember _____,
seconded by Councilmember _____, and adopted by the following vote of the City Council:

Mayor A. Craig Fletcher	_____
Vice Mayor Tracy M. Carroll	_____
Councilmember Pilar E. Turner	_____
Councilmember Jay Kramer	_____
Councilmember Richard G. Winger	_____

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy P. Vock
City Clerk

A. Craig Fletcher
Mayor

(CITY SEAL)

Approved as to form and
legal sufficiency:

Approved as conforming to
municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

EXHIBIT F

Form of Termination of Territorial Boundary Agreement

EXHIBIT F

FORM OF TERMINATION OF TERRITORIAL BOUNDARY AGREEMENT

THIS TERMINATION OF TERRITORIAL BOUNDARY AGREEMENT (the "***Agreement***"), dated as of [___], 201_, is made and entered into by and between the CITY OF VERO BEACH, FLORIDA a municipal corporation organized under the laws of the State of Florida ("***Seller***"), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida ("***Buyer***"). Seller and Buyer are referred to herein individually as a ***"Party,"*** and collectively as the ***"Parties."***

W I T N E S S E T H:

WHEREAS, Seller and Buyer have entered into an Asset Purchase and Sale Agreement, dated as of [___], 201_ (the "***PSA***");

WHEREAS, Seller and Buyer have heretofore entered into that certain Territorial Boundary Agreement, dated June 11, 1980, as amended prior to the date hereof (such Territorial Boundary Agreement and all amendments thereto, collectively the "***Territorial Boundary Agreement***");

WHEREAS, pursuant to the PSA, as a condition precedent to the Closing thereunder, Seller and Buyer are required to terminate the Territorial Boundary Agreement; and

WHEREAS, this Agreement effectuates the termination by Seller and Buyer of the Territorial Boundary Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the PSA.

2. Termination of Territorial Boundary Agreement. The Territorial Boundary Agreement is hereby terminated and of no further force or effect and neither of the Parties shall have any further rights, obligations or liabilities to the other Party or to any other Person under the Territorial Boundary Agreement, all of which are hereby released and waived by the Parties. Each Party agrees to, promptly following receipt of a written request from the other Party, execute and deliver to such other Party such other documents or instruments as may be reasonably requested by such other Party to further evidence the delivering Party's agreement to the termination of the Territorial Boundary Agreement.

3. Effective Time. The termination of the Territorial Boundary Agreement shall be effective as of the Closing on the date hereof.

4. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

5. Seetion Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN LEON COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT. EACH OF THE PARTIES IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the day and year first set forth above.

SELLER:

ATTEST:

CITY OF VERO BEACH, FLORIDA

_____

Name:
City Clerk

_____

Name:
Mayor

(City Seal)

Approved as to form and legal sufficiency:

Approved as conforming to municipal policy:

_____

Name:
City Attorney

_____

Name:
City Manager

Approved as to technical requirements:

Approved as to technical requirements:

_____

_____

BUYER:

FLORIDA POWER & LIGHT COMPANY

By: _____

Name: _____

Title: _____

EXHIBIT G

Form of Vero Beach Power Plant Site Lease Agreement and Memorandum of Lease

EXHIBIT G

LEASE

THIS LEASE (the "***Lease***"), is made and entered into as of [_____], 20[__] (the "***Effective Date***") is between the CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "***Landlord***"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "***Tenant***"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. Landlord and Tenant are sometimes collectively referred to herein as the "***Parties***" and individually as a "***Party.***"

RECITALS

A. Terms not defined herein have the meaning ascribed to them in the PSA (as defined below).

B. This Lease is made in connection with the sale by Landlord of its municipal power plant (the "***Power Plant***") located on the Premises (as hereinafter defined) to Tenant.

C. As of the Effective Date of this Lease, Landlord has conveyed all right, title and interest in and to the Power Plant and all related facilities and improvements (including the substation and appurtenant facilities) to Tenant.

D. A referendum authorizing a lease of the Power Plant was approved by the voters of Landlord on November 8, 2011.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Lease, Landlord and Tenant agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. Premises. Landlord hereby leases to Tenant, and Tenant leases from Landlord, all those certain parcels of real property consisting of approximately [_____] acres of land located in the City of Vero Beach, Indian River County, Florida, identified as Tax Parcel Numbers 33-40-06-00000-0040-00007.0, 33-40-06-00000-0040-00006.0; and 33-40-06-00000-0040-00005.0 and more particularly described on the attached **Exhibit "A"** (collectively, the "***Power Plant Property***," and together with all tenements, hereditaments, easements and appurtenances thereto belonging or in anywise appertaining to the Power Plant Property, collectively, the "***Premises***") for purposes of the Business of the Vero Beach Electric Utility (as defined in the Asset Purchase and Sale Agreement dated [_____], 2013 between Landlord and Tenant (the "***PSA***")) as conducted by Tenant .

3. Easements. This Lease also includes the exclusive right to use all easements and appurtenances benefitting the Premises or necessary for any purpose of the Business of the Vero Beach Electric Utility as conducted by Tenant (the "***Easements***"). All Easements shall be appurtenant to the Premises, shall run with the Premises, and shall continue in full force and effect for the Term and any extension thereof.

4. Term. The initial term of this Lease shall be three (3) years (the "***Initial Term***", and prior to any extension thereof as set forth below, the "***Term***"), commencing on the Effective Date and continuing until the third (3rd) year anniversary of the Effective Date, unless extended by Tenant. Tenant shall have the option, at Tenant's sole and absolute discretion to extend the Initial Term for one (1) additional one (1) year period (the "***Extended Term***", and together with the Initial Term and any Extended Term, the "***Term***") by providing Landlord with written notice of Tenant's intention to extend the Initial Term delivered at least thirty (30) days prior to expiration of the Initial Term.

5. Rent. Tenant will make an annual rent payment to Landlord for each Lease Year (as hereinafter defined) in the amount of ONE MILLION FIVE HUNDRED THOUSAND DOLLARS ($1,500,000.00) ("***Rent***") beginning on the Effective Date and on each anniversary of the Effective Date during the Term and any Extended Term. As used herein, the term "***Lease Year***" shall mean each twelve (12) month period during the Term, commencing on the Effective Date and each anniversary date of the Effective Date (each such twelve month period commencing on such date and on each anniversary date thereof being hereinafter referred to as a "***Lease Year***").

6. Representations, Warranties and Covenants.

(a) Landlord represents and warrants to Tenant as follows:

(i) Landlord has taken all actions required and has full power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Landlord's behalf is acting pursuant to proper authorization and that this Lease is the valid, binding and enforceable obligation of Landlord.

(iii) As owner of the Premises, Landlord shall remain responsible for any Remediation (as defined in the PSA) or Loss (as defined in the PSA) associated with the presence or Release (as defined in the PSA) of Hazardous Substances (as defined in the PSA) at, on, in, under, adjacent to or migrating from the Premises irrespective of the cause of such presence or Release (including Releases by Tenant), except to the extent of the Buyer Remediation Share (as defined in the PSA) and the Buyer Remediation Responsibility (as defined in the PSA).

(b) Tenant represents and warrants to Landlord as follows:

(i) Tenant represents and warrants to Landlord that it is a corporation duly organized, validly existing and in good standing under the laws of the

State of Florida, with the necessary corporate power and authority to enter into this Lease.

(ii) Tenant represents and warrants to Landlord that the person executing and delivering this Lease on Tenant's behalf is acting pursuant to proper authorization and that this Lease is the valid, binding and enforceable obligation of Tenant.

7. Hazardous Substances.

Landlord shall be required to perform (or reimburse Tenant for the cost to perform if performed by Tenant or its contractor) all Remediation relating to the presence or Release of Hazardous Substances at, on, in, under, adjacent to or migrating from the Premises at any time before or after the Effective Date irrespective of the cause of such presence or Release, excluding the Buyer Remediation Responsibility (as defined in the PSA). The Buyer Remediation Share (as defined in the PSA) and the Buyer Remediation Responsibility under the PSA are Tenant's sole and exclusive Liability (as defined in the PSA) related to the presence or Release of Hazardous Substances at, on, in, under, adjacent to or migrating from the Premises irrespective of the cause of such presence or Release, and Landlord hereby releases Tenant from any Liability in excess of the Buyer Remediation Share and the Buyer Remediation Responsibility for Remediation related to the presence or Release of Hazardous Substances at, on, in, under, adjacent to or migrating from the Premises irrespective of the cause of such presence or Release (including Releases by Tenant). For the avoidance of doubt, Tenant's responsibility for the Buyer Remediation Share shall be solely under the PSA and not under this Lease.

8. Non-interference and Use.

(a) Landlord covenants and agrees not to use (or permit the use of) or construct (or permit the construction of) any improvements on, under or over the Premises.

(b) The Premises shall be used by Tenant (and any permitted assignees or transferees of Tenant) for purposes of the Business of the Vero Beach Electric Utility as conducted by Tenant. Tenant shall comply with all laws, ordinances, rules, regulations, codes, permits and approvals in the use of the Premises.

(c) Tenant has reviewed the Premises and accepts Premises in an "as is" condition in all respects.

9. Mechanics and Materialmen's Liens; Notice of Work. Tenant shall give Landlord not less than ten (10) days' notice prior to the commencement of any work on the Premises, and Landlord shall have the right to post notices of non-responsibility in or on the Premises as provided by law. In accordance with the applicable provisions of the Florida Construction Lien Law and specifically Florida Statutes, Section 713.10, no interest of Landlord whether personally or in the Premises, or the leasehold interest granted to Tenant shall be subject to liens for work requested or caused to be made by Tenant hereunder. Further, Tenant acknowledges that Tenant, with respect to work, improvements or alterations made by Tenant or caused to be made by Tenant under this Lease, shall promptly notify the contractor performing such work or alterations or making such improvements to the Premises of this provision exculpating Landlord's liability

for such liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed against the Premises or this leasehold, or any alterations, fixtures or improvements therein or thereto, as a result of any work, action or inaction done by or at the direction of Tenant, Tenant will discharge or remove such lien of record, whether by payment or posting of an appropriate surety bond in accordance with applicable law, within sixty (60) days following Tenant's receipt of written notice of the filing of such lien. In the event that Tenant fails to remove or discharge such lien within such sixty (60) day period, Landlord may do so, and Tenant will reimburse Landlord for all reasonable costs and expenses so incurred by Landlord within forty-five (45) days following receipt of Landlord's written request for reimbursement together with supporting documentation.

10. Insurance; Indemnity.

(a) Tenant is self-insured and maintains a comprehensive property and liability insurance program with deductibles in excess of $2,000,000.00 per occurrence.

(b) From and after the Effective Date, Tenant shall, on an After-Tax Basis (as defined in the PSA), indemnify, defend and hold harmless Landlord and its Counsel (as defined in the PSA) and employees (each, a "***Landlord Indemnitee***") from and against, and pay, reimburse and fully compensate as the primary obligor each Landlord Indemnitee for, any and all Losses (each, a "***Covered Loss***"), asserted against or suffered by any Landlord Indemnitee resulting from or arising out of any person or entity who is not a Party to this Lease (a ***"Third Party Claim"***) arising from injury to or death of any person (other than an employee of Landlord) or tangible property damage while on the Premises to the extent caused by the negligence or willful misconduct of Tenant, its employees, agents or contractors, except to the extent covered by Section 10(c)(i), below.

(c) From and after the Effective Date, Landlord shall, on an After-Tax Basis, defend and hold harmless Tenant and its Affiliates (as defined in the PSA) and its and their officers, directors, members, employees, shareholders and agents (each, a "***Tenant Indemnitee")*** from and against, and pay, reimburse and fully compensate as the primary obligor each Tenant Indemnitee for, any and all Covered Losses asserted against or suffered by any Tenant Indemnitee relating to, resulting from or arising out of:

(i) the presence or Release of Hazardous Substances at, on, in, under, adjacent to or migrating from the Premises irrespective of the cause of such presence or Release (including Releases by Tenant), except to the extent of the Buyer Remediation Share and the Buyer Remediation Responsibility; or

(ii) any Third Party Claim arising from injury to or death of any person (other than an employee of Tenant) or tangible property damage while on the Premises to the extent caused by the negligence or willful misconduct of Landlord, its employees, agents or contractors.

(d) This Section 10 shall survive the expiration or earlier termination of this Lease.

11. Taxes. Landlord shall pay the real property taxes for the Premises. As used herein, the term "***real property tax***" shall include any form of real estate tax or assessment, general, special,

ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Premises or any portion thereof by any authority having the direct or indirect power to tax, including any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord in the Premises or in any portion thereof, but does not include any income tax or tax against Landlord's right to rent or otherwise receive income therefrom.

12. Utilities. Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises and utilized by Tenant, together with any taxes thereon, upon same becoming due.

13. Assignment and Subletting. Tenant shall not transfer this Lease, without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

14. Default.

(a) **Tenant Events of Default.** The occurrence of any one or more of the following events shall constitute an "***event of default***" under this Lease by Tenant:

(i) The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, which failure continues for a period of forty-five (45) days following written notice from Landlord to Tenant.

(ii) Failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure shall continue for a period of forty-five (45) days after written notice thereof from Landlord to Tenant. In the event the default cannot reasonably be cured within such forty-five (45) day period, Tenant shall not be in default if Tenant commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(iii) (a) The making by Tenant of any general arrangement or general assignment for the benefit of creditors; (b) Tenant becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (c) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within sixty (60) days; or (d) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days.

(b) **Landlord Events of Default.** The occurrence of any one or more of the following events shall constitute an "***event of default***" under this Lease by Landlord:

(i) Failure by Landlord to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Landlord, where such failure shall continue for a period of forty-five (45) days after written notice thereof from Tenant to Landlord. In the event the default cannot reasonably be cured within such forty-five (45) day period, Landlord shall not be in default if Landlord commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by Landlord of any general arrangement or general assignment for the benefit of creditors; (B) Landlord becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Landlord, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Landlord 's assets, where possession is not restored to Tenant within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Landlord's assets, here such seizure is not discharged within sixty (60) days.

15. Remedies.

If an event of default occurs hereunder and remains uncured after notice and expiration of the applicable cure period, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this paragraph, to exercise any remedy available at law or in equity, including without limitation, a suit for specific performance of any obligations set forth in this Lease or any appropriate injunctive or other equitable relief, or for damages resulting from such default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Lease. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Lease. Notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall any default or breach of this Lease, or any failure to perform any obligations under this Lease, terminate, or entitle any Party to terminate, rescind or cancel this Lease or the rights granted hereunder.

16. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called "***condemnation***"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Premises is taken under the power of eminent domain so as to make the Premises unsuitable for its intended use, Tenant may, at Tenant's option, to be exercised in writing only within ten (10) days after Landlord shall have given Tenant written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the base annual Rent shall be reduced in proportion to the area of the Premises taken bears to the area of the Premises. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of

Landlord; provided, however, that Tenant shall be entitled to any award for loss of Tenant's leasehold interest.

17. Severability. If any provision or portion of this Lease shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Lease shall remain in full force and effect.

18. Waivers. No waiver by any Party of any provision of this Lease shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by the other Party of the same or any other provision.

19. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

20. Binding Effect. This Lease shall bind the Parties, and their respective successors and assigns.

21. Signs. Tenant will be permitted to have one or more signs on the Premises which identify the Premises as an FPL Power Plant and high voltage facility without Landlord's consent.

22. Quiet Possession. Upon Tenant paying the Rent for the Premises and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire Term.

23. Right of Entry. Landlord, or any of its agents, shall only have the right to enter the Premises during reasonable hours to examine the same and only when accompanied by a qualified employee of Tenant.

24. Force Majeure. In the event that any Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Lease by reason of strike, lock-out, war, acts of military authority, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of Landlord claiming relief under this Section, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of Landlord), or by reason of any other cause beyond such Party's control or not wholly or mainly within such Party's control, whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned, or to terminate this Lease.

25. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

26. Brokerage. Landlord and Tenant each represent and warrant one to the other that neither of them has employed any broker in connection with the negotiations of the terms of this Lease or the execution thereof. Landlord and Tenant hereby agree to indemnify and to hold each other harmless against, and pay, reimburse and fully compensate as the primary obligor each other for, any loss, expense, or liability with respect to any claims for commissions or brokerage fees arising from or out of any breach of the foregoing representation and warranty. This provision shall survive the expiration or earlier termination of this Lease.

27. Attorneys' Fees. In the event Tenant or Landlord defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Lease and Landlord or Tenant employs attorneys and brings suit in connection with the enforcement of this Lease or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees so incurred.

28. Estoppel Certificate. Landlord and Tenant shall, from time to time and without additional consideration, execute and deliver to each other or to any person whom the requesting Party may designate, within ten days after the request therefor (a) an estoppel certificate consisting of statements, if true, that (i) this Lease is in full force and effect, with Rent current through the date of the certificate; (ii) this Lease has not been modified or amended (or setting forth all modifications and amendments); and (iii) to the best of such Party's knowledge and belief, the other Party is not then in default (or if in default, specifying such default), and Tenant and Landlord have fully performed all of Tenant's and Landlord's obligations, respectively, required to have been performed under this Lease as of the date of the certificate; and (b) such further consents and instruments of a similar nature evidencing the agreement (subject to the provisions of this Lease) of Landlord or Tenant to the mortgage or other hypothecation by Tenant of the leasehold estate created hereby, as may be reasonably requested by Tenant or any leasehold mortgagee, or assignee or transferee of the interest of Landlord or Tenant, as applicable.

29. Notices. Every notice, approval, consent or other communication required or permitted under this Lease shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if served personally on the Party to whom notice is to be given, or mailed to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by written notice given to the other Party in the manner provided in this Section.

To Landlord: City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention:

With a copy to: Edwards Wildman Palmer LLP

525 Okeechobee Blvd., Suite 1600
West Palm Beach, FL 33401

To Tenant: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Corporate Real Estate

With a copy to: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Law Department

A copy of any notice required or permitted under this Lease to be given to Tenant shall at the same time and in the same manner also be provided by Landlord to any leasehold mortgagee of the Premises, the identity and address of which Tenant shall provide to Landlord.

30. Memorandum of Lease; Recording. This Lease shall not be recorded but the Parties shall execute and record in the appropriate recorder's office a Memorandum of Lease, in the form attached hereto as **Exhibit "B"**. Any amendment or supplement to this Lease required to be entered into pursuant to the terms hereof shall be executed in recordable form and said amendment or a short form memorandum thereof shall be recorded in the appropriate recorder's office. Tenant agrees that, upon expiration of tbis Lease, Tenant will, within ten (10) business days of request by Landlord, execute and deliver to Landlord a release of this Lease in recordable form. The foregoing provision shall survive expiration or earlier termination of this Lease.

31. Entire Agreement. This Lease and the PSA contain the entire agreement between the Parties and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by Landlord and Tenant. Any formally executed addendum to or modification of this Lease shall be expressly deemed incorporated by reference herein unless a contrary intention is clearly stated therein.

32. Governing Law; Forum. This Lease shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN LEON COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE

PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

33. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND ANY CLAIM FOR INJURY OR DAMAGE.

34. CONFLICTS. IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THIS LEASE AND THE PSA, THE TERMS OF THE PSA SHALL CONTROL.

[Remainder of page intentionally blank; Signature page follows]

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the date first set forth above.

Landlord:
CITY OF VERO BEACH,
FLORIDA

By: _____
Name:
Title: _____

EXECUTED ON _____

_____
Witness:

_____
Witness:

Tenant:
FLORIDA POWER & LIGHT COMPANY,
a Florida Corporation

By: _____
Name: _____
Title: _____

EXECUTED ON _____

_____
Witness:

_____
Witness:

Exhibit "A"

Premises Legal Description

That portion of Government Lot 4, Section 6, Township 33 South, Range 40 East, Indian River County, Florida, lying North of State Road 656 (17th Street Causeway Boulevard), East of Indian River Boulevard and West of Indian River, LESS AND EXCEPT therefrom that portion thereof conveyed by City Deed recorded in Official Records Book 1406, Page 2289, of the Public Records of Indian River County, Florida.

Parcel ID Nos. 33-40-06-00000-0040-00005.0
33-40-06-00000-0040-00006.0
33-40-06-00000-0040-00007.0

Exhibit "B"

Form Memorandum of Lease

This instrument was prepared
by and after recording return
to:
Jorge Diaz-Silveira, Esq.
Hogan Lovells US LLP
200 South Biscayne Blvd.
Suite 400
Miami, FL 33131

MEMORANDUM OF LEASE AGREEMENT

This is a Memorandum of Lease Agreement, dated as of the __ day of _____, 201[__] (the "*Lease*"), made by and between the **CITY OF VERO BEACH, FLORIDA**, a municipal corporation organized under the laws of the State of Florida ("*Landlord*") and **FLORIDA POWER & LIGHT COMPANY**, a corporation organized under the laws of the State of Florida ("*Tenant*").

WITNESSETH:

For and in consideration of the sum of Ten Dollars ($10.00), the receipt and sufficiency of which are hereby acknowledged, and in consideration of the agreements hereinafter set forth, and those of the Lease, Landlord and Tenant hereby acknowledge and agree as follows:

1. Landlord and Tenant have entered into the Lease, dated as of the date hereof (the "*Lease*"), pursuant to which Landlord leased to Tenant, and Tenant leased from

Landlord, that certain real property described in Exhibit A attached hereto and made a part hereof (the "***Premises***").

2. The term of the Lease commenced as of the execution of the Lease and continues for a period of three (3) years, subject to Tenant's right to extend the Lease pursuant to its terms.

3. Reference is made to the Lease for all of the other terms, conditions and agreements between the parties, which terms, conditions and agreements are incorporated herein by reference. A true and correct copy of the Lease is available at the offices of Tenant, 700 Universe Blvd., EMT/JB Juno Beach, Florida 33408, Attention: EMT Contracts Department.

4. Tenant and Landlord hereby ratify and reaffirm their respective obligations under the Lease and confirm that all terms and obligations of the Lease are in full force and effect, and that neither Tenant nor Landlord is in default of any of its obligations thereunder. This Memorandum of Lease is executed in connection with and is deemed to be a part of the Lease. This instrument is merely a Memorandum of Lease and is subject to all of the terms, provisions and conditions of the Lease. Where the terms of this Memorandum of Lease and the Lease conflict, the terms of the Lease shall control. All capitalized terms not defined herein shall have the same meaning as ascribed in the Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum of Lease as of the day and year first above written.

WITNESSES:

_____

Print name:_____

_____

Print name:_____

LANDLORD:

CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation

By:_____

Name:_____

Title:_____

WITNESSES:

_____

Print name:_____

_____

Print name:_____

TENANT:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

By:_____

Name:_____

Title:_____

STATE OF FLORIDA)
)
COUNTY OF [_____])

On this, the ___ day of _____, 201_, before me, a Notary Public in and for the State of Florida, personally appeared_____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized officer of the City of Vero Beach, Florida, and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the City of Vero Beach, Florida by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201_.

_____
Print Name: _____
Notary Public, State of Florida
Notary Commission No.: _____
My Commission Expires: _____

STATE OF FLORIDA)
)
COUNTY OF [_____])

On this, the ___ day of _____, 201_, before me, a Notary Public in and for the State of Florida, personally appeared _____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized officer of Florida Power & Light Company, and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the Florida Power & Light Company by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201_.

_____
Print Name: _____
Notary Public, State of Florida
Notary Commission No.: _____
My Commission Expires: _____

EXHIBIT A
LEGAL DESCRIPTION

That portion of Government Lot 4, Section 6, Township 33 South, Range 40 East, Indian River County, Florida, lying North of State Road 656 (17th Street Causeway Boulevard), East of Indian River Boulevard and West of Indian River, LESS AND EXCEPT therefrom that portion thereof conveyed by City Deed recorded in Official Records Book 1406, Page 2289, of the Public Records of Indian River County, Florida.

Parcel ID Nos. 33-40-06-00000-0040-00005.0
33-40-06-00000-0040-00006.0
33-40-06-00000-0040-00007.0

EXHIBIT I - 1

Form of Airport Substations 5 and 6 Lease Agreement and Memorandum of Lease

EXHIBIT I-1

LEASE AGREEMENT AND ACCESS EASEMENT

(Airport Substations 5 and 6)

THIS LEASE AGREEMENT AND ACCESS EASEMENT (the "**Lease**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**") is between THE CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**Landlord**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**Tenant**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. Landlord and Tenant are sometimes collectively referred to herein as the "**Parties**" and individually as a "**Party**."

RECITALS

A. As of the Effective Date of this Lease, Landlord has conveyed all right, title and interest in and to certain electric utility assets of the City of Vero Beach to Tenant, and Tenant has commenced providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement dated [_____], 201[__], by and between Landlord and Tenant (the "**Asset Purchase and Sale Agreement**").

B. In order to provide retail electric services to said electric utility customers as contemplated by the Asset Purchase and Sale Agreement, Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, for use as transmission and distribution facilities (including electrical substations), the real property more commonly known as the "**Substation 5 Parcel**" and "**Substation 6 Parcel**" and more particularly described on the attached **Exhibit "A"** made a part hereof, together with the land underlying all related facilities and improvements including the transmission and distribution facilities located on Landlord's property (collectively, the "**Substation Parcels**"), together with all tenements, hereditaments, easements and appurtenances thereto belonging or in anywise appertaining to the Substation Parcels.

C. To provide ingress and egress for the Substation 5 Parcel, Landlord desires to provide an easement ("**Access Easement**") in favor of Tenant and benefitting the Substation 5 Parcel, across property adjacent to the Substation 5 Parcel, as legally described on **Exhibit "B"** attached hereto and made a part hereof (the "**Access Parcel**").

D. A resolution of the City of Vero Beach authorizing the execution and delivery of this Lease and the granting of the Access Easement by Landlord in favor of Tenant has been obtained and is being recorded in the Public Records of Indian River County contemporaneously with the execution and delivery of this Lease and the Access Easement.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Lease, Landlord and Tenant agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. Premises. Landlord hereby leases to Tenant, and Tenant leases from Landlord, the Substation Parcels consisting of approximately [_____] acres of land located in the City of Vero Beach, Indian River County, Florida, identified as the Substation 5 Parcel and Substation 6 Parcel on **Exhibit "A"** attached hereto and made a part hereof, together with all tenements, hereditaments, easements and appurtenances thereto belonging or in anywise appertaining to the Substation Parcels, collectively, the "**Premises**," for purposes of the Business of the Vero Beach Electric Utility (as defined in the Asset Purchase and Sale Agreement) as conducted by Tenant.

3. Easements. This Lease also includes the exclusive right to use all existing easements and appurtenances benefitting the Premises or necessary to operate Substation 5 and Substation 6 and related facilities. In addition, Landlord acknowledges and confirms that, for and in consideration of the sum of TEN DOLLARS ($10.00) and other good and valuable considerations, the receipt and sufficiency of which has been acknowledged, Landlord grants, bargains, sells and conveys unto the Tenant, its successors and assigns under the Lease, an access easement (the "**Access Easement**" described in Recital C. above) benefitting Substation Parcel 5 and providing ingress and egress to and from the Substation 5 Parcel over and across the real property owned by Landlord lying adjacent to Substation 5, (being the "**Access Parcel**" referred to in Recital C. above and legally described on **Exhibit "B"** attached hereto and made a part hereof) (said existing easements and the Access Easement granted by this Lease being herein referred to collectively as the "**Easements**").

(a) **Nature of the Easements.** All Easements shall be appurtenant to the Premises, shall run with the Premises, and shall continue in full force and effect for the Term and any extension thereof.

(b) **Non-Interference with Easements.** Landlord covenants and agrees not to use (or permit the use of) or construct (or permit the construction of) any improvements on, under or over any of the easements and appurtenances.

4. Term. The term of this Lease shall be for a period of thirty (30) years from the Effective Date (the "**Initial Term**") and can be renewed by Tenant at Tenant's sole option for up to two (2) additional terms of ten (10) years each (each, an "**Extended Term**") provided that Tenant shall deliver to Landlord written notice of Tenant's intent to renew this Lease not less than thirty (30) days prior to the expiration of the then current Term. The Initial Term and each successive renewal term of ten (10) years, if one or both of the renewal terms are exercised, shall be collectively referred to herein as the "**Term**." For purposes of this Lease, the term "**Lease Year**" shall mean for the first Lease Year, that period of time commencing upon the Effective Date and continuing up through and including the last day of the month of the twelfth (12th) full month following the Effective Date. Each Lease Year thereafter shall mean the first day of the first month following the end of the previous Lease Year up through and including the last day of the twelfth (12th) month thereafter. The expiration date of the Term (the "**Expiration Date**") shall be the last day of the 30th Lease Year or the last day of the fortieth (40th) Lease Year or the last day of the fiftieth (50th) Lease Year, whichever shall be applicable depending upon whether Tenant shall exercise its option to renew for one (1) or two (2) successive ten (10) year renewal

terms. Notwithstanding the foregoing, at any time during the Term, Tenant may terminate this Lease without charge or penalty with six (6) months prior notice to Landlord and the Rent shall be due only through the date of termination and shall be prorated for any portion less than one year.

5. Rent. The rent (the "**Rent**") to be paid under this Lease shall be paid as follows:

(a) **Rent During Initial Term.** Rent during the Initial Term shall be in the total amount of $_____ and shall be paid in thirty (30) equal annual installments during the Initial Term commencing on the Effective Date and continuing on each subsequent anniversary date of the Effective Date for each of the subsequent Lease Years of the Initial Term thereafter.

(b) **Rent During First Extended Term.** If this Lease is extended by option of Tenant for an additional ten (10) year term after the Initial Term (the "**First Extended Term**"), the Rent during the First Extended Term shall be in the total amount of $_____ and shall be paid in ten (10) equal annual installments during the First Extended Term commencing on the first (1st) day of the First Extended Term (the "**First Extended Term Effective Date**") and continuing on each subsequent anniversary date of the First Extended Term Effective Date for each subsequent Lease Year of the First Extended Term thereafter.

(c) **Rent During Second Extended Term.** If this Lease is extended by option of Tenant for an additional ten (10) year term after the First Extended Term (the "**Second Extended Term**"), the Rent shall be in the total amount of $_____ and shall be paid in ten(10) equal annual installments during the Second Extended Term commencing on the first (1st) day of the Second Extended Term (the "**Second Extended Term Effective Date**") and continuing on each subsequent anniversary date of the Second Extended Term Effective Date for each subsequent Lease Year of the Second Extended Term thereafter.

6. Representations, Warranties and Covenants.

(a) Landlord represents and warrants to Tenant as follows:

(i) Landlord has taken all actions required and has full power and authority to enter into this Lease and grant the Access Easement to Tenant.

(ii) The person executing and delivering this Lease on Landlord's behalf is acting pursuant to proper authorization and that this Lease is the valid, binding and enforceable obligation of Landlord.

(iii) As owner of the Premises and the Access Parcel, Landlord shall remain responsible for any cleanup, remediation or damages associated with any Pollution found to exist on, in, under or adjacent to the Premises or the Access Parcel as of the Effective Date.

(b) Tenant represents and warrants to Landlord as follows:

(i) Tenant represents and warrants to Landlord that it is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Lease.

(ii) Tenant represents and warrants to Landlord that the person executing and delivering this Lease on Tenant's behalf is acting pursuant to proper authorization and that this Lease is the valid, binding and enforceable obligation of Tenant.

7. Hazardous Materials and Pre-Existing Conditions.

(a) For purposes of this Lease:

(i) "***Pollutant***" shall mean any hazardous or toxic substance, chemical, material, or waste of any kind, petroleum, petroleum product or by-product, contaminant or pollutant as defined or regulated by Environmental Laws.

(ii) "***Disposal***" shall mean Pollution as defined in § 376.301(37) of the Florida Statutes Annotated (provided that for purposes of this Section "pollutants" in § 376.301(37) shall mean Pollutants as defined herein) and the release, storage, use, handling, discharge or disposal of Pollutants.

(iii) "***Environmental Laws***" shall mean any applicable federal, state or local laws, statutes, ordinances, rules, regulations or other governmental restrictions.

(iv) ***"Pre-Existing Conditions"*** shall mean (i) any Pollutants or other environmental conditions set forth in the Environmental Assessment, and (ii) any Pollutants or other environmental condition subsequently discovered by Tenant (but not caused by Tenant) during the Term.

(b) Prior to the Effective Date, Tenant may perform a baseline Environmental Assessment of the Premises and/or the Access Parcel (***"Environmental Assessment"***). Pursuant to the Agreement for Sale and Purchase, Landlord has agreed to perform or remain responsible for the Remediation of all Pre-Existing Conditions. Tenant shall have no responsibility or liability under the terms of this Lease for Remediation of or the Disposal of any Pollutants identified in the Environmental Assessment or any Pollutants subsequently discovered on the Premises or the Access Parcel for which Disposal occurred prior to the Effective Date.

(c) From and after the Effective Date, Tenant shall not cause or permit the Disposal in any manner of any Pollutants upon the Premises or upon adjacent lands, including the Access Parcel, during the Term, which violates any Environmental Laws during the Term. Any Disposal of a Pollutant in violation of Environmental Laws, whether caused by Tenant or any other third party (other than Landlord), shall be reported to Landlord immediately upon the knowledge thereof by Tenant. During the Term, Tenant shall operate Substation 5 and Substation 6 and maintain and monitor the Premises and the Access Parcel in accordance with good industry practices.

(d) Tenant shall be responsible, at Tenant's sole cost and expense, for commencing and thereafter performing, or causing to be performed, any and all assessments, cleanup and monitoring (collectively, "**Remediation**") of all Pollutants disposed of by Tenant in violation of Environmental Laws during the Term, as a result of use or occupation of the Premises or use of the Access Parcel by Tenant, its agents, licensees, invitees, subcontractors or employees (provided, however, that the foregoing shall not in any way limit any liability, obligations or rights of Tenant or Landlord, to the extent independently arising under the Agreement for Sale and Purchase, as modified and amended). In the event any Remediation is necessary as required in the previous sentence, then Tenant shall furnish to Landlord within a reasonable period of time written proof from the appropriate local, state and/or federal agency with jurisdiction over the Remediation that the Remediation has been satisfactorily completed in full compliance with all Environmental Laws.

