

This instrument was prepared by or under the supervision of (and after recording should be returned to):

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(Space reserved for Clerk of Court)

**INTERLOCAL AGREEMENT
BETWEEN HERNANDO COUNTY, FLORIDA
AND PASCO COUNTY, FLORIDA**

WHEREAS, Hernando County, Florida (the "Issuer") is a public body corporate and politic and a public instrumentality organized and existing under the laws of the State of Florida including, particularly, Chapter 125, Part I, Florida Statutes; and

WHEREAS, the Issuer has received an application from Goodwill Industries - Suncoast, Inc., a Florida not-for-profit corporation (the "Borrower") requesting that the Issuer issue its industrial development revenue bonds in an amount not to exceed \$28,500,000 and loan the proceeds from the sale thereof to the Borrower for the principal purpose of providing funds sufficient to (i) finance all or a portion of the cost to acquire and construct (a) an approximately 25,000 square foot stand alone donated goods retail superstore, processing and training center located in Hernando County (the "Spring Hill Project"); (b) an approximately 25,000 square foot stand alone donated goods retail superstore, processing and training center located in Pinellas County (the "Oldsmar Project"); (c) an approximately 25,000 square foot stand alone donated goods retail superstore, processing and training center located in Pasco County (the "Cypress Creek Project"); and (d) a 281-bed work release center for newly released non-violent offenders located in Pinellas County (the "Largo Project," collectively with the Spring Hill Project, the Oldsmar Project and the Cypress Creek Project, the "Projects"); (ii) refinance certain interim indebtedness of Goodwill, the proceeds of which were applied to finance a portion of the costs of certain of the Projects, (iii) fund a debt service reserve fund for the Bonds, if required, and (vi) pay certain costs associated with the issuance of the Bonds, including the cost of any credit enhancement; and

WHEREAS, the Issuer has given its preliminary approval to the issuance of its industrial development revenue bonds in one or more series and in the aggregate principal amount of not exceeding \$28,500,000 (the "Bonds"), pursuant to the authority of Chapter 159, Part II, Florida Statutes, Chapter 163, Part I, Florida Statutes and other applicable provisions of law (collectively, the "Act"), for the purposes described above; and

WHEREAS, the Bonds shall be secured solely by revenues described in an Indenture of Trust to be executed by and between the Issuer and the trustee for the Bonds (the "Trustee") (including any amendments and supplements thereto, the "Indenture"), and the payment of the principal of and premium, if any, and interest on the Bonds as the same shall become due shall be made solely by the Borrower in the amounts and from the sources as required by the Indenture and Loan Agreement to be executed by and between the Issuer and the Borrower (including any amendments and supplements thereto, the "Loan Agreement"); and

WHEREAS, the Bonds shall also initially be secured by an irrevocable, direct-pay letter of credit to be issued by SunTrust Bank; and

WHEREAS, it is deemed desirable by both the Issuer and Pasco County, Florida ("Pasco County") that the Issuer and Pasco County enter into this Interlocal Agreement, as provided for and under the authority of Part I, Chapter 163, Florida Statutes, in order to assist the Borrower in the financing of the Cypress Creek Project located in the county boundaries of Pasco County, as more fully described in the Indenture and the Loan Agreement; and

WHEREAS, based upon representations of the Borrower, Pasco County has determined that the Cypress Creek Project is appropriate to the needs and circumstances of, and shall make a significant contribution to, the economic growth of Pasco County, shall provide gainful employment and shall advance the general welfare by providing social services in Pasco County and the inhabitants thereof and shall otherwise promote the public purposes provided in the Act; and

WHEREAS, neither the Issuer, Pinellas County, Pasco County, nor the State of Florida or any political subdivision or agency thereof shall in any way be obligated to pay the principal, premium, if any, or interest on the Bonds as the same shall become due, and the issuance of the Bonds shall not directly, indirectly, or contingently obligate the Issuer, Pinellas County, Pasco County, the State of Florida, or any political subdivision or agency thereof to levy or pledge any form of taxation whatsoever therefor or to make any appropriation from ad valorem taxation revenues for their payment; and

WHEREAS, on August 27, 2008, following a duly noticed public hearing held by the Board of County Commissioners of Pasco County (the "Pasco County Commission"), for the purpose of giving all interested persons an opportunity to express their views, either orally or in writing, on the proposed issuance of the Bonds, the Pasco County Commission, which has jurisdiction for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), over the area in which the Cypress Creek Project is located, approved the execution and delivery of this Interlocal

Agreement, the issuance of the Bonds by the Issuer and the application of the proceeds thereof, for the purposes expressed in a resolution duly adopted by the Pasco County Commission on such date following the hearing; and

NOW, THEREFORE, THIS INTERLOCAL AGREEMENT, BETWEEN HERNANDO COUNTY AND PASCO COUNTY, FLORIDA, WITNESSETH AS FOLLOWS:

SECTION 1. PURPOSE. The Borrower shall borrow funds derived from the proceeds of the Bonds issued by the Issuer for the principal purpose of financing and refinancing a portion of the costs of the Projects as contemplated by the Indenture and the Loan Agreement and the funds shall be repaid solely from the revenues of the Borrower pursuant to the terms of the Indenture and Loan Agreement and the funds shall be duly expended for their stated purpose. Pasco County hereby acknowledges the proposed issuance of the Bonds and loan of the proceeds thereof to the Borrower to finance the Cypress Creek Project located in the county boundaries of Pasco County. Pasco County acknowledges that the approval previously granted by Pasco County was provided solely for the purpose of complying with the host approval requirements of the Act and Section 147(f) of the Code and the Issuer and Pasco County are entering into this Interlocal Agreement in order to more effectively perform the Issuer's function pursuant to the powers granted under Section 163.01, Florida Statutes, as amended (the "Interlocal Agreement Act"). To the extent required by the Interlocal Agreement Act, Pasco County agrees to exercise its power to finance the Cypress Creek Project jointly with the Issuer and consents to the Issuer utilizing its extra-territorial powers to finance the Cypress Creek Project within Pasco County.

SECTION 2. PUBLIC AGENCIES; TERM. At all times prior to and during the term of this Interlocal Agreement, the Issuer and Pasco County constitute "public agencies" as that term is defined in Section 163.01(3)(b), Florida Statutes, and both the Issuer and Pasco County have the power and authority to enter into this Interlocal Agreement for the purposes provided herein. This Interlocal Agreement shall remain in full force and effect for so long as the Bonds remain outstanding.

SECTION 3. NON-DELEGATION OF DUTIES. This Interlocal Agreement shall in no way be interpreted to authorize the delegation of the constitutional or statutory duties of the Issuer, Pasco County, the State of Florida or any political subdivision or agency thereof or any members or officers thereof.

SECTION 4. NO PECUNIARY LIABILITY OF PASCO COUNTY; LIMITED OBLIGATION OF ISSUER. Neither this Interlocal Agreement nor the Bonds shall be deemed to constitute a general debt, liability, or obligation of or a pledge

of the faith and credit of the Issuer, Pinellas County, Pasco County, the State of Florida, or any political subdivision or agency thereof. The issuance of the Bonds pursuant to this Interlocal Agreement shall not directly, indirectly, or contingently obligate the Issuer, Pinellas County, Pasco County, the State of Florida, or any political subdivision or agency thereof to levy or to pledge any form of taxation whatsoever therefore, or to make any appropriation for their payment.

SECTION 5. RELIANCE; INDEMNIFICATION. In executing and delivering this Interlocal Agreement, Pasco County is relying on the representations, warranties and/or covenants previously made and to be made by the Borrower in the Loan Agreement, including but not limited to, a covenant with respect to the use of the Cypress Creek Project for the purpose of providing a "social service center" in Pasco County, as such term is defined in the Act. Pasco County shall be deemed to be a third party beneficiary of the Loan Agreement for the purposes of relying on such covenant of the Borrower, and shall be entitled to rely on the indemnification provided by the Borrower pursuant to such Loan Agreement if the Borrower fails to perform such covenant. It shall be an express condition to the effectiveness of this Interlocal Agreement that the Loan Agreement contain the above-referenced covenant of the Borrower.

SECTION 6. NO PERSONAL LIABILITY. No covenant or agreement contained in this Interlocal Agreement shall be deemed to be a covenant or agreement of any member, officer, agent or employee of the Issuer or Pasco County in his or her individual capacity and no member, officer, agent or employee of the Issuer or Pasco County or their respective governing bodies shall be liable personally on this Interlocal Agreement or be subject to any personal liability or accountability by reason of the execution of this Interlocal Agreement.

SECTION 7. QUALIFYING PROJECT; IMPACT OF PROJECT. Exhibit A attached hereto describes the Projects. This description was relied upon by Pasco County in authorizing the execution of this Interlocal Agreement. Based on the description of the Projects and representations of the Borrower, Pasco County hereby finds that it is able to cope satisfactorily with the impact of the Cypress Creek Project, and is able to provide, or cause to be provided when needed, all the public facilities, utilities and services that will be necessary for the operation, repair, improvement and maintenance of the Cypress Creek Project, and on account of any increase in population or other circumstances resulting by reason of the location of the Cypress Creek Project within Pasco County.

SECTION 8. FILING OF INTERLOCAL AGREEMENT. It is agreed that this Interlocal Agreement shall be filed by the Borrower or its authorized agent or

representative with the Clerk of the Circuit Court of Hernando County, Florida, and with the Clerk of the Circuit Court of Pasco County, Florida, all in accordance with the Chapter 163, Part I, Florida Statutes, and that this Interlocal Agreement shall not become effective until so filed.

