

MASTER LEASE AGREEMENT

THIS MASTER LEASE AGREEMENT (this “*Agreement*”) is dated as of [Date], and is between [LESSEE], a public body of the State of Florida (the “*Lessee*”), and **TRUIST BANK** (“*Lender*”).

RECITALS:

The Lessee has the power to acquire such personal property as it may deem appropriate for carrying out its governmental and proprietary functions, and to acquire such property pursuant to lease agreements. This Agreement provides for Lender to make available to the Lessee, from time to time, funds to enable the Lessee to acquire the Equipment (as defined herein) by lease, and provides for securing the Lessee’s obligations under this Agreement in favor of Lender.

NOW THEREFORE, for and in consideration of the mutual promises in this Agreement, and other good and valuable consideration, the parties hereby agree as follows:

ARTICLE I DEFINITIONS; INTERPRETATION

Unless the context clearly requires otherwise, capitalized terms used in this Agreement and not otherwise defined shall have the following meanings:

“*Additional Payments*” means any of Lender’s reasonable and customary fees and expenses related to the transactions contemplated by this Agreement and each Lease, any of Lender’s expenses (including attorneys’ fees) in prosecuting or defending any action or proceeding in connection with this Agreement and each Lease, any required license or permit fees, state and local sales and use or ownership taxes or property taxes which Lender is required to pay as a result of this Agreement and each Lease, inspection and re-inspection fees, and any other amounts payable by the Lessee (or paid by Lender on the Lessee’s behalf) due and owing under this Agreement and each Lease (together with interest that may accrue on any of the above if the Lessee shall fail to pay the same, as set forth in this Agreement).

“*Amount Advanced*” means the amount specified in each Lease and represented by Lessee to be sufficient to acquire the Equipment listed in such Lease

“*Base Payments*” means the basic rental payments payable by Lessee under each Lease pursuant to Section 3.01, in each case consisting of a principal component and an interest component.

“*Bond Counsel Opinion*” means a written opinion (in form and substance acceptable to Lender) of an attorney or firm of attorneys acceptable to Lender.

“*Budget Officer*” means the Lessee officer or official from time to time charged with preparing the Lessee’s draft budget as initially submitted to the Governing Board for its consideration.

“**Business Day**” means any day on which banks in the State are not by law authorized or required to remain closed.

“**Closing Date**” means the date on which a Lease is first executed and delivered by the parties.

“**Code**” means the Internal Revenue Code of 1986, as amended, including regulations, rulings and revenue procedures promulgated thereunder or under the Internal Revenue Code of 1954, as amended, as applicable to the Lessee’s obligations under each Lease and all proposed (including temporary) regulations which, if adopted in the form proposed, would apply to such obligations. Reference to any specific Code provision shall be deemed to include any successor provisions thereto.

“**Equipment**” is as set forth in each Schedule, as may be more particularly described in documentation submitted with requisitions for funds from the applicable Project Fund account.

“**Event of Default**” means one or more events of default as defined in Section 7.01 hereof.

“**Event of Nonappropriation**” means any failure by the Governing Board to adopt, by the first day of any Fiscal Year, a budget for the Lessee that includes an appropriation for Required Payments, or the Governing Board’s amendment of an annual budget to remove an appropriation for Required Payments, in each case, as contemplated by Section 3.05 hereof.

“**Fiscal Year**” means the Lessee’s fiscal year beginning [July 1], or such other fiscal year as the Lessee may later lawfully establish.

“**Governing Board**” means the [Name of governing body] of Lessee as from time to time constituted.

“**Lease**” means a Schedule and the terms of this Agreement which are incorporated by reference into such Schedule. Each Schedule shall constitute a separate and independent Lease.

“**Lessee**” means [Lessee].

“**Lessee Representative**” means the Lessee’s finance officer, investment officer or such other person or persons at the time designated, by a written certificate in the form of Exhibit C attached hereto furnished to Lender and signed on the Lessee’s behalf by the presiding officer of the Governing Board, to act on the Lessee’s behalf for any purpose (or any specified purpose) under this Agreement and each Lease.

“**Net Proceeds**,” when used with respect to any amounts derived from claims made on account of insurance coverages required under this Agreement and each Lease, any condemnation award arising out of the condemnation of all or any portion of the Equipment, or any amounts received in lieu or in settlement of any of the foregoing, means the amount remaining after deducting from the gross proceeds thereof all expenses (including attorneys’ fees and costs) incurred in the collection of such proceeds, and after reimbursement to the Lessee or Lender for amounts previously expended to remedy the event giving rise to such payment or proceeds.

“**Prime Rate**” means the interest rate so denominated and set by Lender (whether or not such bank, or any affiliate thereof, is at any time the counterparty to this Agreement) as its “Prime Rate,” as in effect from time to time.

“**Project Costs**” means all costs of the acquiring, installing and equipping of the Equipment as determined in accordance with generally accepted accounting principles and that will not adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Base Payments payable by the Lessee under the applicable Lease, including (a) sums required to reimburse the Lessee or its agents for advances made for any such costs, (b) interest during the period of the acquisition, installation and equipping of the Equipment and for up to six months thereafter, and (c) all costs related to the financing of the Equipment through this Agreement and all related transactions.

“**Project Fund**” has the meaning assigned in Section 2.02 herein.

“**Required Payments**” means Base Payments and Additional Payments.

“**Schedule**” means each separately numbered Schedule substantially in the form of Exhibit A hereto.

“**State**” means the State of Florida.

All references in this Agreement to designated “Sections” and other subdivisions are to the designated sections and other subdivisions of this Agreement. The words “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision unless the context indicates otherwise. Words importing the singular number shall include the plural number and vice versa.

ARTICLE II LEASE; ADVANCES

Section 2.01. Lease. Lender hereby leases to the Lessee, and the Lessee hereby leases from Lender, the Equipment set forth in each Lease, for a term beginning on the related Closing Date and ending upon final payment of all Required Payments, unless the Lease is earlier terminated as provided herein. [Add interest rate indexing mechanism, if applicable.] The Lessee shall be entitled to possession of all property constituting any portion of the Equipment and may retain possession of all property constituting any portion of the Equipment so long as no Event of Default is continuing under this Agreement and no Event of Nonappropriation has occurred. Each Lease executed and delivered by Lender and Lessee pursuant to this Agreement shall constitute a separate and independent lease and installment purchase of the Equipment described therein. This Agreement is not a commitment by Lender to enter into any Lease and nothing in this Agreement shall be construed to impose any obligation upon Lender to enter into any proposed Lease. The decision whether Lender enters into any Lease is within Lender’s sole discretion.

Section 2.02. Advance. Subject to the Lender shall advance the Amount Advanced under each Lease to the Lessee by making a deposit thereof as provided in Article IV herein, and the Lessee hereby accepts the Amount Advanced from Lender.

Section 2.03. Conditions Precedent. The funding of the Amount Advanced and the performance by Lender of any of its obligations pursuant to any Lease, are subject to the satisfaction the following:

(a) Lender has received all of the following documents, which shall be reasonably satisfactory, in form and substance, to Lender:

(i) the applicable Schedule duly executed by Lessee;

(ii) evidence of insurance coverage or self insurance as required by Section 5.16;

(iii) certified copies of resolution(s), ordinance(s) or other official action by Lessee's governing body, duly authorizing the Lease;

(iv) an incumbency certificate dated the date of the applicable Schedule for the person(s) executing the Schedule and any related certificates, documents and instruments, in a form of Exhibit C hereto;

(vi) an opinion of Lessee's counsel dated the date of the applicable Schedule in form and substance satisfactory to Lender;

(vii) an opinion of special tax counsel to Lessee dated the date of the applicable Schedule with respect to the excludability of the interest payable under the Lease from the gross income of Lender for federal income tax purposes, if requested by Truist;

(viii) such documents and certificates as Lender may request relating to federal tax-exemption of interest payable under the Lease, including (without limitation) IRS Form 8038-G or 8038-GC and evidence of the adoption of a reimbursement resolution or other official action in the event that Lessee is to be reimbursed for expenditures that it has paid more than 60 days prior to the funding of the Funding Amount;

(xi) such other documents reasonably requested by Lender.