(e) For good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, Tenant shall indemnify, defend and hold harmless Landlord from and against, and pay, reimburse and fully compensate as the primary obligor Landlord for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by Landlord, including but not limited to Landlord's reasonable attorney's fees and costs, which are proximately caused by the Disposal of any Pollutants in violation of Environmental Laws by Tenant, its agents, licensees, invitees, subcontractors or employees on the Premises or Access Parcel during the Term. This responsibility shall continue to be in effect for any Disposal of Pollutants by Tenant in violation of Environmental Laws for which Landlord provides written notice to Tenant on or before the second anniversary of the Expiration Date.

(f) For good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, Landlord shall indemnify, defend and hold harmless Tenant from and against, and pay, reimburse and fully compensate as the primary obligor Tenant for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by Tenant, including but not limited to Tenant's reasonable attorney's fees and costs, which arises directly, indirectly or proximately as a result of any Pre-existing Conditions or other Disposal of any Pollutants which violate Environmental Laws which (i) occurred prior to the Effective Date, or (ii) was otherwise caused by Landlord, its agents, licensees, invitees, subcontractors or employees with respect to the Premises or the Access Parcel.

(g) While this Section 7 establishes contractual liability for Tenant and Landlord regarding Disposal of Pollutants on the Premises or Access Parcel as provided herein, it does not alter or diminish any statutory or common law liability of Tenant or Landlord for such Disposal of Pollutants.

(h) Landlord and Tenant acknowledge and agree that Landlord shall remain fully responsible for all Pre-Existing Conditions and Tenant shall have no responsibility or liability under the terms of this Lease for any of the Pre-Existing Conditions.

8. Non-interference and Use.

(a) Landlord covenants and agrees not to use (or permit the use of) or construct (or permit the construction of) any improvements on, under or over the Premises.

(b) The Premises and Access Parcel shall be used by Tenant (and any permitted assignees or transferees of Tenant) for the Business of the Vero Beach Electric Utility (as defined in the Asset Purchase and Sale Agreement) as conducted by Tenant. Tenant shall comply with all laws, ordinances, rules, regulations, codes, permits and approvals in the use of the Premises and Access Parcel.

(c) Tenant has reviewed the Premises and the Access Parcel and accepts both in an "as is" condition in all respects.

9. Mechanics and Materialmen's Liens; Notice of Work. Tenant shall give Landlord forty-eight (48) hours prior of any major construction or renovation work on the Premises or Access Parcel, and Landlord shall have the right to post notices of non-responsibility in or on the Premises or Access Parcel as provided by law. In accordance with the applicable provisions of the Florida Construction Lien Law and specifically Florida Statutes, Section 713.10, no interest of Landlord whether personally or in the Premises, or the leasehold interest granted to Tenant shall be subject to liens for work requested or caused to be made by Tenant hereunder. Further, Tenant acknowledges that Tenant, with respect to work, improvements or alterations made by Tenant or caused to be made by Tenant under this Lease, shall promptly notify the contractor performing such work or alterations or making such improvements to the Premises or the Access Parcel of this provision exculpating Landlord's liability for such liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed against the Premises, the Access Parcel or this leasehold, or any alterations, fixtures or improvements therein or thereto, as a result of any work, action or inaction done by or at the direction of Tenant, Tenant will discharge or remove such lien of record whether by payment or posting of an appropriate surety bond in accordance with applicable law within sixty (60) days following Tenant's receipt of written notice of the filing of such lien. In the event that Tenant fails to remove or discharge such lien within such sixty (60) day period, Landlord may do so, and Tenant will reimburse Landlord for all reasonable costs and expenses so incurred by Landlord within forty-five (45) days following receipt of Landlord's written request for reimbursement together with supporting documentation.

10. Insurance; Indemnity.

(a) **Insurance – Tenant.** Tenant is self-insured and maintains a comprehensive property and liability insurance program with deductibles in excess of $2,000,000.00 per occurrence.

(b) **Tenant Indemnity.** Tenant shall indemnify, defend and hold harmless Landlord from and against, and pay, reimburse and fully compensate as the primary obligor Landlord for, any and all claims, damages, liabilities, costs and expenses (including reasonable attorney's fees and court costs at trial) arising from Tenant's use of the Premises and the Access Parcel (but specifically excluding any liability arising from hazardous substances, as defined in this Lease, existing on, in, under or adjacent to the Premises or the Access Parcel as of the Effective Date of this Lease or transported onto the Premises or Access Parcel by third parties), or arising from any uncured breach or uncured default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease.

(c) **Landlord Indemnity.** Landlord agrees to indemnify and save Tenant harmless against, and pay, reimburse and fully compensate as the primary obligor Tenant for, any and all claims, damages, demands, liabilities, costs and expenses (including reasonable attorney's fees and court costs at trial) for injury to or death of persons or property damage, arising from the negligence or willful misconduct of Landlord, its agents, contractors or employees in or about the Premises, or arising from any uncured breach or uncured default in the performance of any obligation of Landlord's part to be performed under the terms of this Lease.

(d) **Actual Damages.** Notwithstanding any other provisions in this Lease to the contrary, neither party nor its partners, officers, directors, employees, lenders, agents, contractors, or subcontractors, shall be liable to the other for consequential or indirect loss or damage, including loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital, or loss of goodwill, on account of any defaults or breaches under this Lease. The parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Lease shall survive termination or expiration of this Lease, and shall apply (unless otherwise expressly indicated), whether in contract, equity, tort or otherwise, even in the event of the fault, negligence, including sole negligence, strict liability, or breach of warranty of the party indemnified, released or whose liabilities are limited, and shall extend to the partners, officers, directors, employees, contractors, subcontractors and agents and related or affiliated entities of such parties and their respective partners, directors, officers and employees.

(e) This Section 10 shall not apply to claims relating to Pollutants on the Premises which are addressed by Section 7 hereof and not this Section 10.

11. Taxes. Landlord shall pay the real property taxes for the Premises and the Access Parcel. As used herein, the term "**real property tax**" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Premises or any portion thereof by any authority having the direct or indirect power to tax, including any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord in the Premises or in any portion thereof, but does not include any income tax or tax against Landlord's right to rent or otherwise receive income therefrom.

12. Utilities. Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises and utilized by Tenant, together with any taxes thereon, upon same becoming due.

13. Assignment and Subletting. Tenant shall not transfer this Lease, without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

14. Default and Remedies.

(a) **Tenant Events of Default.** The occurrence of any one or more of the following events shall constitute an "***event of default***" under this Lease by Tenant:

(i) The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, which failure continues for a period of forty-five (45) days following written notice from Landlord to Tenant.

(ii) Failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure shall continue for a period of forty-five (45) days after written notice thereof from Landlord to Tenant. In the event the default cannot reasonably be cured within such forty-five (45) day period, Tenant shall not be in default if Tenant commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(iii) (a) The making by Tenant of any general arrangement or general assignment for the benefit of creditors; (b) Tenant becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (c) the appointment of a trustee or receiver to take possession of substantially all of Tenant 's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within sixty (60) days; or (d) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days.

(b) **Landlord Events of Default.** The occurrence of any one or more of the following events shall constitute an "***event of default***" under this Lease by Landlord:

(i) Failure by Landlord to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Landlord, where such failure shall continue for a period of forty-five (45) days after written notice thereof from Tenant to Landlord. In the event the default cannot reasonably be cured within such forty-five (45) day period, Landlord shall not be in default if Landlord commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by Landlord of any general arrangement or general assignment for the benefit of creditors; (B) Landlord becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Landlord, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Landlord 's assets, where possession is not restored to Tenant within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Landlord's assets, here such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an event of default occurs hereunder and remains uncured after notice and expiration of the applicable cure period, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence

of this paragraph, to exercise any remedy available at law or in equity, including without limitation, a suit for specific performance of any obligations set forth in this Lease or any appropriate injunctive or other equitable relief, or for damages resulting from such default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Lease. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Lease. Notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall any default or breach of this Lease, or any failure to perform any obligations under this Lease, terminate, or entitle any Party to terminate, rescind or cancel this Lease or the rights granted hereunder.

15. Condemnation. If the Premises or the Access Parcel or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called "**condemnation**"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Premises or Access Parcel is taken under the power of eminent domain such that the Premises is no longer suitable for its intended use or suitable access cannot be provided to the Premises, Tenant may, at Tenant's option, to be exercised in writing only within ten (10) days after Landlord shall have given Tenant written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises or Access Parcel remaining, except that the base annual Rent shall be reduced in proportion to the area of the Premises or Access Parcel taken bears to the area of the Premises or Access Parcel. Any award for the taking of all or any part of the Premises or Access Parcel under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Landlord; provided, however, that Tenant shall be entitled to any award for loss of Tenant's leasehold interest.

16. Severability. If any provision or portion of this Lease shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Lease shall remain in full force and effect.

17. Waivers. No waiver by any Party of any provision of this Lease shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by the other Party of the same or any other provision.

18. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

19. Binding Effect. This Lease shall bind the Parties, and their respective successors and assigns.

20. Signs. Tenant will be permitted to have one or more signs on the Premises which identify the Premises as an FPL Substation without Landlord's consent.

21. Quiet Possession. Upon Tenant paying the Rent for the Premises and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises and use of the Access Parcel for the entire Term and any Extended Term of this Lease.

22. Right of Entry. Landlord, or any of its agents, shall only have the right to enter the Premises during reasonable hours to examine the same and only when accompanied by a qualified employee of Tenant.

23. Force Majeure. In the event that any Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Lease by reason of strike, lock-out, war, acts of military authority, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of Landlord claiming relief under this Section, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of Landlord), or by reason of any other cause beyond such Party's control or not wholly or mainly within such Party's control, whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisanee or discomfort thereby occasioned, or to terminate this Lease.

24. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

25. Brokerage. Landlord and Tenant each represent and warrant one to the other that neither of them has employed any broker in connection with the negotiations of the terms of this Lease or the execution thereof. Landlord and Tenant hereby agree to indemnify and to hold each other harmless against any loss, expense, or liability with respect to any claims for commissions or brokerage fees arising from or out of any breach of the foregoing representation and warranty. This provision shall survive the expiration or earlier termination of this Lease.

26. Attorneys' Fees. In the event Tenant or Landlord defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Lease and Landlord or Tenant employs attorneys and brings suit in connection with the enforcement of this Lease or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees so incurred.

27. Estoppel Certificate. Landlord and Tenant shall, from time to time and without additional consideration, execute and deliver to each other or to any person whom the requesting Party may designate, within ten days after the request therefor (a) an estoppel certificate

consisting of statements, if true, that (i) this Lease is in full force and effect, with Rent current through the date of the certificate; (ii) this Lease has not been modified or amended (or setting forth all modifications and amendments); and (iii) to the best of such Party's knowledge and belief, the other Party is not then in default (or if in default, specifying such default), and Tenant and Landlord have fully performed all of Tenant's and Landlord's obligations, respectively, required to have been performed under this Lease as of the date of the certificate; and (h) such further consents and instruments of a similar nature evidencing the agreement (subject to the provisions of this Lease) of Landlord or Tenant to the mortgage or other hypothecation by Tenant of the leasehold estate created hereby, as may be reasonably requested by Tenant or any leasehold mortgagee, or assignee or transferee of the interest of Landlord or Tenant, as applicable.

28. Notices. Every notice, approval, consent or other communication required or permitted under this Lease shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or mailed to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by written notice given to the other Party in the manner provided in this Section.

To Landlord: City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention:

With a copy to: Edwards Wildman Palmer LLP
525 Okeechobee Blvd., Suite 1600
West Palm Beach, FL 33401

To Tenant: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Corporate Real Estate

With a copy to: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Law Department

A copy of any notice required or permitted under this Lease to be given to Tenant shall at the same time and in the same manner also be provided by Landlord to any leasehold mortgagee of the Premises, the identity and address of which Tenant shall provide to Landlord.

29. Memorandum of Lease; Recording. This Lease shall not be recorded but the Parties shall execute and record in the appropriate recorder's office a Memorandum of Lease, in the form attached hereto as **Exhibit "C"**. Any amendment or supplement to this Lease required to be entered into pursuant to the terms hereof shall be executed in recordable form and said amendment or a short form memorandum thereof shall be recorded in the appropriate recorder's office. Tenant agrees that, upon expiration of this Lease, Tenant will, within ten (10) business days of request by Landlord, execute and deliver to Landlord a release of this Lease in recordable form. The foregoing provision shall survive expiration or earlier termination of this Lease.

30. Entire Agreement. This Lease and the Asset Purchase and Sale Agreement contain the entire agreement between the Parties hereto and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by Landlord and Tenant. Any formally executed addendum to or modification of this Lease shall be expressly deemed incorporated by reference herein unless a contrary intention is clearly stated therein.

31. Governing Law; Forum. This Lease shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN LEON COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

32. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND ANY CLAIM FOR INJURY OR DAMAGE.

33. [RADON GAS. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present a health risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.]

[Remainder of page intentionally blank; Signature page follows]

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the date first set forth above.

Landlord:

CITY OF VERO BEACH,
Florida

By: _____
Name:
Title: _____

EXECUTED ON _____

_____
Witness:

_____
Witness:

Tenant:

FLORIDA POWER & LIGHT COMPANY,
a Florida Corporation

By: _____
Name: _____
Title: _____

EXECUTED ON _____

_____
Witness:

_____
Witness:

Exhibit "A"

Premises Legal Description

SUBSTATION 5 PARCEL:

Parcel 45, of VERO BEACH MUNICIPAL AIRPORT, being a portion of Section 3, Township 33 South, Range 39 East, Indian River County, Florida, more particularly described as follows:

Commencing at the Northeast corner of Section 3, Township 33 South, Range 39 East, run North 89° 45' 39" West along the North line of said Section 3 for a distance of 633.00 feet to a point of intersection with the West line of a 55 foot wide drainage right-of-way.

Thence South 0° 09' 00" West along the West line of said drainage right-of-way for a distance of 92.09 feet to the POINT OF BEGINNING;

Thence from the POINT OF BEGINNING, continue South 0° 09' 00" West along said West right-of-way line for a distance of 180.35 feet;

Thence South 21° 18' 00" East along said West right-of-way line for a distance of 122.79 feet to a point of intersection with the North right-of-way line of the Main Canal;

Thence South 69° 21' 47" West along said North right-of-way line of the Main Canal for a distance of 360.18 feet;

Thence North 20° 41' 28" West for a distance of 290.73 feet;

Thence North 69° 15' 05" East for a distance of 423.10 feet to the POINT OF BEGINNING.

Said parcel subject to a 25-foot drainage and maintenance easement across the East 25 feet.

Parcel ID # 32-39-26-00011-0440-00001.0

SUBSTATION 6 PARCEL:

Parcels 71, 72 and 73, VERO BEACH MUNICIPAL AIRPORT, being a portion of Section 27, Township 32 South, Range 39 Range, Indian River County, Florida, more particularly described as follows:

(NOTE: THIS LEGAL WILL BE REPLACED BY A METES AND BOUNDS DESCRIPTION TO BE PROVIDED PRIOR TO LEASE EXECUTION)

Parcel ID # 32-39-26-00011-0710-00001.0

Exhibit "B"

ACCESS PARCEL

A portion of Parcel 45A, VERO BEACH MUNICIPAL AIRPORT, being a portion of Section 3, Township 33 South, Range 39 East, Indian River County, Florida, more particularly as follows:

NOTE: THE COMPANY MUST BE FURNISHED WITH THE METES AND BOUNDS DESCRIPTION FOR THE ACCESS PARCEL.

Exhibit "C"

Form Memorandum of Lease

[to be provided]

EXHIBIT I – 2

Form of Airport Warehouse Lease Agreement and Memorandum of Lease

EXHIBIT I-2

LEASE AGREEMENT

T & D Warehouse Lease)

THIS LEASE AGREEMENT ("**Lease**"), made and entered into as of [_____] , 201[__] (the "**Effective Date**") is between THE CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**Landlord**") with an address of 1053 20th Place, Vero Beach, FL 32960 , and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**Tenant**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. Landlord and Tenant are sometimes collectively referred to herein as the "**Parties**" and individually as a "**Party**."

RECITALS

A. As of the Effective Date of this Lease, Landlord has conveyed all right, title and interest in and to certain electric utility assets of the City of Vero Beach to Tenant, and Tenant has commenced providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement dated [_____], 201[__], by and between Landlord and Tenant (the "**Asset Purchase and Sale Agreement**").

B. In order to provide retail electric services to said electric utility customers as contemplated by the Asset Purchase and Sale Agreement, Tenant desires to lease from Landlord and Landlord desires to lease to Tenant, for use as an electric transmission and distribution warehouse, a portion of the improved real property more commonly known as the "**T & D Warehouse Parcel**" and more particularly described on the attached **Exhibit "A"** which exhibit is made a part hereof, and all related facilities and improvements, together with all tenements, hereditaments, easements and appurtenances thereto belonging or in anywise appertaining.

C. A resolution of the City of Vero Beach authorizing the execution and delivery of this Lease by Landlord in favor of Tenant has been obtained and is being recorded in the Public Records of Indian River County contemporaneously with the execution and delivery of this Lease.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Lease, Landlord and Tenant agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. Premises. Landlord hereby leases to Tenant and Tenant leases from Landlord the T & D Warehouse Parcel located in the City of Vero Beach, Indian River County, Florida, legally described on the attached Exhibit "A", which exhibit is made a part hereof, together with all tenements, hereditaments, easements and appurtenances thereto belonging or in anywise

appertaining to the T & D Warehouse Parcel, collectively, the "**Premises**," for the Business of the Vero Beach Electric Utilty (as defined in the Asset Purchase and Sale Agreement) as conducted by Tenant.

3. Easements. This Lease also includes the right to use all existing easements and appurtenances benefitting the Premises or necessary for the use and operation of the Premises and related facilities (the "**Easements**").

(a) **Nature of the Easements.** All Easements shall be appurtenant to the Premises, shall run with the Premises, and shall continue in full force and effect for the Term and any extension thereof.

(b) **Non-Interference with Easements.** Landlord covenants and agrees not to use (or permit the use of) or construct (or permit the construction of) any improvements on, under or over any of the easements and appurtenances.

4. Term. Subject to the provisions of Paragraph 14 of this Lease, the term of this Lease shall be for a period of thirty (30) years from the Effective Date (the "**Initial Term**") and can be renewed by Tenant at Tenant's sole option for up to two (2) additional terms of twenty (20) years each (each, an "**Extended Term**") provided that Tenant shall deliver to Landlord written notice of Tenant's intent to renew this Lease not less than thirty (30) days prior to the expiration of the then current Term. The Initial Term and each successive twenty (20) year renewal term, if the renewal terms are exercised, shall be collectively referred to herein as the "**Term**." For purposes of this Lease, the term "**Lease Year**" shall mean for the first Least Year, that period of time commencing upon the Effective Date and continuing up through and including the last day of the month of the twelfth (12th) full month following the Effective Date. Each Lease Year thereafter shall mean the first day of the first month following the end of the previous Lease Year up through and including the last day of the twelfth (12th) month thereafter. The expiration date of the Term (the "**Expiration Date**") shall be the last day of the 30th Lease Year or the last day of the fiftieth (50th) Lease Year or the last day of the seventieth (70th) Lease Year, whichever shall be applicable depending upon whether Tenant shall exercise its option to renew for one (1) or two (2) successive twenty (20) year renewal terms. Notwithstanding the foregoing, at any time during the Term, Tenant may terminate this Lease without charge or penalty with six (6) months prior notice to Landlord and the Rent shall be due only through the date of termination and shall be prorated for any portion less than one year.

5. Rent. The rent (the "**Rent**") to be paid under this Lease shall be paid as follows:

(a) **Rent During Initial Term.** Rent during the Initial Term shall be in the total amount of $_____ and shall be paid in thirty (30) equal annual installments during the Initial Term commencing on the Effective Date and continuing on each subsequent anniversary date of the Effective Date for each subsequent 29 Lease Years thereafter.

(b) **Rent During First Extended Term.** If this Lease is extended by option of Tenant for an additional twenty (20) year term after the Initial Term (the "**First Extended Term**"), the Rent during the First Extended Term shall be in the total amount of $_____ and shall be paid in twenty (20) equal annual installments during

the First Extended Term commencing on the first (1st) day of the First Extended Term (the "**First Extended Term Effective Date**") and continuing on each subsequent anniversary date of the First Extended Term Effective Date for each subsequent 19 Lease Years thereafter.

(c) **Rent During Second Extended Term.** If this Lease is extended by option of Tenant for an additional twenty (20) year term after the First Extended Term (the "**Second Extended Term**"), the Rent shall be in the total amount of $_____ and shall be paid in twenty (20) equal annual installments during the Second Extended Term commencing on the first (1st) day of the Second Extended Term (the "**Second Extended Term Effective Date**") and continuing on each subsequent anniversary date of the Second Extended Term Effective Date for each subsequent 19 Lease Years thereafter.

6. Representations, Warranties and Covenants.

(a) Landlord represents and warrants to Tenant as follows:

(i) Landlord has taken all actions required and has full power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Landlord's behalf is acting pursuant to proper authorization and that this Lease is the valid, binding and enforceable obligation of Landlord.

(iii) As owner of the Premises, Landlord shall remain responsible for any cleanup, remediation or damages associated with any Pollution found to exist on, in, under or adjacent to the Premises as of the Effective Date.

(b) Tenant represents and warrants to Landlord as follows:

(i) Tenant represents and warrants to Landlord that it is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Lease.

(ii) Tenant represents and warrants to Landlord that the person executing and delivering this Lease on Tenant's behalf is acting pursuant to proper authorization and that this Lease is the valid, binding and enforceable obligation of Tenant.

7. Hazardous Materials and Pre-Existing Conditions.

(a) For purposes of this Lease:

(i) "***Pollutant***" shall mean any hazardous or toxic substance, chemical, material, or waste of any kind, petroleum, petroleum product or by-product, contaminant or pollutant as defined or regulated by Environmental Laws.

(ii) "***Disposal***" shall mean Pollution as defined in § 376.301(37) of the Florida Statutes Annotated (provided that for purposes of this Section "pollutants" in § 376.301(37) shall mean Pollutants as defined herein) and the release, storage, use, handling, discharge or disposal of Pollutants.

(iii) "***Environmental Laws***" shall mean any applicable federal, state or local laws, statutes, ordinances, rules, regulations or other governmental restrictions.

(iv) ***"Pre-Existing Conditions"*** shall mean (i) any Pollutants or other environmental conditions set forth in the Environmental Assessment, and (ii) any Pollutants or other environmental condition subsequently discovered by Tenant (but not caused by Tenant) during the Term.

(b) Prior to the Effective Date, Tenant may perform a baseline Environmental Assessment of the Premises (***"Environmental Assessment"***). Pursuant to the Agreement for Sale and Purchase, Landlord has agreed to perform or remain responsible for the Remediation of all Pre-Existing Conditions. Tenant shall have no responsibility or liability under the terms of this Lease for Remediation of or the Disposal of any Pollutants identified in the Environmental Assessment or any Pollutants subsequently discovered on the Premises for which Disposal occurred prior to the Effective Date.

(c) From and after the Effective Date, Tenant shall not cause or permit the Disposal in any manner of any Pollutants upon the Premises or upon adjacent lands during the Term, which violates any Environmental Laws during the Term. Any Disposal of a Pollutant by Tenant in violation of Environmental Laws, shall be reported to Landlord immediately upon the knowledge thereof by Tenant. During the Term, Tenant shall utilize the Premises as an electric transmission and distribution material and supply warehouse, and maintain and monitor the Premises in accordance with good industry practices.

(d) Tenant shall be responsible, at Tenant's sole cost and expense, for commencing and thereafter performing, or causing to be performed, any and all assessments, cleanup and monitoring (collectively, "**Remediation**") of all Pollutants disposed of by Tenant in violation of Environmental Laws during the Term, as a result of use or occupation of the Premises by Tenant, its agents, licensees, invitees, subcontractors or employees (provided, however, that the foregoing shall not in any way limit any liability, obligations or rights of Tenant or Landlord, to the extent independently arising under the Agreement for Sale and Purchase, as modified and amended). In the event any Remediation is necessary as required in the previous sentence, then Tenant shall furnish to Landlord within a reasonable period of time written proof from the appropriate local, state and/or federal agency with jurisdiction over the Remediation that the Remediation has been satisfactorily completed in full compliance with all Environmental Laws.

(e) For good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, Tenant shall indemnify, defend and hold harmless Landlord from and against, and pay, reimburse and fully compensate as the primary obligor Landlord for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by Landlord, including but not limited to Landlord's reasonable attorney's fees and costs, which are proximately caused by the Disposal of any Pollutants in violation of Environmental Laws by

Tenant, its agents, licensees, invitees, subcontractors or employees on the Premises during the Term. This responsibility shall continue to be in effect for any Disposal of Pollutants by Tenant in violation of Environmental Laws for which Landlord provides written notice to Tenant on or before the second anniversary of the Expiration Date.

(f) For good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, Landlord shall indemnify, defend and hold harmless Tenant from and against, and pay, reimburse and fully compensate as the primary obligor Tenant for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by Tenant, including but not limited to Tenant's reasonable attorney's fees and costs, which arises directly, indirectly or proximately as a result of any Pre-existing Conditions or other Disposal of any Pollutants which violate Environmental Laws which (i) occurred prior to the Effective Date, or (ii) was otherwise caused by Landlord, its agents, licensees, invitees, subcontractors or employees with respect to the Premises.

(g) While this Section 7 establishes contractual liability for Tenant and Landlord regarding Disposal of Pollutants on the Premises as provided herein, it does not alter or diminish any statutory or common law liability of Tenant or Landlord for such Disposal of Pollutants.

(h) Landlord and Tenant acknowledge and agree that Landlord shall remain fully responsible for all Pre-Existing Conditions and Tenant shall have no responsibility or liability under the terms of this Lease for any of the Pre-Existing Conditions.

8. Non-interference and Use.

(a) Landlord covenants and agrees not to use (or permit the use of) or construct (or permit the construction of) any improvements on, under or over the Premises.

(b) The Premises shall be used by Tenant (and any permitted assignees or transferees of Tenant) for the Business of the Vero Beach Electric Utility (as defined in the Asset Purchase and Sale Agreement) as conducted by Tenant. Tenant shall comply with all laws, ordinances, rules, regulations, codes, permits and approvals in the use of the Premises.

(c) Tenant has reviewed the Premises and accepts Premises in an "as is" condition in all respects.

9. Mechanics and Materialmen's Liens; Notice of Work. Tenant shall give Landlord not less than forty-eight (48) hours prior notice of any major construction or renovation work on the Premises, and Landlord shall have the right to post notices of non-responsibility in or on the Premises as provided by law. In accordance with the applicable provisions of the Florida Construction Lien Law and specifically Florida Statutes, Section 713.10, no interest of Landlord whether personally or in the Premises, or the leasehold interest granted to Tenant shall be subject to liens for work requested or caused to be made by Tenant hereunder. Further, Tenant acknowledges that Tenant, with respect to work, improvements or alterations made by Tenant or caused to be made by Tenant under this Lease, shall promptly notify the contractor performing such work or alterations or making such improvements to the Premises of this provision exculpating Landlord's liability for such liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed against

the Premises or this leasehold, or any alterations, fixtures or improvements therein or thereto, as a result of any work, action or inaction done by or at the direction of Tenant, Tenant will discharge or remove such lien of record, whether by payment or posting of an appropriate surety bond in accordance with applicable law, within sixty (60) days following Tenant's receipt of written notice of the filing of such lien. In the event that Tenant fails to remove or discharge such lien within such sixty (60) day period, Landlord may do so, and Tenant will reimburse Landlord for all reasonable costs and expenses so incurred by Landlord within forty-five (45) days following receipt of Landlord's written request for reimbursement together with supporting documentation.

10. Insurance; Indemnity.

(a) **Insurance – Tenant.** Tenant is self-insured and maintains a comprehensive property and liability insurance program with deductibles in excess of $2,000,000.00 per occurrence.

(b) **Tenant Indemnity.** Tenant shall indemnify, defend and hold harmless Landlord from and against, and pay, reimburse and fully compensate as the primary obligor Landlord for, any and all claims, damages, liabilities, costs and expenses (including reasonable attorney's fees and court costs at trial) arising from Tenant's use of the Premises (but specifically excluding any liability arising from hazardous substances, as defined in this Lease, existing on, in, under or adjacent to the Premises as of the Effective Date of this Lease or transported onto the Premises by third parties), or arising from any uncured breach or uncured default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease.

(c) **Landlord Indemnity.** Landlord agrees to indemnify and save Tenant harmless against, and pay, reimburse and fully compensate as the primary obligor Tenant for, any and all claims, damages, demands, liabilities, costs and expenses (including reasonable attorney's fees and court costs at trial) for injury to or death of persons or property damage, arising from the negligence or willful misconduct of Landlord, its agents, contractors or employees in or about the Premises, or arising from any uncured breach or uncured default in the performance of any obligation of Landlord's part to be performed under the terms of this Lease.

(d) **Actual Damages.** Notwithstanding any other provisions in this Lease to the contrary, neither party nor its partners, officers, directors, employees, lenders, agents, contractors, or subcontractors, shall be liable to the other for consequential or indirect loss or damage, including loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital, or loss of goodwill, on account of any defaults or breaches under this Lease. The parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Lease shall survive termination or expiration of this Lease, and shall apply (unless otherwise expressly indicated), whether in contract, equity, tort or otherwise, even in the event of the fault, negligence, including sole negligence, strict liability, or breach of warranty of the party indemnified, released or whose liabilities are limited, and shall extend to the partners, officers, directors, employees, contractors, subcontractors and agents and related or affiliated entities of such parties and their respective partners, directors, officers and employees.

(e) This Section 10 shall not apply to claims relating to Pollutants on the Premises which are addressed by Section 7 hereof and not this Section 10.

11. Taxes. Landlord shall pay, the real property taxes for the Premises. As used herein, the term "**real property tax**" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Premises or any portion thereof by any authority having the direct or indirect power to tax, including any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord in the Premises or in any portion thereof, but does not include any income tax or tax against Landlord's right to rent or otherwise receive income therefrom.

12. Utilities. Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises and utilized by Tenant, together with any taxes thereon, upon same becoming due.

13. Assignment and Subletting. Tenant shall not transfer this Lease, without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

14. Default and Remedies.

(a) **Tenant Events of Default.** The occurrence of any one or more of the following events shall constitute an "***event of default***" under this Lease by Tenant:

(i) The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, which failure continues for a period of forty-five (45) days following written notice from Landlord to Tenant.

(ii) Failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure shall continue for a period of forty-five (45) days after written notice thereof from Landlord to Tenant. In the event the default cannot reasonably be cured within such forty-five (45) day period, Tenant shall not be in default if Tenant commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(iii) (a) The making by Tenant of any general arrangement or general assignment for the benefit of creditors; (b) Tenant becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (c) the appointment of a trustee or receiver to take possession of substantially all of Tenant 's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within sixty (60) days; or (d) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days.

(b) **Landlord Events of Default.** The occurrence of any one or more of the following events shall constitute an "***event of default***" under this Lease by Landlord:

(i) Failure by Landlord to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Landlord, where such failure shall continue for a period of forty-five (45) days after written notice thereof from Tenant to Landlord. In the event the default cannot reasonably be cured within such forty-five (45) day period, Landlord shall not be in default if Landlord commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by Landlord of any general arrangement or general assignment for the benefit of creditors; (B) Landlord becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Landlord, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Landlord 's assets, where possession is not restored to Tenant within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Landlord's assets, here such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an event of default occurs hereunder and remains uncured after notice and expiration of the applicable cure period, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this paragraph, to exercise any remedy available at law or in equity, including without limitation, a suit for specific performance of any obligations set forth in this Lease or any appropriate injunctive or other equitable relief, or for damages resulting from such default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Lease. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Lease. Notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall any default or breach of this Lease, or any failure to perform any obligations under this Lease, terminate, or entitle any Party to terminate, rescind or cancel this Lease or the rights granted hereunder.

15. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called "**condemnation**"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Premises is taken under the power of eminent domain such that the Premises is no longer suitable for its intended use or suitable access cannot be provided to the Premises, Tenant may, at Tenant's option, to be exercised in writing only within ten (10) days after Landlord shall have given Tenant written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of

the Premises remaining, except that the base annual Rent shall be reduced in proportion to the area of the Premises taken bears to the area of the Premises. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Landlord; provided, however, that Tenant shall be entitled to any award for loss of Tenant's leasehold interest.

16. Severability. If any provision or portion of this Lease shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Lease shall remain in full force and effect.

17. Waivers. No waiver by any Party of any provision of this Lease shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by the other Party of the same or any other provision.

18. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

19. Binding Effect. This Lease shall bind the Parties, and their respective successors and assigns.

20. Signs. Tenant will be permitted to have one or more signs on the Premises which identify the Premises as an FPL Substation without Landlord's consent.

21. Quiet Possession. Upon Tenant paying the Rent for the Premises and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire Term and any Extended Term of this Lease.

22. Right of Entry. Landlord, or any of its agents, shall only have the right to enter the Premises during reasonable hours to examine the same and only when accompanied by a qualified employee of Tenant.

23. Force Majeure. In the event that any Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Lease by reason of strike, lock-out, war, acts of military authority, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of Landlord claiming relief under this Section, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of Landlord), or by reason of any other cause beyond such Party or Parties control or not wholly or mainly within such Party's control, whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the

fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned, or to terminate this Lease.

24. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

25. Brokerage. Landlord and Tenant each represent and warrant one to the other that neither of them has employed any broker in connection with the negotiations of the terms of this Lease or the execution thereof. Landlord and Tenant hereby agree to indemnify and to hold each other harmless against any loss, expense, or liability with respect to any claims for commissions or brokerage fees arising from or out of any breach of the foregoing representation and warranty. This provision shall survive the expiration or earlier termination of this Lease.

26. Attorneys' Fees. In the event Tenant or Landlord defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Lease and Landlord or Tenant employs attorneys and brings suit in connection with the enforcement of this Lease or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees so incurred.