SECTION 9. INDEMNITY; EXPENSES. The Borrower, by its approval and acknowledgment at the end of this Interlocal Agreement, agrees to indemnify and hold harmless the Issuer and Pasco County, and their respective officers, employees and agents, from and against any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever, including, but not limited to, losses, claims, damages, liabilities or expenses (including reasonable fees and expenses of attorneys, accountants, consultants and other experts), arising out of, resulting from, or in any way connected with this Interlocal Agreement or the issuance of the Bonds (including use of the proceeds of the sales of the Bonds), other than any such losses, damages, liabilities or expenses, in the case of Pasco County, arising from the willful misconduct of Pasco County, and, in the case of the Issuer, arising from the willful misconduct of the Issuer. The Borrower agrees to pay Pasco County for its administrative fee, special counsel fee and other reasonable expenses related to the issuance of the Bonds.

SECTION 10. GOVERNING LAW. This Interlocal Agreement is being delivered and is intended to be performed in the State of Florida, and shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of such State.

SECTION 11. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

SECTION 12. EXECUTION IN COUNTERPARTS. This Interlocal Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Interlocal Agreement by signing any such counterpart.

[Signature pages follow]

IN WITNESS WHEREOF, this Interlocal Agreement has been executed by and on behalf of the Issuer which has caused this Interlocal Agreement to be executed by its Chair or Vice-Chair, its seal affixed hereto, as attested by its Clerk of the Circuit Court and Ex-Officio Clerk all as of the ____ day of August, 2008.

HERNANDO COUNTY, FLORIDA

(SEAL)

Christopher Kingsley, Chairman

ATTEST:

Clerk of the Circuit Court and Ex-Officio Clerk of the Board of County Commissioners

APPROVED AS TO FORM

County Attorney

STATE OF FLORIDA
COUNTY OF HERNANDO

The foregoing instrument was acknowledged before me this ____ day of August, 2008, by Christopher Kingsley, Chairman of Hernando County, Florida, who is personally known to me/has produced _____ as identification.

(SEAL)

Printed/Typed Name: _____
Notary Public-State of Florida
Commission Number:

IN WITNESS WHEREOF, this Interlocal Agreement has been executed by and on behalf of Pasco County by its Chair or Vice Chair, its seal affixed hereto, as attested by its Clerk of the Circuit Court and Ex-Officio Clerk all as of the ____ day of August, 2008.

PASCO COUNTY, FLORIDA

(SEAL)

Ted Schrader, Chair

ATTEST:

Clerk of the Circuit Court and Ex-Officio Clerk of the Board of County Commissioners

APPROVED AS TO FORM

County Attorney

STATE OF FLORIDA
COUNTY OF PASCO

The foregoing instrument was acknowledged before me this ____ day of August, 2008, by Ted Schrader, Chair of Pasco County, Florida, who is personally known to me/has produced _____ as identification.

(SEAL)

Printed/Typed Name: _____
Notary Public-State of Florida
Commission Number:

APPROVAL AND ACKNOWLEDGMENT OF THE BORROWER

The undersigned, R. Lee Waits, President of and on behalf of Goodwill Industries – Suncoast, Inc., hereby approves this Interlocal Agreement and acknowledges its acceptance of its obligations arising thereunder, by causing this Approval and Acknowledgment to be executed by its proper officer and attested by its proper officer all as of the date of said Interlocal Agreement.

**GOODWILL INDUSTRIES –
SUNCOAST, INC.**

(SEAL)

R. Lee Waits, President

ATTEST:

Lee C. Zeh, Corporate Secretary

STATE OF FLORIDA
COUNTY OF COLLIER

The foregoing instrument was acknowledged before me this ____ day of August, 2008, by R. Lee Waits, President of and on behalf of Goodwill Industries – Suncoast, Inc., who is personally known to me/has produced _____ as identification.

(SEAL)

Printed/Typed Name: _____
Notary Public-State of Florida
Commission Number:

EXHIBIT

DESCRIPTION OF PROJECTS

Funding the cost or reimbursement for the acquisition and construction of the following:

- 1) An approximately 25,000 square foot stand alone donated goods retail super store, processing and training center located at 4750 Commercial Way, Spring Hills, Florida 34606 in Hernando County (the "Spring Hill Project").
- 2) An approximately 25,000 square foot stand alone donated goods retail super store, processing and training center located at the corner of Tampa Road and Commerce Boulevard, Oldsmar, Florida 34677 in Pinellas County (the "Oldsmar Project").
- 3) An approximately 25,000 square foot stand alone donated goods retail super store, processing and training center located at the corner of State Road 56 and Willow Oak Drive and east of Cypress Creek Mall in Pasco County (the "Cypress Creek Project").
- 4) A 281-bed work release center for newly released non-violent offenders to help them successfully reintegrate into the community located at 16432 U.S. Highway 19 North, Clearwater, Florida 33764 in Pinellas County (the "Largo Project").