(b) no Event of Default shall have occurred and be continuing under any Lease;

(c) no material adverse change shall have occurred in the financial condition of Lessee;

(d) the Equipment is reasonably satisfactory to Lender and is free and clear of any liens and encumbrances other than the respective rights of Lender and Lessee as herein provided; and

(e) all representations of Lessee in this Agreement remain true, accurate and complete.

Section 2.04. Lessee's Limited Obligation.

(a) No provision of this Agreement shall be construed or interpreted as creating a pledge of the Lessee's full faith, credit or taxing power within the meaning of any constitutional debt limitation. No provision of this Agreement shall be construed or interpreted as an improper delegation of governmental powers or as a donation or a lending of the Lessee's credit within the meaning of the State constitution. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of the Lessee's moneys (other than the funds held under this Agreement), nor shall any provision of this Agreement restrict the future issuance of any of the Lessee's bonds or obligations payable from any class or source of the Lessee's moneys (except to the extent this Agreement restricts the incurrence of additional obligations secured by the Equipment).

(b) Nothing in this Section is intended to impair or prohibit execution on the Equipment if the Required Payments are not paid when due or otherwise upon the occurrence of an Event of Default under this Agreement.

Section 2.05. Lessee's Continuing Obligations. Except for an Event of Nonappropriation as described in Section 3.05 hereof, the Lessee shall remain liable for full performance of all its covenants under this Agreement and each Lease (subject to the limitations described in Section 2.04 hereof), including payment of all Required Payments, notwithstanding the occurrence of any event or circumstances whatsoever, including any of the following:

(a) Lender's waiver of any right granted or remedy available to it;

(b) The forbearance or extension of time for payment or performance of any obligation under this Agreement, whether granted to the Lessee, a subsequent owner of the Equipment or any other person;

(c) The release of all or part of the Equipment or the release of any party who assumes all or any part of such performance;

(d) Any act or omission by Lender (but this provision does not relieve Lender of any of its obligations under this Agreement);

(e) The sale of all or any part of the Equipment; or

(f) Another party's assumption of the Lessee's obligations under this Agreement or any Lease.

ARTICLE III

LESSEE'S PAYMENT OBLIGATION AND RELATED MATTERS

Section 3.01. Rental; Purchase Option.

(a) As rental for the Equipment, the Lessee shall make Base Payments to Lender in lawful money of the United States at the times and in the amounts set forth in each Schedule, except as

otherwise provided in this Agreement. The Base Payments reflect the repayment of the Amount Advanced and include designated interest components.

(b) Upon payment of all the Base Payments and all Additional Payments under any Lease, the Lessee may, at its option, purchase all of Lender's interest in the related Equipment, on an as-is, where-is basis, upon notice and payment to Lender of the sum of Ten Dollars (\$10.00). This option to purchase the Equipment is personal to the Lessee and is not assignable.

Section 3.02. Additional Payments. The Lessee shall pay all Additional Payments on a timely basis directly to the person or entity to which such Additional Payments are owed in lawful money of the United States.

Section 3.03. Prepayment. The Lessee may prepay the outstanding principal component of the Amount Advanced with respect to a Lease (in whole but not in part), and thereby obtain ownership of the Equipment under such Lease free Lender's interest in such Equipment by paying the Prepayment Amount on the terms and conditions set forth in such Lease.

Section 3.04. Late Payments. If the Lessee fails to pay any Base Payment when due, the Lessee shall pay additional interest on the principal component of the late Base Payment at an annual rate equal to the Prime Rate from the original due date.

Section 3.05. Appropriations.

(a) The Budget Officer shall include in the initial proposal for each of the Lessee's annual budgets the amount of all Base Payments and estimated Additional Payments coming due during the Fiscal Year to which such budget applies. Notwithstanding that the Budget Officer includes such an appropriation for Required Payments in a proposed budget, the Governing Board may determine not to include such an appropriation in the Lessee's final budget for such Fiscal Year.

(b) The Budget Officer shall deliver notification to Lender within 15 days after the adoption of the annual budget if an amount equal to the Base Payments and estimated Additional Payments coming due during the next Fiscal Year has not been appropriated by the Lessee in such budget for such purposes.

(c) The actions required of the Lessee and its officers and/or officials pursuant to this Section shall be deemed to be and shall be construed to be in fulfillment of ministerial duties, and it shall be the duty of each and every Lessee officer and/or official to take such action and do such things as are required by law in the performance of the official duty of such officers and/or officials to enable the Lessee to carry out and perform the actions required pursuant to this Section and the remainder of this Agreement to be carried out and performed by the Lessee.

(d) Subject to its right of nonappropriation, the Lessee currently believes that it can obtain funds sufficient to pay all Required Payments when due.

(e) The Lessee acknowledges and agrees that the nonappropriation provisions of this Agreement are not intended to be used (i) as a substitute for convenience termination nor (ii) to allow

the Lessee to replace the Equipment with other substantially identical or functionally equivalent property. The Lessee, to the extent permitted by law, agrees not to use the nonappropriation provisions for any such purpose.

(f) Notwithstanding any other provision of the Agreement or any Lease to the contrary, if the Lessee fails to appropriate funds to pay the Required Payments for the next Fiscal Year to continue leasing of the Equipment, this Agreement and each Lease shall terminate, shall create no further obligation of the Lessee as to subsequent Fiscal Years and shall be null and void. In such Event of Nonappropriation, the Lessee shall notify Lender at least twenty (20) days prior to the end of the then current Fiscal Year. The Lessee shall not, in this sole event, be obligated to make any Required Payments beyond the end of such Fiscal Year. The happening of such occurrence shall be conclusively presumed from the Lessee's notification of Lender or Lender's assignee of such occurrence. In such Event of Nonappropriation, this Agreement and each Lease shall terminate on the last day of the Fiscal Year for which appropriations were received without penalty or expense to the Lessee of any kind whatsoever. Subsequent to such termination of this Agreement and each Lease, the Lessee shall have no continuing obligation to make Required Payments under this Agreement. The provisions of this paragraph shall remain in full force and effect notwithstanding the failure of any party to comply with any provision of this Agreement and whether or not the Lessee is in default under this Agreement. The Lessee agrees to surrender possession of the Equipment to Lender or its assignee on the date of such termination. Lender shall have all the rights and remedies to take possession of the Equipment and to sell, lease, or otherwise dispose of the Equipment as its own property without liability to the Lessee.

Section 3.06. No Abatement. There shall be no abatement or reduction of the Required Payments for any reason, including, but not limited to, any defense, recoupment, setoff, counterclaim, or any claim (real or imaginary) arising out of or related to the Equipment, except as expressly provided in this Agreement. The Lessee assumes and shall bear the entire risk of loss and damage to the Equipment from any cause whatsoever. The Required Payments shall be made in all events unless the Lessee's obligation to make Required Payments is terminated as otherwise provided in this Agreement.

Section 3.07. Interest Rate and Payment Adjustment. (a) "*Rate Adjustment Event*" means (i) any action by the Internal Revenue Service (including the delivery of a deficiency notice) or any other federal court or administrative body determining, or (ii) receipt by Lender of an opinion of nationally recognized bond counsel to the effect, that the interest component of Base Payments under a Lease, or any portion thereof, is includable in any beneficiary's gross income for federal income tax purposes.

(b) Upon any Rate Adjustment Event, (i) the unpaid principal portion of the Amount Advanced shall continue to be payable on dates and in amounts as set forth in each Lease, but (ii) the interest components of the Base Payments under such Lease shall be recalculated, at an interest rate equal to an annualized interest rate equal to the Prime Rate plus 2% (200 basis points), to the date (retroactively, if need be) determined pursuant to the Rate Adjustment Event to be the date interest became includable in any beneficiary's gross income for federal income tax purposes.