27. Estoppel Certificate. Landlord and Tenant shall, from time to time and without additional consideration, execute and deliver to each other or to any person whom the requesting Party may designate, within ten days after the request therefor (a) an estoppel certificate consisting of statements, if true, that (i) this Lease is in full force and effect, with Rent current through the date of the certificate; (ii) this Lease has not been modified or amended (or setting forth all modifications and amendments); and (iii) to the best of such Party's knowledge and belief, the other Party is not then in default (or if in default, specifying such default), and Tenant and Landlord have fully performed all of Tenant's and Landlord's obligations, respectively, required to have been performed under this Lease as of the date of the certificate; and (b) such further consents and instruments of a similar nature evidencing the agreement (subject to the provisions of this Lease) of Landlord or Tenant to the mortgage or other hypothecation by Tenant of the leasehold estate created hereby, as may be reasonably requested by Tenant or any leasehold mortgagee, or assignee or transferee of the interest of Landlord or Tenant, as applicable.

28. Notices. Every notice, approval, consent or other communication required or permitted under this Lease shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or mailed to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by written notice given to the other Party in the manner provided in this Section.

To Landlord: City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention:

With a copy to: Edwards Wildman Palmer LLP
525 Okeechobee Blvd, Suite 1600
West Palm Beach, FL 33401

To Tenant: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Corporate Real Estate

With a copy to: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Law Department

A copy of any notice required or permitted under this Lease to be given to Tenant shall at the same time and in the same manner also be provided by Landlord to any leasehold mortgagee of the Premises, the identity and address of which Tenant shall provide to Landlord.

29. Memorandum of Lease; Recording. This Lease shall not be recorded but the Parties shall execute and record in the appropriate recorder's office a Memorandum of Lease, in the form attached hereto as **Exhibit "C"**. Any amendment or supplement to this Lease required to be entered into pursuant to the terms hereof shall be executed in recordable form and said amendment or a short form memorandum thereof shall be recorded in the appropriate recorder's office. Tenant agrees that, upon expiration of this Lease, Tenant will, within ten (10) business days of request by Landlord, execute and deliver to Landlord a release of this Lease in recordable form. The foregoing provision shall survive expiration or earlier termination of this Lease.

30. Entire Agreement. This Lease and the Asset Purchase and Sale Agreement contain the entire agreement between the parties hereto and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by Landlord and Tenant. Any formally executed addendum to or modification of this Lease shall be expressly deemed incorporated by reference herein unless a contrary intention is clearly stated therein.

31. Governing Law; Forum. This Lease shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN LEON COUNTY, FLORIDA, WHICH

COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

32. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND ANY CLAIM FOR INJURY OR DAMAGE.

33. RADON GAS. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present a health risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

[Remainder of page intentionally blank; Signature page follows]

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the date first set forth above.

Landlord:

CITY OF VERO BEACH,
FLORIDA

By: _____
Name:
Title: _____

EXECUTED ON _____

_____
Witness:

_____
Witness:

Tenant:

FLORIDA POWER & LIGHT COMPANY,
a Florida Corporation

By: _____
Name: _____
Title: _____

EXECUTED ON _____

_____
Witness:

_____
Witness:

Exhibit "A"

Premises Legal Description

T & D WAREHOUSE PARCEL:

Tract C, AIRPORT - WEST, according to the Plat thereof, as recorded in Plat Book 10, Page 89, of the Public Records of Indian River County, Florida.

[Description to be provided]

Tax Parcel ID No. 32-39-34-00003-0000-00000.3

Exhibit "B"

Form of Memorandum of Lease

This instrument was prepared
by and after recording return
to:
Jorge Diaz-Silveira, Esq.
Hogan Lovells US LLP
200 South Biscayne Blvd.
Suite 400
Miami, FL 33131

MEMORANDUM OF LEASE AGREEMENT

This is a Memorandum of Lease Agreement, dated as of the __ day of _____, 201[__] (the "*Lease*"), made by and between the **CITY OF VERO BEACH, FLORIDA**, a municipal corporation organized under the laws of the State of Florida ("*Landlord*") and **FLORIDA POWER & LIGHT COMPANY**, a corporation organized under the laws of the State of Florida ("*Tenant*").

WITNESSETH:

For and in consideration of the sum of Ten Dollars ($10.00), the receipt and sufficiency of which are hereby acknowledged, and in consideration of the agreements hereinafter set forth, and those of the Lease, Landlord and Tenant hereby acknowledge and agree as follows:

1. Landlord and Tenant have entered into the Lease Agreement and Access Easement, dated as of the date hereof (the "***Lease***"), pursuant to which Landlord leased to Tenant, and Tenant leased from Landlord, that certain real property described in Exhibit A attached hereto and made a part hereof (the "***Premises***").

2. The term of the Lease commenced as of the execution of the Lease and continues for a period of thirty (30) years, subject to Tenant's right to extend the Lease pursuant to its terms.

3. Reference is made to the Lease for all of the other terms, conditions and agreements between the parties, which terms, conditions and agreements are incorporated herein by reference. A true and correct copy of the Lease is available at the offices of Tenant, 700 Universe Blvd., EMT/JB Juno Beach, Florida 33408, Attention: EMT Contracts Department.

4. Tenant and Landlord hereby ratify and reaffirm their respective obligations under the Lease and confirm that all terms and obligations of the Lease are in full force and effect, and that neither Tenant nor Landlord is in default of any of its obligations thereunder. This Memorandum of Lease is executed in connection with and is deemed to be a part of the Lease. This instrument is merely a Memorandum of Lease and is subject to all of the terms, provisions and conditions of the Lease. Where the

terms of this Memorandum of Lease and the Lease conflict, the terms of the Lease shall control. All capitalized terms not defined herein shall have the same meaning as ascribed in the Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Memorandum of Lease as of the day and year first above written.

WITNESSES:

_____

Print name:_____

_____

Print name:_____

LANDLORD:

CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation

By:_____

Name:_____

Title:_____

WITNESSES:

_____

Print name:_____

_____

Print name:_____

TENANT:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

By:_____

Name:_____

Title:_____

STATE OF FLORIDA)
)
COUNTY OF [_____])

On this, the ___ day of _____, 201_, before me, a Notary Public in and for the State of Florida, personally appeared_____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized officer of the City of Vero Beach, Florida, and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the City of Vero Beach, Florida by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201_.

_____
Print Name: _____
Notary Public, State of Florida
Notary Commission No.: _____
My Commission Expires: _____

STATE OF FLORIDA)
)
COUNTY OF [_____])

On this, the ___ day of _____, 201_, before me, a Notary Public in and for the State of Florida, personally appeared _____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized officer of Florida Power & Light Company, and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the Florida Power & Light Company by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201_.

_____
Print Name: _____
Notary Public, State of Florida
Notary Commission No.: _____
My Commission Expires: _____

EXHIBIT A
LEGAL DESCRIPTION

T & D WAREHOUSE PARCEL:

Tract C, AIRPORT - WEST, according to the Plat thereof, as recorded in Plat Book 10, Page 89, of the Public Records of Indian River County, Florida.

[Description to be provided]

Tax Parcel ID No. 32-39-34-00003-0000-00000.3

EXHIBIT J

Current Form of Streetlight Agreement

FPL Account Number: _____
FPL Work Order Number: _____

STREET LIGHTING AGREEMENT

In accordance with the following terms and conditions, _____ (hereinafter called the Customer), requests on this _____ day of _____, _____ , from FLORIDA POWER & LIGHT COMPANY (hereinafter called FPL), a corporation organized and existing under the laws of the State of Florida, the following installation or modification of street lighting facilities at (general boundaries) _____, located in _____, Florida.
(city/county)

(a) Installation and/or removal of FPL-owned facilities described as follows:

Lights Installed		
Fixture Rating (in Lumens)	Fixture Type	# Installed

Lights Removed		
Fixture Rating (in Lumens)	Fixture Type	# Removed

Poles Installed		Poles Removed	
Pole Type	# Installed	Pole Type	# Removed

Conductors Installed	Conductors Removed
Feet not Under Paving	Feet not Under Paving
Feet Under Paving	Feet Under Paving

(b) Modification to existing facilities other than described above (explain fully):_____

That, for and in consideration of the covenants set forth herein, the parties hereto covenant and agree as follows:

FPL AGREES:

1. To install or modify the street lighting facilities described and identified above (hereinafter called the Street Lighting System), furnish to the Customer the electric energy necessary for the operation of the Street Lighting System, and furnish such other services as are specified in this Agreement, all in accordance with the terms of FPL's currently effective street lighting rate schedule on file at the Florida Public Service Commission (FPSC) or any successive street lighting rate schedule approved by the FPSC.

THE CUSTOMER AGREES:

2. To pay a contribution in the amount of $_____ prior to FPL's initiating the requested installation or modification.

3. To purchase from FPL all of the electric energy used for the operation of the Street Lighting System.

4. To be responsible for paying, when due, all bills rendered by FPL pursuant to FPL's currently effective street lighting rate schedule on file at the FPSC or any successive street lighting rate schedule approved by the FPSC, for facilities and service provided in accordance with this agreement.

5. To provide access, final grading and, when requested, good and sufficient easements, suitable construction drawings showing the location of existing and proposed structures, identification of all non-FPL underground facilities within or near pole or trench locations, and appropriate plats necessary for planning the design and completing the construction of FPL facilities associated with the Street Lighting System.

6. To perform any clearing, compacting, removal of stumps or other obstructions that conflict with construction, and drainage of rights-of-way or easements required by FPL to accommodate the street lighting facilities.

IT IS MUTUALLY AGREED THAT:

7. Modifications to the facilities provided by FPL under this agreement, other than for maintenance, may only be made through the execution of an additional street lighting agreement delineating the modifications to be accomplished. Modification of FPL street lighting facilities is defined as the following:

   a. the addition of street lighting facilities:
   b. the removal of street lighting facilities; and
   c. the removal of street lighting facilities and the replacement of such facilities with new facilities and/or additional facilities.

   Modifications will be subject to the costs identified in FPL's currently effective street lighting rate schedule on file at the FPSC, or any successive schedule approved by the FPSC.

8. FPL will, at the request of the Customer, relocate the street lighting facilities covered by this agreement, if provided sufficient right-of-ways or easements to do so. The Customer shall be responsible for the payment of all costs associated with any such Customer- requested relocation of FPL street lighting facilities. Payment shall be made by the Customer in advance of any relocation.

9. FPL may, at any time, substitute for any luminaire/lamp installed hereunder another luminaire/lamp which shall be of at least equal illuminating capacity and efficiency.

10. This Agreement shall be for a term of ten (10) years from the date of initiation of service, and, except as provided below, shall extend thereafter for further successive periods of five (5) years from the expiration of the initial ten (10) year term or from the expiration of any extension thereof. The date of initiation of service shall be defined as the date the first lights are energized and billing begins, not the date of this Agreement. This Agreement shall be extended automatically beyond the initial the (10) year term or any extension thereof, unless either party shall have given written notice to the other of its desire to terminate this Agreement. The written notice shall be by certified mail and shall be given not less than ninety (90) days before the expiration of the initial ten (10) year term, or any extension thereof.

11. In the event street lighting facilities covered by this agreement are removed, either at the request of the Customer or through termination or breach of this Agreement, the Customer shall be responsible for paying to FPL an amount equal to the original installed cost of the facilities provided by FPL under this agreement less any salvage value and any depreciation (based on current depreciation rates as approved by the FPSC) plus removal cost.

12. Should the Customer fail to pay any bills due and rendered pursuant to this agreement of otherwise fail to perform the obligations contained in this Agreement, said obligations being material and going to the essence of this Agreement, FPL may cease to supply electric energy or service until the Customer has paid the bills due and rendered or has fully cured such other breach of this Agreement. Any failure of FPL to exercise its rights hereunder shall not be a waiver of its rights. It is understood, however, that such discontinuance of the supplying of electric energy or service shall not constitute a breach of this Agreement by FPL, nor shall it relieve the Customer of the obligation to perform any of the terms and conditions of this Agreement.

13. The obligation to furnish or purchase service shall be excused at any time that either party is prevented from complying with this Agreement by strikes, lockouts, fires, riots, acts of God, the public enemy, or by cause or causes not under the control of the party thus prevented from compliance and FPL shall not have the obligation to furnish service if it is prevented from complying with this Agreement by reason of any partial, temporary or entire shut-down of service which, in the sole opinion of FPL, is reasonably necessary for the purpose of repairing or making more efficient all or any part of its generating or other electrical equipment.

14. This Agreement supersedes all previous Agreements or representations, either written, oral or otherwise between the Customer and FPL, with respect to the facilities referenced herein and constitutes the entire Agreement between the parties. This Agreement does not create any rights or provide any remedies to third parties or create any additional duty, obligation or undertakings by FPL to third parties.

15. This Agreement shall inure to the benefit of, and be binding upon the successors and assigns of the Customer and FPL.

16. This Agreement is subject to FPL's Electric Tariff, including, but not limited to, the General Rules and Regulations for Electric Service and the Rules of the FPSC, as they are written, or as they may be hereafter revised, amended or supplemented. In the event of any conflict between the terms of this Agreement and the provisions of the FPL Electric Tariff or the FPSC Rules, the provisions of the Electric Tariff and FPSC Rules shall control, as they are now written, or as they may be hereafter revised, amended or supplemented.

IN WITNESS WHEREOF, the parties hereby caused this Agreement to be executed in triplicate by their duly authorized representatives to be effective as of the day and year first written above.

Charges and Terms Accepted:

_____
Customer (Print or type name of Organization)

By:_____
Signature (Authorized Representative)

_____
(Print or type name)

Title:_____

FLORIDA POWER & LIGHT COMPANY

By:_____
(Signature)

_____
(Print or type name)

Title: Construction Services Representative

STREET LIGHTING

RATE SCHEDULE: SL-1

AVAILABLE:

In all territory served.

APPLICATION:

For lighting streets and roadways, whether public or private, which are thoroughfares for normal flow of vehicular traffic. Lighting for other applications such as: municipally and privately-owned parking lots; parks and recreational areas; or any other area not expressly defined above, is not permitted under this schedule.

TYPE OF INSTALLATION:

FPL-owned fixtures normally will be mounted on poles of FPL's existing distribution system and served from overhead wires. On request of the Customer, FPL will provide special poles or underground wires at the charges specified below. Customer-owned systems will be of a standard type and design, permitting service and lamp replacement at no abnormal cost to FPL.

SERVICE:

Service includes lamp renewals, patrol, energy from dusk each day until dawn the following day and maintenance of FPL-owned Street Lighting Systems.

LIMITATION OF SERVICE:

For Mercury Vapor, Fluorescent and Incandescent luminaires, no additions or changes in specified lumen output on existing installations will be permitted under this schedule after October 4, 1981 except where such additional lights are required in order to match existing installations.

Stand-by or resale service is not permitted hereunder.

CUSTOMER CONTRIBUTIONS:

A Contribution-in-Aid-of-Construction (CIAC) will be required for:

a) the differential cost between employing rapid construction techniques in trenching, backfilling and pole installation work where no obstructions exist, and the added cost to overcome obstructions such as sprinkler systems, paved surfaces (such as sidewalks, curbs, gutters, and roadways), landscaping, sodding and other obstructions encountered along the Street Light System installation route, including repair and replacement. If the Customer elects to perform work such as trenching and restoration, they will be reimbursed by FPL with a credit (not to exceed the total CIAC cost) for the value of this work as determined by FPL;

b) the installation cost of any new overhead distribution facilities and/or the cost of alterations to existing distribution facilities which are required in order to serve the Street Lighting System less four (4) times the additional annual non-fuel energy revenue generated by the installation or alteration of the Street Lighting System, plus where underground facilities are installed, the differential installation cost between underground and overhead distribution facilities.

These costs shall be paid by the Customer prior to the initiation of any construction work by FPL. The Customer shall also pay any additional costs associated with design modifications requested after the original estimate has been made.

(Continued on Sheet No. 8.716)

(Continued from Sheet No. 8.715)

REMOVAL OF FACILITIES:

If Street Lighting facilities are removed either by Customer request or termination or breach of the agreement, the Customer shall pay FPL an amount equal to the original installed cost of the removed facilities less any salvage value and any depreciation (based on current depreciation rates as approved by the Florida Public Service Commission) plus removal cost.

MONTHLY RATE:

Luminaire Type		Lamp Size Initial Lumens/Watts		kWh/Mo. Estimate	Charge for FPL-Owned Unit ($) Fixtures	Maintenance	Energy Non-Fuel **	Total ***	Charge for Customer-Owned Unit $) Relamping/ Energy ****	Energy Only
High Pressure Sodium Vapor		5,800	70	29	$3.91	1.17	0.79	5.87	1.38	0.79
" "		9,500	100	41	$3.98	1.18	1.12	6.28	1.73	1.12
" "		16,000	150	60	$4.11	1.20	1.63	6.94	2.23	1.63
" "		22,000	200	88	$6.22	1.55	2.39	10.16	3.16	2.39
" "		50,000	400	168	$6.29	1.53	4.57	12.39	5.35	4.57
	*	12,800	150	60	$4.27	1.35	1.63	7.25	2.37	1.63
" "	*	27,500	250	116	$6.61	1.63	3.16	11.40	3.97	3.16
" "	*	140,000	1,000	411	$9.95	3.00	11.18	24.13	12.98	11.18
Mercury Vapor	*	6,000	140	62	$3.09	1.06	1.69	5.84	2.28	1.69
" "	*	8,600	175	77	$3.13	1.06	2.10	6.29	2.70	2.10
" "	*	11,500	250	104	$5.23	1.53	2.83	9.59	3.47	2.83
" "	*	21,500	400	160	$5.21	1.50	4.35	11.06	4.97	4.35
" "	*	39,500	700	272	$7.37	2.55	7.40	17.32	7.44	7.40
" "	*	60,000	1,000	385	$7.54	2.49	10.48	20.51	11.33	10.48
Incandescent	*	1,000	103	36				7.78	2.87	0.98
"	*	2,500	202	71				8.21	3.83	1.93
"	*	4,000	327	116				9.79	5.11	3.16
"	*	6,000	448	158				11.04	6.25	4.30
"	*	10,000	690	244				13.56	8.73	6.64
Fluorescent	*	19,800	300	122				-	4.32	3.32
"	*	39,600	700	264				-	8.48	7.18

* These units are closed to new FPL installations.
** The non-fuel energy charge is 2.721¢ per kWh.
*** Bills rendered based on "Total" charge. Unbundling of charges is not permitted.
**** New Customer installations of those units closed to FPL installations cannot receive relamping service.

Charges for other FPL-owned facilities:

Wood pole used only for the street lighting system	$2.80
Concrete pole used only for the street lighting system	$3.85
Fiberglass pole used only for the street lighting system	$4.55
Underground conductors not under paving	2.10¢ per foot
Underground conductors under paving	5.14¢ per foot

The Underground conductors under paving charge will not apply where a CIAC is paid pursuant to section "a)" under "Customer Contributions." The Underground conductors not under paving charge will apply in these situations.

(Continued on Sheet No. 8.717)

(Continued from Sheet No. 8.716)

On Customer-owned Street Lighting Systems, where Customer contracts to relamp at no cost to FPL, the Monthly Rate for non-fuel energy shall be 2.721¢ per kWh of estimated usage of each unit plus adjustments. On Street Lighting Systems, where the Customer elects to install Customer-owned monitoring systems, the Monthly Rate for non-fuel energy shall be 2.721¢ per kWh of estimated usage of each monitoring unit plus adjustments. The minimum monthly kWh per monitoring device will be 1 kilowatt-hour per month, and the maximum monthly kWh per monitoring device will be 5 kilowatt-hours per month.

During the initial installation period:
Facilities in service for 15 days or less will not be billed;
Facilities in service for 16 days or more will be billed for a full month.

WILLFUL DAMAGE:

Upon the second occurrence of willful damage to any FPL-owned facilities, the Customer will be responsible for the cost incurred for repair or replacement. If the lighting fixture is damaged, based on prior written instructions from the Customer, FPL will:

a) Replace the fixture with a shielded cutoff cobrahead. The Customer shall pay $280.00 for the shield plus all associated costs. However, if the Customer chooses to have the shield installed after the first occurrence, the Customer shall only pay the $280.00 cost of the shield; or

b) Replace with a like unshielded fixture. For this, and each subsequent occurrence, the Customer shall pay the costs specified under "Removal of Facilities"; or

c) Terminate service to the fixture.

Option selection shall be made by the Customer in writing and apply to all fixtures which FPL has installed on the Customer's behalf. Selection changes may be made by the Customer at any time and will become effective ninety (90) days after written notice is received.

Conservation Charge	See Sheet No. 8.030.1
Capacity Payment Charge	See Sheet No. 8.030.1
Environmental Charge	See Sheet No. 8.030.1
Fuel Charge	See Sheet No. 8.030.1
Storm Charge	See Sheet No. 8.040
Franchise Fee	See Sheet No. 8.031
Tax Clause	See Sheet No. 8.031

TERM OF SERVICE:

Initial term of ten (10) years with automatic, successive five (5) year extensions unless terminated in writing by either FPL or the Customer at least ninety (90) days prior to the current term's expiration.

RULES AND REGULATIONS:

Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service", the provision of this schedule shall apply.

PREMIUM LIGHTING

RATE SCHEDULE: PL-1

AVAILABLE:

In all territory served.

APPLICATION:

FPL-owned lighting facilities not available under rate schedule SL-1 and OL-1. To any Customer for the sole purpose of lighting streets, roadways and common areas, other than individual residential locations. This includes but is not limited to parking lots, homeowners association common areas, or parks.

SERVICE:

Service will be unmetered and will include lighting installation, lamp replacement and facilities maintenance for FPL-owned lighting systems. It will also include energy from dusk each day until dawn the following day.

The Company, while exercising reasonable diligence at all times to furnish service hereunder, does not guarantee continuous lighting and will not be liable for damages for any interruption, deficiency or failure of service, and reserves the right to interrupt service at any time for necessary repairs to lines or equipment.

LIMITATION OF SERVICE:

Installation shall be made only when, in the judgement of the Company, the location and the type of the facilities are, and will continue to be, easily and economically accessible to the Company equipment and personnel for both construction and maintenance.

Stand-by, non-firm, or resale service is not permitted hereunder.

TERM OF SERVICE:

The term of service is (20) twenty years. At the end of the term of service, the Customer may elect to execute a new agreement based on the current estimated replacement costs. The Company will retain ownership of these facilities.

FACILITIES PAYMENT OPTION:

The Customer will pay for the facilities in a lump sum in advance of construction. The amount will be the Company's total work order cost for these facilities times the Present Value Revenue Requirement (PVRR) multiplier of 1.4094. Monthly Maintenance and Energy charges will apply for the term of service.

FACILITIES SELECTION:

Facilities selection shall be made by the Customer in writing by executing the Company's Premium Lighting Agreement.

(Continued on Sheet No. 8.721)

(Continued from Sheet No. 8.720)

MONTHLY RATE :

Facilities:

Paid in full:	Monthly rate is zero, for Customer's who have executed a Premium Lighting Agreement before March 1, 2010:
10 years payment option:	1.565% of total work order cost.
20 years payment option:	1.038% of total work order cost.
Maintenance:	FPL's estimated costs of maintaining lighting facilities.
Billing:	FPL reserves the right to assess a charge for the recovery of any dedicated billing system developed solely for this rate.
Energy:	KWH Consumption for fixtures shall be estimated using the following formula:

$$KWH = \frac{\text{Unit Wattage (usage)} \times 353.3 \text{ hours per month}}{1000}$$

Non-Fuel Energy	2.721¢/kWh
Conservation Charge	See Sheet No. 8.030.1
Capacity Payment Charge	See Sheet No. 8.030.1
Environmental Charge	See Sheet No. 8.030.1
Fuel Charge	See Sheet No. 8.030.1
Storm Charge	See Sheet No. 8.040
Franchise Fee	See Sheet No. 8.031
Tax Clause	See Sheet No. 8.031

During the initial installation period:
Facilities in service for 15 days or less will not be billed;
Facilities in service for 16 days or more will be billed for a full month.

MINIMUM MONTHLY BILL:

The minimum monthly bill shall be the applicable Facilities Maintenance and Billing charges.

(Continued on Sheet No. 8.722)

(Continued from Sheet No. 8.721)

EARLY TERMINATION:

If the Customer no longer wishes to receive service under this schedule, the Customer may terminate the Premium Lighting Agreement by giving at least (90) ninety days advance written notice to the Company. Upon early termination of service, the Customer shall pay an amount computed by applying the following Termination Factors to the installed cost of the facilities, based on the year in which the Agreement was terminated. These Termination Factors will not apply to Customers who elected to pay for the facilities in a lump sum in lieu of a monthly payment.

FPL may also charge the Customer for the cost to the utility for removing the facilities.

Ten (10) Years Payment Option	Termination Factor	Twenty (20) Years Payment Option	Termination Factor
1	1.4094	1	1.4094
2	1.2216	2	1.2848
3	1.1198	3	1.2505
4	1.0108	4	1.2139
5	0.8941	5	1.1746
6	0.7692	6	1.1326
7	0.6355	7	1.0876
8	0.4924	8	1.0395
9	0.3393	9	0.9880
10	0.1754	10	0.9328
>10	.0000	11	0.8738
		12	0.8107
		13	0.7431
		14	0.6707
		15	0.5933
		16	0.5104
		17	0.4217
		18	0.3268
		19	0.2252
		20	0.1164
		>20	.0000

WILLFUL DAMAGE:

In the event of willful damage to these facilities, FPL will provide the initial repair of each installed item at its expense. Upon the second occurrence of willful damage, and subsequent occurrence to these FPL-owned facilities, the Customer will be responsible for the cost for repair or replacement.

RULES AND REGULATIONS:

Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service", the provision of this schedule shall apply.

OUTDOOR LIGHTING

RATE SCHEDULE OL-1

AVAILABLE:

In all territory served.

APPLICATION:

For year-round outdoor security lighting of yards, walkways and other areas. Lights to be served hereunder shall be at locations which are easily and economically accessible to Company equipment and personnel for construction and maintenance.

It is intended that Company-owned security lights will be installed on existing Company-owned electric facilities, or short extension thereto, in areas where a street lighting system is not provided or is not sufficient to cover the security lighting needs of a particular individual or location. Where more extensive security lighting is required, such as for large parking lots or other commercial areas, the Customer will provide the fixtures, supports and connecting wiring; the Company will connect to the Customer's system and provide the services indicated below.

SERVICE:

Service includes lamp renewals, energy from approximately dusk each day until approximately dawn the following day, and maintenance of Company-owned facilities. The Company will replace all burned-out lamps and will maintain its facilities during regular daytime working hours as soon as practicable following notification by the Customer that such work is necessary. The Company shall be permitted to enter the Customer's premises at all reasonable times for the purpose of inspecting, maintaining, installing and removing any or all of its equipment and facilities.

The Company, while exercising reasonable diligence at all times to furnish service hereunder, does not guarantee continuous lighting and will not be liable for damages for any interruption, deficiency or failure of service, and reserves the right to interrupt service at any time for necessary repairs to lines or equipment.

LIMITATION OF SERVICE:

This schedule is not available for service normally supplied on the Company's standard street lighting schedules. Company-owned facilities will be installed only on Company-owned poles. Customer-owned facilities will be installed only on Customer-owned poles. Overhead conductors will not be installed in any area designated as an underground distribution area, or any area, premises or location served from an underground source. Stand-by or resale service not permitted hereunder.

MONTHLY RATE:

Luminaire Type	Lamp Size Initial Lumens/Watts		KWH/Mo. Estimate	Charge for Company-Owned Unit ($) Fixtures	Maintenance	Energy Non-Fuel **	Total	Charge for Customer-Owned Unit ($) Relamping/ Energy	Energy Only
High Pressure Sodium Vapor	5,800	70	29	4.49	1.03	0.85	6.37	0.97	0.85
" "	9,500	100	41	4.59	1.03	1.20	6.82	1.16	1.20
" "	16,000	150	60	4.75	1.05	1.76	7.56	1.44	1.76
" "	22,000	200	88	6.91	1.36	2.58	10.85	1.88	2.58
" "	50,000	400	168	7.35	1.34	4.93	13.62	3.12	4.93
" " *	12,000	150	60	5.10	1.20	1.76	8.06	1.65	1.76
Mercury Vapor *	6,000	140	62	3.45	0.93	1.82	6.20	1.47	1.82
" " *	8,600	175	77	3.47	0.93	2.26	6.66	1.70	2.26
" " *	21,500	400	160	5.68	1.31	4.69	11.68	2.98	4.69

* These units are closed to new Company installations.

** The non-fuel energy charge is 2.934¢ per kWh.

(Continued on Sheet No. 8.726)

(Continued from Sheet No. 8.725)

Charges for other Company-owned facilities:

Wood pole and span of conductors:	$3.51
Concrete pole and span of conductors:	$4.72
Fiberglass pole and span of conductors:	$5.55
Underground conductors (excluding trenching)	$0.017 per foot
Down-guy, Anchor and Protector	$2.04

For Customer-owned outdoor lights, where the Customer contracts to relamp at no cost to FPL, the monthly rate for non-fuel energy shall be 2.934¢ per kWh of estimated usage of each unit plus adjustments.

Conservation Charge	See Sheet No. 8.030.1
Capacity Payment Clause	See Sheet No. 8.030.1
Environmental Charge	See Sheet No. 8.030.1
Fuel Charge	See Sheet No. 8.030.1
Storm Charge	See Sheet N6. 8.040
Franchise Fee	See Sheet No. 8.031
Tax Clause	See Sheet No. 8.031

TERM OF SERVICE:

Not less than one year. In the event the Company installs any facilities for which there is an added monthly charge, the Term of Service shall be for not less than three years.

If the Customer terminates service before the expiration of the initial term of the agreement, the Company may require reimbursement for the total expenditures made to provide such service, plus the cost of removal of the facilities installed less the salvage value thereof, and less credit for all monthly payments made for Company-owned facilities.

RULES AND REGULATIONS:

Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service", the provision of this schedule shall apply.

COMPANY-OWNED FACILITIES:

Company-owned luminaires normally will be mounted on Company's existing distribution poles and served from existing overhead wires. The Company will provide one span of secondary conductor from existing secondary facilities to a Company-owned light at the Company's expense. When requested by the Customer, and at the option of the Company, additional spans of wire or additional poles or underground conductors may be installed by the Company upon agreement by the Customer to use the facilities for a minimum of three years and pay each month the charges specified under MONTHLY RATE.

The Customer will make a lump sum payment for the cost of changes in the height of existing poles or the installation of additional poles in the Company's distribution lines or the cost of any other facilities required for the installation of lights to be served hereunder.

At the Customer's request, the Company will upgrade to a higher level of illumination without a service charge when the changes are consistent with good engineering practices. The Customer will pay the Company the net costs incurred in making other lamp size changes. In all cases where luminaires are replaced, the Customer will sign a new service agreement. Billing on the rate for the new luminaire or lamp size will begin as of the next regular billing date. A luminaire may be relocated at the Customer's request upon payment by the Customer of the costs of removal and reinstallation.

The Company will not be required to install equipment at any location where the service may be objectionable to others. If it is found after installation that the light is objectionable, the Company may terminate the service.

(Continued on Sheet No. 8.727)

(Continued from Sheet No. 8.726)

When the Company relocates or removes its facilities to comply with governmental requirements, or for any other reason, either the Company or the Customer shall have the right, upon written notice, to discontinue service hereunder without obligation or liability.

CUSTOMER-OWNED FACILITIES:

Customer-owned luminaires and other facilities will be of a type and design specified by the Company to permit servicing and lamp replacement at no abnormal cost. The Customer will provide all poles, fixtures, initial lamps and controls, and circuits up to the point of connection to the Company's supply lines, and an adequate support for the Company-owned service conductors.

The Company will provide an overhead service drop from its existing secondary conductors to the point of service designated by the Company for Customer-owned lights. Underground service conductors will be installed in lieu of the overhead conductors at the Customer's request, and upon payment by the Customer of the installed cost of the underground conductors after allowance for the cost of equivalent overhead service conductors and any trenching and backfilling provided by the Customer.

DEFINITIONS:

A "Luminaire," as defined by the Illuminating Engineering Society, is a complete lighting unit consisting of a lamp (bulb), together with parts designed to distribute the light, to position and protect the lamp, and connect the lamp to the power supply.

A "Conventional" luminaire is supported by a bracket that is mounted on the side of an ordinary wood pole or an ornamental pole. This is the only type of luminaire offered where service is to be supplied from overhead conductors, although this luminaire may also be used when service is supplied from underground conductors.

A "Contemporary" luminaire is of modern design and is mounted on top of an ornamental pole. Underground conductors are required.

A "Traditional" luminaire resembles an Early American carriage lantern and is mounted on top of a pole. It requires an ornamental pole and underground conductors to a source of supply.

An "Ornamental" pole is one made of concrete or fiberglass.

TRAFFIC SIGNAL SERVICE

RATE SCHEDULE: SL-2

AVAILABLE:

In all territory served.

APPLICATION:

Service for traffic signal lighting where the signal system and the circuit to connect with Company's existing supply lines are installed, owned and maintained by Customer.

SERVICE:

Single phase, 60 hertz and approximately 120/240 volts or higher, at Company's option.

MONTHLY RATE:

Non-Fuel Energy Charges:

Base Energy Charge	3.716¢ per kWh
Conservation Charge	See Sheet No. 8.030.1
Capacity Payment Charge	See Sheet No. 8.030.1
Environmental Charge	See Sheet No. 8.030.1

Additional Charges:

Fuel Charge	See Sheet No. 8.030.1
Storm Charge	See Sheet No. 8.040
Franchise Fee	See Sheet No. 8.031
Tax Clause	See Sheet No. 8.031

Minimum: $2.88 at each point of delivery.

Note: During the initial installation period of facilities:
Lights and facilities in service for 15 days or less will not be billed;
Lights and facilities in service for 16 days or more will be billed for a full month.

CALCULATED USAGE:

The Calculated Usage at each point of delivery shall be determined by operating tests or utilization of manufacturers' ratings and specifications. The monthly operation shall be based on a standard of 730 hours; however, that portion of the operation which is on a noncontinuous basis shall be adjusted to reflect such operation.

TERM OF SERVICE:

Not less than one (1) billing period.

NOTICE OF CHANGES:

The Customer shall notify the Company at least 30 days prior to any change in rating of the equipment served or the period of operation.

RULES AND REGULATIONS:

Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service" the provision of this schedule shall apply.

RECREATIONAL LIGHTING

(Closed Schedule)

RATE SCHEDULE: RL-1

AVAILABLE:

In all territory served. Available to any customer, who, as of January 16, 2001, was either taking service pursuant to this schedule or had a fully executed Recreational Lighting Agreement with the Company.