(c) The Lessee shall pay interest at such adjusted rate (subject to credit for interest previously paid) to each affected beneficiary, notwithstanding the fact that any particular beneficiary may not necessarily be a beneficiary to this Agreement on the date of a Rate Adjustment Event. The Lessee shall additionally pay to all affected counterparties any interest, penalties or other charges assessed against or payable by such beneficiary and attributable to a Rate Adjustment Event notwithstanding the prior repayment of the entire Amount Advanced or any transfer to another beneficiary.

ARTICLE IV PROJECT FUND

Section 4.01. Project Fund. Pursuant to Section 2.02, on each Closing Date, Lender shall deposit the Amount Advanced into a special account of the Lessee at Truist Bank to be designated “20__-000__ [Account Name] Project Fund” and/or any subaccounts thereof for each Lease (each, a “*Project Fund*”) or as otherwise provided in the Schedule. The Project Fund shall be held separate and apart from all other funds or accounts of the Lessee. The Project Fund is the Lessee’s property, but the Lessee may withdraw amounts on deposit in the Project Fund only as provided herein and only for application from time to time to the payment of Project Costs or otherwise as permitted by Section 4.03 hereof. Pending such application, such amounts shall be subject to a lien and charge in favor of Lender to secure the Lessee’s obligations hereunder.

Section 4.02. Requisitions from Project Fund. The Lessee may withdraw funds from the Project Fund only after authorization from Lender. Lender shall authorize the disbursement of funds from the Project Fund only to the Lessee and only upon its receipt of one or more written requisitions in the form set forth in Exhibit B attached hereto signed by a Lessee Representative. The Lessee shall submit its signed requisitions in .pdf format by electronic transmission at the email address contained in the requisition form.

Upon receipt of a requisition from the Lessee, Lender shall undertake such review of the matters referred to in such requisition as it shall deem appropriate, and within seven (7) Business Days after such receipt shall notify the Lessee if it does not approve the requisition with the reasons for its disapproval. Lender has no obligation to make a review and any review by Lender is only for Lender’s benefit. Lender shall not unreasonably withhold payment of any requisition.

Section 4.03. Disposition of Project Fund Balance. (a) Promptly after the acquisition of the Equipment under a Lease, and when the Lessee has withdrawn from the Project Fund all of the funds needed to acquire such Equipment, the Lessee shall deliver to Lender a written certificate of completion executed by a Lessee Representative stating that (i) the Equipment has been acquired, (ii) there are no mechanic’s or other liens against the Equipment for labor or materials furnished in connection with the acquisition of the Equipment, and (iii) no further funds will be requisitioned from the Project Fund to pay Project Costs. Lender may then withdraw any balance remaining in the Project Fund (and not required to be retained to pay Project Costs incurred but not yet paid) and apply such amount as provided in subsection (d) of this Section.

(b) Upon the occurrence of an Event of Default, Lender may withdraw any balance remaining in the Project Fund and apply such amount as provided in subsection (d) of this Section.

(c) If (i) more than three years have elapsed from the applicable Closing Date or (ii) at least six months have elapsed from Lender's most recent receipt of a requisition for Project Costs for the related Lease, then Lender, upon 30 days' notice from Lender to the Lessee, may withdraw any balance remaining in the Project Fund and apply such amount as provided in subsection (d) of this Section.

(d) Lender may apply any amounts withdrawn from the Project Fund pursuant to this Section in the following order: (i) to the payment of any Additional Payments then due to Lender under the related Lease, (ii) to the payment of any interest accrued under the related Lease to the Project Fund disposition date that is then due and payable, (iii) to the payment of any principal amount then due and payable under the related Lease, (iv) to the prepayment of principal and accrued interest under the related Lease in accordance with the prepayment provisions of this Agreement, and (v) to the payment of future Base Payments under the related Lease in inverse order of maturity; provided, however, that (1) at the option of Lender, Lender may deliver funds held in the Project Fund to the Lessee to be applied to additional Project Costs or future debt service payments, and (2) in no event will Lender apply any funds in the manner set forth herein if it is advised in an opinion of bond counsel provided by the Lessee that such a use of funds could adversely affect the exclusion from gross income for federal income tax purposes of the interest component of Base Payments. Any prepayment pursuant to this Section shall not affect any other Lessee payment obligation hereunder. Lender shall notify the Lessee of any withdrawal from the Project Fund made under this Section, and in the notice shall describe its application of the funds so withdrawn.

Section 4.04. Investment. (a) The Lessee and Lender agree that money in the Project Fund will be continuously invested and reinvested in a public funds money rate savings account, as directed by Lender.

(b) From and after the date that is three years from the related Closing Date, the Lessee and Lender agree that money in the Project Fund will not be invested at a "yield," as determined under the Code, in excess of the "yield" on the Lessee's obligations under this Agreement, unless the Lessee has supplied Lender with an opinion of bond counsel to the effect that such investment will not adversely affect the exclusion from gross income for federal income tax purposes to which the interest components of Base Payments would otherwise be entitled.

(c) Investment obligations acquired with money in the Project Fund shall be deemed at all times to be part of the Project Fund. The interest accruing thereon and any profit or loss realized upon the disposition or maturity of any such investment shall be credited to or charged against the Project Fund.

(d) All earnings on moneys in the Project Fund shall be used for Project Costs or otherwise applied in accordance with Section 4.03 hereof.

ARTICLE V
LESSEE'S COVENANTS, REPRESENTATIONS AND WARRANTIES

Section 5.01. Indemnification. To the extent permitted by law, the Lessee shall indemnify, protect and save Lender and its officers and directors harmless from all liability, obligations, losses,

claims, damages, actions, suits, proceedings, costs and expenses, including attorneys' fees, arising out of, connected with, or resulting directly or indirectly from the Equipment or the transactions contemplated by this Agreement, including without limitation the possession, condition or use of the Equipment. The indemnification arising under this Section shall survive the termination of this Agreement and any Leases.

Section 5.02. Covenant as to Tax Exemption. (a) The Lessee covenants that it will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income for federal income taxation purposes of the interest portion of the obligation created by each Lease under Section 103 of the Code. In particular, the Lessee covenants that it will not directly or indirectly use or permit the use of any proceeds of any fund created under this Agreement or any Lease, any funds of the Lessee or any property financed or refinanced with funds provided to the Lessee under this Agreement or any Lease, or otherwise take or omit to take any action, that would cause the obligation created by this Agreement or any Lease to be an “arbitrage bond” within the meaning of Section 148(a) of the Code or a “private activity bond” under Section 141 of the Code. The Lessee will maintain books on which will be recorded (i) Lender or (ii) any assignee of the Base Payments due under each Lease, as the registered owner of such Base Payments. To that end, the Lessee has executed the Use of Proceeds Certificate dated as of the date hereof (the “*Use of Proceeds Certificate*”) and will comply with all requirements of Section 141 and Section 148 of the Code to the extent applicable.

(b) The Lessee hereby represents and warrants that its representations and warranties in the Use of Proceeds Certificate with respect to its investment and use of funds provided under this Agreement and each Lease, and its use of any property financed or refinanced with funds provided under this Agreement and each Lease, are true, correct and complete.

(c) Without limiting the generality of the foregoing, the Lessee agrees that there shall be paid from time to time all amounts required to be rebated to the United States of America pursuant to Section 148(f) of the Code and any temporary, proposed or final Treasury Regulations as may be applicable to the obligation created by this Agreement from time to time. This covenant shall survive the termination of this Agreement and each Lease.

(d) Notwithstanding any provision of this Section, if the Lessee shall provide to Lender a Bond Counsel Opinion to the effect that any action required under this Section or the Use of Proceeds Certificate is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest on the obligation created by this Agreement and each Lease pursuant to Section 103 of the Code, the Lessee and Lender may rely conclusively on such opinion in complying with the provisions thereof.