APPLICATION:

For FPL-owned facilities for the purpose of lighting community recreational areas. This includes, but is not limited to, baseball, softball, football, soccer, tennis, and basketball.

SERVICE:

Service will be metered and will include lighting installation, lamp replacement and facilities maintenance for FPL-owned lighting systems.

The Company, while exercising reasonable diligence at all times to furnish service hereunder, does not guarantee continuous lighting and will not be liable for damages for any interruption, deficiency or failure of service, and reserves the right to interrupt service at any time for necessary repairs to lines or equipment.

LIMITATION OF SERVICE:

Installation shall be made only when, in the judgement of the Company, the location and the type of the facilities are, and will continue to be, easily and economically accessible to the Company equipment and personnel for both construction and maintenance.

Stand-by, non-firm, or resale service is not permitted hereunder.

TERM OF SERVICE:

The term of service is (20) twenty years. At the end of the term of service, the Customer may elect to execute a new Agreement based on the current estimated replacement costs. The Company will retain ownership of these facilities.

FACILITIES PAYMENT OPTION:

The Customer will pay for the facilities in a lump sum in advance of construction. The amount will be the Company's total work order cost for these facilities times the Present Value Revenue Requirement (PVRR) multiplier of 1.4094. Monthly Maintenance and energy charges will apply for the term of service.

FACILITIES SELECTION:

Facilities selection shall be made by the Customer in writing by executing the Company's Recreational Lighting Agreement.

(Continued on Sheet No. 8.744)

(Continued from Sheet No. 8.743)

MONTHLY RATE :

Facilities:

Paid in full:	Monthly rate is zero.
10 years payment option:	1.565% of total work order cost.*
20 years payment option:	1.038% of total work order cost.*

* Both (10) ten and (20) twenty year payment options are closed to new service, and are only available for the duration of the term of service of those customers that have fully executed a Recreational Lighting Agreement with the Company before January 16, 2001.

Maintenance:	FPL's estimated costs of maintaining lighting facilities.
Billing:	FPL reserves the right to assess a charge for the recovery of any dedicated billing system developed solely for this rate.
Charge Per Month:	Company's otherwise applicable general service rate schedule.
Conservation Charge	See Sheet No. 8.030.1
Capacity Payment Charge	See Sheet No. 8.030.1
Environmental Charge	See Sheet No. 8.030.1
Fuel Charge	See Sheet No. 8.030.1
Storm Charge	See Sheet No. 8.040
Franchise Fee	See Sheet No. 8.031
Tax Clause	See Sheet No. 8.031

MINIMUM MONTHLY BILL:

As provided in the otherwise applicable rate schedule, plus the Facilities Maintenance and Billing charges.

(Continued on Sheet No. 8.745)

(Continued from Sheet No. 8.744)

EARLY TERMINATION:

If the Customer no longer wishes to receive service under this schedule, the Customer may terminate the Recreational Lighting Agreement by giving at least (90) ninety days advance written notice to the Company. Upon early termination of service, the Customer shall pay an amount computed by applying the following Termination Factors to the installed cost of the facilities, based on the year in which the Agreement was terminated. These Termination Factors will not apply to Customers who elected to pay for the facilities in a lump sum in lieu of a monthly payment.

FPL may also charge the Customer for the cost to the utility for removing the facilities.

Ten (10) Years Payment Option	Termination Factor	Twenty (20) Years Payment Option	Termination Factor
1	1.4094	1	1.4094
2	1.2216	2	1.2848
3	1.1198	3	1.2505
4	1.0108	4	1.2139
5	0.8941	5	1.1746
6	0.7692	6	1.1326
7	0.6355	7	1.0876
8	0.4924	8	1.0395
9	0.3393	9	0.9880
10	0.1754	10	0.9328
>10	.0000	11	0.8738
		12	0.8107
		13	0.7431
		14	0.6707
		15	0.5933
		16	0.5104
		17	0.4217
		18	0.3268
		19	0.2252
		20	0.1164
		>20	.0000

WILLFUL DAMAGE:

In the event of willful damage to these facilities, FPL will provide the initial repair of each installed item at its expense. Upon the second occurrence of willful damage, and subsequent occurrence to these FPL-owned facilities, the Customer will be responsible for the cost for repair or replacement.

RULES AND REGULATIONS:

Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service", the provision of this schedule shall apply.

EXHIBIT K

Form of Pole Attachment for Seller Fiber Optic System

ATTACHMENT AGREEMENT BETWEEN
(GOVERNMENT ENTITY)
AND
FLORIDA POWER & LIGHT COMPANY

THIS AGREEMENT, made this _____ day of _____ 200_, between _____, a municipality or political subdivision of the State of Florida (hereinafter referred to as "Licensee") and FLORIDA POWER & LIGHT COMPANY, a corporation organized and existing under the laws of Florida with its principal place of business in Miami-Dade and Palm Beach Counties, Florida (hereinafter referred to as "FPL").

W I T N E S S E T H:

WHEREAS the Licensee desires to attach cables, wires and appliances to poles belonging to FPL, for the construction, operation, and maintenance of a _____ system (hereinafter referred to as "System"), and

WHEREAS FPL is willing to permit, to the extent it may lawfully do so, the attachment of said System to its existing poles where, in its judgment, such use will not interfere with FPL's own system integrity or service requirements, including considerations of economy and safety,

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the parties covenant and agree as follows:

ARTICLE I - DEFINITIONS

1.1 Attachment means the physical attachment of the cable and any supporting hardware or devices required to attach Licensee's System to FPL poles.

1.2 Facility or Facilities means equipment used by FPL in the distribution of electric power, including, but not limited to, manholes, conduits, poles, wires, cables, system protection equipment or other appurtenances, and associated equipment.

1.3 Intermediate Pole Attachment means the initial Attachment of Licensee's System to a new intermediate pole installed by FPL within an existing pole line in order to accommodate the service requirements of FPL or licensees or other Joint Users.

1.4 Lump Sum means the dollar amount estimated by FPL, associated with work to be performed by FPL. This includes the construction costs and all FPL overheads associated with the required work.

1.5 Make-Ready Work means the work associated with the Rearrangement of FPL Facilities and the facilities of other licensees or licensees attached pursuant to a joint use agreement (hereinafter "Joint Users") to the FPL pole that is required for the initial attachment of the System on the FPL pole or pole line in compliance with the National Electrical Safety Code ("NESC") and additional requirements of FPL. This work includes but is not limited to pole inspections, engineering and drafting time, permits and construction.

1.6 Rearrangement means any activity or work, after the initial Make-Ready Work, which is necessary when there is a change in the FPL Facilities or FPL service requirements or to ensure that Licensee's Attachments do not adversely affect FPL's Facilities or service or that of Joint Users or licensees previously attached. "Rearrangement" includes but is not limited to transfer, relocation, adjustment, conversion, permanent or temporary support, protection, design or redesign, abandonment, and removal or reconstruction of Licensee's System.

1.7 System shall consist of the cable, hardware and supporting devices required by the Licensee to attach to FPL poles as specified in Article II. 2.2 and any part thereof.

1.8 Transfer means one activity included within the term Rearrangement and is associated only with pole replacements. Transfer is limited to the work of removing the Licensee's System from the FPL pole and re-attaching the System to a replacement FPL pole within the existing FPL pole alignment at the same time that FPL transfers or relocates FPL Facilities from one FPL pole to another FPL pole.

ARTICLE II - TERM AND RIGHT TO ATTACH

2.1 Term. This Agreement is for an initial term of two (2) years commencing with the date first written above and ending on midnight immediately preceding the two (2) year anniversary of said date. The term of this Agreement, provided the licensee is not in default under the terms of this Agreement, shall be continuously self-renewing by an additional two (2) year term unless either party provides written notice to the other party no later than sixty (60) days prior to the expiration of the then effective term that it wishes to terminate this Agreement for any or no cause. Individual permits issued under this Agreement may automatically expire as provided in Exhibit A attached hereto.

2.2 Permission to Attach.

a. Pole. The Licensee may attach its System only to existing or future FPL poles on which distribution or distribution/transmission Facilities have been installed. The Licensee may not attach its System to FPL poles that are used solely for transmission or street lighting purposes.

b. Tension Limit. No Attachment will be permitted which results in more than 200 lbs. of unguyed tension on any given FPL Pole.

c. Pole Height Limit. No Attachment will be permitted which requires FPL to install a new pole over forty-five feet (45') and FPL will not perform Make-Ready Work for the

purpose of installing such a pole. Provided however, Licensee may apply for a permit to attach to an FPL pole, as provided in Article II.2.2.a above, which is over forty-five feet (45') in height if such pole was installed to meet FPL's own service requirements.

2.3 Inspection. Prior to applying for permission to attach to any FPL pole, the Licensee shall inspect the pole(s) to which it wishes to attach and shall prepare a windloading study and calculations according to FPL requirements. If any pole or poles of FPL must be reworked or are inadequate to support the additional facilities in accordance with the specifications in Article III below, the Licensee will request Make-Ready Work by indicating the necessary changes on Exhibit A.

2.4 Florida Power & Light Company Permit. After inspection and prior to attaching to any pole of FPL, the Licensee shall apply for and receive a written permit in the form of Exhibit A. The Licensee shall attach its windloading calculations to its permit application. FPL may deny a permit for Attachment when in the sole judgment of FPL such attachment will interfere with FPL's system integrity or service requirements, including economic, safety, reliability and engineering requirements. No Attachments shall be permitted except as provided in Article II.2.2.a.

ARTICLE III - ATTACHMENT AND MAINTENANCE

3.1 Licensee's Attachments. The Licensee, at its own expense, shall make and maintain its Attachments in safe condition and in thorough repair, both in a manner suitable to FPL and so that the Attachments do not conflict with the use of the poles by FPL, Joint Users or other licensees or interfere with the working use of facilities thereon or which may from time-to-time be placed thereon by FPL or Joint Users. The Licensee shall exercise special precautions to avoid damage to Facilities of FPL and to attachments of others supported on the FPL poles and shall immediately report any damage to FPL and to any other owners of damaged facilities or attachments.

3.2 Licensee's Duty to Warn. Licensee agrees to warn its employees, agents, contractors, and invitees of the fact that the electrical facilities and appurtenances installed or to be installed by FPL are of high voltage electricity and to inform such persons as to safety and precautionary measures which he or she must use when working on or near FPL Poles and other facilities.

3.3 Licensee's Permits. The Licensee, at its own expense, shall obtain all necessary permits or authorization from local, state and federal agencies or property owners.

3.4 Standards.

a. NESC and FPL Requirements. The Licensee agrees to install, construct and maintain its Attachments with its own licensed electrician or by an approved licensed electrical contractor paid under a contract executed by the Licensee all in accordance with the requirements and specifications of the National Electrical Safety Code, latest edition, or any applicable amendments, revisions, or subsequent editions of said NESC as well as any additional construction requirements of FPL. If any Licensee Attachments are

found to have been installed in violation of the NESC or FPL requirements, the Licensee shall immediately make all corrections at the Licensee's expense, including Rearrangement of Facilities and of attachments of others.

b. Installation of Attachments. The Licensee agrees and understands that the installation, construction and maintenance of Attachments within fifteen feet (15') of FPL's primary conductors (defined herein as all conductors with voltage potentials exceeding 750V) shall be subject to the approval of FPL within its sole and absolute discretion. The Licensee's Attachment of cable on each pole shall be restricted to one foot (1') of pole space. This space allocation shall be located one foot (1') above the highest joint user or existing third party cable attachment. The one foot (1') space allocation shall extend six inches (6") above and below the Licensee's main cable attachment point. A schematic drawing is included in Exhibit A.

c. Other Requirements. In addition, all installation work will be done in accordance with local rules, regulations, statutes and ordinances. All Attachments shall conform to requirements of and be subject to rights under any other joint use or attachment agreements now in effect between FPL and other pole users. The Licensee shall insure compliance with clearances from facilities of all other licensees attached to the FPL pole and obtain consent from such users, as necessary. The Licensee agrees to participate in FPL's notification and scheduling processes for Pole transfers and permitting of attachments.

d. Marking of Cable The Licensee agrees to install or mark the cable in a manner acceptable to FPL and consistent with guidelines adopted by the Florida Utility Coordinating Committee, so that it can be easily identified from the ground and from other similar cables on the pole. Provided however and notwithstanding the FUCC guidelines above, an identification tag shall be installed at every first, fifth, last and street crossing mainline Attachment.

e. Licensee's Notice of Attachment. Within thirty-one (31) days of attaching to FPL's Poles, Licensee shall provide FPL with Notice of Attachment in the form of Exhibit B attached hereto.

3.5 Rearrangement, Transfer and Intermediate Pole Attachment of Licensee's System.

a. Timing. When it is necessary for the Licensee to Rearrange its Attachment on an existing Pole, Transfer its Attachment to a replacement Pole or attach to an intermediate Pole, the Licensee will move, Transfer or attach its Attachment as required within forty-five (45) days of notification. The Licensee will participate in FPL's notification process and conform to FPL's scheduling in order to accomplish this.

b. Rearrangement, Transfers, or Intermediate Pole Attachment by FPL. Rearrangement, Transfer or Intermediate Pole Attachment of the System, or any part thereof is the sole responsibility of the Licensee. This work may be performed by FPL or its contractor when and at the time that FPL relocates its Facilities, replaces an existing pole or installs an intermediate pole within an existing pole line used by the Licensee. All such

work shall be at the sole discretion of FPL and based on NESC and additional requirements of FPL. All hardware, cable, material and equipment required for the Rearrangement or Transfer of the System, or part thereof, shall be provided by the Licensee. The Rearrangement shall be at the expense of the Licensee as stated in Article IV.

c. Rearrangement or Transfer by Licensee. If FPL decides not to rearrange or Transfer the System, then the Licensee, subject to Article IV, at its own expense and within thirty (30) working days after notice from FPL, shall rearrange or remove its System placed on any pole or pole line, transfer it to substituted poles, relocate it, or perform any other work in connection with Licensee's System that may be required by FPL.

d. Failure of Licensee to Rearrange or Transfer; Emergency Situations. Provided, however, that after thirty (30) days notice from FPL, if Licensee fails to rearrange or Transfer the System, or at any time without notice in cases of emergency, FPL may rearrange the System, Transfer it to substituted poles, relocate it or perform any other work in connection with Licensee's System that may be required in the maintenance, replacement, removal or relocation of FPL poles, the Facilities or attachments thereon or which may be placed thereon, or for the service needs of FPL, and the Licensee shall, on demand, reimburse FPL for the expense thereby incurred. Nothing in this paragraph shall relieve the Licensee from maintaining adequate work forces readily at hand to handle the Rearrangement, repair, service and maintenance of the System where the condition of the System is hindering FPL's operations.

e. Hold Harmless and Indemnify Against Delay Claims. Notwithstanding the foregoing, Licensee shall be solely responsible for the scheduling and coordinating directly with all attachees to FPL poles, including those of the Licensee, of all relocations required as part of any project of the Licensee. FPL shall not be responsible for scheduling the relocation of the Licensee's attachments or other attachments to FPL's poles when such relocation is caused by any project of the Licensee. Licensee shall indemnify and hold harmless FPL from any loss or liability incurred by or claimed by Licensee's contractor arising from or related to failure of FPL to timely relocate a FPL pole if Licensee has not timely removed its attachment from the FPL pole.

3.6 FPL Inspection. FPL reserves the right to inspect each new installation of the Licensee on FPL poles and in the vicinity of its lines or appliances and to make surveys every five (5) years, or more frequently as conditions warrant, of the entire System on FPL's poles. Such inspections or surveys made, or not, shall not relieve the Licensee of any responsibility, obligation or liability assumed under this Agreement. All direct and overhead costs associated with these inspections shall be paid by the Licensee as stated in Article IV. In addition, if any violations are found, the Licensee shall make all corrections at the Licensee's expense, including Rearrangement of Facilities and of attachments of others.

ARTICLE IV - MAKE-READY COSTS, LICENSE AND TRANSFER FEES, AND BILLING

4.1 Make-Ready Costs for New Attachments.

a. Lump Sum for Make-Ready Work. If the Licensee has indicated that Make-Ready Work is necessary to accommodate the System on any FPL pole, FPL or FPL's contractor will provide the Licensee with an estimate of the cost of the Make-Ready Work. The estimate shall include the increased cost of larger or stronger poles, remaining life value of poles removed, cost of removal less any salvage recovery and the expense of transferring FPL's Facilities from the old to the new poles and overhead costs, less any credit for betterment. If the Licensee still desires to make the Attachments, it shall return Exhibit A marked to so indicate, together with an advance payment the Lump Sum for the entire estimated cost of the Make-Ready Work.

b. Reimbursement for Make-Ready Work. When the Licensee's Attachments can be accommodated on existing poles of FPL by rearranging FPL's Facilities or attachments of others thereon, the Licensee will compensate FPL and other Licensees, attachees, or Joint Users, if any, for the full expense incurred in completing such Make-Ready Work or Rearrangements, as provided in Article IV.4.5 below.

c. Additional Support. Any strengthening of poles (*e.g.*, guying) required to accommodate the Licensee's Attachments shall be provided by and at the expense of the Licensee and to the satisfaction of FPL. The Licensee shall not set intermediate poles under or in close proximity to FPL's Facilities. The Licensee, however, may request FPL to set such intermediate poles as the Licensee may desire, and FPL shall have the option to accept or reject such request. If such request is granted, the Licensee shall reimburse FPL for all direct and overhead costs associated with installing and attaching to such pole or poles.

d. Reimbursement of Licensees for Any Rearrangement Made by Licensees. If the Licensee wishes to be reimbursed by any other attachee, new or existing, benefiting from a Rearrangement or Make-Ready which was paid for by the Licensee, it is the Licensee's responsibility to pursue reimbursement directly with the other attachee. FPL will not be responsible for notification, monitoring, billing or collection of reimbursement for any new attachments or modifications made to Poles where the Licensee paid Make-Ready costs to increase capacity.

4.2 Attachment Fees.

a. Annual Attachment Fee. Subject to annual adjustment as set forth in (b) below, Licensee shall pay FPL an annual Attachment fee of $12.15 per distribution Pole per year and $58.96 per transmission Pole with under-built distribution per year, such rate effective on June 1, 2003. The annual rate shall apply to all Attachments existing as of the effective date of that rate, regardless of the date of Attachment.

b. Fee Adjustment. On the first day of June each year thereafter that this Agreement is in effect, the annual fee shall be adjusted in accordance with the most current pole cost data compiled by FPL. FPL shall bill annually in advance or, at FPL's sole discretion, biannually or monthly in advance for the total number of Attachments as of the billing date. The payment of the Attachment fee hereunder shall include such pro rata amount as may be due for the increased Attachments or change in use to FPL poles since the previous billing date. An Attachment or change in use of Attachment to any FPL pole

without notification of Attachment or change in use or FPL's authorization shall be deemed to have been made on the effective date of this Agreement or the date of the last survey, whichever is later. FPL's acceptance of payment for unauthorized Attachment shall not constitute a waiver of any other rights or remedies under this Agreement or at law. Payment shall be made within forty-five (45) days of the date of invoice and under the terms and conditions provided in Article IV.4.6.

c. Essential Service Attachments. Licensee shall not pay an attachment fee for those attachments solely and specifically dedicated for the operation and maintenance of traffic signals or essential community services such as emergency communications.

d. Unauthorized Attachments. An Attachment to an FPL pole without notification of Attachment or FPL's authorization shall be deemed to have been made on the effective date of this Agreement or the date of the last survey, whichever is later. If the unauthorized Attachment is identified by survey, the "last survey" shall mean the survey immediately prior to the survey which identified the unauthorized Attachment. FPL's acceptance of payment for unauthorized Attachments shall not constitute a waiver of any other rights or remedies under this Agreement or at law.

e. Unauthorized Attachment Fee. Licensee shall pay FPL an Unauthorized Attachment Fee in the amount of 2 and 1/2 times the pole attachment rate to Distribution Poles and 1 and 1/2 times the pole attachment rate to Transmission Poles or Towers for the year in which the Unauthorized Attachment was discovered. This Unauthorized license fee shall be paid from the date of discovery back to the date of the last physical survey for any Attachment to FPL Poles or Towers. If an Unauthorized Attachment is identified by survey, the "last survey" shall mean the survey immediately prior to the survey which identified the Unauthorized Attachment. FPL's acceptance of the payment of the Unauthorized Attachment Fee or consent to waive payment of all or a part of the Unauthorized Attachment fee shall not constitute a waiver of any of FPL's other rights or remedies under this Agreement or at law. Licensee shall have the burden of proving that an Attachment is an authorized Attachment by providing FPL with a copy of the FPL Attachment Permit. Any unauthorized Attachment to a Distribution Pole may be removed at the discretion of FPL and at the sole cost of Licensee. Any unauthorized Attachment to a Transmission Pole without distribution underbuilt or to a Tower shall be immediately removed by FPL at the sole cost of Licensee and with no liability or consequences therefore accruing to FPL.

4.3 Transfer and Intermediate Pole Attachment Fees.

a. Fee. Upon completion of the Transfer or Intermediate Pole Attachment by FPL, the Licensee shall pay FPL a fee for each Attachment of Licensee made by FPL or its contractors. The fee for such work performed in the 2004 calendar year shall be $65.00 per pole.

b. Change in Fee. For subsequent years, the Transfer or Intermediate Pole Attachment fee will be adjusted to reflect any change in all direct and indirect costs of FPL associated with performing such work. FPL shall notify the Licensee in writing no less than sixty (60) days prior to implementation of any change in the fee for subsequent

years. Licensee shall have a right to audit records associated with such costs during that sixty-(60) day period and at a time acceptable to FPL.

4.4 Rearrangement Cost.

a. Licensee's Cost. If FPL rearranges or relocates its Pole or Pole line or changes the existing Pole line alignment and as a consequence thereof rearranges or relocates all or part of the Licensee's System to FPL's relocated Pole line, the fee for Transfer does not apply and the Licensee shall pay the direct and indirect costs of such Rearrangement of the Licensee's System. If the Rearrangement is necessitated by a third party that is not considered an attaching entity and the Rearrangement is not reimbursable by such third party, each licensee is responsible for rearranging its own facilities at its own expense. If such Rearrangement is reimbursable by the third party, each licensee is responsible for dealing directly with and obtaining its own reimbursement from such third party. Additionally, each licensee is responsible for coordinating the relocation of its Attachments with the relocation schedule of the third party. FPL will not be responsible for delay claims caused by failure of Licensee to meet the relocation schedule of a third party. Payment for Rearrangement work will be made by the Licensee as stated in Article IV, sections 4.5 and 4.6 below.

b. Licensee's Option to Purchase. If, however, FPL gives the Licensee thirty (30) days written notice of its intent to abandon a Pole or Pole line containing Poles with Attachments of the Licensee, and if only the Licensee's Attachments remain on the Pole and if the Licensee has obtained all necessary permits or easements from the fee owner, the Licensee shall have the option to purchase the FPL Pole from FPL.

4.5 Billing.

a. Make-Ready Work and Rearrangement Work. Licensee agrees to pay FPL in advance the full Lump Sum amount for this make-ready work and rearrangement Work. This Lump Sum amount is non-refundable, provided however, if this Agreement is terminated or indefinitely suspended, the Licensee shall be responsible for the costs actually incurred by FPL and any additional cost incurred by FPL to restore FPL's facilities to complete operational capability and FPL shall refund the balance.

b. Transfer or Intermediate Pole Work. Upon completion of the Transfer or Intermediate Pole Attachment work by FPL, FPL shall present Licensee with an invoice for $50 times the number of Attachments. Upon completion of the Rearrangement, FPL shall furnish the Licensee with a final and complete billing of all costs incurred in the Rearrangement.

c. Inspecting, etc. In addition, to the above charges, FPL shall bill the Licensee for actual costs incurred for inspections, surveys, expenses and other charges (excluding Attachment fees and the Lump Sum payment) under this Agreement, as incurred. Payment shall be made within forty-five (45) days of the date of invoice and under the terms and conditions provided in Article IV.4.6, below.

4.6 Payment and Late Charges. FPL shall render an invoice to the Licensee for any payment to FPL due not more frequently than once monthly. The Licensee shall have ten (10) days

from the date that it receives an invoice to determine whether the invoice and any accompanying material supplied by FPL are proper. Failure to notify FPL within said ten (10) day period that the Licensee considers an invoice to be improper and to specify the reasons therefor shall constitute the Licensee's approval of such invoice as proper. Payment is due forty-five (45) days after the Licensee receives a proper invoice. If payment of a proper invoice is not received by FPL within thirty (30) days after it becomes due, then a late payment charge shall be assessed in the amount of one percent (1%) of the amount of the invoice for each month or portion of a month that the invoice remains unpaid, or the highest amount then permitted by applicable law if less.

4.7 Effect of Non-Payment. Non-payment of any invoice after ten (10) days notice of non-payment to Licensee by FPL shall constitute a default going to the essence of this Agreement and shall entitle FPL to cancel this Agreement.

ARTICLE V - REMOVAL

5.1 Notice. The Licensee, after prior written notice to FPL, may remove its Attachments from any pole or poles of FPL and shall give FPL written notice, in the form of Exhibit B, of actual removal within fifteen (15) working days after removal. Licensee shall exercise care and take precautions to avoid damage to the FPL Facilities and to the attachments of others and shall immediately report any damage to FPL and to the owners of the damaged facilities.

5.2 Immediate Removal. Upon notice that the use of an FPL pole is forbidden or unauthorized by state, county, or municipal authorities or upon any final administrative or judicial decision that Licensee has no right to attach to any FPL pole without consent of the real property owner, the permit covering the use of the FPL pole shall immediately terminate and Licensee shall remove all of its cables, wires, and associated support hardware from the affected FPL pole. Licensee shall hold harmless, defend and indemnify FPL against all liabilities arising from or associated with Licensee's failure to obtain the necessary permits, if any, from the owner of the real property or government authorities. The termination rights under this Agreement shall not be affected by this Section.

5.3 Licensee's Expense. All removals of the System from FPL poles shall be at the sole expense of the Licensee. Any corrections or Rearrangement required by FPL or others as a result of the Licensee's removal shall be at the sole expense of the Licensee.

5.4 Abandonment. If FPL desires, or, at any time is required to abandon any pole(s), it shall give the Licensee notice in writing of its intent to do so at least thirty (30) days prior to the date on which it intends to abandon such pole(s). If at the expiration of such period, or upon removal of FPL's Facilities, whichever occurs later, the Licensee shall not have removed all of its Attachments therefrom, and if the Licencee's Attachments remain on the pole, such pole(s) shall then become the property of the Licensee, and the Licensee shall: (i) obtain necessary permits or rights of way from the land owner, (ii) indemnify and save harmless FPL from all obligation, liability, damages, costs, expenses or charges incurred thereafter arising from the presence or condition of such pole(s), or any Attachment(s) thereon; and (iii) pay FPL a sum equal to the then "value in place", adjusted for the cost of removal and salvage, of such abandoned pole(s), or shall pay such other equitable sum as may be

agreed upon in writing between the parties. FPL shall not have further responsibility or liability for such pole.

ARTICLE VI - RESERVATION OF RIGHTS, LIMITATION OF LIABILITY AND INSURANCE

6.1 Reservation of Rights and Release by the Licensee. FPL reserves to itself, its successors and assigns, the right to maintain its poles and to operate its Facilities thereon in such manner as will best enable it to fulfill its own service requirements and in accordance with the NESC and any applicable amendments, revisions or subsequent editions to said Code and such specifications particularly applying to FPL hereinbefore referred to. FPL shall not be liable to the Licensee for any interruption to service of Licensee or for interference with the operation of the cables, wires and appliances of the Licensee arising in any manner out of the use of FPL's poles by the Licensee, FPL, or others. The Licensee hereby releases and waives all rights against FPL for such interruptions or interference, whether same are due to or caused by the negligence of FPL.

6.2 Indemnification of FPL. Licensee shall exercise its privileges hereunder at its own sole risk and in consideration of this Agreement shall release, indemnify, protect, defend and save harmless FPL, its parent, subsidiaries, affiliates and their respective officers, directors, agents and employees (FPL Entities) from and against any and all claims and demands whatsoever including court costs and attorney's fees by reason of damage to property and injury or death to persons, including payments made under any Workers' Compensation Law or under any plan for employees' disability and death benefits, which may arise out of or be caused, by Licensee's negligence resulting in connection with or by the erection, maintenance, presence, use, transfer or removal of Attachments or the proximity of the respective cables, wires, apparatuses and appliances of the parties, subject to the limitations set forth in section 768.28(5), Florida Statutes.

6.3 Insurance.

a. Type. If the Licensee utilizes its own personnel and automobile equipment in the performance of this Agreement, the following shall apply:

The Licensee shall obtain liability insurance as of the date of this Agreement and maintain during the term of this Agreement insurance which shall be amended or endorsed to include FPL, its parent, subsidiaries and affiliates and their respective officers, directors and employees as Additional Insureds to protect them against any and all claims, demands, actions, judgments, cost, expenses and liabilities of every nature, including attorney fees, which may result directly or indirectly under the terms of the above indemnification. The limit applying to this Agreement shall equal the highest limit applicable to any other exposure covered under the policy. The policy(ies) shall be endorsed to be primary to any insurance maintained by FPL, its parent, subsidiaries or affiliates. As a minimum, the coverages shall include the following:

i. Workers' Compensation Insurance for statutory obligations imposed by Workers' Compensation or Occupational Disease Laws, including, where applicable, the United States Longshoremen's and Harbor Workers' Act, the Federal Employers' Liability Act and Jones Act. Employers' Liability Insurance shall be provided with a limit of five hundred thousand dollars ($500,000) per accident.

ii. Comprehensive General Liability Insurance, including Broad Form Contractual Liability, with the following minimum limits of liability; Bodily Injury Liability and Property Damage Liability - One million dollars ($1,000,000) combined single limit and three million dollars ($3,000,000) occurrence aggregate.

iii. Comprehensive Automobile Liability Insurance with the following limits of liability, which shall apply to all owned, non-owned, leased and hired automobiles used by Licensee in the performance of the Work: Bodily Injury Liability and Property Damage Liability - one million dollars ($1,000,000) combined single limit and three million dollars ($3,000,000) occurrence aggregate.

b. Duration. In the event that any policy furnished by Licensee provides for coverage on a "claims made" basis, the retroactive date of the policy shall be the same as the effective date of this Agreement. Furthermore, for all policies furnished on a "claims made basis," Licensee's providing of such coverage shall survive the termination of this Agreement until the expiration of the maximum statutory period of limitations in the State of Florida for actions based in contract or in tort; if coverage is on an "occurrence" basis, such insurance shall be maintained by Licensee during the entire term of this Agreement.

c. Form. Licensee shall procure and maintain at its own expense, the above minimum insurance coverage and shall provide evidence of the minimum insurance coverage by providing an ACORD or other Certificate of Insurance on forms and with insurance companies acceptable to the Risk Management Department of Florida Power & Light Company, before any work under the contract begins.

d. Self-Insurance. Notwithstanding the foregoing, Licensee at its option may self-insure the above liability after providing FPL with a written statement that Licensee intends to self-insure, together with a letter of assets, financial statements and/or any other documentation reasonably necessary to satisfy FPL that Licensee has the financial capability to self-insure.

6.4 Contractor Indemnification. The Licensee further agrees to include the following indemnification in all contracts with contractors who perform construction or maintenance work on or around the subject Facilities:

"The Contractor hereby agrees to release, indemnify, defend, save and hold harmless Florida Power & Light Company, its parent, subsidiaries, affiliates or their respective officers, directors, or employees, (hereinafter referred to as the "Company") and other owners of equipment attached to the pole, from all claims, actions, fees, fines, penalties, defense costs, suits or liabilities, including, but not limited to, bodily injuries or death to person(s) or damage to property, arising out of or in any way connected with the performance of the described work by Contractor, its subcontractor, agents or employees. This indemnity obligation survives termination of this Contract."

6.5 Contractor Insurance. The Licensee agrees to require its Contractors to obtain insurance to cover the above indemnity and to designate FPL as an additional insured and to endorse the policy to be primary to any insurance obtained by FPL, its parent, subsidiaries or affiliates. The Licensee further agrees to verify with its Contractors that such insurance is in full force and effect.

ARTICLE VII - MISCELLANEOUS PROVISIONS

7.1 Breach. If the Licensee fails to comply with any of the provisions of this Agreement or defaults in any of its obligations under this Agreement, including but not limited to safety, violation of the NESC or FPL requirements, and failure to pay, and fails within thirty (30) days after written notice from FPL (or immediately upon notice of a safety violation) to correct such default or non-compliance, FPL may at its option terminate this Agreement in whole or part.

7.2 Non-waiver. Failure to enforce or insist upon compliance with any of the terms or conditions of this Agreement shall not constitute a general waiver or relinquishment of any such terms or conditions, but the same shall be and remain at all times in full force and effect.

7.3 Non-Exclusive Right. Nothing in this Agreement shall be construed to confer on the Licensee an exclusive right to make Attachments to FPL's poles in the area covered by this Agreement and any supplement thereto, and it is expressly understood that FPL has the unconditional right to permit any other person, firm or corporation to make Attachments to the same poles, other than any poles abandoned by FPL and purchased by Licensee, in the area covered in this Agreement and supplements thereto.

7.4 No Property Right. No use, however extended, of FPL's poles, under this Agreement, shall create or vest in the Licensee any ownership or property rights in said poles, but the Licensee's rights therein shall be and remain a mere license. Nothing herein contained shall be construed to compel FPL to maintain any of said poles for a period longer than demanded by FPL's own service requirements. FPL reserves the right to deny the licensing of any poles to the Licensee if FPL determines such attachment will interfere with the integrity of FPL's system or service requirements, including considerations of economy and safety.

7.5 Assignment. The Licensee shall not assign or transfer the privileges hereby granted without the prior written consent of FPL which consent shall not be unreasonably withheld.

7.6 Successors and Assigns. Subject to the provisions of Articles VII. 7.4 and 7.5 above, this Agreement shall extend to and bind the successors and assigns of the parties hereto.

7.7 Notice Under this Agreement. All notices, communications and deliveries required or permitted under this Agreement shall be in writing and shall be delivered personally, sent by facsimile transmission with facsimile transmitted confirmation of receipt, sent by overnight commercial air courier (such as Federal Express), or mailed, certified or registered, postage prepaid, return receipt requested, to the parties at the addresses or facsimile numbers hereinafter set forth:

To the Licensee:_____

_____

_____

_____

To FPL: _____

_____

_____

_____

7.8 Severability. Should any part of any paragraph or provision of this Agreement be determined by a court of competent jurisdiction to be illegal or in conflict with any applicable law, the validity of the remaining paragraph or provisions shall not be impaired.

7.9 Applicable Law. The validity, interpretation and enforcement of this Attachment Agreement shall be governed by the laws of Florida without regard to conflict of law applications.

IN WITNESS WHEREOF, the Parties have caused these presents to be duty executed the day and year first above written.

LICENSOR:

FLORIDA POWER & LIGHT COMPANY
By:_____
Print Name: _____
Title: _____

LICENSEE:

By:_____
Print Name:_____
Title:_____
Attest:_____(Seal)

EXHIBIT L-1

Form of Dark Fiber License Agreement

FIBER LICENSE AGREEMENT BETWEEN
THE CITY OF VERO BEACH
AND
FLORIDA POWER & LIGHT COMPANY

THIS AGREEMENT is made this _____ day of _____, 20__ by and between the City of Vero Beach, Florida, a municipal corporation organized under the laws of the State of Florida, with an address of 1053 20th Place, Vero Beach, Florida (hereinafter "LICENSOR") and Florida Power & Light Company, a Florida corporation, with a principal office at 700 Universe Boulevard, Juno Beach, Florida 33408 (hereinafter "LICENSEE"). Licensor and Licensee may individually be referred to herein as a "Party", and collectively as "the Parties".

WITNESSETH

WHEREAS, The Parties have entered into and are contemporaneously herewith consummating an Asset Purchase Agreement (the "APA") dated _____, 2013 in connection with Licensee's acquisition of certain assets of Licensor. The overall transaction contemplated in the APA, including the execution and performance by each party of this Agreement, and the Substation License and Access Agreement dated _____, 20__ between the parties (the "Access Agreement"), constitutes the consideration for this License Agreement and without the consummation of the transactions contemplated by the APA, this Agreement would not have been undertaken or consummated by the parties.

Accordingly, in consideration of the APA, the mutual promises set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

WHEREAS LICENSOR desires to provide use of LICENSOR fiber optic strands, as hereinafter defined, to FPL under the terms and conditions set out in this Agreement; and

WHEREAS LICENSEE desires to license such fiber optic strands from LICENSOR;

NOW THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the Parties agree as follows:

ARTICLE I
ADOPTION AND INCORPORATION OF RECITAL

1.0 Recital.

The above recital is true and correct and by this reference is incorporated herein and made a part hereof.

ARTICLE II
DEFINITIONS

2.0 Definitions.

Each defined term shall have the meaning set forth in this Article 2. All terms used herein and not defined herein shall have the meanings assigned to them in the APA. When used herein with initial or complete capitalization whether in the singular or in the plural, the following terms shall have the following meanings:

"CPI Adjustment" refers to the annual increase in the License Fee that may occur at the start of each and every year following the first (1st) year of the Agreement. The first yearly CPI Adjustment shall occur January 1st after a full year of the initial term has elapsed. The "CPI Adjustment" shall be determined in accordance with the percentage change in index known at the time this Agreement is executed as the "United States Bureau of Labor Statistics Consumer Price Index (CPI) For All Urban Consumers" using the most recent October to October Reports by applying the following formula: (Current monthly License Fee) x (percentage increase as reported in the most recent CPI or if the CPI no longer is published, then as reported in its successor index) =the CPI Adjustment amount.

"Consortium" shall mean the School District of Indian River County, Indian River County, and Licensor, all of which are parties to the Joint Fiber Optics Projeet Interlocal Agreement dated July 20, 1999.

"Demarcation Point" is the point which defines where issues of ownership and maintenance begin and end, as identified in Exhibit A, incorporated herein.

"Fiber Acceptance Date" is the date that Licensee accepts or conditionally accepts the LICENSOR Fiber Optic Strands as set forth Article VII herein.

"Florida Power & Light Company" ("LICENSEE") is an investor owned electric public utility which is regulated by the Florida Public Service Commission.

"Joint Fiber Optics Project Interlocal Agreement" shall mean that certain agreement entered into between the School District of Indian River County, Indian River County, and Licensor dated July 20, 1999.

"LICENSEE Facilities" means any telecommunications equipment owned by LICENSEE, including the cables, conduit, bays, panels, jacks, ironworks, associated electronics, fiber optic termination equipment, regenerators, power sources and other related equipment owned by LICENSEE, but excluding the LICENSOR Fibers and Facilities.

"License Fee" (in general) means the amount paid by LICENSEE to LICENSOR for the license and privilege of using, directly, certain Fibers and, indirectly, certain other parts of the LICENSOR Facilities (as defined below) necessary, used or useful to LICENSEE'S stated use. The term "License Fee" is more particularly described in Article 4 below.

"LICENSOR Facilities" means the fiber optic strands and those facilities owned by LICENSOR, either individually or in concert with other members of the Consortium, including equipment [the cables, conduit, bays, panels, jacks, ironworks, associated electronics, fiber optic termination equipment,

regenerators, power sources and other related equipment owned by LICENSOR], structures, rights-of-way and easements.

"LICENSOR Fiber Optic Strands" or "LICENSOR Fibers" or "Fibers" are all dark fiber optic strands owned by LICENSOR, either individually or in concert with other members of the Consortium, and which may or may not be licensed to LICENSEE depending upon the context and the terms of this Agreement.

"Make-Ready Work" is the work necessary on the LICENSOR Facilities in order to accommodate the relocations of the LICENSOR Fibers or the construction of new installations of LICENSOR Fibers.

"Relocation" when used in connection with the Relocation of the of LICENSOR Fiber Optic Strands means adjustment, rearrangement or relocation of the LICENSOR Fiber Optic Strands licensed to LICENSEE.

"Splice" means a point where two separate sections of Fibers are physically connected.

ARTICLE III
TERM AND RENEWAL

3.0 Term and Renewal.

This Agreement shall commence on the date of execution by both Parties (hereinafter "Effective Date") and shall continue for a minimum period of fifteen (15) years, unless sooner terminated as provided herein. LICENSEE, at its sole option, may extend this Agreement for an additional three (3) successive five-year terms by providing written notice to LICENSOR not less than one hundred twenty (120) days prior to expiration of the original term or any extension thereof.

ARTICLE IV
SCOPE OF AGREEMENT

4.0 License of Fibers.

LICENSOR has designed, engineered, and constructed facilities and has acquired appropriate interests in real property or other rights, all as may be required to provide and maintain Fiber Optic Cable in one or more routes as more fully defined in Exhibit A, Route Diagram. LICENSOR will provide LICENSEE no less than one hundred twenty (120) days prior written notice of any proposed changes in right-of-way configurations. All of the Fibers are, or to the extent not yet installed, will be, engineered and constructed in accordance with Exhibit B attached hereto, or in the alternative, the state-of-the-art at the time such installation occurs. The following Exhibits, attached hereto, are by this reference incorporated herein.

Exhibit A	Route Diagram
Exhibit B	Fiber Specifications and connections
Exhibit C	Contact List and Outage Notice Form
Exhibit D	Sample Notice of Acceptance

4.1 Number of Fibers, License Fee and Payment.

LICENSOR shall license to LICENSEE exclusive use of two (2) now existing for the exclusive use by

LICENSEE along routes as set forth in Exhibit A, Route Diagram, at a license fee of $100 per Fiber per mile per month. For the purposes of this calculation, the Parties stipulate that the total route mileage per Fiber shall be 40.88 miles. Notwithstanding anything to the contrary herein, Licensor shall reserve no less than two (2) spare Fibers for Licensee's Use as set forth in Section 4.4, and Licensee's Use shall be rolled to such spare fibers should any activity undertaken by Licensor pursuant to this License have the potential to cause an outage on, or any impairment of, the Fibers originally licensed to Licensee.

The License Fee paid shall be inclusive of all charges, and shall begin on the Fiber Acceptance Date. LICENSEE shall pay the license fee monthly in advance of each month. Payments for partial months shall be pro-rated. Any payment not made in full when due shall be deemed delinquent. LICENSOR shall provide LICENSEE of written notice of such delinqueney and if payment, plus interest at 1% per month, is not made within sixty (60) calendar days after receipt of such written notice, LICENSOR may terminate this Agreement.

4.3 CPI Adjustment.

The License Fee shall be subject to an annual adjustment in accordance with the percentage change in the index known at the time this Agreement is executed as The Consumer Price Index for All Urban Consumers for the United States (hereinafter the "Index"), published by the United States Department of Labor, Bureau of Labor Statistics. This adjustment shall be referred to as the "CPI Adjustment." If the Index is discontinued or revised during the term of this Agreement, such other United States government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index has not been discontinued or revised. The CPI Adjustment shall not exceed five percent (5%). In no event shall the License Fee be less than the License Fee for the previous year.

4.4 Use.

LICENSEE shall use LICENSOR Fibers for the protection, control and monitoring of LICENSEE's transmission and/or distribution system. Nothing herein shall preclude LICENSEE from sub-licensing any excess fiber or capacity to third parties in accordance with all applicable laws and regulations, provided LICENSEE submits a proposal for such sub-licensing and obtains the approval of the Consortium as more fully described in Section 6 of the Joint Fiber Optics Project Interlocal Agreement. In case of such sub-licensing, LICENSEE shall remain primarily liable to LICENSOR under this License Agreement. In case of such sub-licensing, LICENSEE shall remain bound by all obligations existing under this License Agreement, and shall be liable to LICENSOR for violation of the conditions and covenants contained within this License Agreement and any applicable laws and regulations. If LICENSEE chooses to sublicense to a third party then, in the event that LICENSOR knows of an outage, LICENSOR shall notify LICENSEE in accordance with Exhibit C, and LICENSEE shall be responsible for notifying all sub-licensees of such outage.

ARTICLE V
OWNERSHIP OF EXISTING FIBER OPTIC CABLES

5.0 Ownership.

The Fiber Optic Strands and cable, including jacket, structure, attachments and conduits and which constitute LICENSOR's Facilities along the designated route, shall at all times remain the sole and exclusive property of, and legal title shall be held by, LICENSOR or the Consortium, as the case may be. LICENSEE's license of the Fibers is a right of use only and neither such use nor payment to LICENSOR

for such use shall create or vest in LICENSEE any easement or any ownership right in the LICENSOR Facilities. LICENSOR warrants LICENSEE's right to use the designated LICENSOR Fiber Optic Strands for those uses set forth in Section 4.4 above during the term of this Agreement and subject to the terms and conditions of this Agreement.

5.1 LICENSEE's Equipment.

Notwithstanding any contrary provisions of this Agreement, LICENSEE shall own all bays, panels, jacks, associated electronics, fiber optic termination equipment, regenerators, power sources, and other property and equipment provided by LICENSEE in the exercise of, or associated with, LICENSEE's use under Section 4.4 of this Agreement.

ARTICLE VI
NEW INSTALLATIONS

6.0 Construction.

If at any point during the term or any renewal term, as the case may be, replacement of existing Fiber Optic Cable is required in any route identified in Exhibit A, as reasonably determined by Licensor or pursuant to the requirements of any governmental entity, LICENSOR shall construct such new cable, at the sole cost and expense of LICENSOR, in accordance with the specifications in Exhibit B attached hereto including Make-Ready Work associated with such installations. Make-Ready Work shall include any and all improvements to LICENSOR Facilities necessary to physically accommodate the given Fiber Optic Cable route and to maintain electrical and operating safety standards and fiber circuit continuity. LICENSOR shall perform, or cause to be performed, any engineering, cable installation, splicing, material procurement, installation and testing required to complete the installation of the fiber optic cable using LICENSOR specifications and subject to LICENSEE's approval. LICENSOR and LICENSEE shall assign a project engineer as a point of contact for all necessary approvals and will assign construction inspectors for review of all construction activities to assure compliance with the approved design.

6.1 Connections.

In the event of a new installation of fiber optic cable, LICENSOR shall install splice points as agreed to by the Parties at specified locations along the routes. LICENSOR shall be responsible for its network electronics, fiber splices, and Fiber Facilities. LICENSEE will be responsible for its network electronics, fiber splices, and Fiber Facilities. Notwithstanding anything to the contrary herein, should LICENSOR undertake a replacement of existing fiber optic cable in which one or more LICENSOR Fibers currently terminate within a substation relay vault or other housed transmission facility, LICENSOR shall relocate such fiber termination points at its sole cost and expense to a location external to any such vault or building as approved by LICENSEE in its sole but reasonable discretion.

6.2 Specification and Documentation.

All permits required for LICENSOR construction of new installations are the responsibility of LICENSOR. LICENSOR will provide to LICENSEE as-built drawings on the newly-installed route, and relocation of any routes will be documented on the as-built drawings and made part of this Agreement. The newly-installed Fibers shall meet all performance standards and criteria set forth in Exhibit B, or in the alternative, shall represent the state-of-the-art at the time such new installation is undertaken. LICENSOR and LICENSEE may be present, observe and participate in the analysis and testing of the Fibers. Acceptance of newly-installed Fiber shall be undertaken and shall be subject to the provisions of Article VII herein.

ARTICLE VII
ACCEPTANCE

7.0 Acceptance of LICENSOR Fibers.

Upon completion of construction of the newly-installed replacement cable, if any, and any LICENSEE Make-Ready Work, LICENSOR will test the LICENSOR Fiber Optic Strands to insure that the Fibers meet or exceed the Fiber specifications outlined in Exhibit B. In the event the Fibers meet such specifications, LICENSOR shall notify LICENSEE in writing of the availability of the Fibers (the Fiber Notice). Within five (5) business days of LICENSEE receiving the Fiber Notice, LICENSEE shall give LICENSOR written notice of any failure of Fibers to satisfy any acceptance test, or to otherwise meet specifications.

7.1 Corrections.

If LICENSEE gives LICENSOR written notice of such failure, LICENSOR shall use its best efforts to correct such failure, within five working days or such longer time as may be mutually agreed upon by the Parties whereupon LICENSEE and LICENSOR shall jointly conduct another acceptance test. This procedure shall be repeated until all Fibers meet or exceed the specifications contained in Exhibit B.

7.2 Conditional Acceptance.

In the event deficiencies continue to be identified after the third round of testing, LICENSEE may, at its option, conditionally accept the Fibers. LICENSOR shall have an obligation nonetheless to correct any such deficiencies within 60 calendar days of conditional acceptance.

7.3 Acceptance by Default.

If LICENSEE does not give LICENSOR written notice of such failure within five business days of LICENSEE receiving the Fiber Notice, it shall be deemed that LICENSEE has accepted the Fibers.

7.4 Fiber Acceptance Date.

The day in which LICENSEE has accepted or conditionally accepted the Fibers will be considered the Fiber Acceptance Date.

ARTICLE VIII
RELOCATION OF FIBER OPTIC CABLES; LICENSOR'S OBLIGATION TO MAINTAIN AND RESTORE FIBER OPTIC CABLE

8.0 Requests of LICENSOR or Third Party.

If relocation of LICENSOR Facilities, including any LICENSOR Fiber Optic Strands licensed to LICENSEE, is required by LICENSOR or by a third party (e.g., the Department of Transportation) relocation expenses of the Fiber Optic Cable (including engineering, materials, construction, and Make-Ready Work) shall be borne by LICENSOR, except to the extent that LICENSOR may obtain reimbursement from a third party.

8.1 Requests of LICENSEE.

If relocation is required by LICENSEE and is not caused by a third party or LICENSOR, LICENSEE shall pay the total cost of such relocation, including but not limited to engineering, material, construction, and Make-Ready Work.

8.2 Avoidance of Interruptions.

During any relocation of the LICENSOR Facilities, LICENSOR and LICENSEE shall use good faith and care to avoid interruption of or interference with the use by the other of such poles, conduit and cable for the purposes herein described.

8.3 Duty to Maintain.

LICENSOR shall be responsible for the maintenance and restoration of the LICENSOR Fiber Optic Strands and LICENSOR shall pay all costs associated with the maintenance and restoration of all of the LICENSOR Fiber Optic Strands, including the Fibers licensed to LICENSEE. Provided, however, in the event that LICENSOR cannot commit to restoration within the timeframes in Section 9.0.5, LICENSEE may restore the LICENSEE Fiber Optic Strands within the LICENSOR Facilities as set forth in section 9.0.5 herein.

8.4 Maintenance of Vero Beach Facilities.

Maintenance and restoration provided by LICENSOR shall be limited to the Fiber Optic Cable and the individual Fibers within that cable. LICENSOR shall have no obligation or right to perform maintenance or restoration on any electronics or other equipment not owned by LICENSOR.

ARTICLE IX
WARRANTIES AND REPRESENTATIONS

9.0 LICENSOR Representations and Warranties as to Performance and Maintenance.

9.0.1 Fiber Specifications. LICENSOR warrants and agrees that its provision of the LICENSOR Fiber Optic Strands shall be in conformity with and shall comply with all the requirements of this Agreement and that such provision shall be made in a good and workmanlike manner. LICENSOR further warrants and agrees that the LICENSOR Fiber Optic Strands licensed to LICENSEE shall meet or exceed the specifications outlined in Exhibit B, Fiber Optic Cable Specifications. Except as provided above, LICENSOR makes no warranty or guarantee as to the suitability of the LICENSOR Fiber Optic Strands for LICENSEE's use.

9.0.2 Periodic Inspections, Maintenance and Scheduled Repairs. LICENSOR agrees to perform annual inspections of the LICENSOR Facilities. LICENSOR further agrees to perform annual inspections, testing, and any and all maintenance required for the provision of the LICENSOR Fiber Optic Strands and the Fibers Licensed to LICENSEE to maintain and provide adequate spare equipment and parts as is appropriate for its obligations hereunder. LICENSOR shall make every effort to schedule service-affecting work from midnight to 6:00 A.M. and to avoid performing maintenance during the

period beginning two days prior to Thanksgiving and ending on the following January 3. LICENSOR shall notify LICENSEE, as set forth in Exhibit C, at least five (5) business days in advance of any such work.

9.0.3 Notice of Unscheduled Outage. In the event of any unscheduled outage, LICENSEE shall furnish immediate notice to LICENSOR and LICENSOR shall immediately perform assessment of the outage. Upon completion of such assessment by LICENSOR, LICENSOR shall notify LICENSEE, as soon as reasonably practicable and in the manner set forth in Exhibit C, of the results of such assessment and include in its notice to LICENSEE the nature and cause of the interruption, the extent of the repairs required, and the estimated time to restore.

9.0.4 LICENSOR Restoration of Fiber. LICENSOR further agrees to use its best efforts to restore the provision of the LICENSOR Fiber Optic Strands, to include those Fibers licensed to LICENSEE, on an expedited basis, and to restore the route segment and any splicing of the LICENSOR Fiber Optic Strands in a systematic and rotational manner, with the LICENSOR Fiber Optic Strands licensed to LICENSEE having equal priority to other Fibers within the cable. LICENSOR further agrees that it shall dispatch repair technicians to the affected site within 2 hours from LICENSEE's notification of outage to LICENSOR and to keep the outage to less than four (4) hours from the time notice of the outage was received by LICENSOR. All permanent repair work shall be performed by LICENSOR during a maintenance window mutually agreed upon by the Parties.

9.0.5 LICENSEE Restoration of LICENSEE Fiber. If LICENSOR fails to dispatch repair technicians within two (2) hours following LICENSEE's notification of outage to LICENSOR, LICENSEE, at its sole discretion and after notice to LICENSOR, may dispatch repair technicians to assess the situation, and at their sole discretion, to temporarily repair the Fibers licensed to LICENSEE. If LICENSEE technicians are dispatched to repair LICENSOR owned Fibers, LICENSEE shall use reasonable efforts to perform the work under the supervision of LICENSOR. LICENSEE repair, which shall be on the LICENSEE Fiber only, will be of a temporary nature. LICENSOR shall be responsible for the permanent repair work in the LICENSOR Facilities, including the LICENSEE Fiber. LICENSEE work shall be performed according to industry standards, including all necessary covering to protect the repaired area(s). All costs incurred by LICENSEE in undertaking LICENSOR's duty to repair or restore the Fibers shall constitute an offset, on a dollar for dollar basis, against any one or more payments due to be made to LICENSOR by LICENSEE as License Fees hereunder. Nothing herein shall diminish or excuse the initial duty of LICENSOR to make every attempt and effort to dispatch repair technicians within two hours after notice of an outage. Except as provided herein, no liability shall accrue to LICENSOR on account of the failure of LICENSOR to dispatch repair technicians or to repair the damage within the time specified hereon, except to the extent of LICENSOR's negligence or willful misconduct.

9.0.6 Credits. In the event that an outage exceeds 8 hours, except in the case of a force majeure as defined in Section 19.0 below, LICENSOR shall extend to LICENSEE a credit equal to one day's license fee (to be considered 1/30th of the then current monthly rate) for each consecutive 8 hour outage interval, or fraction thereof, in excess of the initial 8 hours. (E.g., 8 hour outage = 1 day credit; 10 hour outage = 1 day credit; 17 hour outage = 2 days credit). The credit shall apply whether or not LICENSEE dispatched repair technicians to the repair site, and shall constitute an offset against LICENSEE's payment of License Fees to LICENSOR.

9.1 LICENSEE Warranties and Representations.

9.1.1 LICENSEE Responsibilities. LICENSEE shall be solely responsible, at its own expense, for the purchase, installation, operation, maintenance and repair of all LICENSEE equipment

and LICENSEE facilities required in connection with its use of the LICENSOR Fiber Optic Strands licensed to LICENSEE.

9.1.2 Future Splices. In the future, LICENSEE may require additional splice points into the Fibers licensed to Licensee. LICENSOR shall perform the future splicing and LICENSEE shall provide LICENSOR with no less than forty-eight (48) hours prior notice of the need for such splicing activities. LICENSEE shall bear the cost of such splicing.

9.1.3 Taxes, Franchise Fees. LICENSEE will pay, when they become due, any and all taxes, assessments, and governmental charges of any kind whatsoever lawfully levied or assessed and attributable to LICENSEE's use of LICENSOR Facilities or any portion of them, or against LICENSEE's business with regard to operation or use of the LICENSOR Facilities. LICENSEE shall pay without apportionment any taxes levied on it that are based on LICENSEE's business profits. In addition, LICENSEE shall pay, or as appropriate, reimburse LICENSOR, without apportionment, any ad valorem taxes, fees, assessments or other charges which are assessed against LICENSOR that arise from LICENSEE's use of the LICENSOR Facilities or any portion of them. LICENSEE shall not be responsible for any taxes, fees or charges, or portions thereof which are not directly attributable to LICENSEE's use or proportionate use of the LICENSOR Facilities. LICENSOR shall be responsible for or pay any taxes, fees, or charges attributable to its ownership of the LICENSOR Facilities, if any, when such taxes, fees, or charges are not based on or imposed by virtue of LICENSEE's use of any such facilities or its receipt of license fees from LICENSEE under this Agreement. In the event that LICENSOR becomes a taxable entity, in whole or in part, then LICENSEE shall not be liable for any income taxes imposed on LICENSOR as a result of profits derived by LICENSOR.

ARTICLE X
COMPLIANCE WITH LAWS

10.0 LICENSOR.

LICENSOR shall have and maintain in effect at all times, all necessary franchises, consents, rights-of-way, easements, permits and authorizations applicable to this Agreement, if any, from Federal, State, County, City and other regional or local authorities, to construct, maintain, operate, and use LICENSOR's Facilities.

10.1 LICENSEE.

LICENSEE shall have and maintain in effect at all times, all necessary franchises, consents, permits and authorizations applicable to this Agreement, if any, from Federal, State, county, City and other regional or local authorities. LICENSOR expressly agrees that this Agreement constitutes the sole and complete agreement and requirement for use of the Fibers by LICENSEE and that it shall require no additional city of LICENSOR right-of-way agreement or City of LICENSOR permit of LICENSEE for such use.

10.2 All Applicable Laws.

LICENSEE and LICENSOR each shall comply with all applicable federal, state and local laws and regulations, including but not limited to those of the Federal Communications Commission and the Florida Public Service Commission.

ARTICLE XI
NO CONSEQUENTIAL

DAMAGES

11.0 No Consequential Damages. Notwithstanding any other provisions of this Agreement, and irrespective of any fault or negligence or gross negligence, neither party shall be liable to the other for any indirect, incidental, consequential, or special damages (including without limitation damages for harm to business, lost revenues, lost savings, or lost profits), regardless of the form of action, whether based on statute, contract, warranty, or tort (including without limitation, negligence of any kind whether active or passive and strict liability). Each Party hereby releases the other (and their respective parents, subsidiaries, and affiliated companies, and each of their respective agents, officers, employees, and representatives) from any claim or liability for any indirect, incidental, consequential, exemplary, punitive or special damages incurred as a result of or in connection with the performance or nonperformance of this Agreement.

ARTICLE XII
NO THIRD PARTY BENEFICIARIES

12.0 No Third Party Beneficiaries.

This Agreement does not provide third parties (including without limitation customers of LICENSOR or of LICENSEE) with any remedy, claim, liability, reimbursement, cause of action, or other right or privilege, except that the provisions hereof involving indemnification or limitation of liability of either Party shall also inure to the benefit of that Party's employees, officers, agents, affiliates, and with respect to LICENSOR, also to the benefit of the other members of the Consortium, including their respective employees, officers, agents, affiliates and any other benefitted persons specifically identified in the applicable provision. The relationship between LICENSOR and any of its customers is governed solely by the terms and conditions of LICENSOR's agreements and applicable tariffs. The relationship between LICENSEE and its customers, if any, is governed solely by the terms and conditions of any agreement between LICENSEE and its customers.

ARTICLE XIII
INDEMNITY, HOLD HARMLESS

13.0 LICENSEE Indemnity of LICENSOR.

In consideration of $10.00, the receipt and sufficiency of which is hereby acknowledged, LICENSEE agrees to indemnify, hold harmless and defend LICENSOR, and the other members of the Consortium, and their respective officers and employees, against any claim, action, loss, damage, injury liability, cost or expense, including, but not by way of limitation, reasonable attorneys' fees and court costs, arising out of injury to persons, including but not limited to death, or damage to property, caused by the negligence of LICENSEE, or its officers, employees, or agents, in connection with this Agreement.

13.1 LICENSOR Indemnity of LICENSEE.

In consideration of $10.00, the receipt and sufficiency of which is hereby acknowledged, LICENSOR, subject to the limitations of section 768.28, Florida Statutes and subsequent amendments thereto, agrees to indemnify, defend and hold harmless LICENSEE, its affiliates, and respective employees, officers, directors and agents (collectively, "Entities") against any claim, action, loss, damage, injury, liability, cost or expense, including, but not by way of limitation, reasonable attorneys' fees and court costs, arising out of injury to persons, including but not limited to death, or damage to property, caused by the negligence of LICENSOR in connection with this Agreement.

13.2 Binding on successors.

This indemnification shall be binding upon the successors and assigns and sub-licensees of LICENSEE and upon the successors and assigns of LICENSOR, provided however, any non-governmental successor of LICENSOR shall not be subject to the limitation of liability in section 768.28, Florida Statutes.

13.3 Additional Remedies.

This indemnification shall be in addition to any other remedy available under this Agreement, or at law or equity, and shall survive the term of this Agreement executed pursuant hereto, with respect to any circumstance or event occurring before termination. Provided however, under no circumstances shall LICENSOR be liable for damages of any nature, other than personal injury or death, to LICENSEE, its successors, assigns or sub-licensees in excess of one year's License Fees due under this Agreement.

ARTICLE XIV
INSURANCE

14.1 ***[RESERVED].***

ARTICLE XV
TERMINATION

15.0 Termination.

Except as provided may be provided elsewhere in this Agreement, this Agreement may be terminated prior to expiration of the initial fifteen (15) year term and any extensions as set forth below.

15.1 By LICENSEE. LICENSEE may terminate this Agreement for the reasons set forth below.

15.1.1 Upon 60 days Notice. LICENSEE may terminate this Agreement at any time after the initial term, with or without cause, upon providing LICENSOR with sixty (60) calendar days' written notice. After five (5) days prior written notice to LICENSEE and upon the sixtieth (60th) day after notice of termination from LICENSEE under this section, LICENSOR, at the sole discretion of LICENSOR, may disconnect the Fibers licensed to LICENSEE under this Agreement without recourse to LICENSOR by LICENSEE and LICENSOR shall not be held liable by LICENSEE or LICENSEE's sub-licensees, if any, as a result of such disconnection.

15.1.2 If LICENSEE is Found to be a Telecommunications Company by Virtue of this Agreement. By entering into this Agreement with LICENSOR, LICENSEE does not intend to, and shall not, be classified as a telecommunications company, telecommunications carrier, telecommunications service or any other telecommunications entity, nor to come under the jurisdiction or existing or future regulation of any state or Federal regulatory agency as a telecommunications company, including, without limitation the Federal Communications Commission or the Florida Public Service Commission. If, however, a proceeding is commenced in which it is sought to classify LICENSEE as a telecommunications company, LICENSOR and LICENSEE shall cooperate with each other to determine whether and to what extent this Agreement can be amended to remove that classification. If the Agreement cannot be so amended or if there is no Agreement as to such amendment, then LICENSEE may terminate this Agreement immediately upon agency or court order or approval of such termination, or, at the sole discretion of LICENSEE, after five (5) days prior written notice to LICENSOR and upon

the 60th day after commencement of such proceedings under this section. Upon such termination, LICENSOR may disconnect the Fibers licensed to LICENSEE under this Agreement as provided in section 15.1.1 above.

15.2 By LICENSOR. LICENSOR may terminate this Agreement for the reasons set forth below.

15.2.1 Default of LICENSEE. Upon default by LICENSEE including, but not limited to late payments, after notice and an opportunity to cure. In such event, the sole remedy of LICENSOR shall be as set forth in section 4.1 above. Provided however, if LICENSOR terminates this Agreement after default by LICENSEE under section 4.1 above, LICENSOR shall have the right, after five (5) days prior notice to LICENSEE, to disconnect the Fibers licensed to LICENSEE under this Agreement without recourse to LICENSOR by LICENSEE. Furthermore LICENSOR shall not be held liable by LICENSEE or LICENSEE's sub-licensees as a result of such disconnection.

15.2.2 If LICENSOR is Found to be a Telecommunications Company by Virtue of this Agreement. By entering into this agreement with LICENSEE, LICENSOR does not intend to, and shall not, be classified as a telecommunications company, telecommunications carrier, telecommunications service or any other telecommunications entity, nor to come under the existing or future jurisdiction or regulation of any State or Federal regulatory agency as a telecommunications company, including, without limitation, the Federal Communications Commission or the Florida Public Service commission. If, however, a proceeding is commenced in which it is sought to classify LICENSOR as a telecommunications company, LICENSEE and LICENSOR shall cooperate with each other to determine whether and to what extent the Agreement can be amended to remove that classification. If the Agreement cannot be so amended or if there is no Agreement as to such amendment, then LICENSOR may terminate this Agreement immediately upon agency or court order or approval of such termination, or at the sole discretion of LICENSOR, after five (5) days prior written notice to LICENSEE and upon the 60th day after commencement of such proceedings under this section, LICENSOR may disconnect the Fiber Optic Strands licensed to LICENSEE under this Agreement as provided in Section 15.1.1 above. Provided, however, if LICENSOR becomes certified by the Florida Public Service Commission as a telecommunication company, this Agreement shall remain in full force and effect.

15.3 By Either Party.

In the event the Parties fail to reach Agreement on terms and conditions for a new Agreement within three months prior to the expiration of the final five (5) year extension.

ARTICLE XVI
RESTRICTIONS AGAINST TRANSFER

16.0 Restrictions Against Transfer.

Neither Party shall sell, assign, transfer, or otherwise alienate or dispose of this Agreement or the privileges hereby granted, without the prior written consent of the other Party, which consent shall not be unreasonably disposed of, withheld or delayed. Notwithstanding the foregoing, this Agreement may be sold, transferred or otherwise disposed of or assigned by LICENSEE without the approval or prior consent of LICENSOR to any parent, successor, subsidiary or affiliated company of LICENSEE.

ARTICLE XVII

FAILURE TO ENFORCE PROVISIONS IS NOT A WAIVER

17.0 Failure to Enforce Provisions Not a Waiver.

The consent by a Party to any act by the other Party shall not be deemed to imply consent or to constitute the waiver of a breach of any Provision hereof or continuing waiver of any subsequent breach of the same or any other Provision, nor shall any custom or practice which may arise between the Parties in the administration of any part of the Provisions hereof be construed to waive or lessen the right of a Party to insist upon the performance by the other Party in strict accordance with the Provisions hereof.

ARTICLE XIII
SEVERABILITY

18.0 Severability.

In the event that any Provision of this Agreement shall be held unconscionable, unenforceable, or void for any reason by any tribunal of competent jurisdiction, it is agreed that the Provision in question shall be modified to eliminate the elements of concern to the tribunal and as modified shall be binding on the Parties hereto. The remaining Provisions shall not be affected by the action of any tribunal or modification of such Provision, and shall remain in full force and effect.

ARTICLE XIX
FORCE MAJEURE

19.0 Force Majeure.

Except as otherwise expressly provided herein, neither Party shall be liable for any failure or delay in the performance of its obligations under this Agreement due to causes not reasonably within its control, including but not limited to acts of civil or military authority, including courts and regulatory agencies, superior governmental authority, God, war, riot or insurrection, inability to obtain required construction permits, blockages, embargoes, sabotages, epidemics, fires, floods, strikes, lockouts or other labor difficulties, provided such labor difficulties do not arise from inequitable labor practices. In the event of any failure or delay resulting from such causes upon notice to the other Party within thirty (30) Business Days of occurrence of the event giving rise to the delay the time for performance hereunder shall be extended for a period of time reasonably necessary to overcome the effects of such delays. In the event any such failure or delay shall last for a period of more than one hundred eighty (180) Days, then either Party may terminate this Agreement forthwith, in whole or in part, by notice in writing to the other.