(e) The Lessee shall prepare and file with the IRS a form 8038 (or other form required under Section 149(e) of the Code) with respect to this Agreement and/or each Lease.

(f) The Lessee acknowledges that its personnel must be familiar with the arbitrage rebate rules because the tax-exempt status of the interest on the Base Payments depends upon continuing compliance with such rules. The Lessee therefore covenants to take all reasonable action to assure

that Lessee personnel responsible for the investment of and accounting for financing proceeds comply with such rules.

Section 5.03. Validity of Organization and Acts. The Lessee is validly organized and existing under State law, has full power to enter into this Agreement and each Lease and has duly authorized and has obtained all required approvals and all other necessary acts required prior to the execution and delivery of this Agreement and each Lease. This Agreement and each Lease is a valid, legal and binding obligation of the Lessee.

Section 5.04. Maintenance of Existence. The Lessee shall maintain its existence, shall continue to be a local governmental unit of the State, validly organized and existing under State law, and shall not consolidate with or merge into another local governmental unit of the State, or permit one or more other local governmental units of the State to consolidate with or merge into it, unless the local governmental unit thereby resulting assumes the Lessee's obligations under this Agreement and each Lease.

Section 5.05. Acquisition of Permits and Approvals. All permits, consents, approvals or authorizations of all governmental entities and regulatory bodies, and all filings and notices required on the Lessee's part to have been obtained or completed as of today in connection with the authorization, execution and delivery of this Agreement and each Lease, the consummation of the transactions contemplated by this Agreement and each Lease and the acquisition, installation and equipping of the Equipment have been obtained and are in full force and effect, and there is no reason why any future required permits, consents, approvals, authorizations or orders cannot be obtained as needed.

Section 5.06. No Breach of Law or Contract. Neither the execution and delivery of this Agreement and each Lease nor the consummation of the transactions contemplated by this Agreement and each Lease, nor the fulfillment of or compliance with the terms and conditions of this Agreement and each Lease, (a) constitutes a violation of any provision of law governing the Lessee or (b) results in a breach of the terms, conditions or provisions of any contract, agreement or instrument or order, rule or regulation to which the Lessee is a party or by which the Lessee is bound.

Section 5.07. No Litigation. There is no litigation or any governmental administrative proceeding to which the Lessee (or any official thereof in an official capacity) is a party that is pending or, to the best of the Lessee's knowledge after reasonable investigation, threatened with respect to (a) the Lessee's organization or existence, (b) its authority to execute and deliver this Agreement or to comply with the terms of this Agreement, (c) the validity or enforceability of this Agreement or the transactions contemplated by this Agreement, (d) the title to office of any Governing Board member or any other Lessee officer or official, (e) any authority or proceedings relating to the Lessee's execution or delivery of this Agreement, or (f) the undertaking of the transactions contemplated by this Agreement.

Section 5.08. No Current Default or Violation. (a) The Lessee is not in violation of any existing law, rule or regulation applicable to it, (b) the Lessee is not in default under any contract, other agreement, order, judgment, decree or other instrument or restriction of any kind to which the Lessee is a party or by which it is bound or to which any of its assets are subject, including this

Agreement and each Lease, and (c) no event or condition has happened or existed, or is happening or existing, under the provisions of any such instrument, including this Agreement and each Lease, which constitutes or which, with notice or lapse of time, or both, would constitute an event of default hereunder or thereunder.

Section 5.09. No Misrepresentation. No representation, covenant or warranty by the Lessee in this Agreement or any Lease is false or misleading in any material respect.

Section 5.10. Environmental Warranties and Indemnification.

(a) The Lessee warrants and represents to Lender that, to the best of the Lessee's knowledge after thorough investigation, the Equipment is not now and has not ever been used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials (defined below).

(b) The Lessee covenants that the Equipment shall be kept free of Hazardous Materials and shall not be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, except in connection with the normal maintenance and operation of the Equipment, and the Lessee shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of the Lessee or any lessee, the release of Hazardous Materials onto the Equipment or suffer the presence of Hazardous Materials on the Equipment, except in connection with the normal maintenance and operation of the Equipment.

(c) The Lessee shall comply with, and ensure compliance by all users and lessees with, all applicable federal, State and local laws, ordinances, rules and regulations with respect to Hazardous Materials and shall keep the Equipment free and clear of any liens imposed pursuant to such laws, ordinances, rules and regulations. If the Lessee receives any notices from any governmental agency or any lessee with regard to Hazardous Materials on, from or affecting the Equipment, the Lessee shall immediately notify Lender. The Lessee shall conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials, on, from or affecting the Equipment in accordance with all applicable federal, State and local laws, ordinances, rules, regulations and policies and to Lender's satisfaction.

(d) "***Hazardous Materials***" means any explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related materials, asbestos or any materials containing asbestos, or any other substance or material as defined by any federal, State or local environmental law, ordinance, rule or regulation including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. sections 9601 et seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. sections 1801 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. sections 9601 et seq.), and the regulations adopted and publications promulgated pursuant thereto.

(e) To the extent permitted by law, the Lessee shall indemnify and hold Lender harmless from and against (i) any and all damages, penalties, fines, claims, liens, suits, liabilities, costs (including clean-up costs), judgments and expenses (including attorneys', consultants' or experts' fees and expenses) of every kind and nature suffered by or asserted against Lender as a direct or indirect result of any warranty or representation made by the Lessee in subsections (a) through (c) above being false or untrue in any material respect, or (ii) any requirement under any law, regulation or ordinance, local, State or federal, which requires the elimination or removal of any hazardous materials, substances, wastes or other environmentally regulated substances by Lender or the Lessee or any transferee or assignee of Lender or the Lessee.

(f) The Lessee's obligations under this Section shall continue in full force and effect notwithstanding full payment of the Required Payments under this Agreement and each Lease.

Section 5.11. Further Instruments. Upon Lender's request, the Lessee shall execute, acknowledge and deliver such further instruments reasonably necessary or desired by Lender to carry out the purposes of this Agreement and each Lease or any other document related to the transactions contemplated by this Agreement and each Lease, and all or any part of the Equipment intended to be given or conveyed hereunder or thereunder, whether now given or conveyed or acquired and conveyed subsequent to each Closing Date.

Section 5.12. Lender's Advances for Performance of Lessee's Obligations. If the Lessee fails to perform any of its obligations under this Agreement, Lender is hereby authorized, but not obligated, to perform such obligation or cause it to be performed. All expenditures incurred by Lender (including any advancement of funds for payment of taxes, insurance premiums or other costs of maintaining the Equipment, and any associated legal or other expenses, together with interest at the Prime Rate), shall be secured as Additional Payments under this Agreement. The Lessee promises to pay all such amounts to Lender immediately upon demand.

Section 5.13. Equipment Will Be Used and Useful. The acquisition, installation and equipping of the Equipment is necessary and expedient for the Lessee, and will perform essential functions of the Lessee appropriate for units of local government. The Lessee has an immediate need for, and expects to make immediate use of, all of the Equipment, and does not expect such need or use to diminish in any material respect during the term of the related Lease. The Equipment will not be used in any private business or put to any private business use.

Section 5.14. Financial Information.

(a) The Lessee shall send to Lender a copy of the Lessee's audited financial statements for each Fiscal Year within 30 days of the Lessee's acceptance of such statements, but in any event within 270 days of the completion of such Fiscal Year.

(b) The Lessee shall furnish Lender, at such reasonable times as Lender shall request, all other financial information (including, without limitation, the Lessee's annual budget as submitted or approved) as Lender may reasonably request. The Lessee shall permit Lender or its agents and representatives to inspect the Lessee's books and records and make extracts therefrom.