ARTICLE XX
NOTICE

20.0 Notices.

Except for Notices relating to construction, outages or maintenance which shall be as provided in Exhibit "C" attached hereto, any notice, request, instruction, demand, consent, or other communication required or permitted to be given under this Agreement shall be in writing and shall be delivered either by hand or by certified mail, postage prepaid, and certified return receipt requested to the following address or such other address as the Parties may provide to each other in writing:

To LICENSEE:	Florida Power & Light Company Attn: _____ 700 Universe Boulevard Juno Beach, Florida 33408
With a copy to:	Florida Power & Light Company Attn: General Counsel 700 Universe Boulevard Juno Beach, Florida 33408
To Vero Beach:	City Manager City of Vero Beach 1053 20th place Vero Beach, Florida 32961
With a Copy to:	Edwards Wildman Palmer LLP 523 Okeechobee Blvd., Suite 1600 West Palm Beach, Florida 33401

ARTICLE XXI
CHOICE OF LAW; VENUE

21.0 Choice of Law; Venue.

The validity, interpretation, and enforcement of this Agreement shall be governed by the Laws of Florida without regard to conflict of Law applications. Indian River County, Florida, shall be proper venue for any litigation involving this Agreement. Any legal proceedings of any nature brought by either Party to enforce any right or obligation arising out of this Agreement shall be submitted to trial without jury before any court of competent jurisdiction in Indian River County, Florida. The Parties consent and submit to the jurisdiction of any sueh court in Indian River County, Florida, and agree to accept service of process outside the state of Florida in any matter submitted to any court pursuant hereto.

ARTICLE XXII
ENTIRE AGREEMENT

22.0. Entire Agreement. This Agreement represents the entire Agreement between the Parties and supersedes all prior Agreements or representations, whether written or oral, with respeet to the subject matter hereof. There are no representations, warranties, agreements or understandings (whether oral or written) between the Parties relating to the subject matter hereof which are not fully expressed herein. No Provision of this Agreement may be changed or amended except by written Agreement signed by both Parties.

ARTICLE XXIII
PARTIES BOUND

23.0 Parties Bound. This Agreement shall be binding upon the Parties hereto and their respective successors, heirs, personal representatives and permitted assignees.

ARTICLE XXIV
ATTORNEYS' FEES

24.0 Attorney's Fees. The prevailing Party in any litigation, arbitration or mediation relating to this Agreement shall be entitled to recover its reasonable attorneys' fees and costs from the other Party for all matters, including, but not limited to, appeals.

ARTICLE XXV
CONSTRUCTION; HEADINGS SOLELY FOR CONVENIENCE

25.0 Construction; Headings Solely for Convenience.

25.1 Ambiguities Not To Be Resolved Against Drafting Party. Each Party and its

counsel have reviewed this Agreement. Accordingly, the normal rule of construction to the effect that any ambiguities arc to be resolved against the drafting Party shall not be employed in the construction and interpretation hereof.

25.2 Article, Section, And Sub-Section Headings For Convenience. The capitalized and bolded **ARTICLE HEADINGS,** underlined and initial capitalized Section Headings and the italicized and initial capitalized Sub-Section Headings, hereof, are inserted for convenience of reference only, are not a part hereof and shall have no effect on the construction or interpretation hereof.

IN WITNESS WHEREOF, the Parties hereto have caused these presents to be executed, by their respective officers thereunto duly authorized, on thc Day, month and year first above written.

ATTEST:

Sign: _____

Print: _____

Title: _____

LICENSOR: CITY OF VERO BEACH

Sign: _____

Print: _____

Title: _____

[AFFIX CORPORATE SEAL HERE]

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this _____ day of _____, 2013, by _____ as Mayor, and attested by _____, as City Clerk, of the City of Vero Beach, Florida. They are both known to me and did not take an oath.

NOTARY PUBLIC

Sign: _____
Print: _____
State of Florida at Large [SEAL]
My Commission Number: _____
My Commission Expires: _____

Corporation: THIS AGREEMENT MUST BE EXECUTED BY THE CHIEF EXECUTIVE OFFICER, OR PRESIDENT OR VICE-PRESIDENT, AND THE SECRETARY OR ASSISTANT SECRETARY, UNLESS THE BYLAWS OR A RESOLUTION OF THE BOARD OF DIRECTORS SHALL OTHERWISE PROVIDE, IN WHICH EVENT A CERTIFIED COPY OF THE BYLAWS OR RESOLUTION, AS THE CASE MAY BE, MUST BE FURNISHED. ALSO, THE CORPORATE SEAL OF LICENSEE, IF LICENSEE HAS SUCH A SEAL, MUST BE AFFIXED.

ATTEST:

Sign:_____
Print:_____
Title: Secretary

LICENSEE:_____

Sign:_____
Print:_____
Title: President

[AFFIX CORPORATE SEAL HERE]

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this ____ day of _____, 2013, by _____, as President, and attested by _____, as Secretary, on behalf of _____. They are personally known to me or produced _____ as identification and did / did not take an oath.

NOTARY PUBLIC

Sign:_____
Print:_____
State of Florida at Large [SEAL]
My Commission Number:_____
My Commission Expires:_____

Approved as to form
and legal sufficieney:

_____

Approved as to technical
requirements:

_____

Approved as to technical
Requirements:

_____

Approved as to insurance
requirements:

_____

This instrument prepared
in the office of the
City Attorney
P.O. Box 1389
Vero Beach, Florida 32961-1389

EXHIBIT "A"

ROUTE DIAGRAMS

Google earth

EXHIBIT "B"
FIBER SPECIFICATIONS AND CONNECTION DETAILS

FIBER:

All Fiber will meet or exceed the Corning SMF-28, dual 1310/1550 window optical glass specifications:

Maximum attenuation for 1310 nm systems will be .35 dB/km

Maximum attenuation for 1550 nm systems will be .25 dB/km

SPAN SPECIFICATIONS:

Discontinuities (known as steps, Splices, or attenuation non-uniformitites) shall be measured with an Optical Time Domain Reflectometer (OTDR) to determine the loss for the localized attenuation.

No Fiber shall show a point discontinuity greater than 1.0 dB. However, a Fiber Span that includes a discontinuity in excess of specifications may still be considered acceptable, with mutual agreement of LICENSOR and LICENSEE, provided said Fiber still meets LICENSEE's overall attenuation and dispersion specifications.

Performance levels will be maintained as accepted through the duration of the Agreement.

GENERAL CONSTRUCTION:

OPTICAL SYSTEM LOSS TABLE					
WAVE LENGTH NM	MAXIMUM FIBER Loss/KM	MAXIMUM CONNECTOR Loss	AVERAGE Loss PER SCTION	MAXIMUM Loss PER SPLICE	AVERAGE Loss PER SPLICE
1310	.35dB	.5 dB	.06 dB	.2 dB	.06 dB
1550	.25 dB	.5 dB	.06 dB	.2 dB	.06 dB

The Fiber will be constructed in accordance with sound commercial practices. The National Electric Safety Code will be followed in every case except where local regulations are more stringent, in which case local regulations shall govern.

Optical and span test data, including OTDR traces, will be submitted by LICENSOR to LICENSEE at an agreed upon schedule.

EXHIBIT "C"

NOTICES

Notification to FPL:

All notices relating to construction, outage, or maintenance should be relayed to Licensee through this number:

Notification to Vero Beach:

All notices relating to construction, outage, or maintenance should be relayed to the Licensor through this number:

EXHIBIT "D"

"SAMPLE NOTICE OF ACCEPTANCE"

D

ate:

To [Person Specified in Article 20]

Re: Notice of Acceptance of Licensed Fibers

Dear [Person Specified in Article 20]:

Our technician tested the licensed fibers, today, and confirmed that they meet the Performance Specifications required by our Agreement. Accordingly, today, we accepted the Licensed Fibers as operational.

In accordance with our Agreement, I have enclosed, herewith, the first installment of the License Fee ($_____.___).

Sincerely yours,

_____

By:

cc: [Person Specified in Article 20]

EXHIBIT L-2

Form of Substation Access Agreement

SUBSTATION ACCESS AND LICENSE AGREEMENT

THIS SUBSTATION ACCESS ANO LICENSE AGREEMENT ("**License**"), is made this _____ day of [_____], 20[__] ("**Effective Date**") by and between Florida Power & Light Company, a Florida corporation, whose mailing address is 700 Universe Blvd., CRE/JB, Juno Beach, Florida 33408-0420 ("**Licensor**"), and City of Vero Beach, a municipal corporation organized and existing under the laws of the state of Florida, whose mailing address is 1053 20th Place, Vero Beach, Florida 32961 ("**Licensee**").

WITNESSETH

WHEREAS, The Parties have entered into and are contemporaneously herewith consummating an Asset Purchase and Sale Agreement (the "**APA**") dated _____, 2013 in connection with Licensor's acquisition of certain assets of Licensee. The overall transaction contemplated in the APA, including the execution and performance by each party of this Agreement, and the Fiber License Agreement dated _____, 20__ between the parties (the "**Fiber License Agreement**"), constitutes the consideration for this License and without the consummation of the transactions contemplated by the APA, this License would not have been undertaken or consummated by the parties; and

WHEREAS, pursuant to the Fiber License Agreement, Licensee has licensed the use of certain dark fiber assets ("**Fibers**") to Licensor which are necessary, used and useful in the operation, protection and control of certain electric utility assets that Licensor, as "Buyer", desires to purchase, and Licensee, as "Seller", desires to sell, upon the terms and conditions more particularly identified in the APA; and

WHEREAS, Licensee has undertaken the legal obligation to perform annual inspections, testing, and all necessary maintenance, relocation and restoration (collectively, the "Work") required in order that the Fibers may operate within certain parameters, all as more specifically described in the Fiber License Agreement; and

WHEREAS, Licensee currently uses substations numbered 1 –Power Plant; 10-Central Beach; 11- South Beach; 20-County Line; 3-Mall Substation; 5- Piper Substation; 6- Gifford Substation; 7- West Substation; 8-South Substation; and 9- North Substation (the "**Licensed Premises**") for the housing, operation, maintenance, repair and replacement of Licensee's communication equipment which is unrelated to the operation, protection and control of the electric utility assets to be purchased by Licensor.

NOW, THEREFORE, in consideration of the mutual benefits, covenants, agreements and promises contained in this License, and in consideration of the APA Licensor hereby grants to Licensee and Licensee hereby accepts from Licensor, this non-exclusive License to enter into, occupy and use the Licensed Premises upon the following terms, conditions and provisions for the purposes of performing inspections, maintenance, repair, relocation and restoration activities as may be required by either the Fiber or Licensee's communications equipment:

TERMS, CONDITIONS, AND PROVISIONS

1. Use. Licensee may use the Licensed Premises solely for; (a) the transmission and reception of telecommunication signals pursuant to all applicable rules and regulations including without limitation, the Federal Communications Commission ("**FCC**"); (b) perform no less than annual inspections, testing, and all necessary maintenance, relocation and restoration required in order that the Fibers may operate within certain required parameters, and (c) the construction, installation, operation, alteration, maintenance, repair, replacement, removal and relocation of communication equipment including horizontal and vertical conduits, cables, wires, fibers, junction boxes, hangers, pull boxes and other appurtenant facilities and improvements owned or operated solely for the benefit of Licensee, singularly and collectively ("**Communications Equipment**") for the purpose of providing telecommunication services to or for the benefit of entities other than and in addition to Licensor, but not for any other purpose. Licensee and its authorized personnel and subcontractors may at any and all times, enter the Licensed Premises, including Licensor's substation control structures at those structures where Licensee's Communications Equipment is installed and/or for the specific purposes set forth above. Licensee shall, and shall ensure that its personnel and subcontractors, (i) only enter the Licensed Premises while being escorted by an FPL Transmission employee and (ii) at all times strictly comply with the instructions of such FPL Transmission employee.

2. **Term**. This License shall continue in full force and effect until (a) the termination or expiration of the Fiber License Agreement, or (b) Licensee has removed all Licensee-owned Communications Equipment from the Licensed Premises, whichever is later.

3. **Access Fees**. If access to the Licensed Premises, or any of them, is required by Licensee solely for the purpose of accessing the Licensee's Communications Equipment, and for no other purpose, Licensee shall have the right during the first year of the Term to make entry free of charge no more than two (2) trips per month and after the first year of the Term to make entry free of charge no more than one (1) trip per month, each trip not to exceed ten (10) hours, including travel time between substations ("Monthly Allowed Access"). Licensee may visit more than one substation during a particular trip. Should Licensee exceed the Monthly Allowed Access, Licensee shall be charged the sum of One Hundred Dollars and 00/100 ($100.00) per hour for each hour or partial hour access to any of the Licensed Premises is required (the "Access Fees"). Such Access Fees shall constitute an offset, on a dollar for dollar basis, against any one or more payments due to be made from Licensor to Licensee as License Fees pursuant to the terms of the Fiber License Agreement. Notwithstanding anything to the contrary herein, Licensee shall not be required to pay Access Fees if such access is required for Work to be performed on the Fibers.

4. **Licensor's Rights**. Licensee agrees to never claim any interest or estate of any kind or extent whatsoever to or in the Licensed Premises by virtue of this License or the occupancy or use hereunder. Licensee's use of the Licensed Premises shall always be subordinate to Licensor's rights to and in the Licensed Premises, except as may be otherwise provided in the Fiber License Agreement. Licensor reserves the right to enter upon the Licensed Premises at any time and Licensee shall notify its employees, agents, contractors, subcontractors, licensees, and invitees accordingly. Licensor, its employees and contractors are not and shall not be responsible or liable for any injury, damage or loss to Licensee resulting from Licensor's use and/or Licensee's use of the Licensed Premises. Licensor may at its sole discretion, install and/or permit others to install facilities upon, over and/or under the surface of the Licensed Premises.

5. **Conditions and Restrictions On Use**.

(a) With respect to any work undertaken by Licensee in or around the Licensed Premises, Licensee shall at its sole cost and expense comply with all laws, rules, and regulations of all governmental authorities having jurisdiction over the Licensed Premises or use of the Licensed Premises. Licensee shall not within the Licensed Premises construct or erect any permanent or temporary building, structure, fixture, fence, shelter, attachment or improvement without prior written permission from Licensor. All work to be performed by Licensee upon the Licensed Premises shall be in accordance with detailed plans and specifications to be prepared by Licensee and submitted to Licensor for written approval thereof. Licensee shall not commence any such work until plans and specifications have been approved by Licensor. Licensee shall pay directly on its own behalf for all costs associated with construction and maintenance of all improvements and facilities that it constructs, operates and maintains upon the Licensed Premises. Licensee shall not cause or allow any waste of the Licensed Premises and shall not remove soil, import soil or alter the existing surface elevation of the Licensed Premises without first obtaining written permission of Licensor. Licensee shall pay for all utility and other services furnished to or for Licensee upon the Licensed Premises.

(b) Licensee shall not use the Licensed Premises in any manner which, in the sole opinion of Licensor, might interfere with Licensor's use of the Licensed Premises or might reasonably be expected to cause a hazardous condition to exist. Licensee acknowledges that electrical equipment and appurtenances including, but not limited to utility poles, overhead and underground wires, cables, circuits, insulators, transformers, guy wires, and guy wire anchors (collectively "**Licensor Facilities**"), are installed or may be installed over, upon and under the surface of the Licensed Premises by Licensor and by others and are conductors of high-voltage electricity. Licensee understands that contact with or disturbance of any of these Licensor Facilities may cause a condition hazardous to persons and/or property. Licensee shall exercise extraordinary precautions to prevent injury or damage to persons and/or property that could result from contact with or disturbance of Licensor Facilities. Licensee shall notify its employees, agents, contractors, subcontractors, licensees and invitees of the existence of Licensor Facilities when working in the vicinity of the Licensed Facilities.

(c) Licensee shall not cause or allow anything to exceed fourteen (14) feet in height above the surface of the Licensed Premises, nor allow any equipment capable of extending greater than fourteen (14) feet above the surface of the Licensed Premises to be brought upon the Licensed Premises, except that this provision shall not

apply to equipment and items brought onto the Licensed Premises by Licensor or Licensor's employees, agents, and contractors. Licensee shall utilize effective dust control measures to prevent contamination of high-voltage circuit insulators. In each and every location where an electrical circuit exists above the surface of the Licensed Premises, Licensee shall not allow to be planted in the ground within less than fifty (50) lateral feet of such circuit, any type of vegetation that is capable of growing to a height greater than fourteen (14) feet above the ground surface. Licensor shall have the right, but no form of obligation, to inspect the Licensed Premises to determine if Licensee is in compliance with all terms, conditions and provisions of this License.

(d) Licensor may, at its sole discretion, at any and all times and for any reason, direct and require Licensee to modify, change, alter, relocate within the identified boundaries of the Licensed Premises, and/or reconfigure the Communications Equipment, including removal of all of Licensee's Communications Equipment from the relay vaults in each of the Licensed Premises and relocate such Communications Equipment to an area that doesn't require escorted access as approved by Licensor), in each case in such manner as Licensor shall determine ("**Change Plan**"). Within five (5) years after the Effective Date, Licensor agrees to issue a Change Plan to cause the removal of all of Licensee's Communications Equipment from the relay vaults in each of the Licensed Premises and relocate such Communications Equipment to an area that doesn't require escorted access as approved by Licensor. In such case, Licensor shall reimburse Licensee for all costs directly related to and in support of such Change Plan. Licensor shall first identify and provide Licensee with a general plan to accomplish the Change Plan. Licensee shall then prepare a detailed design to accomplish the Change Plan. Upon Licensor's approval of the Change Plan, Licensee shall commence and complete all work related to and in support of it. Licensee shall submit to Licensor an itemized list of costs and copies of associated paid invoices for all costs directly related to and in support of the Change Plan. Upon Licensor's receipt of said itemized list and copies of paid invoices, Licensor shall have sixty (60) days to notify Licensee in writing if Licensor does not agree with any costs claimed by Licensee for reimbursement and upon receipt of such notice by Licensor, Licensee shall have thirty (30) days to provide additional documentation and evidence that such cost(s) is directly related to and in support of the Change Plan. If Licensor and Licensee do not reach agreement upon the total amount of Licensee's costs directly related to and in support of the Change Plan within thirty (30) days following receipt by Licensor of Licensee's additional documentation, then the matter shall become subject to binding arbitration in a manner which is normal and customary in Miami-Dade County, Florida. If Licensor fails to challenge or demand additional documentation and evidence of a particular cost within Sixty (60) days of its receipt of the initial proper notice, then Licensor shall be deemed to accept and approve such cost for reimbursement to Licensee. Any and all reimbursement shall be solely in the form of a credit to future rent invoiced by Licensor to Licensee, with such rent credit commencing upon the date that Licensee's next rent payment is invoiced by Licensor, and calculated according to and equal in monetary value to the total cost incurred by Licensee directly related to and in support of the Change Plan, without any other form of reimbursement, compensation, offset or credit.

6. <u>Environmental</u>.

(a) Licensee agrees that no hazardous substance, as the term is defined in Section 101 (14) of the Comprehensive Environmental Response Compensation and Liability Act ("**CERCLA**") (42 USC Section 9601 [14]), petroleum products, liquids or flammables shall be placed upon, under, transported across, or stored upon the Licensed Premises, which restricts, impairs, interferes with, or hinders the use of the Licensed Premises by Licensor or the exercise by Licensor of any of its rights thereto.

(b) After the Effective Date, Licensee may perform a Phase I and/or Phase II environmental site assessment as per ASTM criteria to investigate the existing environmental condition of the Licensed Premises that is the subject of this License. The performance or the failure to perform an environmental site assessment does not relieve the Licensee from compliance with any other provision of this section. Licensee shall maintain copies of any local, state or federal permits, licenses or other authorizations required for any and all of its activities on the Licensed Premises and present copies of such permits, licenses or other authorizations to Licensor and to any local, state and federal governmental agency official that requests to see the same.

(c) Licensee shall not create or contribute to any Environmental Contamination, Unauthorized or Unpermitted Wetland Impacts, Unpermitted Groundwater Wells, Illegal Use of Ground or Surface Waters or any Other Environmental Impacts, (collectively, referred to as "**Environmental Conditions**") as a result of its use of the Licensed Premises.

(1) Environmental Contamination is defined as any spilling or discharge of any chemical constituent by the Licensee to the environment that results in any pollution, sheen or contamination of the groundwater, surface water, soil, or any other environmental media, on or from the Licensed Premises, above the federal, state or local regulatory levels; including, (a) for groundwater: Chapters 62-777, Table I, 62-520, or 62-550 of the Florida Administrative Code ("**FAC**"); (b) for surface waters: Chapters 62-777, Table I, or 62-302 of the FAC; and (c) for soils: Chapters 62-777, FAC, Table II; or above natural background levels.

(2) Wetland Impacts are defined as activities impacting areas defined as "**wetland**" under the following: (a) federal law (for example, Section 404 of the Clean Water Act); (b) federal rules (for example, current approved Army Corps of Engineers ("**ACOE**") Delineation Manual); (c) federal guidance; (d) state law (for example, Section 373.019(22), Florida Statutes); (e) state rules (for example, Chapter 62-340, FAC); (f) state guidance; (g) case law as formulated that further explains wetland jurisdictional criteria; or (h) local law (for example, Miami-Dade County Ordinances; (i) local guidance; or (j) local policy. Unauthorized or Unpermitted Wetland Impacts shall mean the failure to obtain all required federal, state and local permits to impact the wetland or undertaking any action or activity in violation of any such permits. Some examples of permits needed to impact the wetland are the Miami-Dade County Department of Environmental Resources Management Permits, the State of Florida Department of Environmental Protection or Water Management District Permits, and the Federal ACOE Permits.

(3) Unpermitted Groundwater Wells means the installation or the use of an existing groundwater well without obtaining the appropriate state and local permits for the well installation and/or well pumping for use of groundwater or surface water in the area.

(4) Illegal Use of Ground or Surface Waters means the withdrawal or use of either ground water or surface water without obtaining any required consumptive use or water use permits from the South Florida Water Management District ("**SFWMD**") or in violation of any consumptive use or water use permit issued by the SFWMD.

(5) Other Environmental Impacts, include, but are not limited to; failure to apply pesticides consistent with labeling instructions; failure to dispose of pesticide containers as per label instructions; failure to have licensed and trained personnel applying pesticides; failure to properly manage pesticide mix/load sites to avoid pesticide release to soils or surface waters in quantities or concentrations other than that specified on the label application instructions; or any violations of Federal Insecticide, Fungicide, and Rodenticide Act, or its state law equivalent; or any violations of the Florida Department of Agriculture and Consumer Services rules or Best Management Practices for the activities contemplated by this License.

(d) If the Licensee causes any Environmental Conditions to occur because of the performance of activities contemplated by this License, Licensee shall notify Licensor immediately upon discovery. Licensee acknowledges that the failure to deliver such notification may cause Licensor to file a damage claim against Licensee and confers to Licensor the right to terminate this License as set forth in Section 8. Within seventy-two (72) hours of discovering such Environmental Conditions, Licensee shall, at its sole cost and expense, correct such condition or situation; provided that the Licensor retains the right to enter upon the Licensed Premises and correct any such condition or situation at any time. Any release notifications required to be submitted to federal, state or local regulatory agencies, because of the actions of Licensee pursuant to this License or any other notifications based on Environmental Conditions, shall be coordinated with Licensor.

(e) If Licensee, or its employees, contractors, subcontractors or anyone else working at the direction of the Licensee causes Environmental Conditions on the Licensed Premises, or causes contamination that originates on the Licensed Premises, the Licensee, on its own behalf and on behalf of its shareholders, officers, directors, employees, servants, agents, and affiliates, shall and hereby does forever hold harmless, indemnify, and release Licensor, and its parent, subsidiaries, shareholders, officers, directors, employees, servants, agents and affiliates (collectively "**Licensor Entities**"), not including Licensee which is part of Licensor Entities, of and from all claims, demands, costs, loss of services, compensation, actions or investigations on account of or in any way growing out of the Environmental Conditions, and from any and all known and unknown, foreseen and unforeseen damages, and the consequences thereof, resulting from the Environmental Conditions, including but not limited to, restoration of the site to the condition existing prior to the Environmental Conditions.

7. **Right to Cure**. Licensor, at its sole discretion, may remove or cause to be removed by it or by its employees, agents, contractors, subcontractors, licensees, and invitees, all objects, materials, debris, or structures that could create a condition hazardous to persons or property or interfere with Licensor's use of its Licensed Premises or with Licensor Facilities. All costs expended by Licensor pursuant to this section which are caused by Licensee, its employees, agents, contractors, subcontractors, licensees, and invitees, are and shall be the sole obligation of Licensee, who shall reimburse Licensor upon demand. If any of Licensee's activities or Licensee's use of the Licensed Premises results in an interruption of electric utility service, then Licensee shall reimburse Licensor for all costs to restore electric utility service, not to exceed $1 million..

8. **Default.** A party shall be in default under this License if such party fails to perform any obligation required under this Agreement and such failure continues for more than thirty (30) days after written notice, provided that if the breach is of such a nature that it cannot be cured within thirty (30) days, then such party shall not be in default so long as it commences to cure within such period of time and thereafter diligently and continuously pursues such cure to completion. Upon the occurrence of a default, the non-defaulting party shall not have the right to terminate the License, but may seek any and all other remedies available at law and/or equity, including but not limited to an action for recovery of monetary damages or specific performance. Except as set forth to the contrary herein, any right or remedy of Licensor and Licensee shall be cumulative and without prejudice to any other right or remedy, whether contained herein or not.

9. **Surrender**. Upon termination or expiration of this License, Licensee shall vacate and leave the Licensed Premises in as good a condition as existed prior to the Effective Date. No later than thirty (30) calendar days following the date upon which this License becomes expired, terminated or revoked, Licensee shall remove all personal property and improvements placed upon the Licensed Premises by Licensee and shall repair and restore and save Licensor harmless from all damage caused by such removal. If all such personal property and improvements placed upon the Licensed Premises by Licensee are not so removed by Licensee within the above prescribed five (5) day period, then Licensor shall have the right to take possession of and appropriate unto itself, without any payment or offset thereof, any personal property and improvements placed upon the Licensed Premises by Licensee or any other entity acting on behalf, and/or Licensor shall have the right to effect removal of such personal property and improvements at Licensee's sole cost and expense, the amount of which Licensee agrees to reimburse to Licensor immediately upon Licensor's demand.

10. **No Encumbrances**. Licensee expressly covenants and agrees that the Licensed Premises shall not be subject to any encumbrance by any mortgage, lien, financial instrument or other agreement outside of or in addition to this License, nor shall the Licensed Premises be liable to satisfy any indebtedness that may result from Licensee's operation or activity. Licensor expressly covenants and agrees that the Licensee's Communications Equipment shall not be subject to any encumbrance by any mortgage, lien, financial instrument or other agreement outside of or in addition to this License, nor shall the Licensee's Communications Equipment be liable to satisfy any indebtedness that may result from Licensor's operation or activity.

11. **Indemnity**. Each party (each an "Indemnifying Party") shall exercise its respective rights and privileges herein at its sole risk and agrees to indemnify and save harmless the other party (each an "Indemnified Party"), from all liability, loss, cost, and expense, including attorneys' fees, which may be sustained by the Indemnified Party, incurred by any person, natural or artificial, by reason of the death of or injury to any person or damage to any property arising from or in connection with the use of the Licensed Premises by such Indemnifying Party and its employees, agents, contractors, subcontractors, licensees, and invitees. Such Indemnifying Party agrees to defend, at its sole cost and expense, but at no cost and expense to the Indemnified Party, any and all suits or actions instituted against the Indemnified Party for the imposition of such liability, loss, cost, and expense arising from the use of the Licensed Premises by the Indemnifying Party and its employees, agents, contractors, subcontractors, licensees, and invitees.

12. **Insurance**. During the Term, Licensee shall maintain, at its sole cost and expense, a liability policy with minimum limits of $1,000,000.00 for bodily injury or death of a person(s), and $1,000,000.00 for property damage arising out of each single occurrence, and workers compensation coverage as mandated by the applicable laws of the State of Florida. Said policy shall be endorsed to insure against obligations assumed by Licensee in the indemnity herein. A certificate of insurance shall be furnished to Licensor evidencing that said policy of insurance is in force and will not be cancelled or materially changed so as to affect the interests of Licensor Entities until ten (10) days advance written notice has been furnished to Licensor. Upon request, copies of said policy will be furnished to Licensor.

13. **No Transfer**. Licensee shall not, without the prior written consent of Licensor, allow any other entity or party to occupy or use the Licensed Premises or in any way transfer, assign, lease, sublease, license, sublicense or in any other manner, convey this License to any entity or party not specifically named herein by Licensor as a party to this License. Licensee shall not hypothecate this License, nor enter into any license, concession agreement, mortgage, contract or other agreement which conflicts with or is contradictory to the terms and provisions of this License.

Comment [F1]: This deals with assignment and subleasing the agreement. Licensee's "authorized personnel" are allowed access pursuant to Section 1.

14. **Holding Over**. If Licensee continues to occupy and/or use the Licensed Premises, or any part thereof, after expiration, termination or revocation of this License, then no tenancy, ownership or other legal interest in the Licensed Premises to the benefit of Licensee shall result therefrom, but such holding over shall be an unlawful detainer and all parties occupying and/or using the Licensed Premises shall be subject to immediate eviction and removal and Licensee shall upon demand pay to Licensor, as liquidated damages, a monthly sum equal to the monthly License Fees owed by Licensor to Licensee pursuant to the Fiber License Agreement for and during any and all period(s) which Licensee and/or its employees, agents, contractors, subcontractors, licensees, and invitees fail to vacate the Licensed Premises after the date upon which this License becomes expired, terminated, or revoked.

15. **Waiver of Jury Trial**. **Licensee knowingly, voluntarily and intentionally waives any and all right(s) it may have to a trial by jury with respect to any litigation based upon, or arising from, under, or in connection with this License, or any document contemplated to be executed in conjunction herewith, or any course of conduct, course of dealing, statement (whether oral or written) or action of Licensee.** In any and all litigation arising out of or in connection with enforcement of the terms, conditions or provisions of this License, the prevailing party in such litigation shall be entitled to recovery of each and all of its costs, including reasonable attorneys' fees.

16. **Applicable Law and Venue**. This License, including each and all of its terms, conditions and provisions, is governed by and interpreted according to the laws of the State of Florida. All legal matters arising out of, or in connection with this License are and shall be subject to a court of competent jurisdiction within the State of Florida. If any term, condition or provision, or any part thereof, is found by a Florida court to be unlawful, void or unenforceable, then that term, condition, provision or part thereof shall be deemed severable and will not affect the validity and enforceability of any of the remaining terms, conditions and provisions of this License.

17. **Time and Entire Agreement**: Time is of the essence, and no extension of time shall be deemed granted unless made in writing and executed by both Licensor and Licensee. This instrument constitutes the entire agreement between the parties hereto and relative to the License, and any agreement or representation which is not expressly set forth herein and covered hereby is null and void. All amendments, modifications, changes, alterations and supplements to this License must be in writing and executed by both Licensor and Licensee in order to be deemed valid and enforceable. If Licensor fails or elects to not enforce Licensee's breach of any term, condition or provision of this License, then Licensor's failure or election to not enforce Licensee's breach shall not be deemed a waiver of Licensor's right to enforce one or more subsequent breaches of the same or any other term, condition or provision of this License.

18. **Notices**. All notices associated with and related to this License shall be deemed to have been served upon the date and time received by Licensor or Licensee at the addresses set forth in the Preamble by: government postal service, private delivery service, electronic email or facsimile transmission. Either party may, at any time, designate in writing a substitute address for the address first written above, and thereafter notices shall be directed to such substituted address.

19. **Counterparts**. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute a single instrument.

IN WITNESS WHEREOF, Licensor and Licensee have caused this License to be signed and executed effective as of the Effective Date.

Witnesses for Licensor:

Licensor:
Florida Power & Light Company,

a Florida corporation

Signature: _____ By: _____
Print Name: _____ Name: _____
_____ Title: ___
_____

Signature: _____
Print Name: _____

Witnesses for Licensee:

Licensee:
City of Vero Beach, Florida, a municipal corporation

Signature: _____ By: _____
Print Name: _____ Name: _____
_____ Title: ___
_____

Signature: _____
Print Name: _____

Exhibit O

Form of Capital Leases

[*Exhibit begins on the following page.*]

This instrument was prepared by and after recording return to:
Jorge Diaz-Silveira, Esq.
Hogan Lovells US LLP
200 South Biscayne Blvd.
Suite 400
Miami, FL 33131

CAPITAL LEASE AGREEMENT

BY AND BETWEEN

CITY OF VERO BEACH, FLORIDA
AS LANDLORD

AND

FLORIDA POWER & LIGHT COMPANY,
AS TENANT

DATED AS OF _____, 201[_]

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CAPITAL LEASE AGREEMENT

THIS CAPITAL LEASE AGREEMENT (the "**Lease**"), is made as of the __ day of _____, 201[_] (the "Execution Date"), by and between the **City of Vero Beach, Florida**, a municipal corporation organized under the laws of the State of Florida (the "Landlord"), and **Florida Power & Light Company**, a corporation under the laws of the State of Florida (the "Tenant").

BASIC LEASE INFORMATION

Property:	The leased property shall consist of the poles, wires, trade fixtures and other personal property of Landlord listed in **Exhibit A**, collectively, the "Property").
Term of Lease:	Subject to Tenant's rights of termination and purchase as provided in Sections 21-22 hereof, the term of the Lease (the "Term") will commence on [*insert date*] (the "Commencement Date") and expire on the later of (i) the ninety-ninth (99th) anniversary of the Commencement Date or (ii) the end of the last renewal period in the Term as provided in Section 21 (the "Expiration Date").
Rent:	$[_____], which is the carrying value of the Property as shown on Landlord's accounting records on the Commencement Date.
Operating Expenses:	Tenant shall be responsible for all operating expenses related to the Property, and Landlord shall not be responsible for any such expenses, unless specifically provided in this Lease.
Permitted Use:	Tenant may use the Property for any lawful purpose.
Landlord's Address for Notices and Rent Payments:	City of Vero Beach 1053 20th Place Vero Beach, FL 32961-1389 Attention: City Manager

with a copies to:

City of Vero Beach
1053 20th Place
Vero Beach, FL 32961-1389
Attention: City Attorney

and

Edwards Wildman Palmer LLP
525 Okeechobee Boulevard
Suite 1600
West Palm Beach, FL 33401
Attention: John G. Igoe, P.A.