Section 5.15. Taxes and Other Governmental Charges. The Lessee shall pay, as Additional Payments, the full amount of all taxes, assessments and other governmental charges lawfully made by any governmental body during the term of this Agreement and each Lease. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the Lessee shall be obligated to provide for Additional Payments only for such installments as are required to be paid during the term of the related Lease. The Lessee shall not allow any liens for taxes, assessments or governmental charges with respect to the Equipment or any portion thereof to become delinquent (including, without limitation, any taxes levied upon the Equipment or any portion thereof which, if not paid, will become a charge on any interest in the Equipment, including Lender's interest, or the rentals and revenues derived therefrom or hereunder).

Section 5.16. Lessee's Insurance.

(a) The Lessee shall, at its own expense, acquire, carry and maintain broad-form extended coverage property damage insurance with respect to all Equipment in an amount equal to the actual cash value of the Equipment. Such property damage insurance shall include Lender as loss payee. Any Net Proceeds of the insurance required by this subsection (a) shall be payable as provided in Section 6.15 hereof.

(b) The Lessee shall, at its own expense, acquire, carry and maintain comprehensive general liability insurance (and auto liability insurance, if applicable) in accordance with State statute or as customarily held by similar entities in the State.

(c) The Lessee shall also maintain workers' compensation insurance issued by a responsible carrier authorized under State law to insure the Lessee against liability for compensation under applicable State law as in effect from time to time.

(d) All insurance shall be maintained with generally recognized responsible insurers in accordance with State law and may carry reasonable deductible or risk-retention amounts.

(e) Lender shall not be responsible for the sufficiency or adequacy of any required insurance and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by Lender.

(f) Upon request by Lender, the Lessee shall deliver to Lender a certificate stating that the risk coverages required by this Agreement are in effect, and stating the carriers, policy numbers, coverage limits and deductible or risk-retention amounts for all such coverages.

**ARTICLE VI
THE EQUIPMENT**

Section 6.01. Acquisition, Installation and Equipping. The Lessee shall comply with all provisions of law applicable to the acquisition of the Equipment, accept all portions of the Equipment when properly delivered, provide for the proper installation and equipping thereof and thereafter promptly place each such portion in service.

Section 6.02. Changes in Location. The Lessee shall promptly inform Lender if any component of the Equipment shall be moved from the location designated for such Equipment at the time of its acquisition.

Section 6.03. Acquisition and Installation within Funds Available. The Lessee reasonably expects that the Equipment can be acquired and installed for a total price within the total amount of funds to be available therefor in the Project Fund, income anticipated to be derived from the investment thereof and other funds previously identified and designated for such purposes. If the total amount available for such purposes in the Project Fund shall be insufficient to pay the entire cost of acquiring and installing the Equipment, the Lessee promises to pay any such excess costs, with no resulting reduction or offset in the amounts otherwise payable by the Lessee under this Agreement.

Section 6.04. Disclaimer of Warranties. The Lessee agrees that Lender has not designed the Equipment, that Lender has not supplied any plans or specifications with respect thereto and that Lender (a) is not a manufacturer of, nor a dealer in, any of the component parts of the Equipment or similar equipment, (b) has not made any recommendation, given any advice nor taken any other action with respect to (i) the choice of any supplier, vendor or designer of, or any other contractor with respect to, the Equipment or any component part thereof or any property or rights relating thereto, or (ii) any action taken or to be taken with respect to the Equipment or any component part thereof or any property or rights relating thereto at any stage of the acquisition, installation and equipping thereof, (c) has not, at any time, had physical possession of the Equipment or any component part thereof or made any inspection thereof or of any property or rights relating thereto, and (d) has not made any warranty or other representation, express or implied, that the Equipment or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly designed, or will accomplish the results which the Lessee intends therefor, or (iii) is safe in any manner or respect.

LENDER MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT OR ANY COMPONENT PART THEREOF, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE, and further including the design or condition thereof; the safety, quality or capacity thereof; compliance thereof with the requirements of any law, rule, specification or contract pertaining thereto; any latent defect; the Equipment's ability to perform any function; that the Amount Advanced will be sufficient to pay all costs of the acquisition and installation of the related Equipment; or any other characteristic of the Equipment; it being agreed that the Lessee is to bear all risks relating to the Equipment, the installation thereof and the transactions contemplated by this Agreement and each Lease, and the Lessee hereby waives the benefits of any and all implied warranties and representations of Lender.

The provisions of this Section shall survive the termination of this Agreement and each Lease.

Section 6.05. Right of Entry and Inspection. Lender and its representatives and agents shall have the right to enter upon the Lessee's property and inspect the Equipment from time to time,

and the Lessee shall cause any vendor, contractor or sub-contractor to cooperate with Lender and its representatives and agents during such inspections.

No right of inspection or approval granted in this Section shall be deemed to impose upon Lender any duty or obligation whatsoever to undertake any inspection or to make any approval. No inspection made or approval given by Lender shall be deemed to impose upon Lender any duty or obligation whatsoever to identify or correct any defects in the Equipment or to notify any person with respect thereto, and no liability shall be imposed upon Lender, and no warranties (either express or implied) are made by Lender as to the quality or fitness of any improvement, any such inspection and approval being made solely for Lender's benefit.

Section 6.06. Compliance with Requirements.

(a) The Lessee shall cause the Equipment to be installed in a careful manner and in compliance with all applicable legal requirements.

(b) The Lessee shall observe and comply promptly with all current and future requirements relating to the Equipment's use or condition imposed by (i) any judicial, governmental or regulatory body having jurisdiction over the Equipment or any portion thereof or (ii) any insurance company writing a policy covering the Equipment or any portion thereof, whether or not any such requirement shall necessitate structural changes or improvements or interfere with the use or enjoyment of the Equipment.

(c) The Lessee shall obtain and maintain in effect all licenses and permits required for the Equipment's operation.

(d) The Lessee shall in no event use the Equipment or any part thereof, nor allow the same to be used, for any unlawful purpose, or suffer any act to be done or any condition to exist with respect to the Equipment or any part thereof, nor any article to be brought thereon, which may be dangerous, unless safeguarded as required by law, or which may, in law, constitute a nuisance, public or private, or which may make void or voidable any insurance then in force with respect thereto.

Section 6.07. Use and Operation. The Lessee shall use and operate the Equipment and related property for its reasonably intended use or purpose and for no other purpose unless required by law. The Lessee shall be solely responsible for the Equipment's operation, and shall not contract with any other person or entity for the Equipment's operation.

Section 6.08. Maintenance and Repairs; Additions.

(a) The Lessee shall keep the Equipment in good order and repair (reasonable wear and tear excepted) and in good operating condition, shall not commit or permit any waste or any other thing to occur whereby the value or usefulness of the Equipment might be impaired, and shall make from time to time all necessary or appropriate repairs, replacements and renewals.

(b) The Lessee may, also at its own expense, make from time to time any additions, modifications or improvements to the Equipment that it may deem desirable for its governmental or

proprietary purposes and that do not materially impair the effective use, nor materially decrease the value or substantially alter the intended use, of the Equipment. The Lessee shall do, or cause to be done, all such things as may be required by law in order fully to protect the interests of and all Lender's rights under this Agreement and each Lease.

(c) Any and all additions to or replacements of the Equipment and all parts thereof shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and the related Lease and included in the "Equipment" for the purposes of this Agreement and the related Lease.

(d) Notwithstanding the provisions of subsection (c) of this Section, however, the Lessee may, from time to time in its sole discretion and at its own expense, install machinery, equipment and other tangible property in or on the Equipment. All such property shall remain the Lessee's sole property in which Lender shall have no interest; provided, however, that any such property which becomes permanently affixed to the Equipment shall be subject to the Lender's interest hereunder and under the related Lease if Lender shall reasonably determine that the Equipment would be damaged or impaired by the removal of such machinery, equipment or other tangible property.

Section 6.09. Security. The Lessee shall take all reasonable steps necessary to safeguard the Equipment against theft. The security afforded the Equipment shall at all times be equal to or better than the security afforded the Lessee's personal property that is not subject to this Agreement and each Lease.

Section 6.10. Utilities. The Lessee shall pay all charges for utility services furnished to or used on or in connection with the Equipment, as may be applicable dependent upon the type of equipment.

Section 6.11. Risk of Loss. The Lessee shall bear all risk of loss to the Equipment.

Section 6.12. Condemnation. The Lessee shall immediately notify Lender if any governmental authority shall institute, or shall notify the Lessee of any intent to institute, any action or proceeding for the taking of, or damages to, all or any part of the Equipment or any interest therein under the power of eminent domain, or if there shall be any damage to the Equipment due to governmental action, but not resulting in a taking of any portion of the Equipment. The Lessee shall file and prosecute its claims for any such awards or payments in good faith and with due diligence and cause the same to be collected and paid over to Lender, and to the extent permitted by law hereby irrevocably authorizes and empowers Lender, in the Lessee's name or otherwise, to collect and receipt for any such award or payment and to file and prosecute such claims. If the Lessee receives any Net Proceeds arising from any such action, the Lessee shall apply such Net Proceeds as provided in Section 6.15.

Section 6.13. Title. Title to the Equipment and any and all additions, repairs, replacements or modifications thereto shall at all times be in the Lessee, subject to the Lender's rights under this Agreement and the related Lease. Upon the Lessee's payment in full of all Required Payments, Lender, at the Lessee's expense and request, shall cancel the related Lease.

Section 6.14. No Encumbrance, Mortgage or Pledge of Equipment.

(a) The Lessee shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics' and materialmen's liens), charge, encumbrance or other claim in the nature of a lien on or with respect to the Equipment. The Lessee shall promptly, at its own expense, take such action as may be duly necessary to discharge any such mortgage, pledge, lien, charge, encumbrance or claim not excepted above which it shall have created, incurred or suffered to exist.

(b) The Lessee shall reimburse Lender for any expense incurred by Lender to discharge or remove any such mortgage, pledge, lien, security interest, encumbrance or claim, with interest thereon at the Prime Rate.

Section 6.15. Damage and Destruction; Use of Net Proceeds.

(a) The Lessee shall promptly notify Lender if (i) the Equipment or any portion thereof is stolen or is destroyed or damaged by fire or other casualty, (ii) a material defect in the installation of the Equipment shall become apparent, or (iii) title to or the use of all or any portion of the Equipment shall be lost by reason of a defect in title. Each notice shall describe generally the nature and extent of such damage, destruction or taking.

(b) The Lessee shall apply the Net Proceeds, (i) to the prompt completion, repair or restoration of the Equipment, (and pay any costs in excess of Net Proceeds, if necessary), or (ii) together with other available funds as may be necessary, to the prepayment of all outstanding Required Payments under the related Lease pursuant to Section 3.03. The Lessee shall promptly report to Lender regarding the use of Net Proceeds.

(c) Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of Net Proceeds shall be the Lessee's property and shall be part of the Equipment.

**ARTICLE VII
DEFAULTS AND REMEDIES; TERMINATION**

Section 7.01. Events of Default. An "*Event of Default*" under a Lease is any of the following:

(a) Except as provided in Section 7.04 hereof, the Lessee's failing to make any Base Payment under the Lease when due.

(b) The Lessee's breaching or failing to perform or observe any term, condition or covenant of this Agreement on its part to be observed or performed, other than as provided in subsection (a) of this Section, including payment of any Additional Payment, for a period of 15 days after written notice specifying such failure and requesting that it be remedied shall have been given to the Lessee by Lender, unless Lender shall agree in writing to an extension of such time prior to its expiration.

(c) The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law by or against the Lessee as a debtor, or the appointment of a receiver, custodian or similar officer for the Lessee or any of its property, and the failure of such proceedings or appointments to be vacated or fully stayed within 30 days after the institution or occurrence thereof.

(d) Any warranty, representation or statement made by the Lessee in this Agreement or the Lease is found to be incorrect or misleading in any material respect on the Closing Date (or, if later, on the date made).

(e) Any lien, charge or encumbrance affecting the validity of the Lease or this Agreement, is found to exist, or proceedings are instituted against the Lessee to enforce any lien, charge or encumbrance against the related Equipment .

(f) The Lessee's failing to pay when due any principal of or interest on any of its general obligation debt.

Section 7.02. Remedies on Default. Upon the continuation of any Event of Default, Lender may, without any further demand or notice, exercise any one or more of the following remedies:

(a) Declare the unpaid principal components of the Base Payments under the Lease immediately due and payable;

(b) Proceed by appropriate court action to enforce the Lessee's performance of the applicable covenants of this Agreement or to recover for the breach thereof;

(c) As provided in Article IV hereof, pay over any balance remaining in the Project Fund to be applied against outstanding Base Payments under the Lease in any manner Lender may reasonably deem appropriate; and

(d) Avail itself of all available remedies under this Agreement, and recovery of attorneys' fees and other expenses.

Section 7.03. RESERVED.

Section 7.04. Consequences of Nonappropriation. Upon an Event of Nonappropriation, the Lessee shall have no further obligation to pay Base Payments beyond the end of the Fiscal Year for which amounts have been appropriated for Base Payments. Each Lease shall terminate on the last day of the Fiscal Year for which amounts have been appropriated for Base Payments without any penalty to the Lessee whatsoever. The Lessee agrees to peaceably surrender possession the Equipment to Lender or its assignees on the first day of the Fiscal Year to which the Event of Nonappropriation applies, packed for shipment in accordance with manufacturer specifications and freight prepaid and insured to any location in the continental United States as designated by Lender.

In addition, upon the occurrence of any Event of Nonappropriation, Lender may, without any further demand or notice, take action with respect to the Lessee and the Equipment as contemplated in Section 7.05 hereof.

Section 7.05. Possession of Equipment. Upon the continuation of an Event of Default or the occurrence of an Event of Nonappropriation, the Lessee shall immediately lose the right to possess, use and enjoy the Equipment (but may remain in possession of the Equipment as a lessee at will of Lender), and thereupon the Lessee (a) shall pay monthly in advance to Lender a fair and reasonable rental value for the use and possession of the Equipment (in an amount Lender shall determine in its reasonable judgment), and (b) upon Lender's demand, shall deliver possession of the Equipment to Lender or, at Lender's direction, to any purchaser of the Equipment after an execution sale.

In addition, upon the continuation of any Event of Default or the occurrence of an Event of Nonappropriation, Lender, to the extent permitted by law, is hereby authorized to (i) take possession of the Equipment, with or without legal action, (ii) lease the Equipment, (iii) collect all rents and profits therefrom, with or without taking possession of the Equipment, and (iv) after deducting all costs of collection and administration expenses, apply the net rents and profits first to the payment of necessary maintenance and insurance costs, and then to the Lessee's account and in reduction of the Lessee's corresponding Required Payments in such fashion as Lender shall reasonably deem appropriate. Lender shall be liable to account only for rents and profits it actually receives.

Section 7.06. No Remedy Exclusive; Delay Not Waiver. All remedies under this Agreement and each Lease are cumulative and may be exercised concurrently or separately. The exercise of any one remedy shall not be deemed an election of such remedy or preclude the exercise of any other remedy. If any Event of Default shall occur and thereafter be waived by Lender, such waiver shall be limited to the particular breach so waived and shall not be deemed a waiver of any other breach under this Agreement or any Lease.

Section 7.07. Payment of Costs and Attorney's Fees. If Lender employs an attorney to assist in the enforcement or collection of Required Payments, or if Lender voluntarily or otherwise shall become a party to any suit or legal proceeding (including a proceeding conducted under any state or federal bankruptcy or insolvency statute) to protect the Equipment, to enforce collection of the Required Payments or to enforce compliance by the Lessee with any of the provisions of this Agreement or any Lease, the Lessee, to the extent permitted by law, agrees to pay reasonable attorneys' fees and all of the costs that may reasonably be incurred (whether or not any suit or proceeding is commenced), and such fees and costs (together with interest at the Prime Rate) shall be secured as Required Payments.