Tenant's Address for Notices:

Florida Power & Light Company
700 Universe Boulevard EMT/JB
Juno Beach, FL 33408
Attention: EMT Contracts Department with a copy to:

Florida Power & Light Company
700 Universe Boulevard JB/Law
Juno Beach, FL 33408
Attention: General Counsel

Exhibit:

Exhibit "A": Description of Property

LEASE

1. Property. In consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Property.

2. Term. Subject to the provisions of this Lease, Tenant shall have the right to the exclusive possession and use of the Property during the Term. Notwithstanding that the Commencement Date may occur, and the Term may commence, after the date of execution of this Lease, upon delivery and acceptance of this Lease in accordance with the terms of this Lease, this Lease shall be in full force and effect and binding upon the parties.

3. Rent. At the Closing, as defined in that certain Asset Purchase and Sale Agreement made by and between Landlord and Tenant dated as of [_____], 20[__] (the "PSA"), Tenant shall pay the Rent for the use and occupancy of the Property in the amount set forth in the Basic Lease Information, plus Florida sales tax, if applicable, without set off, counterclaim, or deduction whatsoever, except as otherwise expressly set forth in this Lease. Except as expressly set forth in this Lease, no abatement, diminution, reduction or set off of any charges or compensation, shall be claimed by, or allowed to, Tenant, or any persons claiming under Tenant. The Rent payment shall be made by wire transfer of immediately available funds, denominated in U.S. dollars, or by such other means as are agreed upon by Landlord and Tenant.

4. Landlord's Lien. Landlord hereby waives any statutory and common law liens on the Property, Tenant's trade fixtures and personal property.

5. Use; Legal Requirements; SignageUse. Tenant may use the Property during the Term, after the Commencement Date, solely for the use described in the Basic Lease Information, and for no other use or purpose whatsoever. Subject to the obligations of the Landlord set forth in this Lease, including, without limitation, subsection 5 (b) hereof, Tenant agrees to comply with all applicable laws, ordinances, rules, and regulations of any governmental entity or agency having jurisdiction over the Property (the "Legal Requirements") applicable to the use of the Property.

(b) Legal Requirements. Landlord represents and covenants that, as of the Execution Date, the Property comply with all Legal Requirements applicable thereto, and that there are no violations of any such Legal Requirements on the Property.

(c) Signage. Tenant shall have the exclusive right to install, erect, and maintain, at Tenant's expense, the maximum signage permitted by (and subject to) Legal Requirements at the Property. Tenant, at Tenant's expense, shall apply for, and obtain, all permits and licenses required in connection with signage at the Property and shall be fully responsible for the proper installation thereof. Landlord will cooperate with Tenant in the obtaining of such permits and licenses.

(d) Utilities. Landlord shall execute upon request therefor by Tenant such easements and rights of way as Tenant shall reasonably require for the purpose of its connection to, and use of, drainage and utility facilities (including, but not limited to, water, gas (if applicable), telephone, electric lines, storm drainage, sanitary sewer systems and surface drainage) in connection with Tenant's use of the Property. Notwithstanding anything contained herein to the contrary, commencing on the Commencement Date, and continuing for the remainder of the Term, Tenant shall pay when due all bills for water, sewer, heat, gas and electricity used by Tenant in connection with the Property.

6. Restoration. Tenant shall not be required to restore or maintain the Property.. Landlord shall have no obligation to maintain or, upon damage thereto, restore the Property. The following shall apply with respect to the surrender of the Property at the end of the Term and the removal of Tenant's leasehold improvements, alterations and personal property:

(a) Leasehold Improvements. At the expiration or earlier termination of the Term, Tenant shall surrender the Property to Landlord. All leasehold improvements constructed by or for Tenant shall, at the expiration or earlier termination of this Lease, at Tenant's option, either be removed from the Property by Tenant or become Landlord's property.

(b) Personal Property/Trade Fixtures. Tenant may, during the Term, remove, modify, repair or replace the Property. The Tenant's personal property or trade fixtures existing on the Property, at the expiration or earlier termination of this Lease, shall, at Tenant's option, either be removed from the Property by Tenant or become Landlord's property.

7. Insurance. Tenant, at its expense, shall maintain insurance for the Property consistent with the insurance that it maintains for other properties utilized by the Tenant in the conduct of its business.

8. Taxes.

(a) Personal Property/Sales and Use Taxes. Tenant shall pay, when due, all taxes attributable to the personal property, trade fixtures, business, occupancy, or sales of Tenant. Tenant shall pay, when due, all taxes attributable to the Property. Tenant shall not be responsible for any real estate taxes relating to the real property upon which the Property is located.

(b) Tax Bill. Landlord agrees to give Tenant a copy of any annual notice of proposed property taxes, or TRIM notice (*i.e.*, notice of the assessed value of the Property) within ten (10) business days after Landlord's receipt thereof. Tenant may reasonably object to Landlord's determination of Tenant's share and the parties shall work in good faith to resolve any dispute. If the parties cannot agree upon the allocation, Landlord and Tenant shall refer the matter to a mutually acceptable independent certified public accountant who shall work in good faith with Landlord and Tenant to resolve same within ninety (90) calendar days.

(c) Right to Contest. If Tenant desires to contest the validity or amount of any Taxes agreed to in this Lease to be paid by Tenant, Tenant shall be permitted (but shall in no

event be obligated) to do so, upon posting of any required security or the payment of amounts, as may be required by Legal Requirements. Landlord shall cooperate with Tenant's reasonable requests (at Landlord's expense, without reimbursement by Tenant) and execute any document which may be reasonably necessary for any such contest proceeding, provided that Landlord shall not be obligated to attend any hearings or retain legal services relative to its cooperation.

9. Non-liability. Landlord shall not be liable for any death or injury arising from or out of any occurrence in, upon, at or relating to, the Property, or damage to property of Tenant or of others located on the Property, nor shall Landlord be responsible for any loss of or damage to any property of Tenant or others from any cause, except to the extent such death, injury, loss or damage results from the negligence or willful misconduct of Landlord, its employees, agents or contractors (and subject to Section 10). This provision shall survive the termination of this Lease.

10. Waiver of Subrogation Rights. Notwithstanding anything to the contrary contained in this Lease, Landlord and Tenant each hereby waives, on behalf of itself and its insurers (none of which shall ever be assigned any such claim or be entitled thereto due to subrogation or otherwise), any and all rights of recovery, claim, action or cause of action, against the other, its agents, officers or employees, for any loss or damage that may occur to the Property, or any improvements thereto, or any personal property of such party therein, by reason of fire, the elements, or any other causes which are, or could, or should, be insured against under the terms of the property insurance policies referred to in this Lease, regardless of whether such insurance is actually maintained and regardless of the cause or origin of the damage involved, including negligence of the other party hereto, its agents, officers, or employees (except neither party waives any rights in connection with the deductible portion of its property insurance).

11. Improvements; Alterations. Tenant shall be permitted to make improvements and alterations (including, without limitation, replacements, additions or modifications), at its sole cost and expense, to the Property without Landlord's written approval. Tenant shall be responsible for obtaining, at its cost, all permits required for any alterations.

12. Subleases; Assignment.

(a) Subleasing. Tenant shall have the right to sublet, or otherwise to permit occupancy of, all or any portion of the Property, and to retain any and all income in connection therewith, without Landlord's consent; provided, however, (I) the purpose of any such sublease and the identity of any such subtenant shall be consistent with Tenant's operation of an electric utility system, and (II) Tenant shall not be relieved of its obligations under this Lease.

(b) Assignment. Tenant shall have the right to assign the Lease, and to retain any and all income in connection therewith, subject, except as set forth in subparagraph (c) hereof, to Landlord's approval, which approval will not be unreasonably withheld, conditioned or delayed, in which case, Tenant shall be relieved of its obligations under this Lease. Landlord shall not be permitted to assign the Lease.

(c) Tenant Affiliates/Merger. Notwithstanding the foregoing, Tenant shall have the right, upon notice to Landlord, but without Landlord's consent, from time to time, to assign this Lease to any partnership, corporation, limited liability company, trust, or other organization or entity that: (i) (A) results from the merger or consolidation of Tenant; (B) acquires all or substantially all of the voting stock of Tenant; or (C) acquires or otherwise succeeds to all or substantially all of Tenant's assets and business and by contract or operation of law assumes Tenant's obligations under this Lease arising upon or after such assignment; (ii) at the time of the making of such assignment, is a Tenant Affiliate (as hereinafter defined); (iii) acquires any of the business units or divisions of Tenant or of any Tenant Affiliate or all or any portion of the business conducted utilizing the Property; or (iii) acquires the generating facilities purchased by Tenant pursuant to the PSA. In the event of any such assignment hereunder, Tenant shall be relieved of its obligations under this Lease. As used in this Section 12(c), the term "Tenant Affiliate" shall mean any partnership, corporation, limited liability company, trust, or other organization or entity that, directly or indirectly, controls, is controlled by, or is under common control with Tenant (whether by reason of ownership of voting securities, contract, or otherwise).

(d) Use by Personnel. Landlord acknowledges that personnel of any Tenant Affiliate shall be entitled to use the Property for any permitted use under the Lease without such use being deemed to constitute a subletting of the Property or an assignment of this Lease.

13. Title; Quiet Enjoyment. Landlord covenants, represents and warrants to Tenant that: (i) Landlord owns good and marketable title to the Property, and Landlord has the full right, power and authority, without the consent or approval of any other party, or Landlord has obtained any necessary approvals, to enter into this Lease and perform the obligations of the Landlord to be performed, and (ii) no encumbrance or restriction has been, or will be, imposed upon the Property, which shall impair or restrict any right granted to Tenant or derived by Tenant under this Lease. In this regard, Landlord covenants and represents that, as of the Execution Date, no third party has any right, title or interest in the Property, or any portion thereof. In the event that Landlord has granted any such right, title or interest to any third party by means of a lease, easement, license or other instrument or transaction, such right or interest shall be terminated and extinguished by Landlord on or before the Execution Date.

(b) Tenant shall, and may peacefully have, hold, and enjoy the Property, subject to the other terms hereof, provided that Tenant performs all of Tenant's covenants and agreements contained herein.

(c) Landlord shall not sell, convey, transfer or encumber, on or after the Execution Date: (i) the Lease, or any interest therein; (ii) the Property, or any portion thereof; or (iii) any personal property or trade fixtures on the Property, or any portion thereof. In this regard, Landlord shall not impose an encumbrance upon, or execute any document that affects: (i) the title to the Property, or (ii) Tenant's right to use the Property in accordance with this Lease.

(d) Landlord covenants and represents that Tenant shall have the same rights and remedies as Landlord has, as of the Execution Date, in any and all leases, easements, licenses or other rights in existence as of the Execution Date, which pertain to real property located beyond the boundary of the real property upon which the Property is located Property and which: (i) benefit the Property, or any portion thereof, or Landlord's present operations at the Property, or (ii) provide access to or from the Property, or any portion thereof. Landlord shall take whatever actions as may be necessary, at its sole cost and expense, throughout the Term, to maintain such rights and remedies,

14. Defaults.

(a) Tenant Default. A default by Tenant shall be deemed to have occurred hereunder, if and whenever: (i) Tenant makes a general assignment for the benefit of creditors; (ii) Tenant becomes insolvent or unable to pay its debts as such become due, or files any debtor proceedings under the United States or any state bankruptcy code, or if Tenant shall take or have taken against it in any court pursuant to any statute either of the United States or of any state, a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver for Tenant's property, and such proceeding is not dismissed within sixty (60) calendar days after the filing thereof; or (iii) Tenant has breached any of the material obligations in this Lease (other than as specifically enumerated in subparagraphs (i) through (ii) of this Section 14(a) and other than tbose obligations where a cure right is already provided elsewhere herein) and Tenant fails to remedy such breach within one hundred and eighty (180) calendar days after the date of delivery of written notice by Landlord to Tenant thereof (provided, however, that if such default reasonably requires more than one hundred and eighty (180) calendar days to cure, Tenant shall have a reasonable time to cure such default, provided Tenant commences to cure within such one hundred and eighty (180) calendar day period and thereafter diligently prosecutes such cure to completion) (a "Tenant Default").

(b) Landlord Default. A default by Landlord shall be deemed to have occurred hereunder, if and whenever, Landlord fails to keep a material covenant, or to perform a material obligation, under this Lease, and such failure continues for a period of thirty (30) calendar days after the date of delivery of written notice thereof by Tenant to Landlord (a "Landlord Default").

15. Remedies.

(a) Tenant Default. In the event of any default hereunder by Tenant, Landlord's sole and exclusive remedy shall be specific performance.

(b) Landlord Default. In the event of any default hereunder by Landlord, Tenant shall be entitled to avail itself to any and all remedies available under this Lease, at law or in equity.

16. Waiver. No delay or omission by Landlord or Tenant in exercising a right or remedy shall exhaust or impair the same or constitute a waiver of, or acquiescence to, a default.

17. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or mailed by overnight courier or registered or certified mail (return receipt requested), postage prepaid, to the recipient party at its address (or at such other address for a party as shall be specified by like notice; provided, however, that notices of a change of address shall be effective only upon receipt thereof). As of the Execution Date, the addresses of Landlord and Tenant are those specified in the Basic Lease Information.

18. Landlord Representations and Covenants. In addition to Landlord's representation set forth in Section 5(b) regarding Legal Requirements, Landlord warrants and represents that, Landlord has no actual knowledge that the Property contain, as of the Execution Date: levels of hazardous substances in violation of any applicable Legal Requirement or that would result in Tenant not being able to use, the Property as permitted under this Lease.

19. Condemnation. If the whole of the Property, or such portion thereof as will make the Property unusable in Tenant's reasonable opinion for the purposes leased hereunder, shall be taken by any public authority under the power of eminent domain or sold to any public authority under threat or in lieu of such taking, the Term shall cease as of the day possession or title shall be taken by such public authority, whichever is earlier (the "Taking Date"). If less than the whole of the Property, or less than such portion thereof as will make the Property unusable for the purposes leased hereunder (as determined by Tenant in its reasonable judgment), shall be taken, the Term shall cease only as to the part so taken as of the Taking Date. All compensation awarded or paid upon a total or partial taking of the Property, including the value of the leasehold estate created hereby, shall belong to and be the property of Tenant. Additionally, nothing contained herein shall be construed to preclude Tenant, at its cost, from independently prosecuting any claim directly against the condemning authority in such condemnation proceeding for damage to, or cost of removal of, fixtures, personal property or other improvements located on the Property and other relocation expenses.

20. Estoppel Certificate. Within ten (10) business days after written request by either party (the "Requesting Party"), the other party (the "Responding Party") shall deliver an estoppel certificate to the Requesting Party as to the status of this Lease, including whether this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified and identifying the modification agreements); confirming all Rent has been paid in full; whether or not there is any existing or alleged default by either party with respect to which a notice of default has been served, or any facts exist which, with the passing of time or giving of notice, would constitute a default and, if there is any such default or facts, specifying the nature and extent thereof; and any other matters pertaining to this Lease as to which the Requesting Party shall reasonably request such certificate. Landlord or Tenant, as the case may be, and any prospective purchaser, lender, or ground lessor shall have the right to rely on such certificate. Notwithstanding the foregoing, neither Landlord nor Tenant shall request an estoppel certificate more often than one (1) time in any calendar year, except in connection with a pending sale, assignment or financing transaction.

21. Renewal; Early Termination. The Term of this Lease shall be automatically renewed, without any action of the Tenant or the Landlord, at the end of the original Term and at the end of each renewal period in the Term for an additional period of [fifteen (15)] years each unless, not later than thirty (30) calendar days prior to the end of the initial Term or the end of the then current renewal period in the Term, as the case may be, Tenant has given written notice to Landlord that the Term shall end at the end of the initial Term or the then current renewal period in the Term. The terms and conditions of this Lease (other than the Term of this Lease) during any renewal period in the Term shall be the same as during the initial Term. The Tenant shall also have the right, at any time during the Term or any renewal period in the Term, to terminate this Lease on any date specified in a written notice of termination given by the Tenant to the Landlord, provided, that the effective date of such termination shall not be earlier than thirty (30) calendar days after Tenant has given such written notice to Landlord.

22. Option to Purchase. Provided this Lease is in full force and effect, Tenant shall have the option to purchase the Property, or any portion thereof, including any personal property or trade fixtures existing on the Property, as of the Execution Date, at any time and from time to time prior to the Expiration Date, in accordance with the following terms and conditions (the "Option"): Tenant may purchase the entire Property, or any portion thereof, pursuant to the Option.

(b) Any conveyance made pursuant to this Option shall be made by bill of sale, in the form set forth in Exhibit B to the PSA, and which shall be delivered by Landlord to Tenant at Closing (as hereinafter defined).

(c) Tenant shall exercise the Option, if at all, by giving written notice (the "Option Notice") to Landlord, at any time during the Term, but, in any event, no later than thirty (30) calendar days prior to the expiration of this Lease.

(d) The purchase price (the "Purchase Price") for the Property shall be $1.00.

(e) Each party shall be responsible for its own closing costs, including, without limitation, attorney's fees at every level. Tenant shall pay all transfer taxes, surtax and similar taxes due in connection with the conveyance of the Property by Landlord to Tenant, other than income taxes..

(f) The closing on the Option shall occur at the offices of Tenant's counsel within thirty (30) calendar days of Tenant's exercise of the Option (the "Closing").

23. Attorneys' Fees; Venue. Notwithstanding anything to the contrary contained in this Lease, in the event of any litigation between Landlord and Tenant arising out of this Lease or Tenant's use and occupancy of the Property, the prevailing party shall be entitled to recover its costs and expenses incurred in such litigation, including reasonable attorneys' fees, at all levels, including appeals. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN LEON

COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

24. Miscellaneous. The section headings in this Lease are inserted for convenience of reference and in no way define, describe, or limit the scope or intent of this Lease or any of the provisions hereof. No waiver, modification, amendment, discharge, or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge, or change is sought. This Lease shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and permitted assigns. This Lease and the PSA contain the entire agreement between the parties relating to the transactions contemplated hereby and all prior or contemporaneous agreements, understandings, representations, or statements, oral or written, are superseded hereby. Any provision of this Lease which is unenforceable or invalid or the inclusion of which would adversely affect the validity, legality, or enforcement of this Lease shall be of no effect, but all the remaining provisions of this Lease shall remain in full force and effect. This Lease shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including, but not limited to, matters of validity, construction, effect, performance and remedies, except as otherwise provided in this Lease. Florida law requires the following notice to be provided with respect to the contract for sale and purchase of any building, or a rental agreement for any building: "Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health department." Nothing in this Lease creates any relationship between the parties other than that of lessor and lessee and nothing in this Lease constitutes either party hereto a partner of the other party or a joint venturer or member of a common enterprise with the other party. This Lease may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement. This Lease may be executed by facsimile or e-mail signature which shall, for all purposes, serve as an original executed counterpart of this Lease. If requested, the parties agree to follow-up facsimile or e-mail execution with original signature pages. Except as otherwise provided in this Lease, all Exhibits referred to herein are intended to be and hereby are specifically made a part of this Lease.

25. Brokerage. Landlord and Tenant each represent and warrant one to the other that neither of them has employed any broker in connection with the negotiations of the terms of this Lease or the execution thereof.

26. Holdover. Except as expressly provided in Section 21, Tenant has no right to retain possession of the Property or any part thereof beyond the expiration or earlier termination of the Term.

27. Administrative Action. If Tenant or any Tenant Affiliate elects to pursue any permit or administrative determination from any regulatory or taxing authority including, without limitation, a private letter ruling, a consent agreement, a determination letter, pre-filing agreement or other written guidance from any such regulatory or taxing authority (the "Administrative Action") with respect to Tenant's business, including its use of the Property, the parties shall consider in good faith and make such amendments to this Lease as may be necessary to permit Tenant to obtain such Administrative Action. Landlord shall not be required to agree to any such amendment that it reasonably determines, in good faith, is adverse to Landlord in any material respect; provided that Landlord shall not withhold its agreement to any such amendment if Tenant has agreed to fully compensate Landlord for any adverse economic effect on Landlord resulting from such amendment.

28. Financing Parties. Landlord acknowledges that any Tenant Affiliate or its affiliates may seek financing from financing parties and that, as a condition to such financing, the financing parties may from time to time require certain documents from, and agreements by, Landlord. In connection therewith, Landlord agrees that it shall execute such documents in favor of any financing party reasonably requested in connection with the documentation of any financing or refinancing by such financing party, and in connection therewith Landlord shall provide to such financing party a certificate: (i) stating that, to the best of its knowledge, as of the date of such certificate, there has occurred no event of default, or event that with the passage of time, the giving of notice or both, would become a breach of this Lease by Tenant or Landlord, or (ii) if any such breach has occurred, stating the nature thereof. In the event that, in order to obtain financing, a financing party requests amendments to this Lease, the parties shall consider in good faith, and make, such amendments to this Lease as may be necessary to permit Tenant to obtain such financing. Landlord shall not be required to agree to any such amendment that it reasonably determines, in good faith, is adverse to Landlord in any material respect; provided that Landlord shall not withhold its agreement to any such amendment if Tenant has agreed to fully compensate Landlord for any adverse economic effect on Landlord resulting from such amendment.

29. Non-Cash Benefits. Landlord shall not be entitled to any payment or other benefit accrued from the Property, including, without limitation, investment tax credits, accelerated depreciation, insurance proceeds, emission reduction credits, renewable energy credits, carbon credits, other tax or environmental credits, whether state, federal or local, any rights to electricity or its attributes, or any other cash or non-cash payment or benefit.

30. *Reserved.*

31. Public Statements.

(a) Any document submitted by a party to the other under this Lease or during the negotiation of this Lease (a "Public Document") will be a public record (as defined in Section 119.011, Florida Statutes) and may be open for inspection or copying by any person or entity except to the extent such document or certain information included in such document is exempted under Chapter 119, Florida Statutes. Tenant may claim that certain information included in one or all of the Public Documents is, or has been treated as, being exempt from disclosure in accordance with Florida law. In the event that Landlord is requested or required by legal or regulatory authority to disclose any Public Document, Landlord shall within three (3) calendar days notify Tenant of such request or requirement prior to disclosure so that Tenant may seek an appropriate protective order if Tenant believes certain information included in such Public Document is exempt from disclosure under Florida law. To the extent reasonably possible and permissible under Florida law, Landlord shall endeavor to provide redacted versions of documents, upon request of Tenant if Landlord reasonably agrees with Tenant's assertion that certain information included in such Public Document is exempt from public disclosure under Florida law.

(b) The parties shall not issue any press release or other public disclosure with respect to this Lease or the transactions contemplated hereby without first affording the non-disclosing party the opportunity to review and comment on such press release or public disclosure, except for disclosure made in order to comply with Legal Requirements or stock exchange rules.

32. Access. Subsequent to the Commencement Date, Tenant shall have access to the Property 24 hours per day, 7 days per week, 365 days per year.

33. Recording of Lease. A Memorandum of this Lease shall be recorded by Tenant, at its expense, in the Public Records of Indian River County, Florida.

34. Bankruptcy. It is the intent of the parties that, if Landlord were to become a debtor under Chapter 9 of the Bankruptcy Code, and if this Lease were deemed to be subject to Section 365 of the Bankruptcy Code and rejected by Landlord, Tenant would have the option under Section 365(h) to retain all of its rights under this Lease for the balance of the term and for any renewal or extension of such rights and that all such rights are rights 'that are in or appurtenant to the real property' for purposes of Section 365(h) of the Bankruptcy Code.

35. WAIVER OF TRIAL BY JURY. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS LEASE. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS LEASE, AND SHALL SURVIVE THE CLOSING OR TERMINATION OF THIS LEASE.

[signatures on next page]

IN WITNESS WHEREOF, this Lease has been executed by the parties hereto as of the Execution Date.

WITNESSES:

_____

Print name:_____

_____

Print name:_____

LANDLORD:

City of Vero Beach, Florida, a Florida municipal corporation

By:_____

Name:_____

Title:_____

WITNESSES:

_____

Print name:_____

_____

Print name:_____

TENANT:

Florida Power & Light Company, a Florida corporation

By:_____

Name:_____

Title:_____

STATE OF FLORIDA)
) SS
COUNTY OF INDIAN RIVER)

On this, the ___ day of _____, 201[_], before me, a Notary Public in and for the State of Florida, personally appeared_____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized officer of the City of Vero Beach, Florida, and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the City of Vero Beach, Florida by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201[_].

_____
Print Name: _____
Notary Public, State of Florida
Notary Commission No.: _____
My Commission Expires: _____

STATE OF FLORIDA)
) SS
COUNTY OF INDIAN RIVER)

On this, the ___ day of _____, 201[_], before me, a Notary Public in and for the State of Florida, personally appeared _____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized officer of Florida Power & Light Company, and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the Florida Power & Light Company by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201[_].

_____
Print Name: _____
Notary Public, State of Florida
Notary Commission No.: _____
My Commission Expires: _____

Exhibit "A"
Description of Property

[*To be provided by Tenant*]

EXHIBIT P

Form of District License

EXHIBIT P

Prepared by/Return to:

_____
_____
_____
_____

PERMIT AND INTERLOCAL AGREEMENT
(No. VB-2)

THIS PERMIT AND INTERLOCAL AGREEMENT (the "Agreement"), dated this [___] day of [_____], 201[_], by and between **INDIAN RIVER FARMS WATER CONTROL DISTRICT**, a drainage district organized and existing under the General Drainage Laws of the State of Florida, whose address is 7305 4th Street, Vero Beach, Florida (the "**District**"), and the **CITY OF VERO BEACH, FLORIDA**, a municipal corporation of the State of Florida, whose address is 1053 20th Place, P.O. Box 1389, Vero Beach, Florida 32961-1389 (the "**Permittee**").

NOW, THEREFORE, the District does hereby grant unto the Permittee a permit and license (collectively, the "**Permit**"), which Permit shall be effective from the date hereof and continue for a period of fifty (50) years (collectively, the "**Term**"), for the purpose of installing, maintaining, inspecting, operating, repairing and using electrical transmission lines, utility poles and related improvements collectively, (the "**Electrical Facilities**") on, over and across District right-of-way along the Main Canal at the locations (the "**Permit Area**") and in accordance with the plans and specifications attached hereto as "**Exhibit A**" signed by the parties and incorporated herein by reference, together with the right of ingress and egress on and over the property at said locations.

Permittee agrees to and with the District as follows:

1. That the rights herein granted shall extend into District right-of-way from utility pole to utility pole in the locations and widths, which vary from utility pole to utility pole, as shown on the plans approved by the District in accordance with said "**Exhibit A**". Unless otherwise agreed to by District, the rights shall extend only for Electrical Facilities owned and used exclusively by Permittee or its sublicensee pursuant to Paragraph 19 herein, and Permittee, except as specifically permitted pursuant to Paragraph 19 herein, shall not have any right to otherwise assign, sublet, grant a sub-permit or sublicense of this Permit or any part thereof unto a third party.

2. Permittee assumes full responsibility for the operation and maintenance of said Electrical Facilities and shall save and hold harmless District from any expense, loss, damage or claim in regard thereto, and the District assumes and shall have no liability in connection therewith.

3. In no event shall the District be liable for any damages done or caused by the District to the public, to Permittee or any other person, using the right-of-way or Permit Area under this Permit, and Permittee shall save the District, its officers, agents, supervisors, and employees harmless from any costs, charge or expense or claim or demand of any person against the District for bodily injury, death or property damage arising from or pertaining to Permitee's exercise of rights under this Permit. Permittee shall, prior to accessing the Permit Area, provide to District with evidence satisfactory to District, of adequate reserves held or owned by Permittee, as self insurer, to protect the interests of District. The Permit may be suspended by the District for so long as Permittee fails to maintain adequate reserves as a self-insurer, and Permittee fails to provide District with a letter from Permitee's City Manager affirming such Permittee self insurance.

4. Permittee is cautioned that electrical, water, sewer, gas or other installations or utilities may be located within the Permit Area, and Permittee shall use diligent efforts to first detect and locate all such installations and shall coordinate construction with all other lawful users of said right-of-way. Permittee shall be liable for all damages proximately resulting from its interference with or interruption of services provided by other lawful right-of-way users within the Permit Area. District shall ensure that this provision is included in all permits issued to water, sewer, gas or other installations or utilities that are or may be located within the Permit Area.

5. Any construction on District right-of-way or property and cleanup shall be completed promptly by Permittee and in a workmanlike manner with minimum disturbance to existing berm, channel slopes and grade, with proper restoration and planting of any disturbed areas to prevent erosion occurring within thirty (30) days after completion of Permittee construction or installation of Electrical Facilities.

6. District and Permittee acknowledge that Permittee's Electrical Facilities currently exist within the Permit Area. For all newly installed Electric Facilities, Permittee shall at all times maintain cable markers above ground at 100 foot intervals to show the location of the electrical transmission cables. For all newly installed Electrical Facilities, the electrical transmission lines and utility poles shall be constructed and installed to permit the crossing of heavy equipment used by the District for the maintenance of its laterals, sublaterals and canals and for any similar heavy equipment used by land owners within the District. In any case where newly installed Electric Facilities, including electrical transmission lines, i) cross a pipe or culvert used for drainage or irrigation purposes, or ii) a pipe or culvert is needed hereafter for drainage or irrigation of adjacent lands, and the pipe or culvert is deemed by District to be in need of repair or replacement, then District will provide Permittee with written notice of such event, and Permittee and District will devise a mutually agreeable schedule for the implementation of such work. Permittee agrees to make personnel and equipment available at the time of such repair or replacement work, at no cost to the District, to insure that the transmission lines do not interfere with such activities. District agrees that all District

contractors and employees will attend a Permittee Safety Six presentation (which will be provided without cost to the District or its contractors) prior to commencing any such work in the vicinity of the Electrical Facilities. The District has the right to approve the location of each new electrical transmission line installed within the Permit Area, which approval will not be unreasonably withheld, conditioned or delayed, to ensure that such installation will not interfere with the District's functions and operations.

7. Permittee shall provide advance notice to the District's office of any planned construction, or the anticipated completion date of all new construction.

8. Permittee shall not discharge any pollutants or contaminants into waters or canals owned or maintained by, or subject to the jurisdiction of District, nor shall Permittee permit Permittee's employees, contractors and agents to obstruct the flow of water within the District's canals. Permittee shall save and hold District harmless from an expense, loss or damage incurred by the District as a result of Permittee, its employees, contractors or agents discharging pollutants or contaminants into the canals owned, operated or maintained by the District in violation of applicable environmental law, or obstructing the flow of waters in such canals. Permittee shall cure, or commence to cure, any such default within thirty (30) days following written notice of such default from District to Permittee.

9. Permittee shall comply with all applicable requirements of the Department of Environmental Protection for the State of Florida, as such requirements relate to Permittee's use of the District's Permit Area under the Permit, and if, at any time, the Permittee shall fail to meet such requirements, which failure continues beyond the applicable cure period as set forth in paragraph 3 of this Permit, Permittee shall be in default of this Agreement.

10. Permittee shall reimburse District, within forty-five (45) days of Districts' demand together with detailed, supporting documentation, for any reasonable fees for testing or other professional services, costs or expenses to District associated with or arising from Permittee's use of District's Permit Area. The Permit may be suspended by the District for so long as such costs or expenses remain unpaid beyond such forty-five (45) day period.

11. The Permittee shall pay to the District an annual rent of _____ and No/100 Dollars ($_____), payable in advance (the "**Annual Rent**"), which is computed as follows: 1.3 lineal miles of right-of-way subject to the Permit at _____ Dollars ($_____) per lineal mile. District may increase the Annual Rent by two percent (2%) per year over the preceding year's rent.

12. In addition, Permittee shall pay a one time permit fee of _____ Dollars ($_____) to District within ten (10) days following the execution of this Permit by District. If the processing of this Permit requires engineering or legal work for approval by District, then Permittee shall pay, within forty –five (45) days following District's demand together with detailed supporting documentation, District's reasonable engineering and legal fees incurred in connection with such processing.

13. District and Permittee shall be entitled to exercise any remedy available at law or

in equity, including without limitation, a suit for specific performance of any obligations set forth in this Permit or any appropriate injunctive or other equitable relief, or for damages resulting from a default or breach. Notwithstanding the foregoing or anything to the contrary contained in this Permit or applicable law, in no event shall any default or breach of this Permit, or any failure to perform any obligations under this Permit, terminate, or entitle the District or Permittee to terminate, rescind or cancel this Permit or the rights granted hereunder.

14. Following termination of the Permit, the Permittee shall, at its expense, promptly remove all Electrical Facilities from the Permit Area.

15. The Permit shall be considered to be an irrevocable license only for the Term, for the limited purpose of installation, maintenance, inspection, operation, repair and use of the Electrical Facilities specified in this Permit, and does not convey any other right, title or interest of the District in the subject right-of-way property.

16. In the event of any dispute arising hereunder, the parties agree that, as a condition precedent to litigation, the parties shall first submit the same to non-binding mediation for resolution.

17. Permittee assumes all risks of its use of the Permit Area under this Permit, which use is at Permittee's sole risk. Any loss or damage to Permittee's Electrical Facilities or bodily injury or death of Permittee's personnel while on the Permit Area, regardless of the cause of the same, including, without limitation, negligence or want or care on the part of District or its employees, , is Permittee's responsibility and not District's and, as a condition of the Permit, Permittee promises, covenants and agrees to release District from any such Permittee claims and indemnify District against any claims by Permittee's employees against District by reason of bodily injury, death or property damage suffered by such Permittee Employees, including attorneys fees, fines and penalties. The parties hereto further acknowledge and agree that this hold harmless, indemnification and release is further consideration to the District for Permittee's use of the Permit Area under this Permit.