ARTICLE VIII WIRE TRANSFER REQUIREMENTS

In order to prevent unauthorized or fraudulent wire transfers through cyber fraud and other means, Lender and the Lessee hereby agree to the provisions of this Article VIII.

Section 8.01. Wire Transfer Requirements. In the event a wire transfer is made by Lender to disburse funds as contemplated by this Agreement (a "*Disbursement*"), said wire transfer shall be delivered as directed in a written "*Disbursement Authorization*" provided to Lender by a representative of the Lessee, subject to the terms and conditions set forth in this Article.

For the purposes of this Article, a representative of the Lessee shall include employees and elected and/or appointed officials of the Lessee, bond counsel, the Lessee's legal counsel or the Lessee's financial advisor.

Section 8.02. Verification Procedures. Prior to making any Disbursement pursuant to a Disbursement Authorization not delivered to Lender in person by a representative of the Lessee, Lender shall verify such Disbursement Authorization verbally via telephone communication with a representative of the Lessee. The Lessee shall ensure that a representative of the Lessee will provide such verification to Lender. The Lessee shall not disclose, or allow to be disclosed, such Lender verification procedures to any third party unless there is a legitimate business need to make such disclosure or such disclosure is required by law, and the Lessee accepts the risk of such third-party knowledge of the security procedures. If the Lessee has reason to believe that a security procedure has been obtained by or disclosed to an unauthorized person or learns of any unauthorized transfer or of any discrepancy in a transfer request, then the Lessee shall notify Lender immediately.

Section 8.03. Payee Identification. The Lessee is solely responsible for accurately identifying the wire transfer information contained in the Disbursement Authorization delivered to Lender by a representative of the Lessee, including but not limited to the bank name and its ABA number, beneficiary's account name and account number and beneficiary's physical address, together with other information requested by Lender (collectively, "*Remittance Instructions*"). If the Remittance Instructions describe a beneficiary inconsistently by name and account number, the Lessee acknowledges that Lender may make payment on the basis of the account number alone, that Lender is not obligated to detect such errors, and that the Lessee assumes the risk of any loss resulting therefrom.

Section 8.04. Duty to Reconcile Written Confirmation. Upon request from a representative of the Lessee, Lender shall use its best efforts to send a representative of the Lessee written confirmation of the Disbursement in the form of a reference number, beneficiary name and wire amount. A representative of the Lessee shall promptly review and reconcile the written confirmation of the Disbursement sent by Lender, and shall report to Lender in writing, promptly, but in no event later than ten (10) Business Days after the date of such written confirmation, any unauthorized, erroneous, unreceived or improperly executed payment. Lender and the Lessee agree that ten (10) Business Days is a reasonable time for the detection and reporting to Lender of such information. After that time, all items on the written confirmation will be considered correct and the Lessee will be precluded from recovering from Lender if such wire transfer identified in the written confirmation was actually made by Lender. For the avoidance of doubt, any such writings can be provided electronically.

Section 8.05. Unauthorized Payments. Notwithstanding any other provision herein, if a Disbursement has been verified by a representative of the Lessee pursuant to Section 8.02, it shall be binding on the Lessee if Lender acted in good faith in making such Disbursement.

Section 8.06. Recordation. Lender may record any telephone conversation between Lender and a representative of the Lessee in order to reduce the risk of unauthorized or erroneous transfers. Lender may retain such recordings for as long as Lender may deem necessary.

Section 8.07 Indemnification and Hold Harmless. If Lender complies with the provisions of this Article VII, the Lessee agrees that Lender shall not be responsible for any communication or miscommunication by a representative of the Lessee, and the Lessee further agrees to indemnify, to the extent allowed by law, Lender and hold Lender harmless from and against any and all losses, claims, expenses, suits, costs or damages, demands or liabilities of whatever kind or nature, whether now existing or hereafter relating in any way to a wire transfer made pursuant to the Agreement or the Project Fund Agreement.

Section 8.08. Applicable Law. All wire transfer orders are governed by Article 4A of the UCC, except as any provisions thereof that may be and are modified by the terms hereof. If any part of the applicable wire transfer order involves the use of the Fedwire, the rights and obligations of Lender and the Lessee regarding that wire transfer order are governed by Regulation J of the Federal Reserve Board.

ARTICLE IX MISCELLANEOUS

Section 9.01. Notices.

- (a) Any communication required or permitted by this Agreement must be in writing.
- (b) Any communication under this Agreement shall be sufficiently given and deemed given when delivered by hand, on the date shown on a certified mail receipt, or delivery receipt from a national commercial package delivery service or five days after being mailed by first-class mail, postage prepaid, if addressed as follows:
 - (i) If to the Lessee, to [Lessee], Attention: _____, [Address]; or
 - (ii) If to Lender, to Truist Bank, 5130 Parkway Plaza Boulevard, Charlotte, North Carolina 28217, Attention: Governmental Finance.
- (c) Any addressee may designate additional or different addresses for communications by notice given under this Section to each of the others.

Section 9.02. No Assignments by Lessee. The Lessee shall not sell or assign any interest in this Agreement or any Lease.

Section 9.03. Assignments by Lender. Lender may, at any time and from time to time, assign all or any part of its interest in the Equipment or any Lease, including, without limitation, Lender's rights to receive Required Payments. Any assignment made by Lender or any subsequent assignee shall not purport to convey any greater interest or rights than those held by Lender pursuant to this Agreement.

The Lessee agrees that a Lease may become part of a pool of obligations at Lender's or its assignee's option. Lender or its assignees may assign or reassign all or any part of any Lease,

including the assignment or reassignment of any partial interest through the use of certificates evidencing participation interests in any Lease. Notwithstanding the foregoing, no assignment or reassignment of Lender's interest in the Equipment or any Lease shall be effective unless and until the Lessee shall receive written notice disclosing the name and address of each such assignee.

The Lessee agrees to execute any document reasonably required in connection with any assignment. Any assignor must provide notice of any assignment to the Lessee, and the Lessee shall keep a complete and accurate record of all assignments as required by the Code. After the giving of any such notice, the Lessee shall thereafter make all payments in accordance with the notice to the assignee named therein and shall, if so requested, acknowledge such assignment in writing, but such acknowledgment shall in no way be deemed necessary to make the assignment effective.

Section 9.04. Amendments. No term or provision of this Agreement or any Lease may be amended, modified or waived without the prior written consent of the Lessee and Lender.

Section 9.05. Governing Law. The Lessee and Lender intend that State law shall govern this Agreement.

Section 9.06. Liability of Officers and Agents. No officer, agent or employee of the Lessee shall be subject to any personal liability or accountability by reason of the execution of this Agreement or any other documents related to the transactions contemplated by this Agreement. Such officers or agents shall be deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section shall not relieve an officer, agent or employee of the Lessee from the performance of any official duty provided by law.

Section 9.07. Severability. If any provision of this Agreement or any Lease shall be determined to be unenforceable, that shall not affect any other provision of this Agreement or any Lease.

Section 9.08. Non-Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right shall not be a Business Day, such payment shall be made or act performed or right exercised on or before the next preceding Business Day.

Section 9.09. Entire Agreement. This Agreement and each Lease constitutes the Lessee's entire agreement with respect to the general subject matter covered by this Agreement and each Lease.

Section 9.10. Binding Effect. Subject to the specific provisions of this Agreement and each Lease, and in particular, Section 9.03 hereof, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

[Remainder of Page Left Blank]

IN WITNESS WHEREOF, the parties have duly signed and delivered this Agreement by their duly authorized officers, all as of the date first above written.

Attest:

[LESSEE]

By: _____
Name:
Title:

By: _____
Name:
Title:

TRUIST BANK

By: _____
Name:
Title:

[Master Lease Agreement dated [Date], between [Lessee] and Truist Bank]

“CITY”:

Witnesses:

CITY OF POMPANO BEACH

By: _____
REX HARDIN, MAYOR

By: _____
GREGORY P. HARRISON, CITY MANAGER

Attest:

KERVIN ALFRED, CITY CLERK

(SEAL)

Approved As To Form:

MARK E. BERMAN, CITY ATTORNEY

EXHIBIT A -- FORM OF SCHEDULE

SCHEDULE NO. __ to Master Lease Agreement

[Closing Date]

This Schedule (this "Schedule") relates to the Master Lease Agreement dated as of [Date] (the "Agreement") between the undersigned Lender and Lessee, together with the terms and conditions of the Agreement incorporated herein by reference, constitutes a Lease. Unless otherwise defined herein, capitalized terms will have the same meaning ascribed to them in the Agreement. All terms and conditions of the Agreement are incorporated herein by reference.

1. Equipment Description. As used in the Lease, "Equipment" means all of the property described in Exhibit 1 attached to this Schedule and all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto.
2. Amount Advanced Amount. [The Amount Advanced for the Equipment is \$ _____ which amount shall be paid to Lessee or its designees pursuant to Lessee's written direction.][The Amount Advanced for the Equipment is \$ _____ which amount shall be deposited in the Project Fund.]
3. Base Payments; Lease Term. The Base Payments to be paid by Lessee to Lender under this Schedule are set forth on the Payment Schedule attached to this Schedule as Exhibit 2.
4. Prepayment. At its option on any scheduled payment date, the Lessee may prepay the outstanding principal component of the Amount Advanced under this Lease, and thereby obtain ownership of the Equipment under this Lease free Lender's interest in such Equipment, by paying (a) all Additional Payments then due and payable, (b) all interest accrued and unpaid to the prepayment date under this Lease, and (c) (x) in the case of prepayments on or before [_____], 101% of the outstanding principal component of the Amount Advanced under such Lease and (y) thereafter, 100% of the outstanding principal component of the Amount Advanced under such Lease; and provided that any prepayment in part shall be limited to one prepayment per year.
5. Essential Use; Current Intent of Lessee. Lessee represents that (a) the use of the Equipment is essential to Lessee's proper, efficient and economic functioning or to the services that Lessee provides to its citizens, (b) the Equipment will be used by Lessee only for the purpose of performing its governmental or proprietary functions consistent with the permissible scope of its authority and will not be used in a trade or business of any person or entity, and (c) the useful life of the Equipment is not less than the stated full term of this Schedule. Lessee has determined that a present need exists for the Equipment which need is not temporary or expected to diminish in the near future. Lessee currently intends for the full term of this Schedule to use the Equipment; and to continue this Schedule.

6. Representations, Warranties and Covenants. Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement are true and correct as though made on the date of execution of this Schedule.

IN WITNESS WHEREOF, the parties have duly signed and delivered this Schedule by their duly authorized officers, all as of the date first above written.

Attest:

[LESSEE]

By: _____
Printed Name:
Title:

By: _____
Printed Name:
Title:

TRUIST BANK

By: _____
Printed Name:
Title:

Equipment Description

The Equipment consists of the following:

Payment Schedule

Closing Date: _____, 20____

Interest Rate: _____%

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Base Payment</u>	<u>Outstanding Balance*</u>
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Total

***After payment of Base Payment on corresponding Payment Date.**

EXHIBIT B - FORM OF PROJECT FUND REQUISITION

[TO BE PREPARED ON LESSEE’S LETTERHEAD FOR SUBMISSION]

PROJECT FUND REQUISITION

[Date] _____

Email requisitions to: GFProjectfunds@bbandt.com

Requisition Team

Truist Bank

Direct Dial: (252) 296-0452 or (252) 296-0659

RE: Request for disbursement of funds from the Project Fund related to Schedule No. ___ dated [Closing Date] under Master Lease Agreement dated [Date] between the [Lessee] and Truist Bank

To Whom It May Concern,

Pursuant to the terms and conditions of the Schedule No. dated as of [Closing Date] (the “Agreement”) between [Lessee] (“Lessee”) and Truist Bank (“Lender”), the Lessee requests the disbursement of funds from the Project Fund established under the Agreement for the following Project Costs:

This is requisition number ____ from the Project Fund.

Disbursements will be to the [Lessee].

Amount: \$_____

Attach copies of Certificates of Origin or Titles and applicable vendor invoices when submitting.

Project Description:

Location of Equipment/Project:

To receive funds via wire transfer please include:

ABA Routing Number:

Account Number:

Physical address of Lessee: [Lessee], [Address], Attention: _____

The Lessee makes this requisition pursuant to the following representations:

1. The Lessee has appropriated in its current fiscal year funds sufficient to pay the Base Payments and estimated Additional Payments due in the current Fiscal Year.
2. The purpose of this disbursement is for partial payment of the cost of the Project provided for under the Agreement referenced above.
3. The requested disbursement has not been subject to any previous requisition.
4. No notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable herein to any of the persons, firms or corporations named herein has been received, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this requisition.
5. This requisition contains no items representing payment on account of any percentage entitled to be retained on the date of this requisition.
6. No Event of Default is continuing under the Agreement, and no event or condition is existing which, with notice or lapse of time or both, would become an Event of Default.
7. The Lessee has in place insurance on this portion of the Project that complies with the insurance provisions of the Agreement.
8. Each amount requested for payment in this requisition either (a) represents a reimbursement to the Lessee for a Project Cost expenditure previously made, and such reimbursement complies with the provisions of the Code (generally, an issuer may reimburse a prior expenditure out of tax-exempt bond proceeds if (i) the issuer has declared its "official intent" to reimburse the expenditure no later than 60 days after the date the expenditure is paid *and* (ii) the expenditure is being reimbursed no later than the end of the permitted "reimbursement period" of at least 18 months, and at most 3 years, from the date the expenditure was paid), or (b) will be used by the Lessee promptly upon the receipt of funds from Lender to make payments for Project Costs to third parties described in this requisition. [Note: adjust for taxable transactions]

Capitalized terms used in this requisition have the meanings ascribed in the Agreement.

Attached is evidence that the amounts shown in this requisition are properly payable at this time, such as bills, receipts, invoices, architects' payment certifications or other appropriate documents.

IF REQUEST IS FINAL REQUEST, CHECK HERE .

[LESSEE]

By: _____

Printed Name: _____

Title: _____

EXHIBIT C – FORM OF CERTIFICATE
DESIGNATING LESSEE REPRESENTATIVES AND OFFICIAL CUSTODIAN

In accordance with the terms of the Master Lease Agreement dated [Date] (the “Agreement”) between [Lessee] (the “Lessee”) and Truist Bank (“Lender”), the Lessee designates the following persons as Lessee Representatives authorized to sign requisitions to withdraw funds from each Project Fund account (as such terms are defined in the Agreement):

Printed Name:

Signature:

_____	_____
_____	_____
_____	_____
_____	_____

The Lessee designates the person listed below an Official Custodian for the purposes of the Federal Deposit Insurance Corporation. The person listed below is an officer, employee or agent of the Lessee who has plenary authority, including control, over funds owned by the Lessee. Control of public funds includes possession of, as well as the authority to establish, accounts in an insured depository institution and to make deposits, withdrawals and disbursements. The Official Custodian on the account is considered the insured depositor.

Printed Name:

Signature:

Last 4 Numbers of
SSN¹:

Date of
Birth:

_____	_____	_____	_____
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Upon written notification to Lender, the Lessee may update (a) Lessee Representatives to sign requisitions, or (b) the Official Custodian.

[LESSEE], Florida

Name:

Title:

**The Official Custodian must provide a copy of his/her driver’s license.*

¹ The last 4 digits of the official custodian’s social security number will be used only to differentiate the official custodian from other Lender account holders with the same name.