18. Concurrent with the sale of all or substantially all of Permittee's electrical power system, Permittee may enter into a sub-license of this Permit of Permittee's rights and obligations under this Permit (a "**Sublicense**") with the new owner of Permittee's electrical power system (the "**Sublicensee**"). Permittee shall not grant or attempt to grant any greater rights or powers to the Sublicensee than are permitted or granted to Permittee herein. In the event Permittee enters into a Sublicense as provided herein, the following terms shall apply:

a. within three (3) business days following the execution of the Sublicense by Permittee and Sublicensee, an original of the fully executed Sublicense shall be delivered to the District;

b. the District, Sublicensee and Permittee shall be subject to all of the terms, conditions and obligations imposed upon District and Permittee pursuant to the Permit;

c. a Sublicense of Permittee's interests under this Permit shall not release Permittee from any of the terms or conditions of this Permit;

d. in the event any of Sublicensee's Electrical Facilities within the Permit Area described in this Permit are abandoned by the Sublicensee, the Sublicensee shall provide District and Permittee with written notice of such abandonment within ten (10) business days of such event, and Sublicensee shall promptly cause all Electrical Facilities within the abandoned Permit Area to be removed within ninety (90) days from Sublicensee's notice of abandonment, and this Permit shall terminate as to the abandoned Permit Area;

e. the District may not amend, release or terminate the Permit without Sublicensee's written consent, which consent may be withheld in Sublicensee's sole and absolute discretion;

f. District agrees to provide Sublicensee with written notice of any default by Permittee under this Agreement simultaneously with any notice of default to Permitee. Sublicensee shall have an additional thirty (30) days following the expiration of Permittee's cure period within which to cure or, or as the case may be, commence the cure, of the Permittee default.

g. Except for the Sublicense to the Sublicensee, neither the Permit, nor any portion thereof, may be otherwise assigned, sublet, licensed or otherwise conveyed (collectively, a "**Conveyance**") by Permittee to a third party without the District's prior written consent, which consent can be withheld in the District's sole and absolute discretion. A Conveyance without the District's consent shall be a default by Permittee herein.

[remainder of page intentionally left blank]

[signatures on following page]

IN WITNESS WHEREOF, said District has caused these present to be executed in its name, by its Secretary and its corporate seal hereto affixed, by due authority of its Board of Supervisors, this _____ day of _____, 201__.

Signed, Sealed and delivered
in the presence of:

_____

_____
as to District

(SEAL)

INDIAN RIVER FARMS WATER CONTROL DISTRICT

By:_____
David E. Gunter, Secretary

[Permittee acceptance on following page]

Permittee hereby accepts the terms of this Agreement, and covenants and agrees that it will comply with the terms and condition of this Agreement and the Permit.

Dated this ___day of _____, 201__.

Signed, sealed and delivered
in the presence of

_____

_____
as to Permittee

_____

_____
as to Permittee

CITY OF VERO BEACH, FLORIDA

By:_____
Mayor

Attest:_____
City Clerk

(SEAL)

EXHIBIT Q

Form of District Sublicense

EXHIBIT Q

Prepared by/Return to:

_____

_____

_____

_____

SUBLICENSE AGREEMENT
(No. VB-2)

THIS **SUBLICENSE AGREEMENT** ("**Agreement**"), dated as of this [___] day of [_____], 201[_] (the "**Effective Date**"), by and between the **CITY OF VERO BEACH, FLORIDA**, a municipal corporation of the State of Florida, whose address is 1053 20th Place, P.O. Box 1389, Vero Beach, Florida 32961-1389 (the "**Sublicensor**") and **FLORIDA POWER & LIGHT COMPANY**, a corporation organized under the laws of the State of Florida whose address is 700 Universe Blvd, Juno Beach, FL 33408 (the "**Sublicensee**"). The Sublicensor and the Sublicensee are sometimes collectively referred to herein as the "**Parties**" and individually as a "**Party**."

WHEREAS, the Sublicensor and Indian River Farms Water Control District, a drainage district organized and existing under the General Drainage Laws of the State of Florida (the "**District**"), have entered into that certain Permit and Interlocal Agreement (No. VB-2), dated [_____], 201[_] (the "**License Agreement**"), pursuant to which the District has granted unto the Sublicensor a permit and license (collectively, the "**Permit**"), which Permit is effective from the date of the License Agreement and continues for a period of fifty (50) years (collectively, the "**Term**"), for the purpose of installing, maintaining, inspecting, operating, repairing and using electrical transmission lines, utility poles and related improvements (collectively, the "**Electrical Facilities**") on, over and across the District's right-of-way along the Main Canal at the locations (the "**Permit Area**") and in accordance with the plans and specifications attached hereto as "**Exhibit A** signed by the District and the Sublicensor and incorporated in the License Agreement by reference, together with the right of ingress and egress on and over the property at said locations;

WHEREAS, as of the Effective Date, the Sublicensor has either conveyed or leased to Sublicensee all right, title and interest in and to certain electric utility assets of the City of Vero

Beach, and the Sublicensee will commence on the Effective Date providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement, dated as of [_____], 201[_], by and between the Sublicensor and the Sublicensee (the "**Asset Purchase and Sale Agreement**");

WHEREAS, in order to provide retail electric services to said electric utility customers as contemplated by the Asset Purchase and Sale Agreement, the Sublicensee desires to sublicense from the Sublicensor, and the Sublicensor desires to sublicense to the Sublicensee, all of the Sublicensor's rights and obligations under the Permit for the remainder of the Term, as permitted by and in accordance with paragraph 18 of the License Agreement.

NOW, THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Agreement, the Sublicensor and the Sublicensee agree as follows:

1. Capitalized terms used in this Agreement and not otherwise defined herein shall have the same meanings when used herein as in the License Agreement.

2. Subject to all of the terms, conditions and obligations imposed upon the District and the Sublicensor pursuant to the License Agreement, the Sublicensor does hereby grant unto the Sublicensee an exclusive sub-permit and sub-license of all of the Sublicensor's rights and obligations under the Permit and under the License Agreement for the remainder of the Term for the purpose of installing, maintaining, inspecting, operating, repairing and using the Electrical Facilities on, over and across the Permit Area. If the License Agreement is hereafter extended, renewed or replaced upon the expiration of the Term, then, at the option of the Sublicensee exercised by written notice to the Sublicensor, the Parties agree that this Agreement shall be extended, renewed or replaced on terms and conditions equivalent to those set forth in the extension, renewal or replacement of the License Agreement.

3. The Sublicensee, except as specifically permitted pursuant to paragraph 18 herein, shall not have any right to otherwise assign, sublet, grant a further sub-permit or sub-license of the Permit or any part thereof unto a third party. The Sublicensor agrees that it will not, without the prior written consent of the Sublicensee, which consent may be withheld in the Sublicensee's sole and absolute discretion, amend, release or terminate the License Agreement or the Permit.

4. The Sublicensee assumes full responsibility for the payment and performance of all obligations of the Sublicensor arising under the License Agreement from and after the Effective Date, and the Sublicensor shall have no liability in connection therewith. Without limiting the foregoing, from and after the Effective Date, the Sublicensee assumes full responsibility for the operation and maintenance of the Electrical Facilities and shall save and hold harmless the Sublicensor from any expense, loss, damage or claim in regard thereto under the License Agreement arising from and after the Effective Date.

5. In no event shall the Sublicensor or the District be liable for any damages done or caused by the Sublicensee to the public, to the Sublicensee or any other person, using the right-of-way or Permit Area under the Permit, and the Sublicensee shall save the District and the

Sublicensor, and their respective officers, agents, supervisors, and employees harmless from any costs, charge or expense or claim or demand of any person against the District or the Sublicensor for bodily injury, death or property damage arising from or pertaining to the Sublicensee's exercise of rights under this Agreement. The Sublicensee shall, prior to accessing the Permit Area, provide the District with evidence satisfactory to the District, of adequate reserves held or owned by the Sublicensee, as self insurer, to protect the interests of the District. The Sublicensee acknowledges that the Permit may be suspended by the District for so long as the Sublicensee fails to maintain adequate reserves as a self-insurer, and the Sublicensee fails to provide District with a letter from the Sublicensee's Risk Management Department affirming such Sublicensee's self insurance.

6. The Sublicensee is cautioned that electrical, water, sewer, gas or other installations or utilities may be located within the Permit Area, and the Sublicensee shall use diligent efforts to first detect and locate all such installations and shall coordinate construction with all other lawful users of said right-of-way. The Sublicensee shall be liable for all damages proximately resulting from its interference with or interruption of services provided by other lawful right-of-way users within the Permit Area. The Sublicensee acknowledges that the District has agreed to ensure that this provision is included in all permits issued to water, sewer, gas or other installations or utilities that are or may be located within the Permit Area.

7. Any construction on the District right-of-way or property and cleanup shall be completed promptly by the Sublicensee and in a workmanlike manner with minimum disturbance to existing berm, channel slopes and grade, with proper restoration and planting of any disturbed areas to prevent erosion occurring within thirty (30) days after completion of the Sublicensee construction or installation of Electrical Facilities.

8. Electrical Facilities acquired by the Sublicensee from the Sublicensor pursuant to the Asset Purchase and Sale Agreement currently exist within the Permit Area. For all newly installed Electric Facilities, the Sublicensee shall at all times maintain cable markers above ground at 100 foot intervals to show the location of the electrical transmission cables. For all newly installed Electrical Facilities, the electrical transmission lines and utility poles shall be constructed and installed to permit the crossing of heavy equipment used by the District for the maintenance of its laterals, sublaterals and canals and for any similar heavy equipment used by land owners within the District. In any case where newly installed Electric Facilities, including electrical transmission lines, i) cross a pipe or culvert used for drainage or irrigation purposes, or ii) a pipe or culvert is needed hereafter for drainage or irrigation of adjacent lands, and the pipe or culvert is deemed by the District to be in need of repair or replacement, then the Sublicensor will provide the Sublicensee with a copy of any written notice of such event received from the District, and the Sublicensee and the District will devise a mutually agreeable schedule for the implementation of such work. The Sublicensee agrees to make personnel and equipment available at the time of such repair or replacement work, at no cost to the District, to insure that the transmission lines do not interfere with such activities. The Sublicensee acknowledges that the District has agreed that all District contractors and employees will attend a Sublicensee [Safety Six presentation] (which will be provided without cost to the District or its contractors) prior to commencing any such work in the vicinity of the Electrical Facilities. The Sublicensee acknowledges that the District has the right to approve the location of each new electrical transmission line installed within the Permit Area, which approval will not be

unreasonably withheld, conditioned or delayed, to ensure that such installation will not interfere with the District's functions and operations.

9. The Sublicensee shall provide advance notice to the District's office of any planned construction, or the anticipated completion date of all new construction.

10. The Sublicensee shall not discharge any pollutants or contaminants into waters or canals owned or maintained by, or subject to the jurisdiction of the District, nor shall the Sublicensee permit the Sublicensee's employees, contractors and agents to obstruct the flow of water within the District's canals. The Sublicensee shall save and hold the District and the Sublicensor harmless from an expense, loss or damage incurred by the District or the Sublicensor as a result of the Sublicensee, its employees, contractors or agents discharging pollutants or contaminants into the canals owned, operated or maintained by the District in violation of applicable environmental law, or obstructing the flow of waters in such canals. The Sublicensee shall cure, or commence to cure, any such default within thirty (30) days following written notice of such default from the District or the Sublicensor to the Sublicensee.

11. The Sublicensee shall comply with all applicable requirements of the Department of Environmental Protection for the State of Florida, as such requirements relate to the Sublicensee's use of the Permit Area under the Permit, and if, at any time, the Sublicensee shall fail to meet such requirements, the Sublicensee shall be in default under this Agreement if such failure continues beyond the applicable cure period available to the Sublicensee as set forth in paragraph 18(f) of the License Agreement.

12. The Sublicensee shall reimburse the District, within forty-five (45) days of the District's demand together with detailed, supporting documentation, for any reasonable fees for testing or other professional services, costs or expenses to the District associated with or arising from the Sublicensee's use of the Permit Area. The Sublicensee acknowledges that the Permit may be suspended by the District for so long as such costs or expenses remain unpaid beyond such forty-five (45) day period.

13. The Sublicensee shall pay to the District on behalf of the Sublicensor the Annual Rent due from the Sublicensor to the District under the License Agreement as the sole consideration payable (except as otherwise provided in paragraph 16 of this Agreement) for the sub-permit and sub-license granted hereunder by the Sublicensor to the Sublicensee.

14. The Sublicensor and the Sublicensee shall be entitled to exercise any remedy available at law or in equity, including without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from a default or breach. Notwithstanding the foregoing or anything to the contrary contained in this Agreement or applicable law, in no event shall any default or breach of this Agreement, or any failure to perform any obligations under this Agreement, terminate, or entitle the Sublicensor or the Sublicensee to terminate, rescind or cancel this Agreement or the rights granted hereunder. Notwithstanding any provision of this Agreement or the License Agreement to the contrary, the Sublicensee shall have the right at all times during the Term to take any and all actions it deems necessary or appropriate to maintain the License Agreement in full force and effect, including, without limitation, the right to cure any

and all breaches or defaults by the Sublicensor thereunder whether during or after any cure period granted to the Sublicensor pursuant to the License Agreement and with or without notice from the District of the occurrence of any such breach or default. In addition, if the District defaults in any of its obligations under the License Agreement or seeks to terminate or repudiate the License Agreement, the Sublicensor agrees that Sublicensee may, at its expense, pursue a claim against the District in the name of the Sublicensor to enforce the rights of the Sublicensor under the License Agreement and Sublicensor agrees to cooperate with Sublicensee in pursuit of such claim.

15. This Agreement shall be considered to be an irrevocable sub-permit and sub-license only for the Term, for the limited purpose of installation, maintenance, inspection, operation, repair and use of the Electrical Facilities specified in the License Agreement, and does not convey any other right, title or interest of the District in the subject right-of-way property.

16. The Sublicensee assumes all risks of its use of the Permit Area under the Permit, which use is at the Sublicensee's sole risk. Any loss or damage to the Sublicensee's Electrical Facilities or bodily injury or death of the Sublicensee's personnel while on the Permit Area, regardless of the cause of the same, including, without limitation, negligence or want or care on the part of the District, the Sublicensor or their respective employees, is the Sublicensee's responsibility and not the District and, as a condition of this Agreement, the Sublicensee promises, covenants and agrees to release the District and the Sublicensor from any such Sublicensee claims and indemnify the District and the Sublicensor against any claims by the Sublicensee's employees against the Sublicensor by reason of bodily injury, death or property damage suffered by such Sublicensee employees, including attorney's fees, fines and penalties. The Parties further acknowledge and agree that this hold harmless, indemnification and release is further consideration to the Sublicensor for the Sublicensee's use of the Permit Area under this Agreement.

17. In the event any of the Sublicensee's Electrical Facilities within the Permit Area are abandoned by the Sublicensee, the Sublicensee shall provide the District and the Sublicensor with written notice of such abandonment within ten (10) business days of such event, and the Sublicensee shall promptly cause all Electrical Facilities within the abandoned Permit Area to be removed within ninety (90) days from the Sublicensee's notice of abandonment, and this Agreement shall terminate as to the abandoned Permit Area.

18. Except for the rights granted to the Sublicensee pursuant to this Agreement, neither the Permit, nor any portion thereof, may be otherwise assigned, sublet, licensed or otherwise conveyed (collectively, a "**Conveyance**") by the Sublicensor and any Conveyance in contravention of this sentence by the Sublicensor shall be null and void and without force or effect. The Sublicensee shall not, without the consent of the District, enter into any Conveyance with respect to the Sublicensee's rights, title or interest in the Permit, nor any portion thereof, nor under this Agreement, except that the Sublicensee may, without the consent of the District or the Sublicensor, (i) concurrent with the sale of all or substantially all of the Sublicensee's electrical power system, transfer its rights, title and interest in the Permit and under this Agreement to the new owner of the Sublicensee's electrical power system and

(ii) grant a lien on, or collaterally assign its rights, title and interest in, the Permit and under this Agreement to secure any extensions of credit to or for the benefit of the Sublicensee.

19. Sublicensor agrees to deliver to the District a fully executed counterpart of this Agreement within three (3) business days following the Effective Date.

20. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

21. No waiver by any Party of any provision of this Agreement shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by the other Party of the same or any other provision.

22. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

23. This Agreement shall bind the Parties, and their respective successors and assigns.

24. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

25. In the event the Sublicensee or the Sublicensor defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Agreement and the Sublicensor or the Sublicensee employs attorneys and brings suit in connection with the enforcement of this Agreement or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees so incurred.

26. The Sublicensor and the Sublicensee shall, from time to time and without additional consideration, execute and deliver to each other or to any person whom the requesting Party may designate, within ten days after the request therefor (a) an estoppel certificate consisting of statements, if true, that (i) this Agreement is in full force and effect; (ii) this Agreement has not been modified or amended (or setting forth all modifications and amendments); and (iii) to the best of such Party's knowledge and belief, the other Party is not then in default (or if in default, specifying such default), and the Sublicensee and the Sublicensor have fully performed all of the Sublicensee's and the Sublicensor's obligations, respectively, required to have been performed under this Agreement as of the date of the certificate; and (b) such further consents and instruments of a similar nature evidencing the agreement (subject to the provisions of this Agreement) of the Sublicensor or the Sublicensee to the mortgage or other hypothecation by the Sublicensee of the sub-permit and sub-license created hereby, as may be reasonably requested by the Sublicensee or any mortgagee, or assignee or transferee of the interest of the Sublicensor or the Sublicensee, as applicable.

27. Every notice, approval, consent or other communication required or permitted under this Agreement shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or mailed to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by written notice given to the other Party in the manner provided in this paragraph.

To the Sublicensor: City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention:

With a copy to:

To the Sublicensee: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Corporate Real Estate

With a copy to: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Law Department

A copy of any notice required or permitted under this Agreement to be given to the Sublicensee shall at the same time and in the same manner also be provided by the Sublicensor to any mortgagee of, or grantee of a security interest in, the sub-permit and sub-license granted pursuant to this Agreement, the identity and address of which the Sublicensee shall provide to the Sublicensor.

28. This Agreement and the Asset Purchase and Sale Agreement contain the entire agreement between the Parties hereto and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by the Sublicensor and the Sublicensee. Any formally executed addendum to or modification of this Agreement shall be expressly deemed incorporated by reference herein unless a contrary intention is clearly stated therein.

29. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS

AGREEMENT, THE RELATIONSHIP OF THE SUBLICENSOR AND THE SUBLICENSEE, THE SUBLICENSEE'S USE OR OCCUPANCY OF THE PERMIT AREA, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN LEON COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

30. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF THE SUBLICENSOR AND THE SUBLICENSEE, THE SUBLICENSEE'S USE OR OCCUPANCY OF THE PERMIT AREA, AND ANY CLAIM FOR INJURY OR DAMAGE.

[Remainder of page intentionally left blank]

[signatures on following page]

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the date first set forth above.

Sublicensor:

CITY OF VERO BEACH,
FLORIDA

By: _____
Name:
Title: _____

_____
Witness:

_____
Witness:

Sublicensee:

FLORIDA POWER & LIGHT COMPANY,
a Florida Corporation

By: _____
Name: _____
Title: _____

_____
Witness:

_____
Witness:

Sublicense Agreement by and between The City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "A"

Description of Permit Area

EXHIBIT R

Substation 20 Transmission Line Easements or Rights of Way

Exhibit R

Substation 20 Transmission Line Easements or Rights of Ways

Three (3) parcels of land lying in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, more particularly described as follows:

Parcel 1

The North 60 feet of the West one-half (W ½) of the East two-fifths (E 2/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 19, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

Parcel 2

The North 60 feet of the East one-fifth (E 1/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 20, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

Parcel 3

Easement created by Easement Deed granted by Violet Klatt and Bill R. Winchester, as a majority of the Special Trustees of the Revocable Trust Agreement created by Ernest F. Klatt, also known as Ernest Klatt, dated May 18, 1990, in favor of the City of Vero Beach, a municipal corporation of the State of Florida, said Easement dated March 18, 1993, recorded April 2, 1993, in Official Records Book **834**, Page **2265**, in the Public Records of St. Lucie County, Florida, over, across and upon the following described property situate in the County of St. Lucie, State of Florida and being more particularly bounded and described as follows:

The North 60 feet of the West one-third (W 1/3) of the East three-fifths (E 3/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 18, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

AND

The North 35 feet of the West 235 feet of the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼), LESS the West 235 feet thereof, in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, lying West of the West right-of-way line of U.S. Highway No. 1, LESS the Northwest one-quarter NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) thereof in said Section 6.

Subject to the terms, provisions and conditions set forth in said Easement Deed.

TOGETHER WITH THE FOLLOWING LAND:

Two (2) parcels of land lying in the North one-half (N ½) of the Southeast one-quarter (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, more particularly described as follows:

Parcel A

The South 200 feet of the South 863.18 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, LESS the West 60 feet and the East 775 feet thereof.

Parcel B

The West 40 feet of the East 775 feet of the North 460 feet of the South 660 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida.

EXHIBIT S

Vero Beach Power Plant Site Property Description

Exhibit S

Vero Beach Power Plant Site Property Description

That portion of Government Lot 4, Section 6, Township 33 South, Range 40 East, Indian River County, Florida, lying North of State Road 656 (17th Street Causeway Boulevard), East of Indian River Boulevard and West of Indian River, LESS AND EXCEPT therefrom that portion thereof conveyed by City Deed recorded in Official Records Book 1406, Page 2289, of the Public Records of Indian River County, Florida.

EXHIBIT T

Grand Harbor Property Description

Exhibit T
Grand Harbor Property Description

DESCRIPTION

1. Beginning on the center 1/4 section corner of Section 23, Township 32 South, Range 39 East and run S 00°01'26" W, 663.16 feet to the Northwest corner of the West 1/2 of the South 1/2 of the Northwest 1/4 of the Southeast 1/4 of Section 23, Township 32 South, Range 39 East, said point being the Northwest corner of that property deeded by Barnes to Barnes, et al, as recorded in Official Record Book 171 on page 660, public records of Indian River County, Florida;

2. thence, continue S 00°01'26" W, 663.16 feet on the West boundary of said Barnes property;

3. and S 89°50'15" E, 665.92 feet on the South boundary of said Barnes property to the Southeast corner thereof and the True Point of Beginning;

4. thence, N 00°01'16" E, 571.14 feet on the East boundary of the Barnes property to an intersection with the West right-of-way line of Indian River Boulevard (200 ft. right-of-way);

5. thence, on a nontangent curve, concave to the West, run Southeasterly 456.00 feet to a point of reverse curvature on a curve having a radius of 5,000 feet, the chord to said curve bears S 22°30'45" E, 455.83 feet;

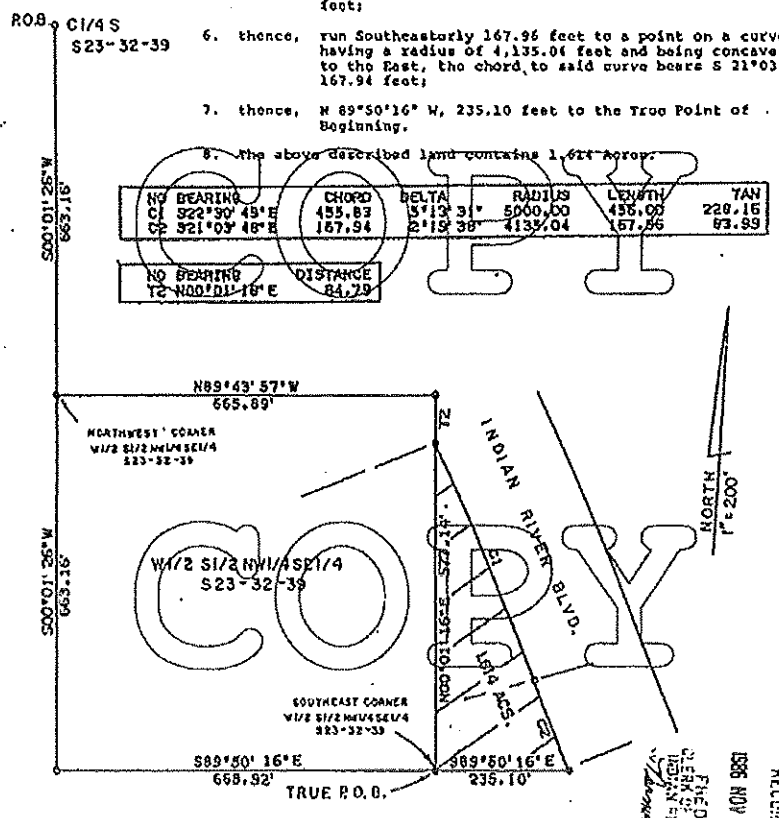
6. thence, run Southeasterly 167.96 feet to a point on a curve having a radius of 4,135.04 feet and being concave to the East, the chord to said curve bears S 21°03'48" E, 167.94 feet;

7. thence, N 89°50'16" W, 235.10 feet to the True Point of Beginning.

8. The above described land contains 1.614 Acres.

NO	BEARING	CHORD	DELTA	RADIUS	LENGTH	TAN
C1	S22°30' 45"E	455.83	5°13' 31"	5000.00	456.00	228.16
C2	S21°03' 48"E	167.94	2°19' 38"	4135.04	167.96	83.99

NO	BEARING	DISTANCE
T2	N00°01'16"E	84.79



LLOYD & ASSOCIATES, INC.

PART "B"

PROPERTY DESCRIPTION AND SKETCH

COPY
COPY

FILED FOR RECORD
BOOK AND PAGE ABOVE
RECORD VERIFIED
1988 NOV 12 AM 11:36
CLERK OF CIRCUIT COURT
INDIAN RIVER CO., FLA.
O.R. 0751 PG 1279

EXHIBIT U

Acquired Substations and Certain Other FPUA Joint Facilities Related Property Descriptions

City of Vero Beach

Exhibit U

Acquired Substations and Certain Other FPUA Joint Facilities

Related Property Descriptions

SUBSTATION 20:

Five (5) parcels of land lying in Section 31, Township 33 South, Range 40 East, Indian River County, Florida, and Section 36, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Parcel 1
The South 404.00 feet of the Southwest one-quarter (SW ¼) of Section 31, Township 33 South, Range 40 East, Indian River County, Florida, lying East of the East right-of-way line of Lateral "J" Canal, LESS AND EXCEPT therefrom the East 25 feet thereof for road right-of-way purposes.

Parcel 2
Easement for the benefit of Parcel 1 over, under and across the following described parcel of land:

An easement 40 feet in width lying parallel and adjacent to the East right-of-way line of the Lateral "J" Canal extending from the North line of said Southwest one-quarter (SW ¼) South to a point 416.82 feet North of the South line of said Southwest one-quarter (SW ¼) as measured along the said right-of-way line of Lateral "J" Canal in Section 31, Township 33 South, Range 40 East, Indian River County, Florida.

Parcel 3
Tract "B", VERO BEACH HIGHLANDS UNIT FIVE, according to the Plat thereof, as recorded in Plat Book 8, Page 56, of the Public Records of Indian River County, Florida.

Parcel 4
Tract "C", VERO BEACH HIGHLANDS UNIT FIVE, according to the Plat thereof, as recorded in Plat Book 8, Page 56, of the Public Records of Indian River County, Florida.

Parcel 5
The North 25 feet of the South 145 feet of the Southwest one-quarter (SW ¼) of Section 31, Township 33 South, Range 40 East, Indian River County, Florida, lying West of the West right-of-way line of Lateral "J" Canal, LESS AND EXCEPT therefrom the West 40 feet thereof for road right-of-way purposes.

FORT PIERCE CO-OWNED PROPERTY:

Two (2) parcels of land lying in the North one-half (N ½) of the Southeast one-quarter (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, more particularly described as follows:

Parcel A

The South 200 feet of the South 863.18 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, LESS the West 60 feet and the East 775 feet thereof.

Parcel B

The West 40 feet of the East 775 feet of the North 460 feet of the South 660 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida.

TOGETHER WITH THE FOLLOWING LAND:

Three (3) parcels of land lying in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, more particularly described as follows:

Parcel 1

The North 60 feet of the West one-half (W ½) of the East two-fifths (E 2/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 19, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

Parcel 2

The North 60 feet of the East one-fifth (E 1/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 20, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

Parcel 3

Easement created by Easement Deed granted by Violet Klatt and Bill R. Winchester, as a majority of the Special Trustees of the Revocable Trust Agreement created by Ernest F. Klatt, also known as Ernest Klatt, dated May 18, 1990, in favor of the City of Vero Beach, a municipal corporation of the State of Florida, said Easement dated March 18, 1993, recorded April 2, 1993, in Official Records Book **834**, Page **2265**, in the Public Records of St. Lucie County, Florida, over, across and upon the following described property situate in the County of St. Lucie, State of Florida and being more particularly bounded and described as follows:

The North 60 feet of the West one-third (W 1/3) of the East three-fifths (E 3/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 18, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

AND

The North 35 feet of the West 235 feet of the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼), LESS the West 235 feet thereof, in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, lying West of the West right-of-way line of U.S. Highway No. 1, LESS the Northwest one-quarter NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) thereof in said Section 6.

Subject to the terms, provisions and conditions set forth in said Easement Deed.

EXHIBIT V

New Substation Property Description

Exhibit V
New Substation Legal Description

That part of Government Lot 4, Section 6, Township 33 South, Range 40 East, lying south of 17th Street and west of Indian River Boulevard.
Less:
The west 5 acres

Containing 4.61 Acres

EXHIBIT W

Form of Estoppel Certificate

EXHIBIT W

FORM OF
ESTOPPEL CERTIFICATE

ESTOPPEL CERTIFICATE

This Estoppel Certificate (this "***Estoppel Certificate***"), dated as of _____, 201[ ][**TO BE DATED NOT EARLIER THAN TEN (10) DAYS PRIOR TO THE CLOSING DATE**], is made by the person(s) and/or entity(ies) executing this Estoppel Certificate and named on Exhibit A hereto (collectively, the "***Contracting Party***"), for the benefit of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida (***"Seller"***), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida (***"Buyer"***).

RECITALS

A. Contracting Party and Seller have entered into that certain contract described on Exhibit A hereto (such contract, as amended by the amendments, if any, described on Exhibit A hereto, the "***Contract***");

B. Buyer is a public utility and desires to purchase and assume from Seller, and the Seller desires to sell and assign to Buyer, certain electric utility assets and certain associated liabilities (the "***Acquired Assets***") upon the terms and conditions set forth in that certain Asset Purchase and Sale Agreement, dated as of [_____], 2013, by and between Seller and Buyer (the "***Purchase Agreement***"), as part of Seller's exit strategy from the electric utility business;

C. In connection with the purchase of the Acquired Assets on the date of closing of the transactions contemplated by the Purchase Agreement (the "***Closing Date***"), Buyer shall deliver to Seller an Assignment and Assumption Agreement pursuant to which Buyer shall assume and agree to discharge when due, all of the liabilities of Seller under the Contract from and after the Closing Date (the "***Assumed Liabilities***"); and

D. As one of the conditions precedent to the closing of the transactions contemplated by the Purchase Agreement, Seller has agreed to obtain from Contracting Party this Estoppel Certificate and Contracting Party has agreed to execute and deliver this Estoppel Certificate in consideration of the assumption by the Buyer of the Assumed Liabilities on the Closing Date.

Now therefore, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, Contracting Party hereby certifies, represents and warrants to Seller and Buyer and each of their respective successors and assigns, as follows:

1. The Contract: (a) constitutes the entire agreement between Contracting Party and Seller with respect to the subject matter contained therein, (b) is valid and in full force and effect and is a binding obligation of Contracting Party and, to Contracting Party's knowledge, of Seller, (c) except as indicated on Exhibit A to

this Estoppel Certificate, has not been amended, supplemented, modified, pledged or assigned in any way, and (d) has not been terminated by Seller or Contracting Party.

2. Except as indicated on Exhibit A to this Estoppel Certificate, all consideration, fees and payments under the Contract now required to be paid by Seller pursuant to the Contract have been paid by Seller as of the date first written above.

3. No default or breach by Contracting Party exists under the Contract nor has any act or omission occurred which, solely as a result of the giving of notice or passage of time, or both, would constitute a default or breach under the Contract by Contracting Party. To Contracting Party's knowledge, no default or breach by Seller exists under the Contract nor has any act or omission occurred which, solely as a result of the giving of notice or passage of time, or both, would constitute a default or breach under the Contract by Seller.

4. To Contracting Party's knowledge, (a) no litigation, claims or disputes exist asserting that the Contract is unenforceable or violates any other agreement, and (b) the Contract is not, and has not been, the subject of any bankruptcy or foreclosure proceeding. Contracting Party is not currently involved in any legal proceedings which may impair or encumber Contracting Party's ability to perform under the Contract, nor to Contracting Party's knowledge, is Contracting Party aware of any pending or threatened claim or litigation.

This Estoppel Certificate has been executed by each Contracting Party as of the date set forth below the signature of each such Contracting Party, effective as of the date first written above.

CONTRACTING PARTY:

[Form of execution by a natural person]

_____
Printed Name:_____
Date: _____

[Form of execution by an entity]

[_____]

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT A

Name(s) of Contracting Party:

[List all parties to the Contract other than Seller]

Description of Contract:

[Describe the Contract and all amendments or other written or oral supplements or modifications of the Contract and any and all pledges or assignments of the Contract]

Unpaid Amounts Due From Seller:

[Describe below any and all unpaid amounts due to any Contracting Party from Seller]

$_____

ACKNOWLEDGEMENT
[NATURAL PERSON]

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20___ by _____, who is personally known to me or who has produced _____ as identification.

_____
Print Name:_____
Notary Public, State of _____
Notary Commission No._____
My Commission Expires:_____

ACKNOWLEDGEMENT
[CORPORATION OR LIMITED LIABILITY COMPANY]

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20___ by _____ of _____, a _____ [corporation/limited liability company], on behalf of the [corporation/limited liability company]. He/she is personally known to me or has produced _____ as identification.

_____
Print Name:_____
Notary Public, State of _____
Notary Commission No._____
My Commission Expires:_____

ACKNOWLEDGEMENT
[PARTNERSHIP]

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20___ by _____, partner, on behalf of _____, a partnership. He/she is personally known to me or has produced _____ as identification..

_____
Print Name:_____
Notary Public, State of _____
Notary Commission No._____
My Commission Expires:_____

EXHIBIT X

Form of Referendum Question

Exhibit X

Referendum Question

Referendum on Sale and Disposition of Vero Beach Electric Utility

Do you approve of the sale and disposition of the City of Vero Beach electric utility and substantially all of its assets for the purpose of exiting the electric utility business under terms substantially similar to the asset purchase and sale agreement between the City and Florida Power & Light Company?

_____ Yes, for approval

_____ No, for rejection